

**PRESIDENT**

Welcoming New Members

JAY PONAZECKI | PAGE 7



**EXECUTIVE DIRECTOR**

Bucket List

SAMUEL KIDDER | PAGE 54

# Journal

SEPTEMBER 2014 VOL. 51, ISSUE 9

## History of Giving

**ACCJ CHARITY BALL:**

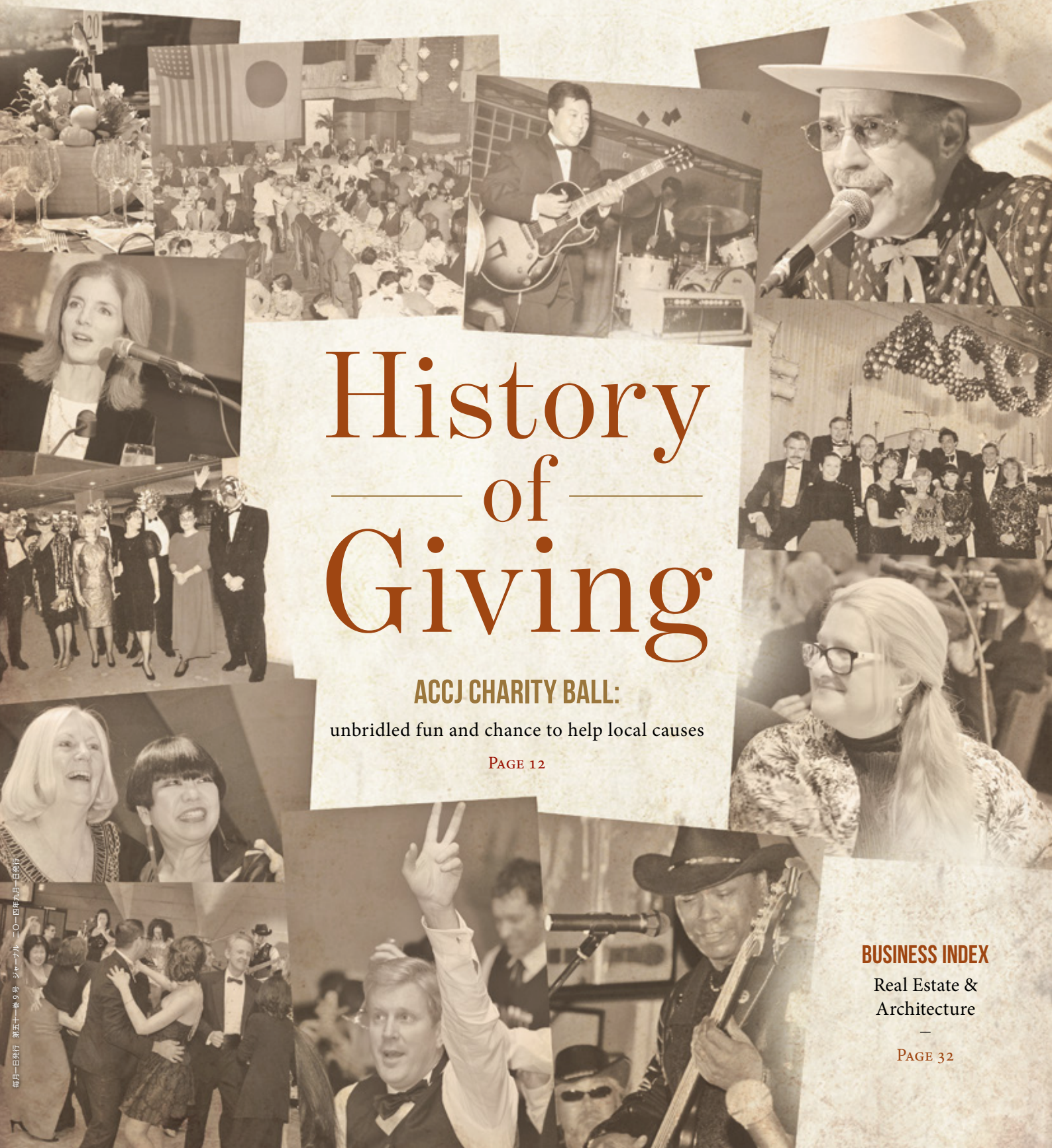
unbridled fun and chance to help local causes

PAGE 12

**BUSINESS INDEX**

Real Estate &  
Architecture

PAGE 32



毎月一日発行 第五十一巻 9号 シン・カナル 二〇一四年九月一日発行



KEEP CLIMBING



# PROUD TO BE YOUR GATEWAY TO THE AMERICAS.

We offer more nonstop flights to U.S. from Japan than any other airline. Delta provides direct access to 7 U.S. mainland gateways and more than 300 destinations across the Americas including the Caribbean. From Haneda we can take you to Los Angeles and Seattle every day. As a global airline, we will keep offering you the most convenient connections to the Americas.

[DELTA.COM](http://DELTA.COM)





37

## 7—President | Increased Presence

Welcoming New Members  
JAY PONAZECKI

## 9—Editor | Giving Back

Change is Brewing  
BRANDI GOODE

## 12—Cover Story | CSR

History of Giving  
BARBARA HANCOCK AND  
KEVIN NAYLOR

## 14—Embassy | Health & Energy

Full Charge for Bilateral Commerce  
ANDREW WYLEGALA

## 17—ACCJ Event | Kansai

Learning from a Master Storyteller  
ROSE TANASUGARN

## 18—Press | Member News

- New Trans-Pacific Cable System
- Tech Firm Gets Startup Support
- Steakhouse Earns Its Chops
- Makers Team Up for Battery Plant
- ANA First to Fly Stretch Plane

## 19—Press | US–Japan News

- Robots Mimic Origami
- Comparing Education Cultures
- Program Aims to Fight Space Junk
- Onsen Fit for a President
- Surge Seen in Inbound Japan Travel

## 21—Drink | Brewers

The Business of Beer  
US brewers find a sweet spot in Japan  
MARTIN FOSTER

## 24—Cool Japan | Beginnings

Cultures Intertwined  
ROLAND KELTS

## 27—Diversity | Houses

Building Your Dream Home  
JOHN GHANOTAKIS, AMIR KHAN,  
AND TIMOTHY TRAHAN

## 28—Real Estate | Office Leasing

Vying for Space  
Tokyo's vacancy rates plummet  
while rents soar

## 32—Business Index | Real Estate & Architecture

## 33—Relocation | Interview

Bouncing Back  
Tokyo still an important player  
in the Asia-Pacific region  
BRANDI GOODE

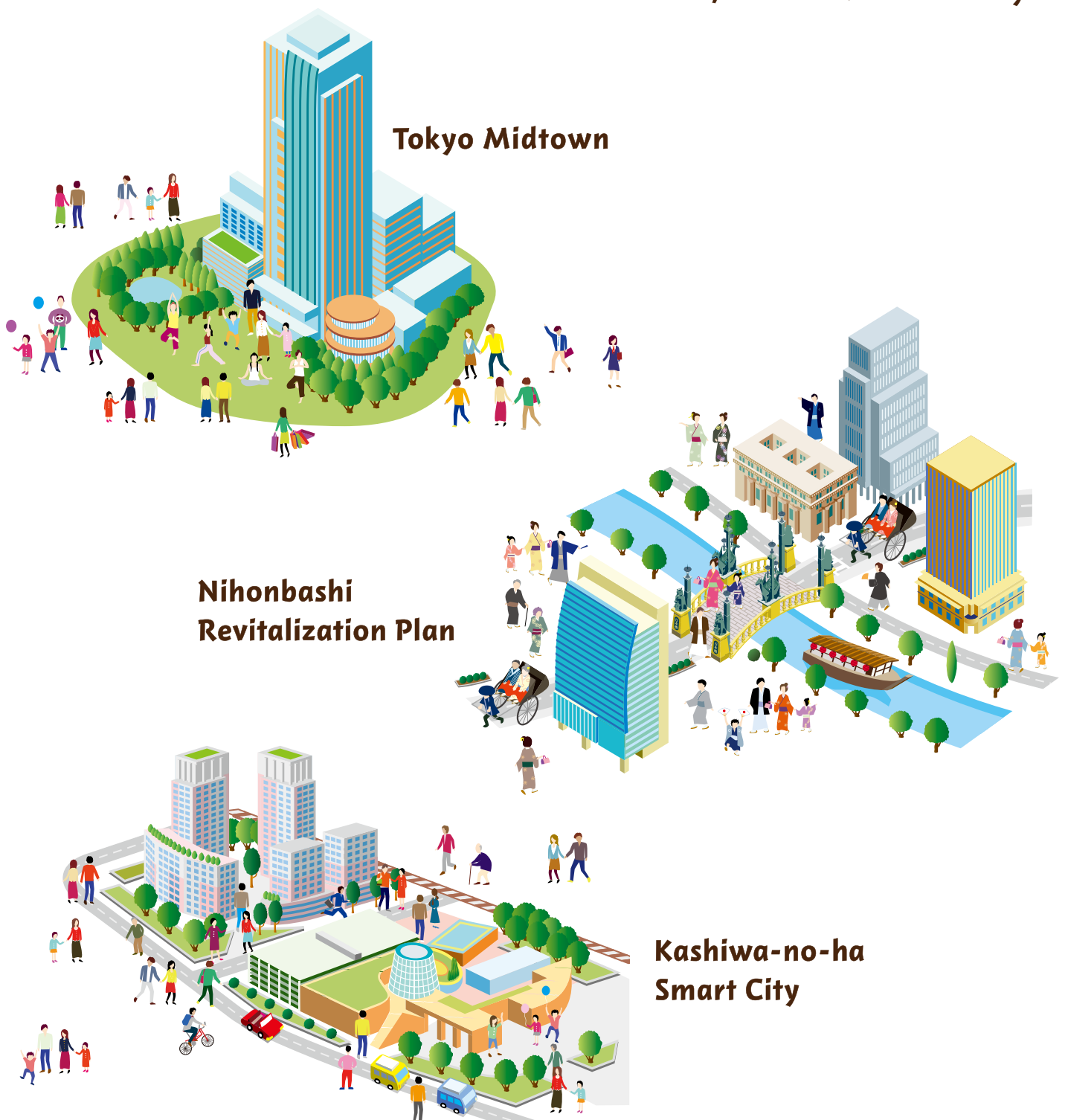
## 37—Architecture | Sports

Politics in a Helmet  
Olympic project receiving  
unjust criticism  
RICCARDO TOSSANI



# A Tokyo for Working, Living and Enjoying.

The diversity of Tokyo forms the vision of Mitsui Fudosan,  
a leading real estate company. For the Tokyo  
of tomorrow, our work starts today.



Office Buildings   Housing   Retail Properties   Hotels & Resorts   Logistics



**MITSUI FUDOSAN**



# SEPTEMBER 2014



41



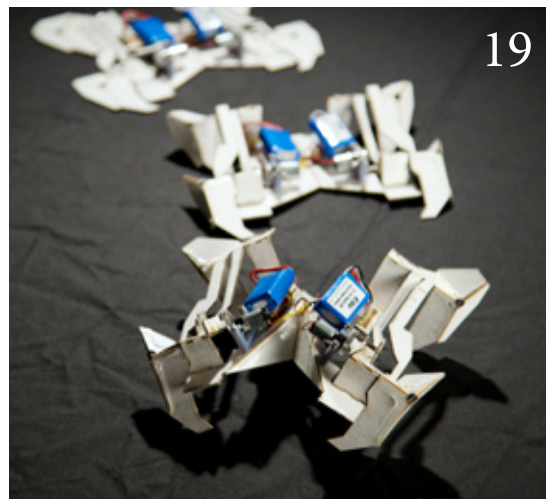
21



24



28



19



38

## 38—Music | Crossing Borders

All-American Rock Star and *Tarento*

BRANDI GOODE

## 41—Travel | Walking

Step Back in Time

Tour operator's treks retrace history

VICKI L. BEYER

## 45—Diversity | Boards

Asking the Tough Questions

Interview with Sakie Fukushima

BRANDI GOODE

## 46—Economy | Advocacy

Reforms Point to Lasting Change

JOHN AMARI

## 49—ACCJ Events |

Past and Planned

## 50—HR | Communication

Can You Read the Air?

ANDREW SILBERMAN

## 52—Advocacy | Roundup

The Third Pillar

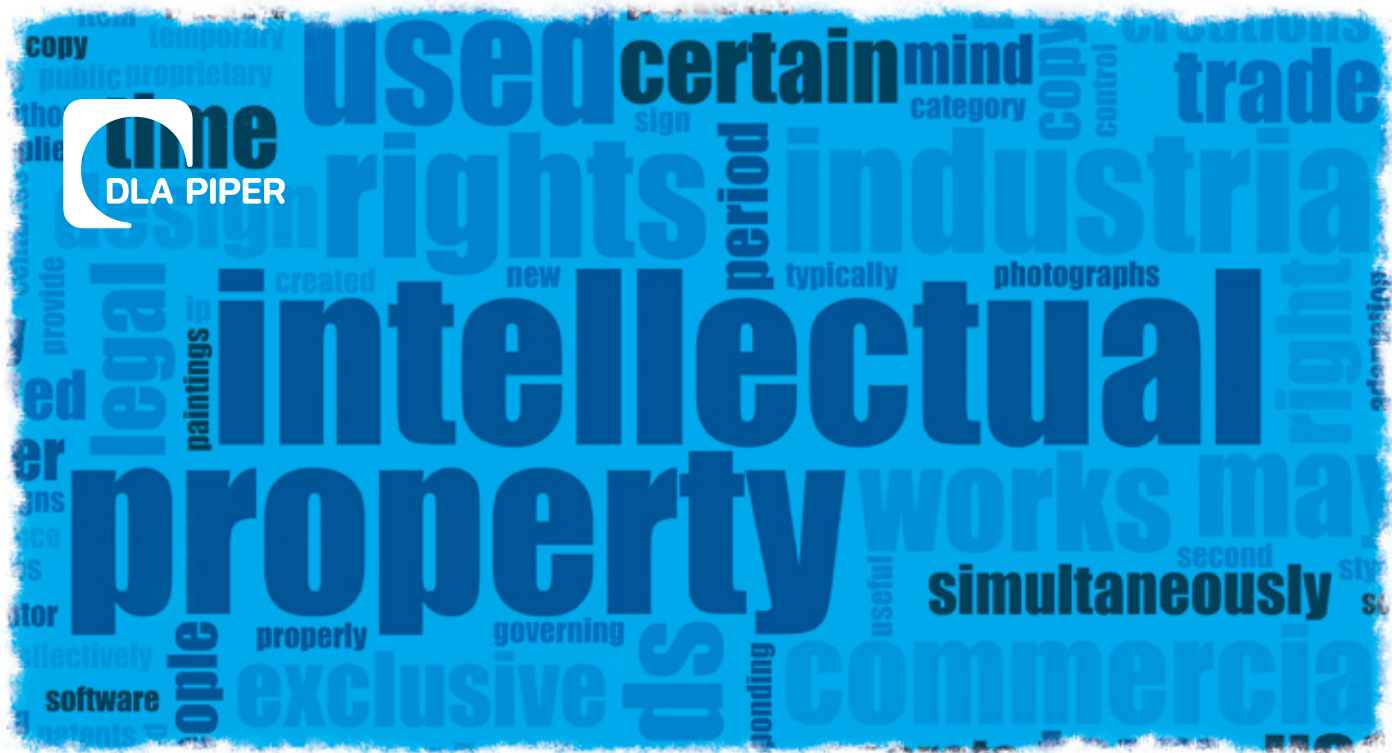
- Dietary Supplements Subcommittee
- Energy Committee
- Toiletries, Cosmetics & Fragrances Committee

## 53—ACCJ Corporate Sustaining Member Companies

## 54—Executive Director | Home Stretch

Bucket List

SAMUEL KIDDER



DLA PIPER IS PLEASED TO ANNOUNCE OUR  
**SECOND ANNUAL GLOBAL  
IP SYMPOSIUM**

- **Osaka** – 11 Nov 2014  
(in conjunction with  
Daiichi Law Firm and  
Fukami Patent Firm)
- **Tokyo** – 13 Nov 2014

DLA Piper is a global law firm with 4,200 lawyers located in more than 30 countries throughout the Americas, Asia-Pacific, Europe and the Middle East, positioning us to help companies with their legal needs anywhere in the world.

[www.dlapiper.com](http://www.dlapiper.com)



# WELCOMING NEW MEMBERS



Jay Ponazecki jponazecki@accj.or.jp

Please join me in welcoming nearly 250 new members who joined the Chamber during the two-month Entrance Fee Waiver Campaign that took place immediately after the Women in Business Summit. This year we received more than double the number of new applications we received during the three-month campaign after the 2013 Summit.

Earlier this year, 21.3 percent of ACCJ members were women, and, as of August 1, 24.1 percent of ACCJ members were women. As we were still processing all the new applications when this month's *ACCJ Journal* went to print, we expect that percentage to increase to at least 25 percent. We are well on our way to having women comprise at least 30 percent of ACCJ members by 2020 (if not before), in support of Prime Minister Shinzo Abe's goal of having women in 30 percent of management positions by 2020. Many thanks to everyone who helped make this campaign a success.

## Increased Media Coverage Across More Varied Platforms

I want to share some exciting developments regarding the ACCJ's media presence. The Chamber has been ramping up its social media presence through increased posts with more varied content on Facebook, Twitter and LinkedIn. With the increase in platforms that enable video content, we also are continuing to explore how best to convey our messages to members, potential members, the public and key stakeholders in the government, industry and academia.

In addition to the new video blog I recently launched ([accj.or.jp/en/news-a-media/accj-video-blog](http://accj.or.jp/en/news-a-media/accj-video-blog)), we continue to update our YouTube channel ([www.youtube.com/user/AmChamJapan/videos](http://www.youtube.com/user/AmChamJapan/videos)) as we develop new content. Please subscribe to get alerts when new content is available.

In addition, the Chamber has been featured in video by some prominent news outlets. Nick Benes, Chair of our Growth Strategy Task Force, was featured in early July on NHK World's Asia Business Forecast. (<http://www3.nhk.or.jp/nhkworld/english/tv/asiabiz/archives201407030600.html>). I also appeared on BS Fuji Prime News in July to discuss some of the challenges Japan faces in attracting FDI, with Japanese Diet Member Daishiro Yamagiwa. It was a lively and thoughtful discussion, and a great opportunity to broadly disseminate some of the ACCJ's core messages developed by our dedicated committee leaders on how to create a more inviting

environment for FDI into Japan ([http://www.bsfuji.tv/primenews/special/movie\\_accj\\_pc\\_e0.html](http://www.bsfuji.tv/primenews/special/movie_accj_pc_e0.html)). Earlier this year, I discussed similar issues on behalf of the Chamber in video content by Reuters and Dennis Wholey's "This Is America & the World."

This year the ACCJ has received more mentions in traditional media than in the past, due in part to the wide acclaim of the Women in Business Summit and the hard work of, among others, the Growth Strategy Task Force and the Healthcare Committee.

## US-Japan Healthcare Dialogue and Advocacy Best Practices

The U.S. Department of Commerce and the Japanese Ministry of Health, Labour and Welfare (MHLW) plan to continue their bilateral discussions on healthcare issues. These talks go back more than 30 years, and most recently under the framework of the Economic Harmonization Initiative. After a period of inactivity, Commerce is looking forward to these important discussions this month in Tokyo, in preparation for a visit by the Secretary of Commerce in October.

The ACCJ's activities related to this development are fine examples of what ACCJ committees can do in terms of advocacy. In preparation for these talks, Commerce asked the ACCJ Healthcare Committee, chaired by Bill Bishop, to prepare an industry submission of issues we would like Commerce to raise with the MHLW. The core issues that members want to raise are primarily positions currently being advocated in ACCJ viewpoints (see page 52). This underscores the importance of having up-to-date viewpoints reflecting issues of concern to committee members, as well as information sharing and networking. Not all Chamber committees focus on advocacy.

By reaching out to its members, the committee also identified additional recommendations for Commerce to discuss with the MHLW, including allowing new drug submissions in English and increasing the transparency of biennial pricing research into actual market prices, which is used to guide price revisions but is not shared with industry.

If you have any questions regarding the Chamber's advocacy initiatives, how you can get more involved in these efforts, or how to prepare a viewpoint, please speak with Sam Kidder or Ethan Schwalbe. •

# Let us put you on the road to success



Accelerating  
success

## Your alternative to real-estate-as-usual

Real estate advisory without the typical conflicts of interest.

Specializing in Corporate:

- Lease Renegotiation
- New Leases/Relocations
- Acquisitions/Dispositions
- Lease Portfolio Optimization
- Valuations and Appraisals
- Project Management

---

[www.colliers.com](http://www.colliers.com)



# CHANGE IS BREWING



**Brandi Goode**  
brandi@custom-media.com

**L**ike many foreign residents of Japan, I feel abundant gratitude for the life I'm able to lead here. Daily frustrations crop up, as they would just about anywhere, but the overall quality of life in Japan is so high that the good nearly always outweighs the bad.

Often, the opportunities for giving back are not self-evident. You can contribute time or money, perhaps our most valuable resources—but where to focus your efforts?

Our cover story (see page 12) is about one way the ACCJ supports the community in Japan, namely the annual Charity Ball. As of 2013,

there were some 65,000 general and specific nonprofit corporations in Japan, a staggering figure for sorting out where your donations should go. The Charity Ball Committee does the hard part for you by researching the many fine organizations in need of support; all you have to do is register and turn up. And bidding on the auction items wouldn't hurt either.

## Crafty creations

Despite a few recent deceptively breezy evenings, the humidity in Tokyo threatens to linger a bit longer. On particularly oppressive nights, a frosty beverage is called for. Three American brewers who are shaping the future of beer consumption in Japan are featured in another article (see page 21).

Having lived in Denver, I've been delighted with the proliferation of one Colorado native brew in particular since its Japan market entry last year. Sponsored by Blue Moon, the Omohara Beer Forest atop the Tokyu Plaza building in Omotesando is a classy alternative to the *nomihodai* offerings at other urban beer gardens. Visit the leafy "Natural Terrace" until September 28 for a welcome urban retreat.

**As of 2013, there were some 65,000 general and specific nonprofit corporations in Japan.**

Tokyo dwellers can certainly attest to the craft beer revolution that is sweeping the city. Every time I turn around there seems to be a new establishment offering *ji-biru*, which only became legal here in the early 1990s, following deregulation. Readers can sample some lesser-known local brews at the Great Japan Beer Festival, reportedly the largest craft beer festival in Asia. Launched in 1998, the international event will take place this year on September 13–15.

## Cool quotient

This month, I'm excited to announce the inaugural contribution from Roland Kelts. While our last high-profile writer, Robert Whiting, recounted anecdotes from Tokyo's past, Kelts's Cool Japan column (see page 24) will explore how Japan is redefining its modern identity. His entertaining insights will undoubtedly demonstrate how this national strategy could translate into new business opportunities.

Finally, in response to persistent feedback about the font size used in the magazine, we've revised the text so that it is noticeably larger. So, put away your bifocals, and I hope you enjoy the September issue. •



**ASIAN TIGERS**  
MOBILITY



**Full relocation and mobility services  
to and from anywhere in the world.**

Specialists in the art of moving  
No obligation, free estimate and quotation  
Experienced and trusted movers.

- > Cambodia
- > China
- > Hong Kong
- > Indonesia
- > Japan
- > Laos
- > Malaysia
- > Philippines
- > Singapore
- > South Korea
- > Taiwan
- > Thailand
- > Vietnam

Customer Hotline: +81 (0)3 6402 2371

Email: [sales@asiantigers-japan.com](mailto:sales@asiantigers-japan.com)

[www.asiantigers-japan.com](http://www.asiantigers-japan.com)





## PRESIDENT

**Jay Ponazecki**

Morrison & Foerster, Ito & Mitomi

## CHAIRMAN

**Christopher J. LaFleur**

McLarty Associates

## TREASURER

**Jack E. Bird**

Zeirishi Hojin PricewaterhouseCoopers

## VICE PRESIDENTS

**Jeffrey S. Bernier** Delta Air Lines, Inc.

**Vicki L. Beyer** Morgan Stanley MUFG Securities Co., Ltd.

**Steve R. Burson** (Chubu) H&R Consultants K.K.

**Andrew J. Conrad** Aflac Japan

**Kiran S. Sethi** (Kansai) Jupiter International Corporation

**Michel D. Weenick** Hilton Worldwide

**Jim R. Weissner** PBXL Inc.

## ACCJ GOVERNORS

**Tim Brett** Coca-Cola (Japan) Co., Ltd.

**Thomas M. Clark** GE International Inc.

**Herman J. Ehrlich** (Kansai) Hilton Osaka; Osaka Hilton Co., Ltd.

**Rebecca K. Green** ERM Japan Ltd.

**C. Lawrence Greenwood, Jr.** MetLife

**Jonathan Kushner** Kreab Gavin Anderson K.K.

**George L. Maffeo** Boeing Japan K.K.

**Junichi Maruyama** Citigroup Japan Holdings Corp.

**Eric W. Sedlak** Jones Day

**Andrew W. Silberman** Advanced Management Training Group

**Yoshitaka Sugihara** Intel K.K.

**William J. Swinton** Temple University, Japan Campus

**Hiroyoshi Watanabe** Amazon Japan K.K.

**Christopher E. Zarodkiewicz** (Chubu) Cezars International K.K.

## PRESIDENTS EMERITI

**Debbie Howard** (2004–2005)

**Charles D. Lake II** (2006–2007)

**Allan D. Smith** (2008)

**Thomas W. Whitson** (2009–2010)

**Michael J. Alfant** (2011–2012)

## SPECIAL ADVISOR

**Kathy Matsui**

## ACCJ EXECUTIVE STAFF

**Samuel H. Kidder** Executive Director

**Laura Younger** Deputy Executive Director

Information as of August 7

The American Chamber of Commerce in Japan

Masonic 39 MT Bldg. 10F, 2-4-5 Azabudai

Minato-ku, Tokyo, Japan 106-0041 | Tel: 03-3433-5381 Fax: 03-3433-8454

[www.accj.or.jp](http://www.accj.or.jp) / <https://japan.careerengine.org/accj/>

The ACCJ is an independent membership organization not affiliated with any government or other chamber of commerce. The ACCJ is a member of the Asia Pacific Council of American Chambers and values its relationships with Japanese, American and other nations' business organizations.



**uniquebydesign.jp**

2013 Company of the Year

**Publisher** Simon Farrell

**President** Robert Heldt

**Studio Manager** Paul Leonard

**Editor-in-Chief** Brandi Goode

**Graphic Designers** Michael Pfeffer  
Ximena Ciales

**Client Services Director** Sam Bird

**Marketing Manager** Megumi Okazaki

**Sales Manager** Leon van Houwelingen

**Account Manager** Jody Pang

**Account Executives** Hiroshi Torobu  
Rick Ahern  
Genevieve Seah

**Video Producer** Gamma Siregar

**Media Coordinator** Kana Shimoyoshi

**To advertise:** [accj@custom-media.com](mailto:accj@custom-media.com)

**Custom Media** Publishers of the ACCJ  
*Journal* for the American  
Chamber of Commerce  
in Japan. Specialists in  
bilingual brand strategy/visual  
communications, corporate  
bespoke solutions. Producers  
of Business in Japan TV.

Daiwa Azabudai Bldg. 6F  
2-3-3 Azabudai, Minato-ku,  
Tokyo 106-0041

Tel: 03-4540-7730

**Warning/Disclaimer** Custom Media and the ACCJ  
will not accept liability for  
any damages caused by the  
contents of the ACCJ *Journal*,  
including, but not limited to,  
any emissions, errors, facts or  
false statements.

Opinions or advice expressed  
in the ACCJ *Journal* are not  
necessarily those of the ACCJ  
or Custom Media.

© 2014 Custom Media K.K.



The ACCJ *Journal* is printed on paper certified by the US Forest Stewardship Council with vegetable oil ink certified by the Japan Printing Ink Makers Association.





# History — of — Giving

ACCJ Charity Ball: unbridled fun and chance to help local causes

By Barbara Hancock and Kevin Naylor

Shortly after its founding in 1948, the American Chamber of Commerce in Japan (ACCJ) started hosting the annual Crystal Ball, now known as the Charity Ball. After the inaugural event, the Crystal Ball grew to become the major social event of the year on the expatriate community calendar. Everyone looked forward to it.

The ball was so popular—often attracting over 1,000 guests—that only the largest ballrooms in Tokyo could accommodate everyone. Throughout the years, the Charity Ball has been graced by some of the most respected U.S. figures in Japan, including every U.S. ambassador, as well as senior officers from all branches of the U.S. military.

In 2001, the ACCJ, like all American organizations, took time out from celebrating to refocus on new priorities in the changed world after 9/11. In 2002, the chamber redirected the social energy of our community by transforming the event into the ACCJ Charity Ball. We still look forward to the stylish year-end gathering, as a chance to not only celebrate with friends and guests, but also to support the Japanese community

at large—the people and organizations that make our lives possible here.

Since the event redesign in 2002, the ACCJ Charity Ball has evolved into a multi-faceted, multi-cultural celebration with a strong focus on “giving back.” We have raised over ¥130 million for numerous charities. Funds have gone toward supporting our local community and, more recently, the Tohoku region as well.

The Charity Ball Committee works closely with the Community Service Advisory Council to help the ACCJ carry out its humanitarian efforts with funds raised at the event. Every year, the council identifies the primary charities to which a majority of the donations are made—a truly difficult task, given the large number of worthy causes under consideration.

Beneficiary charities are chosen with two main principles in mind. First, the donation should be used in Japan, and second, the recipient organization should be small enough so that the donation made by the ACCJ constitutes a significant contribution.



John Nylin, U.S. Department of State, bids for an item at the 2013 ball.



Entertainment at the 1962 Inaugural Dinner



Entertainment at the 2013 Charity Ball



In the past, Charity Ball funds have been donated to a range of organizations, such as those that support:

- Homeless persons (Mike Makino Fund)
- Children and families affected by serious illnesses (Tyler Foundation, A Dream a Day)
- Victims of domestic violence (No no Hana no Ie)
- The disaster-stricken Tohoku region (MIT Japan 3.11 Initiative, Fukushima City Public School System, JKSK, O.G.A. for Aid)
- Children with disabilities (YMCA Challenged Children Project)

Proceeds have also gone to breast cancer research (Run for the Cure), counseling services (TELL), food distribution (Second Harvest Japan), and the fight against human trafficking (Polaris Project).

The ACCJ Charity Ball promises attendees not only the experience of an exceptional gala evening and entertainment, but also the dual rewards of networking with the Tokyo business community and contributing to causes that fulfill our host community's social needs.

This year's theme is "The Wild, Wild West," and the committee is now hard at work organizing what we intend to be a night to remember. Be sure to join us on December 5, at the ANA Intercontinental Hotel. •

# WANTED!

## YOUR PARTICIPATION

PLEASE SAVE THE DATE FOR THESE TWO GREAT EVENTS

### ACCJ CHARITY BALL

### "THE WILD, WILD WEST"

FRIDAY, DECEMBER 5<sup>TH</sup> AT THE ANA INTERCONTINENTAL HOTEL

AND

### THE ACCJ CHARITY BALL

### WINE TASTE-OFF

WEDNESDAY, OCTOBER 1<sup>ST</sup> AT

BULLDOG TEX-MEX-BBQ



# REWARD

A FABULOUS TIME AT BOTH EVENTS



Barbara Hancock is vice president of Media Sense K.K., and chair of the ACCJ Charity Ball Committee.



Kevin Naylor is a sales director at en world Japan K.K. and is vice chair of the ACCJ Charity Ball Committee.

## Wild, Wild West Wine Taste-Off

Whether you're a fan of thick-bodied reds, soft buttery whites, or something in between, you are certain to enjoy the ACCJ Charity Ball Wine Taste-Off. Not only will you have the opportunity to sample a variety of wines from your favorite local purveyors, but your vote will also help select the wine to be served at this year's gala.

Wine enthusiasts and those who simply enjoy a fun, relaxed get-together with friends and colleagues are invited to this evening of delectable tipples, delicious Tex-Mex hors d'oeuvres, and a light-hearted wine competition.

### DETAILS

Date & time:  
October 1, 7:00–10:00pm

Cost: ¥5,000

Venue:  
Bulldog Tex-Mex BBQ restaurant  
2F Akasaka Gessekai Bldg.  
3-10-4 Akasaka, Minato-ku, Tokyo

All net proceeds will benefit the organizations chosen as primary charities for the ACCJ 2014 Charity Ball.

Sign up online through the ACCJ's events page for this not-to-be-missed event!

# FULL CHARGE FOR BILATERAL COMMERCE

By Andrew Wylegala

In last month's article, we previewed the health sector portion of U.S. Secretary of Commerce Penny Pritzker's October trade mission to Tokyo. This month we turn to energy, the other half of the mission. Just as deregulation and promotion policies are injecting life into Japan's life sciences sector, electric power restructuring and feed-in tariffs for renewables spell vast potential for US-Japan energy commerce.

The stakes are high for Japan. Over the summer—the first without nuclear power—the average usage of available electricity hovered at around 90 percent. While utilities have applied to restart 20 nuclear reactors, only two have cleared

the daunting approval process. Blackouts have been averted, but challenges loom, from supply pinches and rate hikes. Although the “hangover” from the 2011 triple disaster lingers, new paths forward are emerging.

As Silicon Valley legend and C3 Energy CEO Thomas Siebel commented at a recent embassy event, Japan has always been a “model pupil in the school of energy.” It survived the oil crises in the 1970s and developed energy-saving technologies in the '80s.

The government of Japan's New Strategic Energy Plan, approved in April, calls for simultaneously decreasing Japan's dependence on nuclear power and increasing

renewable power generation. While Japan has yet to fully implement electricity and gas market liberalization or hit its targets for renewable energy, the new plan recommits the country to power and gas sector reforms.

Secretary Pritzker's October trade mission could not be better timed. The market for “smart power,” from production to retailing, will be a lucrative one for US companies such as C3 Energy, which offers end-to-end solutions.

Liberalization of the retail power market (one-third of total demand) is scheduled for April 2016. From 2018 to 2020, we will see the separation of power generation, transmission, and distribution—

Ribbon-cutting ceremony at the 2014 World Smart Energy Week, held in February at Tokyo Big Sight.





**Renewables account for only 6 percent of energy in Tokyo today, but the goal is 20 percent by 2020.**

hence the busting of regional monopolies. To ensure competition, a public body, the Organization for Cross-regional Coordination of Transmission Operators, will be established this month. Liberalization should make utilities receptive to efficiency-enhancing technologies, while so-called new power companies will seek “leapfrog” technologies to break into the market.

Japan’s feed-in tariffs for renewables, although lowered twice, feature an attractive ¥36/kWh rate for offshore wind power. Renewables account for only 6 percent of energy in Tokyo today, but the goal is 20 percent by 2020.

We are also championing US renewable energy solutions beyond the October mission. For February’s

World Smart Energy Week in Tokyo, we will add a wind power pavilion to one for hydrogen fuel cells. The 2014 show, which Ambassador Caroline Kennedy opened, attracted worldwide attention, and this year’s US contingent will be even larger. We look forward to the U.S.–Japan Renewable Energy Policy Business Roundtable, the second Fukushima Recovery Forum, and the New Orleans Association Conference (held in Tokyo) for Japanese utilities, all in spring 2015.

#### **Hydrogen market heating up**

Toyota Motor Corp. has announced the 2015 commercial debut of its fuel cell vehicle in Japan. Over 100 refueling stations are planned, and government and industry are collaborating to showcase hydrogen

during the 2020 Olympic and Paralympic Games. Japan’s recently issued Strategic Road Map for Hydrogen and Fuel Cells seeks to make hydrogen part of a CO<sub>2</sub>-free energy supply system by 2040, while Nikkei BP Clean Tech Laboratory forecasts a \$370 billion global market by 2030.

In good news for both the United States and Japan, shale gas-based LNG may be imported into Japan as soon as 2017, and Japanese entities will co-finance the first three projects (in the US cities of Cameron, Freeport, and Cove Point), totaling \$10 billion. Another \$10 billion will be invested in 90 LNG tankers by 2020. In short, the business of health is energetic ... and the energy business is healthy. •



Andrew Wylegala is the minister counselor for commercial affairs at the Embassy of the United States Tokyo.

## **Strike while the jambalaya is hot!**

With major electricity market reform on the horizon, Commercial Services Japan (CS-J) organized the 29th New Orleans Association Conference—CS-J’s largest energy matchmaking event—in late May, bringing Japanese electricity producers together with US product and service providers.

With an eye to pending electricity market liberalization, Japan’s large, regional power companies are eager to find new, innovative

US technology and solutions to enhance their competitiveness against each other and new market entrants. It’s a seller’s market, and CS-J successfully recruited 60 representatives of 24 US firms, connecting them to 39 Japanese procurement managers and directors from domestic utilities and independent power producers. The 30th annual New Orleans Association meeting is slated for May 21, 2015.



CS-J representatives with executives from power firms in Japan.



## ROBERT WALTERS JAPAN ADAPTABLE HIRING OPTIONS

### PERMANENT AND TEMPORARY RECRUITMENT

Companies staffing for the constantly changing marketplace demand adaptable business partners like Robert Walters. Since 1985, the Group has offered permanent and temporary recruitment options across all industries and levels of seniority.

For a recruitment firm that caters to your company's unique bilingual hiring needs, speak to one of our contract consultants specialising in your industry sector or visit our contracting webpage at [www.robertwalters.co.jp/en/contractor-zone.html](http://www.robertwalters.co.jp/en/contractor-zone.html).

**Tokyo (03) 4570 1500**  
**Osaka (06) 4560 3100**  
**[info@robertwalters.co.jp](mailto:info@robertwalters.co.jp)**

**ROBERT WALTERS**



# LEARNING FROM A MASTER STORYTELLER

Largest regional chamber event this year draws over 200 guests

By Rose Tanasugarn



Speaker Garr Reynolds (right) receives a certificate of appreciation.



Dr. Carsten Brunn (second from right) with members of the ACCJ Kansai Women in Business Committee

**O**n July 17, the ACCJ Kansai chapter hosted the largest regional chamber event this year. Garr Reynolds, best-selling author and five-time presenter at Japan's TEDx (Technology, Entertainment and Design) talks, gave a riveting presentation to a packed audience.

The event, which was hosted by the Business Programs Committee and sponsored by Bayer Yakuhin, Ltd., was titled "Why Storytelling Matters in 21st-Century Presentations."

Held at the Ritz-Carlton, Osaka, it drew over 200 attendees.

Reynolds's interactive presentation kept the audience rapt and engaged, by showing amusing multimedia and images that were familiar to all attendees. He successfully demonstrated that text-filled PowerPoint slides are a thing of the past.

To be memorable and effective, Reynolds emphasized, a speaker must find new ways to connect with the audience. Quoting the character

Grand Jedi Master Yoda, of the *Star Wars* saga, Reynolds reminded us that in giving presentations, "You must unlearn what you have learned." Presenters should also keep things simple, unexpected, concrete, and credible, he said, as well as impart emotion while sharing a story.

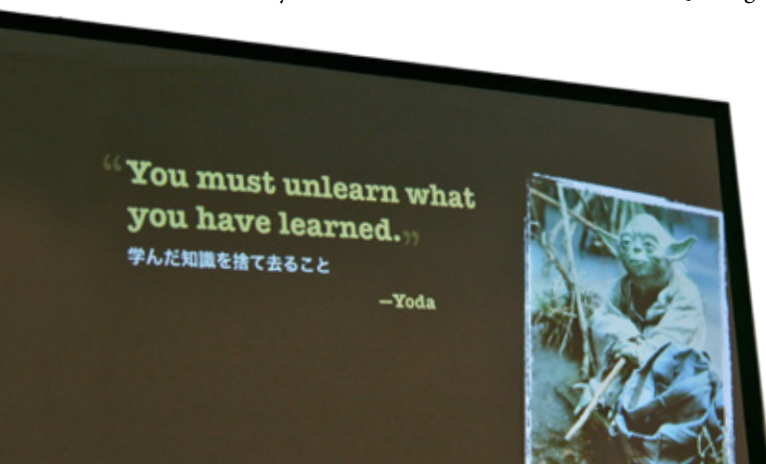
Dr. Carsten Brunn, president and CEO of Bayer Yakuhin, gave some closing remarks.

"Garr's presentation was thought-provoking, informative, and highly entertaining. He reminded us of the power of storytelling as a way to inspire people in a way that appeals to both their rational as well as their emotional side.

"I spoke to many participants after the event, and everyone took away something practical to implement in their daily work—including myself," Dr. Brunn said. •



A native of Los Angeles, Rose Tanasugarn serves on ACCJ Kansai's Business Programs, Women in Business and Community Service committees.



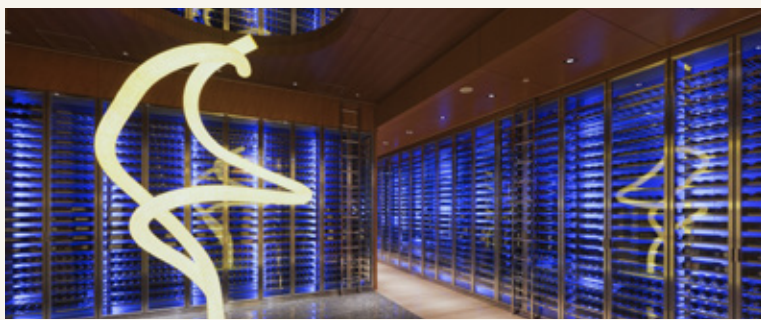
## New Trans-Pacific Cable System

A consortium of six global technology companies, including Google Inc., has been formed to create and operate a high-speed Internet cable between the United States and Japan (*Silicon Valley Business Journal*, August 11).

The \$300 million initiative is called “Faster,” and aims to connect the

countries across the Pacific Ocean.

The system will link two areas of Japan—Chikura, in Chiba Prefecture, and Shima, in Mie Prefecture—with major hubs on the US West Coast. The six-company consortium also comprises China Mobile International, China Telecom Global, Global Transit, KDDI, and SingTel.



The Tokyo American Club's modern wine cellars

## Steakhouse Earns Its Chops

The Tokyo American Club's Decanter restaurant has received an award from the New York-based *Wine Spectator* magazine for the second year running (press release, August 4).

The steakhouse won the Best of Award of Excellence, the second-highest of the wine authority's annual accolades. Only seven restaurants from Japan figured

in the list, including Hotel New Otani's La Tour d'Argent and Shangri-La Hotel, Tokyo's Piacere. The award category featured just 650 restaurants worldwide.

The honors recognize restaurants that offer outstanding wine selections, several vertical offerings of top wines, excellent breadth across several wine regions, as well as distinctive, rare wines.

## Tech Firm Gets Startup Support

The first Japanese company has been accepted into the Microsoft Ventures Accelerator program in London (press release, July 25).

Fove, Inc. has announced its development of the world's first eye-tracking head-mount display for consumers. The new product has potential applications in gaming and other fields, and the Japanese firm is looking into a potential collaboration with Xbox.

Microsoft Ventures partners with promising startups around the world, to “help smart companies take flight.” There are currently seven accelerators in Bangalore, Beijing, Berlin, London, Paris, Tel Aviv, and Seattle.

## Makers Team Up for Battery Plant

Tesla Motors Inc. has announced a tie-up with Panasonic Corp. to construct a major battery manufacturing plant in the United States (*abcnews.com*, July 31).

The new \$5 billion facility is expected to create 6,500 jobs and be built in Arizona, California, Nevada, New Mexico, or Texas. The plant will produce cells, modules, and battery packs for the US automaker's electric vehicles, and for the stationary energy storage market.

Osaka-based Panasonic will manufacture and supply the lithium-ion battery cells and invest in equipment. Tesla is banking on reducing its battery costs to support the development of a new, lower-cost model.

## ANA First to Fly Stretch Plane

All Nippon Airways Co., Ltd. became the world's first airline to operate the Boeing 787-9 stretch Dreamliner in early August (*airlinereporter.com*, August 7).

Commercial Service Japan coordinated an event to commemorate Boeing's delivery of the new model to ANA on August 4. U.S. Ambassador to Japan Caroline Kennedy highlighted the strong bilateral business embodied

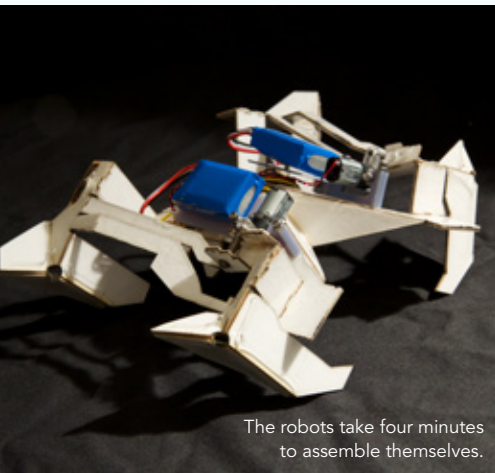
in the 787, about 35 percent of which comprises Japanese materials. The first flight, a round-trip from Tokyo International (Haneda) Airport to Mt. Fuji and Kyoto, had onboard 70 American and Japanese schoolchildren.

The 787 stretch model is able to accommodate 60 more passengers than the standard Dreamliner, and will ply domestic routes linking Tokyo, Fukuoka, Osaka, and Matsuyama.



Seventy children were aboard the maiden flight over Mt. Fuji.





The robots take four minutes to assemble themselves.

HARVARD'S SVSWS INSTITUTE

## Robots Mimic Origami

A research team from Harvard and MIT has introduced a robot that can transform itself from its two-dimensional form into a 3-D object (*Forbes*, August 9).

The developers found their inspiration in origami, as well as in such natural-world processes as that by which a flower opens in the sun. Applications have been suggested for outer space, or other environments where a flat device is optimal for storage.

The robots take about four minutes to autonomously fold themselves into functional shapes for specified tasks. The process begins when hinges placed at key spots begin to heat up due to an external trigger, causing the materials to harden and constrict.

## Program Aims to Fight Space Junk

Tokyo is looking to tie up with Washington on a space program, in what some pundits have called "the fourth battlefield" (*RT News*, August 4).

The US-Japan partnership would be aimed at protecting communication and surveillance satellites from the massive quantity of space junk that can threaten

operations in orbit. Washington is seeking partners to extend its satellite links in the Asia-Pacific, and began discussions with Japan and Australia in 2012.

Many people have commented on how the space program is an extension of the US military pivot toward this region. Tokyo's space initiative is set for launch in 2019.

## Onsen Fit for a President

The resort town of Obama Onsen in Nagasaki Prefecture has enjoyed a surge in tourism since the US president's election in 2008 (*NPR*, August 4).

Soshi Nakamura, an employee of the town's tourism office, said that residents were excited when Barack Obama was elected president six years ago, and they still feel an affinity for the leader today.

Obama-themed kitsch pervades the place, with signs and printed towels on sale on many street corners. Obama Onsen is home to a famous geopark.



ASSOCIATION OF OBAMA ONSEN SIGHTSEEING

A life-sized Obama statue greets visitors to the town.

## Surge Seen in Inbound Japan Travel

The number of US travelers to Japan hit an all-time high this June (*Meetings Focus*, July 2014).

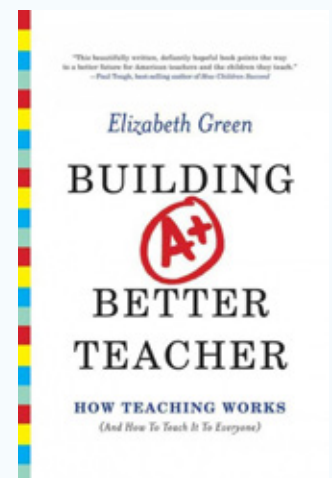
Statistics from the Japan National Tourism Organization (JNTO) showed that 87,900 people from the United States visited Japan during the month. April and May of this year also break previous visitor records. In addition, the total of US visitors was

clocked at 446,000 for the first half of 2014, surpassing all previous records for a six-month period.

Reasons suggested for the increase include more direct flights from the United States to Japan, favorable dollar/yen exchange rates, and heightened, targeted promotional activities by the JNTO.

## Comparing Education Cultures

The author of a new pedagogic book compared teaching methods in US and Japan classrooms for six years in her research (*NPR*, August 9).



In her book, Elizabeth Green describes how math lessons in the United States present up to 20 or 30 practice problems in one lesson, to instill learning through repetition. In Japan, there is only a single question per class period, which allows students to examine deeper mathematical concepts, she writes.

She also extols the way teachers in Japan work together to evaluate and dissect each other's lessons, thus building mentors among their peers. Green feels American teachers are too isolated to learn from others' experiences and do not share best practices.



## Welcome to Japan Three ways of Living Eight lives in Tokyo

Come home to the ease of Oakwood living in Asia.  
Oakwood offers three brands of serviced apartment solutions in seven locations in Asia's most cosmopolitan city, Tokyo – Aoyama, Akasaka, Ariake, Azabujyuban, Tokyo Midtown, two in Roppongi and Shirokane.

*Oakwood®*



For details and reservations, please visit our website at [oakwoodasia.com](http://oakwoodasia.com)

BANGALORE BANGKOK BEIJING CHENGDU GUANGZHOU HANGZHOU HONG KONG JAKARTA MANILA MUMBAI PUNE SEOUL SHANGHAI TOKYO



# THE BUSINESS OF BEER

US commercial and independent brewers find a sweet spot in Japan

By Martin Foster



Blue Moon is served on tap at the Omohara Beer Forest in Tokyo's Omotesando district.

American brewers are helping create a new generation of beer drinkers in Japan, adding a spark of excitement for younger people who have been moving away from mainstream brews.

Keith Villa, founder of Blue Moon Brewing Co., brought an admiration for Belgian beers—along with a PhD in beer-making from Brussels University—to his vats when he created the ale in Boulder, Colorado, in 1995. Now owned by Molson Coors and produced in Shenandoah, Virginia, Blue Moon has only been available Japan-wide since November 2013.

“We want to introduce Blue Moon to Japan as a novel taste,” said Kazuki Abe, marketing director for the brand at Molson Coors Japan Co., Ltd.

Beer consumption is falling in this nation. According to figures from Kirin Holdings Company, only 43.5 liters were consumed per capita in 2012, down 0.6 percent from the previous year. In Estonia, Germany,

Austria, and the Czech Republic, beer lovers drank over 100 liters per capita in the same period.

Molson Coors’ market research has revealed that young Japanese are moving away from pilsner-type, bitter beers, and have developed a taste for something less carbonated and sweeter.

People here have long had a taste for citrus-based flavors, such as *kabosu* (juicy green citrus fruit) and yuzu. Hence, it is no surprise that the citrus tang of Blue Moon, which is spiced with coriander and often served with a slice of orange, finds ready appeal with the Japanese, Abe said.

“We feel it is the perfect match,” he added. “The citrus flavor goes well with fish, and the coriander is a little spicy, so it helps refresh the taste buds when eating meat or other types of fatty foods.”

Under its slogan of “World Beer Entertainment in Japan,” the company sees Blue Moon as a flagship product helping to extend the variety of beers on offer here.

**Young Japanese are moving away from pilsner-type, bitter beers, and have developed a taste for something less carbonated and sweeter.**

## Tapping the market

Bryan Baird takes a different approach to beer making.

“As brewers, we brew beer that we want to drink,” Baird said. “Our job is to lead, not follow, the customer.”

Ry Levell, publisher of *Japan Beer Times*, a bilingual beer magazine, had this to say about the American beermaker: “Bryan does not think about what beers will sell best; rather, he brews what he likes and says, ‘Ye shall like this.’”

Baird—who honed his trade in California—and his wife Sayuri began to brew and sell Baird Beer in the Fishmarket Taproom in Numazu, Shizuoka Prefecture, in January 2001. But it wasn’t all plain sailing at first. “It was excruciatingly tough-going,” he remembered. It took investments from family and friends to kick-start the business.

Baird Beer now employs about 35 people, caters to over 500 independent accounts, and has taprooms in Numazu, in Tokyo’s Nakameguro and Harajuku districts, as well as in Bashamichi, Yokohama.



*Craft beer from the US and Japan  
Chicago-style deep dish pizza*

**2 locations in Tokyo!**

**Kanda (15 taps)**

Nihonbashi-Muromachi 4-2-3, Chuo-ku  
03-6265-1779

**Hamamatsucho (20 taps)**

2-13-12 Hamamatsucho, Minato-ku  
03-6435-8428

[www.devilcraft.jp](http://www.devilcraft.jp)



*Reservations Recommended!*

**NOW  
OPEN**

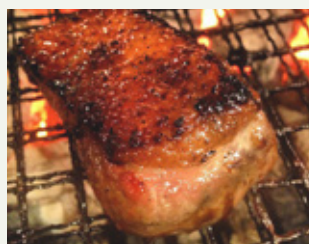
YOSHIDAMACHI

**吉田町**

Charcoal Grill

**GREEN**

[www.greenyokohama.com](http://www.greenyokohama.com) 045-315-6731



NAKA-KU, YOSHIDAMACHI 12-2  
PARK HOMES YOKOHAMA KANNAI 1F

[twodogs-tokyo.com](http://twodogs-tokyo.com)

**BUY ONE  
GET ONE  
FREE**

**24 Craft beers on Tap & Wood-fired Oven Pizza**



Roppongi Tel  
5413-0333

*Must show  
this ad*

Good on any beer or cocktail from our Two Dogs Taproom drink menu  
\*Free item must be equal to, or less than, the original item purchased.  
Good one time only. Not valid with any other offer. Expires 10/31/14



[www.brimmerbrewing.com](http://www.brimmerbrewing.com)



Baird's is a success story in the craft beer arena, but he warns that the Japanese market is not for everyone.

"No brewer can succeed here without a love of Japan and a Japanese cultural toolbox," he said. "If you lack one or the other, don't even think about it."

Just this summer, Baird boldly moved the brewery to bigger facilities in the Shuzenji area of Izu City. The new brewery opened on June 1 and contains three brew houses. Two new beers are also in the testing pipeline for eager beer drinkers: Shuzenji Heritage Helles and Wabi-Sabi Japan Pale Ale.

### Betting it all on beer

Scott Brimmer sat on a prefabricated patio above the Brimmer Beer Box in Tokyo's Aoyama district as he said, "Beer has been one of the most important decisions in my life."

Brimmer started his own craft beer brewery in Kawasaki in 2011, after having worked for almost 10 years at Sierra Nevada Brewing Company in California, and Gotemba Kogen Beer in Shizuoka. In order to get the official go-ahead for his project, Brimmer had to prove his brewery could sell 60,000 liters of beer.

"Before we had a product, before we had a company, we had to convince bars, restaurants, and distributors to give us written permission, saying 'We expect to



Martin Foster is a writer who has lived in Tokyo since 1977. After a career in financial journalism, Martin has recently ventured into environmental issues.



Bryan Baird began brewing Baird Beer in 2001.

sell this much of your product this year'—without even tasting our product!"

Brimmer and his wife, Yoshiko, put their entire life savings of about ¥25 million into the business, and took on part-time jobs, including delivering NTT phone books, to make ends meet during the six-month period while waiting for the paperwork.

"Eventually, we got approval. But, I swear to God, if it had come two months later, we probably would not have had a brewery."

Brimmer favors the malt characteristics of British ales, and most of the ales he produces are based on Crisp Marris Otter, a classic British malt. Four beers are

on offer at the Brimmer Box: a pale ale, a porter, a golden ale, and a seasonal specialty ale.

Tomoko Shiguma runs a boutique nearby, and dropped in while we were there to sample the golden ale. "Very easy to drink. It has a fruity aftertaste," she said approvingly.

Brimmer Beer tripled capacity in its first two-and-a-half years, and Brimmer is negotiating for factory space that will allow capacity to triple again.

"We are in the right place at the right time as far as the brewing industry goes," he said. And that is good news for beer drinkers in Japan, who will benefit from all these original beers brewed with skill and conviction. •

Scott Brimmer worked for California's Sierra Nevada Brewing Company for almost 10 years before launching Brimmer Beer Box.



# CULTURES INTERTWINED

American influence on Japan's soft-power push

By Roland Kelts



PHOTO BY GAGE SKIDMORE

Anime cosplayers at the annual Phoenix Comicon

In 2002, American journalist Douglas McGray published an article in *Foreign Policy* magazine called “Japan’s Gross National Cool.” After spending a few months traveling around the country, McGray concluded that Japan was transitioning from being a manufacturing exporter to a cultural exporter.

What he called “the whiff of American cool” that dominated most of the 20th century was being supplanted globally by “the whiff of Japanese cool,” in the form of cultural products such as manga, anime, fashion, and cuisine.

McGray cited the phrase coined by Harvard professor Joseph S. Nye (who was, incidentally, President Barack Obama’s first choice for ambassador to Japan in 2008): soft power. Nye contrasted the phrase with hard power—the more conventional means by which nation states seek to

**Soft power might persuade others to do your bidding through the appeal of cultural products.**

coerce others into agreeable behavior via military or economic bullying.

Soft power might persuade others to do your bidding through the appeal of cultural products. In the case of the United States, that would mean Hollywood movies; jazz, pop, and rock music; fast food; and blue jeans.

A conversation with Japanese baby boomers does much to bolster Nye’s claim. Novelist Haruki Murakami, for example, is quick to highlight the attractiveness of American culture in postwar Japan, especially in the 1950s and ’60s.

“It was everywhere,” Murakami told me, “and everything was so shiny and bright. When I first heard the [US] Modern Jazz Quartet [band], it changed my life. And when the first McDonald’s opened in Tokyo, my friend and I held hands as we approached. We were so excited and nervous to find out what this thing called a ‘hamburger’ really was.”

But while most Americans have grown used to, and even cynical about, the global appeal of fast food, Levis, and other cultural icons of the homeland, most Japanese are stunned, even skeptical, when they are told their culture has an international audience. The thought of being in the spotlight can be jolting.

When McGray’s article was translated into Japanese, it sent shockwaves through the intelligentsia and government. Bureaucrats were scrambling to find ways to capitalize on what the American journalist had uncovered—a new identity and purpose for a nation mired in economic stagnation and perceived irrelevance. McGray was invited back to Japan to deliver a speech on his findings to government officials. The American had unveiled a cool new Japan, and Japanese officialdom liked what they saw.



### The birth of Japanamerica

A couple of years after McGray's article was published, I was invited to lunch in Manhattan by an editor at Palgrave Macmillan. The editor, Toby Wahl, had liked some of the stories I'd written about Japan, and wanted to commission me to write a book on Japanese popular culture, specifically anime, and how it was making inroads into US life.

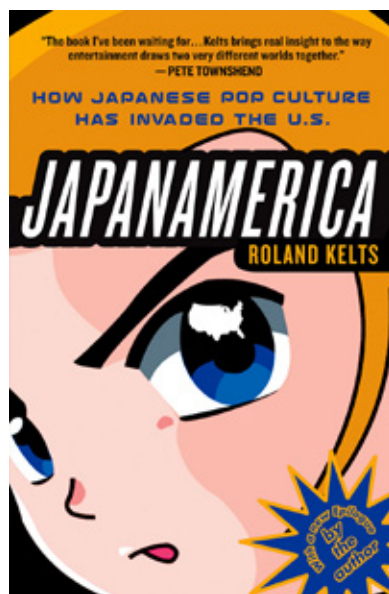
I politely declined. While I had a Japanese mother, had attended kindergarten in Japan, and had discovered manga, anime, and Japanese *tokusatsu* (special effects monster TV dramas) as a kid, I was no *otaku* (geek with obsessive interests).

But Wahl and his colleagues were patient and persistent, finally convincing me that what they were seeking was a book for a general audience—something that could help my American father understand why a bright yellow Pikachu float appeared in a parade celebrating the most American of holidays, Thanksgiving.

So I dove into the project, renting several anime DVDs, reading manga as well as books on anime and manga, and arranging interviews. Among working titles for the book was *Animation Nation: Japan's New Cultural Export*. I talked to American fans, academics, producers, and distributors. I even chatted to a couple of tolerant teenage girls at a manga display in a Barnes & Noble.

Soon after I flew to Tokyo and began my research there. However, the nation that kept popping up in interviews and during my hours studying at the University of Tokyo library was ... the United States.

Japanese pop culture, it turned out, had American DNA embedded



Kelts's book covers more than anime.

in it. The seven-year occupation (1945–52) and postwar bilateral alliance flooded Japan with American cultural artifacts—icons of soft power like Disney films and the TV series *Father Knows Best*. The father of modern manga and anime, Osamu Tezuka, lionized Walt Disney. He met the storied American at the 1964 World's Fair in New York, and claimed to have watched the movie *Bambi* 81 times.

And so the book I wrote was no longer about one animation nation, but about two cultures densely intertwined. Today, at Pixar's studios in northern California, the most talented animators in America reverse

Japanese  
pop culture,  
it turned  
out, had  
American  
DNA  
embedded  
in it.

the greatest living animation artist and director—Hayao Miyazaki.

As we were vetting the final manuscript, my editor in New York sent an email to me in Tokyo: "We've discussed this at a meeting with the marketing team. The title we like is *Japanamerica*."

### What is "Cool Japan"?

As I was conducting research and racing to finish the book in time for publication in 2006, Mika Takagi, then a recent graduate of Stanford University's School of Business who had studied Silicon Valley, was appointed to head a Japanese government committee called "Cool Japan."

The phrase was lifted from British Prime Minister Tony Blair's "Cool Britannia" campaign of the late 1990s. While it drew and continues to draw plenty of detractors (who calls themselves "cool" anyway?), it survives to this day, and is now the name of a 20-year, \$375 million government fund to promote Japanese culture worldwide.

The road has been long, rocky, potholed, and may lead nowhere. The Cool Japan Fund was rubber-stamped last summer. It may be renamed, but for now, it is the brand of a mission to share and spread Japan's cultural soft power. And as the 2020 Tokyo Olympic and Paralympic Games approach, it is the only apt title for this freshly minted column. •



Roland Kelts is a half-Japanese American writer, editor, and lecturer who divides his time between Tokyo and New York. He is the author of the acclaimed bestseller *Japanamerica: How Japanese Pop Culture Has Invaded the US* and the forthcoming novel *Access*. His fiction and nonfiction

have appeared in *The New Yorker*, *Time*, *Psychology Today*, *Playboy*, and *The Wall Street Journal*. Kelts authors a monthly column for *The Japan Times*, and is also a frequent contributor to CNN and NPR. Find him online at: <http://japanamerica.blogspot.com>

*Resort style in the big city  
 This quiet neighborhood will make you forget  
 you are in the middle of Tokyo...*

**Tucked away on the back streets of the posh Azabu neighborhood is one of the city's best-kept secrets in serviced apartments: Azabu Court.**



### Location

With the Roppongi Hills entertainment and shopping mecca only a 15-minute stroll away, Azabu Court residents needn't worry about last trains or taxis after a night on the town. The residence is also near expat-friendly spots like National Azabu Supermarket and the Tokyo Midtown complex. Homey, sophisticated and convenient, Azabu Court is the perfect serviced apartment for those who want to enjoy the best in creature comforts while staying in the thick of things. 5-min walk from Hiroo station.

4-5-39 Minami-Azabu, Minato-ku.

**TEL: 03-3446-8610**

frontdesk@azabucourt.com  
 www.azabucourt.com

### Facility

This full-service accommodation has all the amenities to take the edge off that demanding business trip: free broadband, in-house concierge services and laundry/dry cleaning pick-up, to name just a few. Rooms can be rented at daily, weekly or monthly rates, with sizes ranging from studios to two-bedroom suites. All units come equipped with a kitchenette, giving busy execs a place to whip up a quick meal or stash away a few cold ones.

### Fitness Benefit

Residents also benefit from Azabu Court's membership in the nearby Fitness Club Hiroo, with tickets sold at the front desk for just ¥1,080, allowing easy access to exercise and fitness studio programs to work off that seductive Tokyo cuisine.



### Price List

Room types	Rate types	Feb. ~ Nov.	Dec. & Jan.
Standard Studio for 1 person (46 units) 20~22m <sup>2</sup>	Daily	¥7,800 ~ ¥9,700	10% Off from Feb. ~ Nov. rate
	Weekly	¥6,850 ~ ¥8,450	
	Monthly	¥5,700 ~ ¥7,200	
	Over 3 months	All year ¥5,130 ~ ¥6,480	
Large Studio for 1 person (6 units) 25m <sup>2</sup>	Daily	¥10,100 ~ ¥10,400	10% Off from Feb. ~ Nov. rate
	Weekly	¥9,150 ~ ¥9,450	
	Monthly	¥7,700 ~ ¥7,900	
	Over 3 months	All year ¥6,930 ~ ¥7,110	

Room types	Rate types	Feb. ~ Nov.	Dec. & Jan.
One Bedroom Suite for 2 persons (8 units) 33~51m <sup>2</sup>	Daily	¥14,200 ~ ¥21,000	10% Off from Feb. ~ Nov. rate
	Weekly	¥12,200 ~ ¥18,400	
	Monthly	¥10,300 ~ ¥16,500	
	Over 3 months	All year ¥9,270 ~ ¥14,850	
Two Bedroom Suite for 3 persons (1 unit) 72m <sup>2</sup>	Daily	¥26,500	10% Off from Feb. ~ Nov. rate
	Weekly	¥23,100	
	Monthly	¥19,100	
	Over 3 months	All year ¥17,190	



# BUILDING YOUR DREAM HOME

Advice from homeowners on creating a place of your own in Japan

By John Ghanotakis, Amir Khan, and Timothy Trahan



**A**s many Japan residents can attest, house hunting is not an easy or straightforward process in this country. It is especially difficult if you are a young, foreign professional with limited means, and are seeking a mortgage. Amir Khan, vice chair of the Young Professionals Group Subcommittee, and Andrew Shuttleworth, another young professional, have experience in this area, and shared with us some insight into the process.

## Research is key

The initial selection of land or property can be daunting. Things to consider include commuting and transportation links, price, potential resale value, local amenities, building materials and design, as well as ways to ensure the investment is “future proof.” All this adds up to a time-consuming decision-making process.

Khan and Shuttleworth spent about a year doing extensive computer-based research and physical scouting. Each visited over 100 properties and plots of land, assessing their pros and cons. Through this exhaustive process, they said, you really begin to distinguish among things you must have, would like to have and, most important, cannot tolerate.

You’ll probably find that many criteria you initially deem essential become less important, and that many things you hadn’t considered prove to be vital aspects.

## Get help and use connections

A good construction company or real estate agent can be worth their weight in gold. Sadly, however, very few have much experience assisting young foreigners, and even fewer are able to help with the most difficult part of the process: obtaining a mortgage. Many Japanese banks advertise foreigner-friendly loans, but the underwriters often will not support an application if the foreign applicant is not a permanent resident. Even with a Japanese spouse, getting a mortgage is still a big challenge.

Shuttleworth chose Adcast, a real estate broker and consulting firm, to help with a mortgage and the land purchase. The company’s established connections helped ensure both processes were quickly completed. He could then seek a recommendation for someone to actually build the house.

For Khan, the entire process was handled by Sanyo Homes (a subsidiary of Sanyo Corp). Because the firm was the landowner and is also a builder, he was able to bypass much of the stress of having to find a landowner and, separately, a suitable builder. Sanyo’s size and connections also helped ease the mortgage application, which was automatically approved with zero fuss. In addition, the architects ensured a flawless build from the rough sketches they received.

It should be noted, however, that for both Khan and Shuttleworth, every step of the process was conducted in Japanese. Thus, people without fluency in Japanese will need language support.

## Saving money on building

With any house construction project, you will be presented with a host of options, and often encouraged to go with the priciest alternative. The key is to identify the priorities that suit your lifestyle. Do you really need extravagance in every room of the house? When entertaining, will guests really notice the workmanship of the walk-in closet? Where possible, go for practical, inexpensive options in most of the house, and only splash out in those areas that matter most.

In addition, remember that you can always upgrade later. Or, if you are good with DIY (do-it-yourself) modifications, take on some tasks yourself, such as garden landscaping or outdoor decking. Last, make sure you thoroughly check the building work for defects and/or omissions before you dismiss the builders. Further, ensure your guarantee is valid over many years, and that the terms include regular check-ups.

With the correct planning and support, you should have the house of your dreams in no time. •



John Ghanotakis (chair), Amir Khan, and Timothy Trahan (vice chairs) are members of the ACCJ Young Professionals Group Subcommittee.

# RYING FOR SPACE

Tokyo's vacancy rates plummet while rents soar

Custom Media

**T**he market for office space in Tokyo is booming, in part due to optimism surrounding Prime Minister Shinzo Abe's pledges to boost the national economy.

A steady increase in demand has been seen over the past five years, following the so-called Lehman shock, with only a minor dip following the triple disaster in March 2011. Both domestic and international companies are driving this demand, and they are looking for offices of all sizes.

"The predominant reasons companies are relocating are positive ones. They are expanding, looking for better locations with more office space, and hiring more employees," said Toshihiro Mochizuki, of Mitsui Fudosan, Co., Ltd. Indeed, many companies are not only seeking additional space for current headcount, but are also planning ahead for future hires.

Before, Mochizuki added, companies were relocating because they had to downsize, so the market has done a complete 180-degree turn.

Grade A properties are particularly in demand. These buildings must meet certain criteria, such as being located in one of Tokyo's five central wards—Chiyoda, Chuo, Minato, Shinjuku, or Shibuya—and have floor space of 10,000 *tsubo* (33,058m<sup>2</sup>) or more.



They must also be no more than 15 years old. The vacancy rates in these properties are at their lowest in three years, and this is causing upward pressure on rents. According to research by Savills, achievable rents for Grade A office space rose 2.8 percent in the second quarter of 2014, which signifies a robust rate of increase in this market.

Furthermore, very few new large-scale developments have

Nomura's PMO buildings are all at nearly 100% capacity.

come on the market in the 2013–14 period, creating a noticeable squeeze for top-tier properties. In 2013, for the first time in six years, the new aggregate demand for offices in Tokyo's large-scale buildings surpassed the new aggregate supply. Competition can be fierce for office space these days, and it is likely to worsen in the next year or so.

## A voice for tenants

This is where tenant representation comes in, to help match companies with suitable buildings. Greg Turnbull works for a large property consultancy, but he represents leaseholders, not landlords.

"We sit clearly on the occupier's/user's side, as opposed to the landlord's side," said Turnbull, who is a senior tenant representative at Colliers International in Japan.

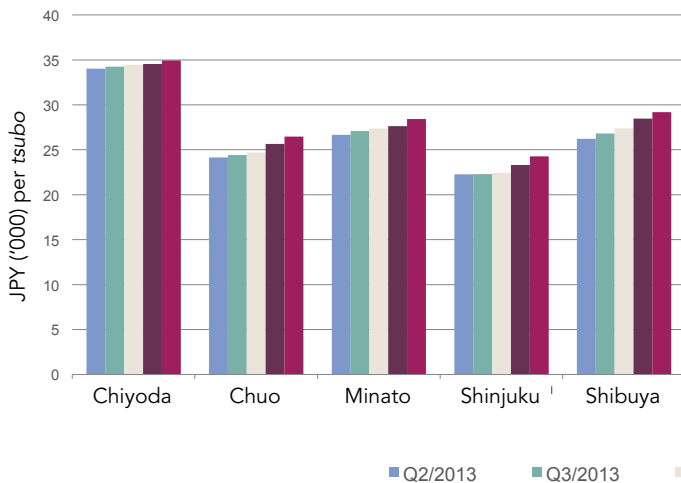
In practice, this means that Turnbull and his colleagues, rather than talk up the market, spend a lot of their time, as he put it, "refuting market rumors and landlord ambition."

"In 2014, the Tokyo office market has tightened considerably in comparison to recent years, as firms have relocated, decreasing overall market vacancy. Demand remains price-sensitive, so top rents have remained relatively static," he said.

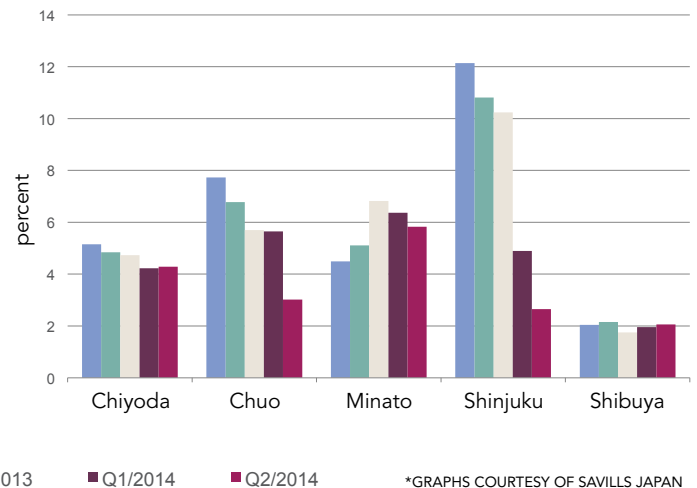
Mitsui Fudosan's Mochizuki agreed. "There is a steadily growing demand for top-class buildings.



Average Grade A office rents by ward



Average Grade A office vacancy rates by ward



\*GRAPHS COURTESY OF SAVILLS JAPAN

In these buildings, the rent is high, but they are still fully occupied.”

As of the second quarter of 2014, the average rent in Tokyo’s five central wards was ¥16,325 per *tsubo*.

However, with an expanding economy comes more buildings, so there is hope yet for companies bemoaning current Tokyo rates and availability.

“The amount of new office stock being added to the market will increase year on year, peaking in 2017,” Turnbull noted. “Navigating the currently tight conditions, while planning to leverage upcoming supply, requires careful advice and consideration.” Since the end of last year, some landlords have begun attempting to increase rents for existing premises at lease renewal or expiry. However, with the exception of those leases with very low rent, any level of increase should be vigorously challenged, he said.

In addition, Turnbull said some practices may come as a surprise for newcomers to this market, as traditional Japanese leases have many tenant-friendly features. This includes allowing tenants to terminate space with six months’ notice, and also allowing tenants to re-negotiate their rents at any time.

### Bigger not always better

Not all companies require offices in a city’s most prestigious Grade A buildings or prime commercial areas. For many organizations, mid-size offices with supreme attention to detail are more attractive. This is particularly true for the growing number of small, independent businesses in Japan, a sector of the economy Prime Minister Abe is trying to enhance.

Nomura Real Estate Development sees a niche market emerging for what it deems to be PMOs (premium mid-size offices): companies with 10 to 40 staff. The firm coined the term in 2008 in response to what it interpreted as a new type of demand outside the Class A structures. Security, economy, and lifestyle elements are priority concerns for such clients.

Japan is known worldwide for the safety of its buildings. Nevertheless, “security remains very important to clients, as it increases the credibility [of a property],” said Emii Kojima, who works on the leasing team at Nomura. In addition to advanced security features, the company’s PMO facilities are equipped with double-pane windows, which allow in natural light, but screen out

### Many companies are not only seeking additional space for current headcount, but are also planning ahead for future hires.

harmful ultraviolet and infrared rays, another prime selling point. Many prospective tenants also place a high value on eco-friendly features such as LED lighting and rooftop greenery. “Energy efficiency is one of the most appealing elements,” Kojima explained.

Just like Tokyo’s Grade A buildings, however, Nomura’s 16 PMOs have nearly 100% occupancy. The company plans to open a 17th facility this month (September 2014), in Shibadaimon, Tokyo. This is another area of town that has been getting a lot of attention of late, as companies take notice of larger spaces available in recently built structures in the Shibaura area near Tokyo Bay.

Among Tokyo’s five central districts, Shinjuku posted the strongest rental growth in the second quarter of 2014, spurred on by a fall in vacancy rates. •

# looking for the perfect office?

## call us!

03-3564-8051

[www.sankoestate.com](http://www.sankoestate.com)



**SANKO ESTATE CO., LTD.**

[contact@sanko-e.co.jp](mailto:contact@sanko-e.co.jp)



## Saint Maur International School

Quality Education within a Caring Family Environment since 1872

Pre-K (Age 2 1/2 ) to Grade 12 · Coeducational



83 Yamate-cho  
Naka-ku, Yokohama  
Kanagawa-ken 231-8654  
Tel: 045 641-5751  
Fax: 045 641-6688

[office@stmaur.ac.jp](mailto:office@stmaur.ac.jp)  
[www.stmaur.ac.jp](http://www.stmaur.ac.jp)

- Montessori
- International Primary Curriculum (IPC)
- International Baccalaureate (IB)
- International General Certificate of Secondary Education (IGCSE)
- Advanced Placement (AP)
- SAT Reasoning Test
- SAT Subject Tests
- PSAT/NMSQT
- Lions-Quest International Programme
- Trinity International Music Examination



Accredited by the Council of International Schools &

New England Association of Schools and Colleges.

Registered as Gakko-Hojin by the Japanese Ministry of Education,

Culture, Sports, Science and Technology.



## Valuable cargo

It's important to choose someone who'll take extra care of the most precious things.

Crown service offerings include:

- International & Domestic Shipment
- Immigration & Legalization
- Pre View Trip Services
- Home & School Search
- Settling-In
- Intercultural Support

Tel: +81 3 5447 2301  
[tokyo@crowrelo.com](mailto:tokyo@crowrelo.com)

Go knowing  
[crowrelo.com/japan](http://crowrelo.com/japan)



## Trained in Europe and the US Specializing in implants, esthetics, laser procedures and anti-aging medicine

# RYO DENTAL CLINIC

Ryo Kitamura D.D.S.

Operating hours:

Mon-Sat: 10:00am-1:00pm  
Mon-Fri: 2:00pm-6:30pm

3-25-2 Ebisu, Shibuya-ku  
Tokyo, 150-0013 Japan

[info@ryodental.com](mailto:info@ryodental.com) • [www.ryodental.com](http://www.ryodental.com)

tel: 03-3444-4200

fax: 03-3444-4202



# PRIDE OF PLACE

Law firm in historic Marunouchi building chooses tradition over skyscrapers

Custom Media



The Meiji Seimei Kan building was constructed in 1934.

Other international law firms may have the most modern spaces in the tallest skyscrapers in Tokyo, but Lance Miller would not change his company's premises for all the steel, glass, and chrome in the city.

Country managing partner for Japan for the DLA Piper Tokyo Partnership, Miller purposely chose to locate the law firm in the Meiji Seimei Kan building in the Marunouchi district when the company outgrew its previous premises in 2006.

Designed by Shinichiro Okada and completed in March 1934, the eight-story building sits on the corner of Hibiya Dori and Babasaki Dori, where the streets cross the outer moat of the Imperial Palace. Miller and his 25-strong team get a show every time a new ambassador to Tokyo parades past en route to present their credentials to the Emperor. Officials usually eschew the modern limousine for a more traditional mode of transport.

**"I'm pretty sure that no other law firms in Japan are in a building that has this much history behind it."**

"When Caroline Kennedy came past, I'd never seen anything like those crowds," Miller said. "They were 30 deep in places, cheering and applauding as she went by in the horse and buggy."

It is just another perk of a building that escaped the bombing of the city during World War II—thanks primarily to its proximity to the palace. The structure was taken over by the Supreme Commander for the Allied Powers after Japan's surrender in 1945.

"I just love the location here," Miller said. "We are right across from the palace, there is a vast expanse of green right outside our windows—which we can actually open—and the outside of the building is elegant and graceful."

"All the other law firms have moved into modern, high-rise spaces, but that was not something we wanted," he said. "I'm pretty sure that no other law firms in Japan are in a building that has this much history behind it."

That exclusivity ties in neatly with the genesis and philosophy of DLA Piper, which was formed in January 2005 by a merger between three law firms: San Diego-based Gray Cary Ware & Freidenrich LLP, Chicago-headquartered Piper Rudnick LLP, and DLA LLP, which originated in Britain.

The merger was the first major trans-Atlantic union of legal practices, and the firm now employs more than 4,200 lawyers in over 30 countries throughout the Americas, the Asia-Pacific, Europe, and the Middle East, making it the

second-largest law firm in the world measured by revenue.

DLA Piper represents many of the biggest corporations in the world, working with foreign firms operating in Japan and Japanese corporations that have interests in other jurisdictions.

Much of the work involves intellectual property litigation, as well as finance and project issues, mergers and acquisitions, private equity and venture capital, real estate transactions, and tax.

Miller said he never gets tired of working in a building with such history at every turn. The brass pneumatic tubes that were originally installed to transmit letters between floors have been retained, along with square-faced clocks that keep time as well today as they did in 1934. The elevators are reassuringly old-fashioned and a safe manufactured by Chubb & Sons in London is still displayed prominently, set into the wall of DLA Piper's seventh-floor offices.

The offices are also home to dozens of gadgets and devices invented by Thomas Edison and collected by Henry Koda, who joined DLA Piper in 2010 and has been collecting Edison paraphernalia for more than 35 years.

The informal display includes miners' helmets with Edison lamps, gramophones, curling irons, coffee percolators, a television, a sewing machine, and waffle irons. Pride of place in this rare collection goes to a light bulb that was made in the 1880s and has a filament made with bamboo from Kyoto. •

Lance Miller, country managing partner for Japan, DLA Piper Tokyo Partnership



REAL ESTATE & ARCHITECTURE

Business Index—a monthly printed and digital industry company listing—can help with your relocation needs, finding your next home, and much more!

[journal.accj.or.jp/businessindex](http://journal.accj.or.jp/businessindex)

“We formed our Tokyo office back in 1998 and have grown into the market leader that supports the foreign community for their relocations into and out of Japan.”

—Nick Masee, managing director



**ASIAN TIGERS**  
MOBILITY

**Asian Tigers Mobility**

We can handle international moves to or from anywhere in the world.

We also provide an extensive menu of relocation services to further support our customers who are moving internationally.

03-6402-2371

[sales@asiantigers-japan.com](mailto:sales@asiantigers-japan.com)  
[www.asiantigers-japan.com](http://www.asiantigers-japan.com)

“Century 21 Sky Realty is proud to mark its 25th anniversary this year serving the expatriate and Japanese communities in Tokyo.”

—Kenneth F. Arbour, president



**Century 21 SKY Realty, Inc.**

We support businesses looking to find or expand their office space in Tokyo, and also assist individuals with leasing houses and apartments. Our multilingual agents are skilled at helping clients find their ideal location. We seek to accommodate various lifestyles, locate investment opportunities, or find the best venues for clients' commercial operations.

03-3585-0021

[contact@century21japan.com](mailto:contact@century21japan.com)  
[www.century21japan.com](http://www.century21japan.com)

“Founded in Yokohama in 1965, Crown Japan is well positioned to provide our clients and transferees with on-the-ground support by a talented team of relocation professionals.”

—Dennis Muldowney, general manager



**Crown Worldwide K.K.**

Crown Relocations provides transportation, destination and immigration services, as well as employee and family support, to assist people relocating internationally or domestically. With staff in almost 60 countries, Crown is an enthusiastic champion of the benefits of relocation. We provide support, guidance, care, and the personal attention needed to ensure success.

Crown Relocations—Go knowing

03-5447-3201

[tokyo@crownrelo.com](mailto:tokyo@crownrelo.com)  
[www.crownrelo.com/japan](http://www.crownrelo.com/japan)



# BOUNCING BACK

Tokyo continues to be an important player in the Asia-Pacific region

By Brandi Goode

**P**hoenix-born Ken Madrid has seen a lot since moving to Hong Kong in 1991.

The CEO of Crown Relocation's Asia-Pacific division has guided the business through critical moments in various countries' histories: the Asian financial crisis in 1997, the Indonesian riots of 1998, as well as the Lehman shock and Great East Japan Earthquake here, among others.

Madrid joined the company shortly after a merger transformed Crown into a global player in the relocation market, from its humble beginnings in Yokohama in 1965. After over two decades in the region, he has a balanced, long-term perspective on international business.

**ACCJ Journal:** How does Japan compare to other leading cities in this region?

**Madrid:** It's still a significant destination for expats, despite the "rise of China." Although China certainly has the biggest piece of the economic pie, you don't see as many executives from multinational firms transferring there. China is much more factory-oriented, whereas Japan, Hong Kong, and Singapore are financial centers, so they have more in common.

That is why, in the wake of March 11, 2011, many expats were transferred to Hong Kong or Singapore; you didn't see Shanghai getting much of that personnel movement. On the other hand, many companies ended up eliminating positions as a result of the Great

East Japan Earthquake, seeing the disaster as a way to trim their operations.

When a company is considering an expat posting in Asia, tax rates can be a major factor. Many overseas companies tax-equalize, meaning they withhold taxes from an employee equivalent to the rate in that person's home country. So, in countries where there is a big gap in the host versus home country's rates, the companies will have to close that gap. Thus, posting executives to Singapore or Hong Kong (where there is a flat 16.5% personal income tax rate) can be more economical than sending staff to Japan.

**What changes have you seen in Japan's relocation market?**

Japan has largely been stagnant for the past 10 years, although we are seeing things start to bounce back. There was a surge when the banking sector opened up to foreigners. Many of the firms coming in had big plans for Japan, but packed up and left after a few years. This was great for us as relocators, though!

In 2013, we had 3-4 percent growth in the number of people we moved in. It seems small, but this was an improvement on

**Investment in real estate is all about how much risk you are willing to take and how long you want to be in a place.**

the negative movement of years past. We expect more activity in the second half of this year, as that is when most people transfer here. We also see great potential in other business areas, such as document storage and fine arts logistics.

**Do you anticipate a real estate boom in the run-up to the 2020 Olympic and Paralympic Games?**

What we saw with the Sydney Olympics was a positive attitude toward the economy, so real estate prices rose at first and serviced apartments got gobbled up right away. However, this plateaued after a while and then everything just stopped right before the Games. People are uncertain then, no one's moving in or out. Take this year's World Cup in Brazil, for example. In the six weeks before the event, our volume of business was less than 50 percent of that of the year before.

**Any advice on buying versus renting in this market?**

For someone who foolishly never bought in the Hong Kong market, for me, investment in real estate is all about how much risk you are willing to take and how long you want to be in a place. For foreigners looking to invest here, you must be willing to ride things out if another disaster occurs.

Capital yields are also strong here compared to Hong Kong, because capital appreciation hasn't soared as much, but I see that changing. Today's growth is a reflection of strong stock markets, a rising sense of hope, and a belief that things are improving. •



REAL ESTATE & ARCHITECTURE

Business Index—a monthly printed and digital industry company listing—can help with your relocation needs, finding your next home, and much more!

[journal.accj.or.jp/businessindex](http://journal.accj.or.jp/businessindex)

“The leaders for leasing and sales needs in central Tokyo, Housing Japan is a one-stop shop for all your real estate needs. Let us put our 14 years of experience to work for you today!”

—Mitsuo Hashimoto, president



HOUSING JAPAN

**Housing Japan**

Founded in 2000, our reputation is based on a) providing superior levels of service, b) having honest and transparent communication, and c) achieving great results.

03-3588-8861  
info@housingjapan.com  
[www.housingjapan.com](http://www.housingjapan.com)

“Eight fully serviced apartments operated under three different brands in Tokyo. Ideal for extended stays for both business and leisure in Tokyo.”

—Eiichi Eric Ishimaru,  
director of sales & marketing



**Oakwood**

Since its inception more than 50 years ago, Oakwood has grown to be the largest serviced apartment operator in the world, with close to 25,000 serviced apartments throughout North America, Asia, and Europe. A strong global sales and marketing network combined with proprietary operating systems and an excellent service record have resulted in remarkable returns for owners and investors.

03-5412-3131  
midtown@oakwoodasia.com  
[www.oakwoodasia.com](http://www.oakwoodasia.com)

“Born and raised in Tokyo, I have studied and worked in Melbourne, Australia, and gained over 16 years’ worth of experience in this industry. I have worked for two major moving companies prior to joining UniGroup, and completed an FIDI MiM Diploma in 2007.”

—Aki Nitta, general manager



**UniGroup Relocation Japan**

Our Japan office opened in March 2012 and is located close to the central business districts of Tokyo. With our dedicated team, we cover the whole span of the country—1,300 miles north to south—with the same high-quality service, proven by our successful earnings and our contribution to tonnage transactions thus far.

03-5777-5591  
Akihiko\_nitta@unigrouprelocation.com  
[www.unigrouprelocation.com](http://www.unigrouprelocation.com)





## Opportunity is everywhere. So are we.

UniGroup Relocation is the largest commonly branded global mobility network with more than 1,000 locations serving 180 countries across 6 continents. Our broad range of pre-assignment, transportation and destination services will support your assignees along every step of the journey, from beginning to end. Built on the heritage of the U.S.' largest and most experienced moving companies – Mayflower and United Van Lines – UniGroup Relocation provides the unique benefits of a common voice, a consistent standard of quality and unsurpassed local knowledge. Contact the regional office nearest you.

Americas: [americas@unigrouprelocation.com](mailto:americas@unigrouprelocation.com)

EMEA: [emea@unigrouprelocation.com](mailto:emea@unigrouprelocation.com)

Asia/Pacific: [apac@unigrouprelocation.com](mailto:apac@unigrouprelocation.com)

[UniGroupRelocation.com/accj](http://UniGroupRelocation.com/accj)



**UniGroup**  
Relocation



# Sending money overseas?

Fly your money abroad with GoRemit

**Easy to apply and remit funds**

**Fast service to over 170 countries**

**Bilingual customer service**

**Free registration**

If you would like more information please call

**0120-227-503** (weekdays 9:00-17:00)

or apply free online, go to

**[www.goremit.jp](http://www.goremit.jp)**



# POLITICS IN A HELMET

Olympics project receiving unjust criticism

By Riccardo Tossani

**W**ith emotions running high on the perceived injustices surrounding the proposed Olympic National Stadium

project, achieving any meaningful understanding will only occur if we separate the two core issues at hand. The first is socially sustainable planning; the second is architecture.

With regard to the former, and according to an excellent article by Robert Whiting in the July 2014 *ACCJ Journal* ("Dark Side of the Games"), the same morally and socially corrupt practices that led up to the 1964 Olympics projects are at risk of coming into play for the forthcoming 2020 event. But the outraged, shrill voices of activists trying to make themselves heard—through mainstream and social media—are confusing the two core issues at stake.

Architecture is a complex, emotional, and subjective act of will and vision. The bolder it is, the less it will be immediately understood by the general public, which often leads to rejection and outright revolt.

Zaha Hadid's mockup for the new National Stadium

Zaha Hadid's stadium design for the Tokyo 2020 Olympic and Paralympic Games has been compared to a bicycle helmet. Ironically, this resonates with Kenzo Tange's 1964 Olympic National Gymnasium in Yoyogi, the form of which, according to the architect, is derived from a samurai helmet. While at least symbolic of Japanese apparel, the relevance of a warrior's helmet to the benign nature of sports remains a mystery, particularly in post-war Japan.

Detractors probably abounded in the run-up to this eccentric project. It has proven, however, to be a timeless masterpiece of architecture that has inspired legions of young architects around the world with its mix of bold, unconventional lines and sublime grace.

An aspirational building ahead of its time, courageously leaning forward to the future, the design was nevertheless approved, budgeted, and built thanks to the corrupt practices outlined by Whiting.

While Pritzker Architecture Prize winner Hadid's "bicycle helmet" design might appear less iconically Japanese, this baseless metaphor at least relates to sports. Like Tange's gymnasium, Hadid's stadium design beautifully exemplifies Japanese society in its most enlightened state. It will be an astonishing addition to the pantheon of monuments that make Tokyo a world city, located among the commercial monuments occupying the front row.

Like Tange's provocative predecessor, Hadid's avant-garde statement will benefit from corrupt practices embedded in the politico-construction-industrial complex, deaf to voices of dissent. Unlike some questionable and socially disruptive urban planning initiatives proposed, this stadium's architecture has a character befitting a 21st-century city of 35 million inhabitants. Admittedly, this comes at the expense of the demolition of a nondescript stadium and the displacement of several groves of trees. In my view this is a small price to pay for an extraordinary amenity and an enduring architectural masterpiece.

## Tour de force

Olympic projects that require relocation of residents and the spending of public funds at a time of crisis, and that lack the engagement of, and accountability to, the electorate, are irrelevant to the selection of Hadid's architectural tour de force. Such arguments should be kept separate.

Anti-Olympics protestors, social activists, and concerned dissenters need to tune their collective voice and focus their scattered logic on the very real social, political, and qualitative environmental issues that are present elsewhere. Only then do they stand a chance (though unlikely) of being heard. Loose, ill-formed critiques of a project unfairly chosen as the lightning rod of minority discord will get these protesters nowhere. •



Riccardo Tossani is the principal architect and urban designer at Riccardo Tossani Architecture, Inc. ([www.tossani.com](http://www.tossani.com)), established in Tokyo in 1997.



The 1964 Olympic National Gymnasium in Yoyogi

# ALL-AMERICAN ROCK STAR AND TARENTO

Guitarist finds freedom to be eclectic in Japan

By Brandi Goode

**W**hen he moved to Tokyo in the early 2000s, Marty Friedman was just another longhaired American transplant. The fact that he had toured the world for a decade as the lead guitarist of iconic metal band Megadeth, sharing stages with the likes of Metallica, Pantera, and Judas Priest, meant nothing to Japanese fans or musicians.

Since then, he has earned a name for himself in the domestic entertainment industry, and is a firm fixture on NHK programs as well as other media channels—all in fluent Japanese. Friedman is launching his 12th solo album this year, and though he concedes he rarely does interviews with the English press in Japan, he took the time to speak with the *ACCJ Journal* ahead of his September Tokyo concerts.

Friedman's story is a rare one, as even he admits: "There is no precedent for me." While most foreign musicians coming here might find work as hired hands in local acts or wind up as struggling independent artists, Friedman has built his own brand through a balance of TV, music, and even sponsorship opportunities. A lifelong learner with immense ebullience, he began studying Japanese as a hobby.

"Everybody on the [Megadeth] tour bus would be playing video games, and I would be studying Japanese, just for fun." Friedman served as the group's "tour guide" when they played in Japan, and those repeat visits helped cinch his determination to make a life here. He finally decided to move to Tokyo after playing a decade with the foursome, but not for the typical reasons.

## All about J-pop

"It was the music that drew me. I was listening to only Japanese music, so at some point I had to come here and be where it was all happening. Making domestic Japanese music is what I ultimately wanted to do," Friedman said.

It may come as a surprise to many that the seasoned musician is an avid fan of J-pop. But, after speaking with him at length, and watching him casually joke with high-profile stars and NHK producers, there seems no end to the surprises inherent in his personality.

Friedman belonged to what many industry professionals and metal fans alike consider the eminent incarnation of Megadeth. He played with the thrash metal ensemble on seven of its 11 Grammy-nominated songs and albums in the 1990s, which, along with his solo work done in parallel, garnered him a solid following.

One might think this fame would kick-start his career in Japan, but it actually worked against him in some ways. Plus, music here






**Want to see Marty live?**

The ACCJ Journal is giving away three pairs of tickets to Friedman's September 24 and 25 shows at Tokyo's Harajuku Astro Hall. Write to [brandi@custom-media.com](mailto:brandi@custom-media.com) before September 12 for your chance to win.

<http://t-onkyo.co.jp/?ticket=marty-friedman>

Winners will be picked at random.



is completely segregated, he said. "You are either domestic or international, so I was always put in that second box, yet it was the fans of domestic music I wanted to reach.

"Megadeth meant nothing to them. In fact, it was more of a black mark because of the name—it sounded scary," he said, roaring and pulling a face to emphasize the point. "So I had to start as the new guy, which was very odd given my career before then. It was about making one new fan at a time."

**More than metal**

All this didn't matter much to him, though, as he didn't want to be known as simply "the metal guy."

"Metal guitarist ... you know, this is just one side of me and my music; there is so much more I'm doing and interested in doing," he said.

In due time Friedman earned the respect of Japanese musicians, but that wasn't his fundamental aim. "Respect as a musician is fine, but that doesn't get you into the home of Joe six-pack. My goal has always been to make my music available to more people," he explained.

Since moving here, he has worked with top names in the music business, from the trending Momoiro Clover Z, to veteran boy-band SMAP and provocative AKB48. While these artists have all impacted his work, he draws inspiration from a host of stimuli in his daily surroundings.

"Influence is a weird thing. I collaborate with so many people doing so many different things, and watching the way everybody works, from my stylist to the guy holding the cue cards, to the engineers and directors, has an impact—maybe more than the direct influence of other musicians."

Although Friedman, on a personal level, "takes TV work with a grain of salt," his regular gigs on Japan's ubiquitous and wacky variety programs, and shows such as NHK World's *Asia Music Network*, have been real enablers for his brand. He believes his more than 600 Japanese TV appearances to date have allowed him more leeway in his musical career, because of the face value he gets on screen.

However, "it's a plus and minus," he said.

"It gets you in some doors, but some music industry professionals may harbor prejudice against me, because to some people, I am more well known for my TV work than my music.

"Sometimes I feel they take me less seriously as a musician when they see me on a variety show," he added. "That's the price you have to pay, I guess."

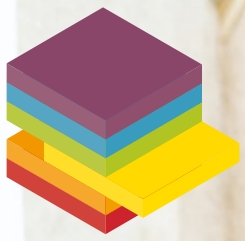
There seems to be a method to the bicultural, bilingual musician's madness, as he has managed to sustain an impressively prolonged career and a significantly varied fan base.

"Staying relevant is not something that you think about, especially when you have a long career. You just want to stay interesting to yourself," he said.

A big part of that is a constant pursuit of doing "bigger, cooler things," Friedman insists, such as his latest labor of love, *Inferno*. The album, which features collaborations with artists such as Rodrigo and Gabriela, is his most ambitious solo offering yet. It enjoyed a simultaneous international release, and Friedman is touring Europe, South America, and the United States to promote it.

Reflecting on how his life has changed since coming to Japan, he said, "I'm inventing it as I go, and it's gone extremely well for me, better than I ever imagined. My life and work now are far more challenging than the Megadeth days—that was a walk in the park!" •





# RELO JAPAN

***Making any move to Japan a smooth and memorable experience,  
Relo Japan is More Than Destination Services.***



**WWW.RELOJAPAN.COM**



**H&R GROUP**

*More Than Relocation*

**Real Estate**  
[www.JapanHomeSearch.com](http://www.JapanHomeSearch.com)

**Serviced Apartments**  
[www.JapanResidence.com](http://www.JapanResidence.com)

**Driver's License Conversion**  
[www.JapanDriversLicense.com](http://www.JapanDriversLicense.com)



**Car and Furniture Leasing  
Insurance Assistance**  
[www.LeaseJapan.com](http://www.LeaseJapan.com)

**Relocation**  
[www.ReloJapan.com](http://www.ReloJapan.com)

**Foreign Temp Staffing**  
[www.MoreThanRelo.com](http://www.MoreThanRelo.com)

*Relo Japan is a part of the H&R Group*



# STEP BACK IN TIME

Tour operator's treks retrace history of Japan

Text and photos by Vicki L. Beyer

It's fun to look around and try to imagine what a place must have been like in the past, and perhaps even wish to go back in time. Alas, time travel isn't possible—or is it?

I recently learned that it is possible to journey into Japan's past—on foot. Until not so very long ago, travel on foot was the standard method of getting around in Japan. There was some use of horses, but the wheel was not used for transportation until the early Meiji period, just a century and a half ago.

So, to experience ancient Japan, or even Japan prior to the middle of the 19th century, you have only to walk. It helps to walk with someone who knows the history and can tell you what to look for, however. Here's where the folks at Walk Japan come in.

Walk Japan offers off-the-beaten-track guided tours that take travelers back in time. Because most of their tours feature substantial spells of sightseeing on foot, you can get up close and personal with much of Japan's history.

Some of the tours are real “treks,” for intrepid hikers who can comfortably cover 10 to 20 miles a day (classified as levels 4–6 by Walk Japan). Other tours are much easier, involving less than three miles a day on foot and liberal use of more modern means of transportation (level 1). Pick your level of difficulty and hoist your pack!

## Start in the 8th century

It is possible to travel all the way back to the 8th century. Buddhism was then a relatively recent import

from China, being adopted by means of integration with Shinto and other traditional practices based in animism. One result was Shugendo, a form of esoteric Buddhism centered on mountain isolation. The Kunisaki Peninsula, in northeast Kyushu, is host to several shrines and temples dating back to that time. Walk Japan's level 5 Kunisaki Trek (10 days/nine nights) uses an ancient pilgrimage trail to visit a number of these, including the oldest wooden structure in Kyushu.

Skilled guide and Walk Japan executive Mario Anton leads tourists on precipitous mountain trails and through verdant valleys, while providing information on the religious history of Kunisaki, as well as past and present agricultural practices. The tour features a bird's

Tashibunosho, paddy fields under cultivation for over 1,000 years



# SHARE YOUR STORY, ENHANCE YOUR BRAND

English novelist and travel writer Bruce Chatwin (1940–89) can be credited with giving the Moleskine brand its seemingly obscure name in the late 20th century. The handy, pocket-sized notebooks, called *carnets moleskines* in their native France, were his accessory of choice when recording the details of a scene while travelling, accounts that would later be fodder for his prizewinning novels.

“To lose a passport was the least of one’s worries: to lose a notebook was a catastrophe,” Chatwin mused. A small French bookbinder ceased production of the notebooks in the mid-1980s, and the present-day Moleskine brand was born in Milan in 1997, bringing back to life the legacy of great artists and thinkers, who used the brand’s predecessor notebooks to capture their words, images and ideas.

Pablo Picasso and Ernest Hemingway figure among the creative icons who wouldn’t be caught in a café or crosswalk without their little black books.

Today, Moleskine is a brand built on creativity and mobility, and now companies in Japan can become a part of that legacy.

**MOLESKINE**  
Legendary notebooks



Contact Megumi Okazaki:  
megumi@custom-media.com  
03-4540-7730

## Custom for custom

Custom Media has been chosen as the B2B partner of customised Moleskine notebooks, which can be ordered and designed in Japan. Instead of the standard mix of edible *omiyage* this holiday season, why not give a gift that is more than a commodity—an object that finds its way into bags, desks, hearts and minds?

Classic, sleek and innovative, a customised notebook can enhance your brand identity and make events memorable. With a growing presence

in 92 countries and 24,000 points of sale, Moleskine is an aspirational global brand.

Large-size (13cm x 21cm) customised notebooks are available at nearly 40% off Japan retail prices, with a minimum order of 300. Have a notebook made for:

- Special events, such as product launches
- Training and development tools
- Corporate and holiday gifts
- Loyalty and incentive programmes





eye view of rice paddies that have been under cultivation for over 1,000 years. These ancient paddies, with their varied shapes and sizes, are in stark contrast to the more modern rectangular paddies visible in the next valley, the product of post-Meiji land reforms. Anton also provides introductions to the priests at a couple of the peninsula's oldest temples, scions of families that have cared for these temples for generations. Chatting with these young men and learning of their efforts to revitalize their communities was a real treat.

While most tours include several nights in traditional Japanese accommodations with sumptuous *kaiseki*-style meals, in Kunisaki the overall experience is enhanced by a night in traditional Buddhist temple accommodation. Buddhist vegetarian meals are served and you have the opportunity for morning meditation.

### Entering Edo

For a peek into Japan at the beginning of the Edo period (1603–1868), the 12-day/11-night level 1 Shogun Walk is a great place to start. The tour focuses on sites associated with Will Adams, the 17th-century inspiration for the Blackthorne character in James Clavell's novel, *Shogun*. Adams was shipwrecked in Japan in 1600 and became a

trusted advisor to Tokugawa Ieyasu. He frequently traveled the length of Japan to Nagasaki and Hirado in Kyushu to assist Dutch and English traders whose access to Japan was limited to those two ports. Just as Adams might have done, the tour stops along the way in Kyoto, Hiroshima, and Shimonoseki, other cities associated with those early days of the Tokugawa shogunate.

The operator's flagship tour features the Nakasendo, a Tokugawa-period road through mountainous terrain between Edo and Kyoto. This inland route was preferred by female travelers of the day, as it involved fewer river crossings than the coastal Tokaido. The 11-day/10-night level 3 tour takes travelers through time and mountains to effectively traverse the shogunate period. The tour originates in Kyoto and makes an early stop at the site of the Battle of Sekigahara, where Tokugawa Ieyasu's victory in 1600 made him shogun. Travelers then walk several stages of the Nakasendo's original cobblestones, stopping at various post towns—way stations for travelers that ensured government control over use of the road—until they reach Tokugawa's capital, Edo, which became Tokyo in 1868.

Walk Japan also offers a couple of urban tours. Tokyo is often lamented



Oku-no-in, at 1,300-year-old Futagoji temple, in Kunisaki Peninsula

as a city whose history was destroyed by the 1923 earthquake and World War II fire bombings. But walk the city with a knowledgeable guide, like Walk Japan's Paul Tierney, and learn how much of old Edo is still in evidence. You probably walk past bits of history every day without realizing their value. In two days, Tierney guides visitors through 300 years of Edo history, often bringing it to life with old photographs or period woodblock prints he carries with him.

Nihonbashi is a classic example. Between the old prints and Tierney's adroit explanation, one can envision the raucous spectacle of 18th-century fishing boats, travelers, and merchants. Tierney will also bring to life the Boshin War that ended the Tokugawa period, even pointing out bullet holes in the wooden gate of Yanaka's Kyoo-ji, where the Shinsengumi attempted to make a final stand after losing the Battle of Ueno.

I've often thought the downside of time travel would be losing modern conveniences. But, by time traveling this way, one is transported to the past without surrendering comfort. For moderately active tourists with a healthy sense of curiosity, what could be better? •

[www.walkjapan.com](http://www.walkjapan.com)



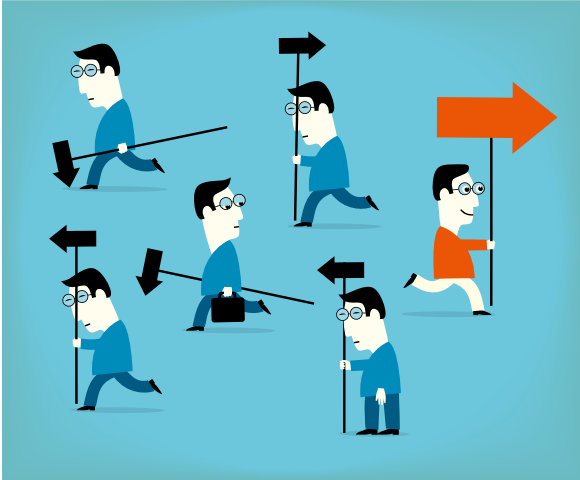
Shop selling traditional *senbei* treats in Sendagi, Tokyo.



Vicki L. Beyer is a vice president of the ACCJ.

# MIDDLE MANAGEMENT MADNESS

Why 70/20/10 Doesn't Work in Japan



Senior leaders must work through people and the key leverage group are Middle Managers. Doing more, faster, better with less, screams out for delegation. Putting aside the issue of basic delegation nous on the part of the leaders, the capability of the delegates to pick up the shield and spear, makes or breaks organisations.

Middle Managers are the corporate glue. Market and system noise are filtered, sorted, nuanced and passed up to senior leaders. They must also amplify the key direction and messages to everyone below. Well, in theory this is the case - what about the practice?

Middle Managers in Japan are tutored by their *sempai* – their seniors. The seniors themselves were similarly tutored. Looking at the postwar period there are distinct periods of managerial mis-development. The military officers returning from the war came back to a devastated economy and were placed in leadership positions in the rebuilt companies. The 1960s and 1970s saw Japan overtake the major European economies one by one. This was built off disciplined hard work and almost feudal sacrifice of family. For those in large companies, lifetime employment meant unquestioning dedication was expected. “Tough love” was meted out by the officer corps, now turned corporate managers. Leadership was

**“The male, greying Corporate Boardroom can continue to pontificate from on high but actual workplace change is delivered by Middle Managers.”**

top down, mainly barking out orders and berating subordinates.

The bursting of the bubble in the late 1980s left a corporate hangover with important side effects. Marketing and training budgets were slashed as companies struggled to survive. Thirty-somethings in the 1990s became the “lost patrol” – they moved up the ranks, based on age and seniority. Unfortunately, by the time the training faucet got turned on again, it went to their younger hopefuls. The *sempai* missed out and the content of their inherited tutor curriculum became frozen in time. The postwar system emphasised hard skills but had little clue about how to develop civilians. Today, in their fifties and in senior roles, many senior leaders have not been challenged by a new management idea in twenty years. By the way, the psychological and values gap between this senior generation and the millennials now entering the workforce is vast, measurable in light years.

The Lehman Shock left a renewed legacy of instability. Lifetime employment suffered collateral damage. The demise of Yamaichi Securities put the loyal and diligent on the street, a hammer blow to the traditional worker/company compact. Post-Lehman, training again took some intense blows and so *sempai*-led OJT (On The Job Training) has remained the central pillar of Middle Management education in Japan. OJT’s philosophical and practical roots stretch unbroken to the pre-1945 Imperial Officer Academies. Want to confirm this? Ask yourself why there is still no equivalent in Japan of the West’s major business schools, churning out the best and the brightest Middle Managers?

We are left with generations of undereducated managers, channeling their passed-use-by-date unreconstructed *sempai*. They are all swirling around a tight whirlpool, out of context and out of touch with contemporary corporate needs. This is

the critical reason why dated theories like the 70/20/10 model for learning and development are irrelevant here in Japan. Both the 20% from the *sempai* and the 10% component from training simply fail to deliver.

Corporate training in Japan is almost 100% ineffective. Old Japan loves lecture and Japanese trainers just love to talk. There is plenty of one-way traffic around the “What” and “How” but little or nothing around the “Why”. “Distributed Intelligence” – using the full experience and smarts power of the group - is rarely utilized.

If you were hoping for a post-training performance pick-up, then good luck! Daily, battalions of corporate trainees troop back to their desks and resume hostilities, without making any changes to how they do their job. Einstein noted that we can define insanity as “continuing to do the same things in the same way, but expecting a different outcome”. We must all be mad!

Until OJT is re-ordered off a properly educated baseline and the training delivered actually leads to behavior change, then there will be no progress. Middle Managers will continue to squander their key role. They will fail to communicate in ways that trigger enthusiasm, inspiration, empowerment, and confidence. High levels of engagement will never be achieved. Critically, engagement is the magic spring from which flows innovation, commitment and motivation in teams.

The male, greying Corporate Boardroom can continue to pontificate from on high but actual workplace change is delivered by Middle Managers. Hands up who wants better Middle Management in Japan?

Before you even think about training your Middle Managers, read the free report, “Stop Wasting Money Training. How To Get The Best Results From Your Training Budget”. To receive your Free Report pick up your phone now and call 0120-948-395 or 03-4520-5469 for a 24 hour Free Recorded Message. •



# ASKING THE TOUGH QUESTIONS

Interview with Sakie Fukushima

By Brandi Goode

**P**rime Minister Shinzo Abe has set a goal for Japan to have 30 percent of its executive and managerial positions filled by women by the year 2020, from the current 10 percent level.

Sakie Fukushima, president and representative director, G&S Global Advisors, Inc., is a trailblazing Japanese executive who became the first woman to serve on the board of directors of many high-profile, conservative companies. She also serves as vice chairman of the Keizai Doyukai (Japan Association of Corporate Executives). The *ACCJ Journal* spoke to Fukushima about her experiences at the top.

**ACCJ Journal:** What challenges did you face while serving on boards?

**Fukushima:** My board experience started in the United States with Korn/Ferry, where I worked for 20 years, including 12 years on the board. Altogether, I have served on the board of directors of nine Japanese companies. The first was Kao, followed by Sony.

In the United States, many boards are composed entirely of external members except for the CEO. In Japan, however, 90 percent of companies have an auditor system, where the majority of board members are internal. I was an external member in all nine Japanese boards I served on, so I felt I should represent the view of outsiders.

I never really felt different because I was a woman; the challenges had

more to do with learning quickly about new companies and industries.

**What assets can women bring to the boardroom?**

A male colleague and fellow board member once told me that women are often quite perceptive and point out things that other people hesitate to ask. Women have a way of asking challenging questions that require complex answers.

Male board members, even external ones, may feel compassion for people on the other side of the table, because they have been in that seat on their own company boards. As a result, they may not feel as free to ask the tough questions.

But I don't have any vested interests, so I ask what I think are important and relevant questions. Many women also have a strong sense of morality, so if something's not consistent, women will often point it out. In the United States, it's been shown that the more females you have on boards, the fewer compliance issues arise.

**What best practices can the United States and Japan share?**

I do not fully subscribe to the typical US corporate governance model because it tends to put too much emphasis on shareholder value, which can lead to an excessively short-term view. Corporate governance in Japan has tended to be internally focused. Only recently have companies started taking shareholders' interests into account.



Fukushima was the first woman on many Japanese boards.

When I attended business school in the United States, I was taught that the CEO's most important task was to maximize shareholder value. In Japan, an ROE (return on equity) of 5–6 percent is acceptable, but in the United States you are expected to show double-digit returns. In Japan, shareholders, even institutional investors, have long been ignored, and they have been silent.

The Japanese system, however, maximizes the interests of all the parties—internal, suppliers, and communities—it's all-inclusive.

**How can we sustain the Womenomics momentum?**

We just need to keep at it. For example, we need to continue the Keizai Doyukai survey every year to evaluate where each company stands on the promotion of women. The results should be shared widely, so the survey participants can see what is working for others.

Japanese companies feel very competitive and typically don't want to be seen as falling behind. The view is, "Look at how well others are doing; aren't you ashamed you're so far behind?" •

**In the United States, it's been shown that the more females you have on boards, the fewer compliance issues arise.**

# REFORMS POINT TO LASTING CHANGE

Corporate governance code key in third arrow of Abenomics

By John Amari

**T**his summer, the ruling Liberal Democratic Party (LDP) announced its revised growth strategy, including a detailed plan to modernize corporate governance practices. According to the document, this will be achieved through the implementation of a corporate governance code, due to be finalized by spring 2015.

On the same day, the ACCJ's Foreign Direct Investment (FDI) Committee and the Growth Strategy Task Force published the second viewpoint this year on the topic, "Further Implement Corporate Governance Reform in Japan to Spur Investment and Encourage Sustained Economic Growth." The FDI Committee's first viewpoint in 2014 had, in fact, recommended that a corporate governance code be implemented.

In light of the LDP's announcements and the recent viewpoints, the *ACCJ Journal* sat down with Nicholas Benes, chair of the Growth Strategy Task Force, and Kenneth Lebrun, chair of the FDI Committee, to survey Japan's long journey towards corporate governance reform.

"The Growth Strategy Task Force has been more successful than we dared dream," Benes began by saying, "in helping the government, particularly legislators, understand the urgent need to raise the productivity of capital and labor in the Japanese economy."

The critical role played by corporate governance reform in

improving productivity was detailed in the Growth Strategy Task Force's white paper four years ago, and the ACCJ's position has been further refined in viewpoints almost every year thereafter.

Corporate governance reform has been on the political horizon in Japan since at least 2001 or 2002, but it made a huge advance this year when it became the lead pillar of the third arrow of Abenomics. As stated in the administration's policy, the purpose of the planned corporate reforms is to increase the earnings power of Japanese companies, a topic that was never addressed as a major problem in the past.

In May, the LDP's growth strategy committee proposed sweeping changes to Japan's outdated corporate structures in its "Japan Revival Vision" document. Recommended reforms included the establishment of a corporate governance code, installing multiple independent directors, and enhanced disclosure to discourage cross-shareholding—where a publicly traded company holds stock in another publicly traded company.

The revision of the Japan Revitalization Strategy this June followed this framework, clearly stipulating a deadline for implementation of the Corporate Governance Code (next spring), and making it clear that the Financial Services Agency and the Tokyo Stock Exchange will be accountable for ensuring that the code adheres to international corporate governance standards.

## Long time coming

For Benes, the LDP's proposals have been a long time in coming. "Japan is about 20 or 30 years behind the times," he said, "in mobilizing corporate governance to address systemic weaknesses. They've made some changes, such as those addressing internal control systems, but most of the revisions do not get at the core issues."

What had been lacking, he continued, was root-and-branch reform, and the whole concept of instilling best practices for boards. This would involve, for instance, rules requiring the presence of independent directors, and structures enabling them to effectively monitor company executives, as set forth in a corporate governance code.

In part due to the ACCJ's advocacy work, the corporate governance currents seem to be flowing in the right direction. According to the new Company Law, if a company refuses to include at least one independent member on its board, it could be required—via a "comply or explain" clause, a feature Benes strongly pushed for—to give a full account of the reasons.

"It's not just 'explain' in the fine print somewhere; it's explain in the proxy materials and explain in your company report as well. In addition, the president has to stand up at the shareholder meeting and explain why it's not possible to have an independent board member, based on the specific circumstances of his company," Benes added.

In part due to the ACCJ's advocacy work, the corporate governance currents seem to be flowing in the right direction.



The “comply or explain” clause in the Company Law provided a natural opportunity for Benes to propose a corporate governance code based on best practices that would also be enforced via “comply or explain” disclosure. Such disclosure enhances transparency and the ability of institutional investors to make decisions based on full knowledge of a board’s decision-making processes, thus enabling them to better perform their duties under the new stewardship code.

Benes said these changes have the potential to bring Japan’s corporate governance culture up to date and untangle the historical gridlock caused by vested interests—principally, internal managers keen to keep the status quo, and the “stable shareholders” who support them.

Moreover, Japan’s Revised Growth Strategy specifically states that the new Corporate Governance Code should harmonize with international standards established by the Organisation for Economic Co-operation and Development—principles that should accelerate inward and domestic investment activity, Benes said.

#### Avenues for growth

Indeed, the changes are a minimum requirement to kick-start the Japanese economy, Benes said. After all, “there are only three ways to grow an economy: you can grow the number of people (the labor population and the taxpayer population), you can grow the



capital you invest in the economy, or you can increase productivity.”

Given Japan’s declining population, its best remaining options are domestic and foreign capital investment, and increased productivity—for instance, via rigorous governance that encourages companies to sell off under-performing divisions on the mergers and acquisitions (M&A) market.

FDI Committee Chair Kenneth Lebrun agrees. “M&A activity is critical for economic growth in Japan. As the Japanese demographic changes, they can’t add more labor to create growth. What they can do is increase productivity by moving

assets and labor to the most effective usage, and M&A helps do that.”

Both the LDP’s reforms and the Growth Strategy Task Force’s recommendations have met resistance, however, not least from the Keidanren (Japan Business Federation).

Yet Benes and Lebrun remain optimistic that this time, real change is coming for the country’s corporate governance culture. As Lebrun said, “What the Abe administration and the LDP have done, is recognize the link between improved corporate governance and economic growth, and I think that’s really a first for Japan.” •



John Amari is a consultant, writer, and researcher with experience working for a United Nations agency.

# Asia Strategy: Business Intelligence, Public Policy & Advocacy

Japan's leading political risk,  
policy research and business  
consulting company™

Celebrating 20 years of providing government relations, policy analysis, and business and political intelligence solutions in Japan to many of the world's best-in-class corporations and alternative investment funds with strategic stakes in Japan.

Toranomon 40 MT Building, 9th Floor  
5-13- Toranomon  
Minato-ku, Tokyo  
105-0001  
Tel +81-3-3438-0833  
Fax +81-3-3438-0834  
info@asia-strategy.biz  
www.asia-strategy.biz



DEFINING THE INTERSECTION OF BUSINESS, POLITICS AND POLICY™



## ACCJ EVENTS | PAST AND PLANNED



1 — Shun Kanda, Massachusetts Institute of Technology (MIT) professor and architect, gave a presentation on the work of the MIT Japan 3.11 Initiative, during an event at the Tokyo American Club on July 24.

4 — Kazuhisa Shibuya, deputy chief domestic coordinator, Office of the Prime Minister, gave a presentation in Japanese at "Japan Prepares for TPP: A Talk from a Senior Official," held at the Tokyo American Club on July 28.

2 — Dr. Rami Suzuki, president and senior group officer, Global Business Development Unit, ECL, discusses her experiences working in and her vision for the future of the pharmaceutical industry, at an ACCJ luncheon on July 23 at the Tokyo American Club.

5 — Mary Anne Jorgensen, Women in Business Committee vice chair-Kansai, announces the ACCJ fee waiver campaign for women, at the ACCJ Kansai networking event "Bella Nova Night #5," on July 18 at the Grand Front Osaka.

3 — The Chubu Women in Business Committee hosted an interactive lecture on "The Keys to Your Global Success: A Look at Presentations, Meetings and Negotiations," supported by Rebecca Irby and Rich Mirocco, on July 16 at the Hilton Nagoya hotel.

6 — ACCJ Kansai Women in Business Committee leaders describe the ACCJ Kansai Walk-A-Thon to U.S. Ambassador to Japan Caroline Kennedy, at a reception held on July 10 at the InterContinental Osaka hotel.

### UPCOMING EVENTS

Please visit [www.accj.or.jp](http://www.accj.or.jp) for a complete list of upcoming ACCJ events or check our weekly e-newsletter, *The ACCJ Insider*.

#### September 9

Crowd Funding and IP Tactics for Successful Businesses

#### September 26

Geopolitical Challenges and Economic Opportunities in Asia and Beyond: A Tour of the World with General (Ret.) David Petraeus

#### October 10

Mercedes-Benz Japan Cup 2014

[facebook.com/The.ACCJ](https://www.facebook.com/The.ACCJ)

[youtube.com/user/AmChamJapan](https://www.youtube.com/user/AmChamJapan)

[twitter.com/AmChamJapan](https://twitter.com/AmChamJapan)

[linkedin.com/company/american-chamber-of-commerce-in-japan](https://www.linkedin.com/company/american-chamber-of-commerce-in-japan)

# CAN YOU READ THE AIR?

By Andrew Silberman



“It’s not what he said, it’s how he said it that I really can’t stand.”

In the past couple weeks, I’ve heard several people described as “tone deaf,” and none of them were in a karaoke bar. One referred to a person giving a presentation, another to someone in an e-mail exchange, and the third to a candidate in a job interview. All three were perceived as tone deaf due to their apparent lack of ability to either “read the air,” empathize with their audience, or simply know when enough is enough.

Real tone deafness (the inability to distinguish tonal relativity) is extremely rare, and almost non-existent in cultures that have tonal languages. While many poor singers claim to be naturally tone deaf, perhaps as an excuse to avoid the karaoke microphone, musician William Allaudin Mathieu’s work shows that even that musical kind of tone deafness can be fixed through training.

Business-specific cases can also be addressed with a bit of coaching.

## Case 1: Tone-deaf presenters

The stage was set for a series of presentations. Five managers

would be presenting for up to 10 minutes each, including a question and answer period. The first four presenters observed the allotted time, answered two or three questions each, and moved on. While none of the presenters riveted the audience to their seats, each connected in his or her own way, and communicated a key message.

Then came presenter number five, whom I will call Frank. Well-groomed, with a powerful, resonant voice, Frank had the look of a confident executive. He told the audience he was going to share a “challenging cultural experience.” Little did they know that the real challenge would be staying with Frank for more than three minutes, let alone the five to 10 he was supposed to take—or the 18 minute-discourse he subjected them to.

After nearly five minutes into his “prepared” speech, Frank had yet to introduce the “experience” he was going to share. Five more minutes went by and a colleague loudly

**Tone deafness in a business sense has everything to do with listening to and empathizing with your audience.**

interrupted Frank with, “Hey! It’s supposed to be five to 10 minutes, and I’ve got a meeting to attend.” Five minutes later, the speaker wrapped up and then eagerly anticipated questions.

No one wanted to ask, but one person, knowing that someone was supposed to offer a question, tossed up a yes-or-no query. Frank’s response? Three minutes of abstract words taking us, exhausted and bored, to minute 18.

How many of you have suffered through that kind of presentation? The worst part is, Frank had no idea how bad he did. Frank likely thought he’d given the best presentation. However, once we shared his evaluations and footage recorded during his talk, he became aware of how the audience actually felt about his presentation. The camera doesn’t lie, and his 18 minutes of infamy became a wake-up call for Frank.

## During the interview

A related tone-deafness often occurs during an interview. It could be during a job interview, a sales call (another type of interview), or any one-on-one business conversation.



Take a look at the example below.  
What's wrong with this dialogue?

**Interviewee** (extending business card):  
“Anderson *desu*, *hajimemashite*.”

**Interviewer** (offering her card):  
“*Hajimemashite*. By the way, today's interview will be conducted in English.”

**Interviewee:**  
“*Hai. Yoroshiku onegai itashimasu*.”

Bizarre, isn't it? The interviewer just told the interviewee that she would be conducting the interview in English, and the (American) interviewee just goes right on speaking in Japanese.

Tone deafness in a business sense has everything to do with listening to and empathizing with your audience.

#### E-tone deaf?

“Brad is just so tone deaf. Check out this e-mail!”

In this third example, one business associate we'll call Dave was referring to another colleague (Brad), who he called tone deaf because of the “sound” of Brad's e-mail. What did Dave mean? Was Brad SHOUTING?

Not in this case, although that is a common problem with e-mail's proliferation. I presume most of us know that writing in all caps is the equivalent of shouting. No, Brad was just overly terse, responding to a request that to Dave's digital “ears” sounded as if Brad was being dismissive or condescending.

In English 101, we learn that there are different tones used in writing. These can range from formal to informal and casual (some experts add slang as a fourth option). Dave was not referring to that kind of tone, but to Brad's lack of acknowledgement. A simple “thank you” at the start of the message could have gone a long way to softening Dave's response to the missile.

When it comes to e-mail, you want to connect with a given reader or readers. Remember that e-mail is not communication; it is one-directional, and your tone is all created in the mind of the reader. Communication, on the other hand, is a two-way game.

Of the three types of tone-deafness reviewed (presenting, interviewing, and e-mailing), e-tone-deafness is the toughest, because it is often

**Remember that e-mail is not communication; it is one-directional, and your tone is all created in the mind of the reader.**

difficult to recognize how our written tone comes across to others.

#### Solutions

The cure for tone deafness in business starts, like so many communication maladies, with awareness. Get feedback on how you sound to others. When communicating in real time, pay attention to your audience: What do they say? How are they feeling? What are they looking at? Are they fidgeting or smiling?

For e-tone deafness, it's worth reviewing your messages before sending, taking time to edit them (remember, most people will be skimming, not reading), and adding in a friendly phrase or two to keep the e-mail exchange positive. At the hint of misunderstanding, pick up the phone or walk over to the person's desk to clear things up.

If you have identified a tone-deaf colleague in your organization, slip them a copy of this article. •

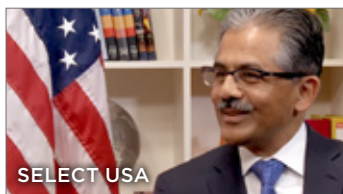


Andrew Silberman is president and chief enthusiast of AMT Group ([www.amt-group.com](http://www.amt-group.com)) and an elected governor of the ACCJ.

# PEOPLE NEWS INDUSTRIES FEATURES



JMEC



SELECT USA



CRAFT BEER

Sponsored by



[www.bij.tv](http://www.bij.tv)

the first and only bilingual video channel on Business in Japan

COMING IN OCTOBER

#### SECTOR SPOTLIGHT

### Career Development & MBAs in Japan

To appear in this video, please contact Joseph Gummer:  
[joseph@custom-media.com](mailto:joseph@custom-media.com) • 03-4540-7730

# THE THIRD PILLAR

Beginning this month, the *ACCJ Journal* will include a regular column devoted to brief advocacy updates from various committees. As one of the three pillars of the ACCJ—along with information and networking—advocacy consistently features prominently in the work of the chamber.

## Dietary Supplements Subcommittee

In 2013, the Cabinet of Prime Minister Shinzo Abe made a clear decision that so-called health foods, prepared foods, and agricultural/marine products citing functional benefits for certain ingredients should support those functionalities with scientific evidence, in the name of corporate responsibility. The requirements referred to the dietary supplement labeling system in the United States.

The introduction of such a system appears to be a major shift in the food functionality labeling system. Based on this Cabinet decision, the body that is primarily responsible for this area, the Consumer Affairs Agency (CAA), has been holding meetings with panels of experts in the field. The CAA is now preparing the framework for revised guidelines.

There are several gaps between the CAA report and what various industry groups, including US companies, are saying. Our subcommittee released a viewpoint in early July, to suggest the consideration of global best practices in the regulatory assessment process. The CAA has recently released a report from the expert panel meetings that

addresses several of the issues raised in our viewpoint, “Functional Health Claims for Health Foods in Japan.”

## Energy Committee

Energy policy continues to be an active area for debate in Japan as the government pushes forward reform of the electric power and related industries, promotes a restart of nuclear reactors, and reviews the feed-in-tariff for renewable energy (see page 14). Our committee recently updated its basic energy policy viewpoint for use as we participate in discussions across this field.

A Ministry of Economy, Trade and Industry advisory committee is considering the formulation of new IT standards for data transmission among participants in a soon-to-be deregulated electricity market, including the newly formed Organization for Cross-Regional Coordination of Transmission Operators. This is an area of great interest to equipment suppliers, potential power market participants, and specialized service providers, where the committee believes

that new standards should be set on an accelerated basis.

We recently issued a viewpoint and discussed the challenges faced by developers as a result of changes to the rules under the feed-in tariff system for large-scale solar projects.

## Toiletries, Cosmetics & Fragrances Committee

Our committee consists of US cosmetic companies and raw material suppliers. We focus on issues surrounding deregulation, such as simplifying quasi-drug regulation and the procedures surrounding the importation of various items.

In January, we made a presentation on simplifying import processes to a group of Japanese officials. Since the presentation, we have held follow-up meetings with other interested parties. We are now preparing input for a meeting between the Department of Commerce and the Ministry of Health, Labour and Welfare in September, hopeful that our views will be considered in the upcoming government-to-government discussions. •

## Viewpoints recently released on the ACCJ website:

### Energy Committee

“Facilitate Renewable Energy Expansion by Setting Feed-in Tariff Project Deadlines to Reflect the Realities of the Land Use Approval Process in Japan”

“Formulate Japan’s New Basic Energy Plan with Deliberate Speed, Ensure Transparency and Increase the Introduction and Use of Diversified Energy Sources”

### Internet Economy Task Force

“GOJ Policy Review on the Protection and Utilization of Personal Data”

### Transportation and Logistics Committee

“Ensuring the Japanese Government Capitalizes on the Opportunity to Enter into a Mutually Beneficial Trusted Traveler Arrangement with the United States”

### Insurance Committee

“Ensure the Viability of the Policyholders Protection Corporation”

### Dietary Supplements

“Functional Health Claims for Health Foods in Japan”

To see a full list of currently active ACCJ viewpoints, please visit: [www.accj.or.jp/en/advocacy/viewpoints](http://www.accj.or.jp/en/advocacy/viewpoints)





# THE ACCJ THANKS ITS CORPORATE SUSTAINING MEMBER COMPANIES

Their extensive participation provides a cornerstone in the chamber's efforts to promote a better business climate in Japan.

Aflac	en world Japan	Morrison & Foerster, Ito & Mitomi
AIG Companies in Japan	EY Japan	MSD K.K.
AINEO Networks	Federal Express Corporation	Nanzan Gakuen (Nanzan School Corporation)
Amazon Japan K.K.	Freshfields Bruckhaus Deringer Tokyo	Nu Skin Japan Co., Ltd.
Amway Japan G.K.	GE Japan Corporation	Oak Lawn Marketing, Inc.
AstraZeneca K.K.	GILT GROUPE K.K.	Procter & Gamble Japan K.K.
Baxter Limited	Goldman Sachs Japan Co., Ltd.	Prudential Financial, Inc.
Bayer Yakuhin, Ltd.	Heidrick & Struggles Japan Godo Kaisha	PwC Japan
Becton Dickinson Japan	Hilton Worldwide	Randstad K.K.
Bingham, Sakai, Mimura, Aizawa	IBM Japan, Ltd.	RE/MAX Japan
Bloomberg L.P.	IMS Japan	Robert Walters Japan K.K.
Boeing Japan K.K.	Johnson & Johnson Family of Companies	Saatchi & Saatchi Fallon Tokyo
Caterpillar	KPMG	Squire Patton Boggs
Chevron International Gas Inc. Japan Branch	McKinsey & Company, Inc. Japan	State Street
Citigroup	Merrill Lynch Japan Securities Co., Ltd.	Teva Pharmaceutical Industries Ltd.
Coca-Cola (Japan) Co., Ltd.	MetLife	Thomson Reuters Markets K.K.
Colliers International	Microsoft Japan Co., Ltd.	Toll Express Japan Co., Ltd.
Deloitte Touche Tohmatsu	Mondelēz Japan	Toys"R"Us, Japan
Delta Air Lines, Inc.	Monex Group, Inc.	The Walt Disney Company (Japan) Ltd.
Dow Chemical Japan Ltd.	Morgan Stanley Japan Holdings Co., Ltd.	White & Case LLP
Eli Lilly Japan K.K.		Zimmer K.K.

# BUCKET LIST



Samuel Kidder

**A** little over a month ago we sent out a press release announcing my retirement at the end of this year. It has been an eventful eight-plus years for me, and I hope a successful period for the chamber. And now, with just months to go, I am putting together my Japan bucket list.

One thing I had always considered was climbing Mt. Fuji. I can now scratch that off my list, and nod

in agreement with all the others who have climbed and learned that Mt. Fuji looks better at a distance than it does up close. Nevertheless, the view from the summit is certainly worth the ascent. And the descent is just as arduous. Now I have to get myself up Tokyo Tower. Looming over our offices, it always seemed reserved for tourists rather than ACCJ staff.

## Chamber goals

So, what's on the bucket list for the ACCJ in the next few months? One thing I'd really like to accomplish would be seeing membership headcount hit 3,000. We're getting close.

Before the so-called Lehman Shock in 2008, we had just over 3,000 names on our rosters. As we closed out the numbers at the end of this July, we had climbed back up to 2,916 from a low of 2,595 after the twin shocks of the financial crisis and the tragic events of March 2011.

**I'd really like to see membership headcount hit 3,000.**

Another goal between now and the end of the year would be scoring an appointment with Prime Minister Shinzo Abe during our Diet Doorknock this fall. Several years ago, when the Democratic Party of Japan was in power, I was on the Doorknock team that paid a call on Mr. Abe, who was then a member of the Diet. We will remind him that we kept him on the top of our list even while he was in the political wilderness, so that he knows the ACCJ is much more than a fair-weather friend.

In addition, after years of discussion, we expect to go ahead with a sampling of programs this fall in Japanese with English interpretation. The motivation is not just to make it easier for some of our Japanese members and guests. It is also a way to increase our speaker pool and tap into the deep vein of Japanese speakers who are not normally available for our Japanese-challenged members. •



DAABON is a family owned and managed company built on the passion and commitment of three generations of the Davila Family. Its headquarters and farms are located in Santa Marta, Colombia. The company's first few hectares of bananas in the Magdalena region, established back in 1914, have today grown into one of the world's leading suppliers of organic tropical crops, including bananas, coffee, palm oil and cocoa. To celebrate our 100th anniversary we are offering a 10% discount to ACCJ *Journal* readers. When you shop for Daabon products at our store on [amazon.co.jp](http://amazon.co.jp), use code ACCJ0914 for your discount.

[www.daabonorganic.com](http://www.daabonorganic.com)





## Will she drive a hybrid someday?

What if you could simultaneously improve fuel efficiency, reduce CO<sub>2</sub> emissions and clean up exhaust emissions? What if you could combine diverse energy sources — such as electricity, diesel, biofuel and hydrogen — which will be key to achieving sustainable mobility in the decades ahead?

Guess what? Hybrid technology offers all these benefits and more. Toyota's unique hybrid technology has already changed the way millions of people drive today. Just imagine how far it will take you tomorrow.



MICHAEL PAGE

# WE KNOW RECRUITMENT

AND WE MATCH HIGH PERFORMERS WITH HIGH PERFORMANCE COMPANIES

## Business Development Director

Our client is an Indian pharmaceutical company with proprietary generic offerings and a comprehensive range of development services to bring to the Japanese market. The Business Development Director will be the first hire for the company in Japan and will be responsible for identifying licensing opportunities and other alliance deals, as well as evaluating potential M&A strategies. In addition, they will establish and develop the Japan office from scratch. A strong track record of business development in the Rx and/or Gx pharmaceutical markets, and an entrepreneurial spirit, is required.

Please contact Mami Koriyama quoting ref: H1770110 or visit our website.

## Medical Doctor (Medical Affairs)

Our client is a research-based global company with a main focus on ethical pharmaceuticals, which are marketed in around 100 countries worldwide. As the largest pharmaceutical company in Japan and one of the global leaders in the industry, the company is committed to striving towards better health for patients worldwide, through leading innovation in medicine focused on metabolic disorders, gastroenterology, neurology, inflammation, as well as oncology through its independent subsidiary. The ideal candidate will be a licensed MD with experience within the cardiovascular, CNS or oncology field.

Please contact Mami Koriyama quoting ref: H1576600 or visit our website.

## Medical Affairs Manager

Our client is an independent, research-based pharmaceutical company that develops, manufactures and markets prescription medicines, consumer healthcare, chemicals, biopharmaceuticals and animal health. They are currently looking for a Medical Affairs Manager in diabetes TPA with more than five years of experience in the pharmaceutical or planning and management experience in clinical development, to develop and maintain the scientific value of their products. A deep knowledge and understanding of latest scientific data as well as a PhD or medical degree, are required in this role to educate MSLs/ KOL doctors about scientific information regarding medical treatments/products.

Please contact Kaoru Koyama quoting ref: H1792910 or visit our website.

## Associate Marketing Director

Our client is a leading American medical device company with 58,000 employees working at manufacturing facilities in 37 countries. This role leads the North Asia Marketing team for Core Devices which consists of Respiratory and Digestive Health. The successful candidate will have over six years of demonstrated success in comparable sales/marketing assignments and a broad knowledge of business management, sales and marketing. They will also be confident interacting with overseas colleagues and working in a mid-sized, entrepreneurial office.

Please contact Kaoru Koyama quoting ref: H2169200 or visit our website.

## Country Manager

Established over 40 years ago our client is a leader in frozen food processing worldwide. They employ over 1,500 people across the world with 25 sales offices or local representations, exporting its goods to approximately 70 countries. It supplies to many well-known retail organizations, international fast-food chains and numerous restaurants. With approximately 20% market share across the markets they operate in the company has become a leading food service player in Europe, Latin America and The Middle East. Currently they are focused to realize their growth ambition and grow market share in Asia.

Please contact Emily Le Roux quoting ref: H2370430 or visit our website

## Finance Controller

Our client is a Saudi Arabia-based largest independent distributor of Japanese OEM vehicles in the world. As the undisputed market leader for all new vehicles in Saudi Arabia, this firm is also the exclusive distributor that markets, sells, and services Japanese vehicles and their spare parts in different parts of the world including UK, Germany, China, and Japan. To further grow from its successful automotive distribution business, they have expanded to consumer financing, trading, and advertising & media business. Today, the company operates in more than 13 countries with turnover of more than 10 Billion USD and employs more than 10,000 associates.

Please contact Larasati Citra quoting ref: H2392320 or visit our website

To apply for any of the above positions, please go to [www.michaelpage.co.jp](http://www.michaelpage.co.jp) quoting the reference number, or contact the relevant consultant on +813 5733 7166 for a confidential discussion.

Get Connected. Stay Ahead.

