

EURO BIZ JAPAN

JANUARY
2017

MICHAEL MROCZEK,
FOREIGN LAW PARTNER
AND
KOJI FUJITA,
VICE CHAIRMAN

International law, *samurai spirit*

Okuno & Partners law firm



ROBERT WALTERS JAPAN

PERMANENT & 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 consultants specialising in your industry sector or visit our webpage at **www.robertwalters.co.jp**

Tokyo (03) 4570 1500

Osaka (06) 4560 3100

info@robertwalters.co.jp

ROBERT WALTERS



ROBERT WALTERS

Japan's leading bilingual recruitment consultancy
Robert Walters Japan

**BUILDING AN ALL-STAR TEAM?
TRUST US TO FIND THE BEST TALENT.**

Robert Walters Japan is an official sponsor of the Japanese National Rugby Team.



©2016.JRFU

TOKYO 03-4570-1500

OSAKA 06-4560-3100

www.robertwalters.co.jp

Contents

January 2017

4
First Focus

9
From the Editor

By Andrew Howitt

10
Business Spotlight
Okuno & Partners law firm

By Gavin Blair

14
Bucking globalisation

The global push to the right

By Justin McCurry

18
Within Reach
2016 EBC white paper

By Gavin Blair

20
The Interview
Austrian Ambassador to Japan
Dr Hubert Heiss

By Andrew Howitt

24
Country Spotlight
Austria

28
EBC Personality

Ryann Thomas

By Andrew Howitt

33
In Committee
Medical Equipment

By Geoff Botting

34
Event Report
EU Delegation's Economic
Empowerment of Women
Conference

By Andrew Howitt



35
Innovations

Instantly from page to screen

By Tim Hornyak

36
Investing in Japan
Allegis Group Japan

39
Eurobiz Poll
Casinos in Japan

40
Executive Notes
Decline of Japanese universities
By Kevin Rafferty

41
Illuminating Voices
Time to take stock
By Miwa Kato

43
On the Green
Magnificent and exclusive

44
Cellar Notes
Mad for Madeira

45
Down Time
Antony Strianese /
Rebecca Green

47
The Agenda

48
Work Place



**The Mission of the
European Business Council**
To promote an impediment-free
environment for European business
in Japan.

A professional portrait of two men standing side-by-side against a dark background. The man on the left is of East Asian descent, wearing a dark grey suit, a white shirt, and a red tie with a small white pattern. He has short grey hair and wears glasses. The man on the right is of European descent, wearing a dark pinstriped suit, a light blue shirt, and a red tie with a small white pattern. He has short brown hair and wears glasses. Both men have their hands clasped in front of them. The number '10' is printed in a large, orange, serif font, partially overlapping the man on the right.

10

“We try to be approachable, responsive and ... to think outside the box.”

International law, samurai spirit

By Gavin Blair





First Focus

To mark the end of the New Year's holidays, traditional decorations — typically made of bamboo, pine, Japanese cedar or rice straw — and other lucky items are collected, piled high and set ablaze at festivals around Japan. The bonfires, called Dondo-yaki, are considered the proper way to dispose of anything considered lucky. They are also a much more definitive end to the season than dragging your Christmas tree to the curb for the garbage trucks to take away.

Photo by Saethapoeng Triechorb
[Shutterstock.com]



Writing in and about Japan since 2000, **Gavin Blair** contributes articles to magazines, websites and newspapers in Asia, Europe and the US on a wide range of topics, many of them business related.

➡ *“Every year, the EBC white paper sums up many of the concerns and issues facing the readership of Eurobiz Japan. While many of the points raised engender a sense of déjà vu, unchanged as they are year after year, it’s also encouraging to see progress being made. The biggest goal is, of course, an EU-Japan Free Trade Agreement, and that, as the title of this year’s paper suggests, may finally be ‘Within Reach’.”*



Justin McCurry is the Japan and Korea correspondent for the Guardian and Observer newspapers. He graduated from the London School of Economics and later gained a master’s degree in Japanese studies from London University.

➡ *“Is the rising tide of anti-globalisation the latest incarnation of Samuel Huntington’s Clash of Civilizations? Victories for Donald Trump and Brexit, plus the rise of rightwing populists in Europe, suggest as much. Politics aside, it is a trend that could have profound implications for Japan’s relationships with its major trading partners.”*



Canadian photographer **Benjamin Parks** has been living and working in Tokyo for more than a decade, capturing portraits of some of the city’s movers and shakers. He has become the go-to photographer for editorial, corporate and advertising projects.

➡ *“It was a great pleasure to meet and photograph both Mr. Michael Mroczek and Mr. Koji Fujita of Okuno & Partners. Michael is fluent in several languages, and is passionate and knowledgeable about Japanese culture. Koji is friendly and gracious, but also has a piercing intellect; and he looks quite dashingly in a kimono!”*



Miwa Kato is UN Women’s Regional Director for Asia Pacific. A Sophia University graduate, she has spent the last two decades serving in the global public sector in New York, The Hague, Vienna, Afghanistan and Egypt, and now Asia, to support her home ground.

➡ *“The current powerful push to tackle gender inequality, led from the top as a national growth strategy, is groundbreaking. Womenomics can serve Japan well, and by extension, Asia. But the remaining years leading up to 2020 need to be spent on concrete changes in the mainstream, involving a Meiji Restoration-level transformation of mindset and systems.”*

EURO BIZ JAPAN

Publisher

Vickie Paradise Green
paradise@paradigm.co.jp

Editor-in-chief

Andrew Howitt
andrew@paradigm.co.jp

Senior Editor

David Umeda

Creative Director

Paddy O'Connor

Art Director

Cliff Cardona

Illustrator

DJ

Sales Director

Tapo J. Mandal

Account Executive

Tamas Doczi
advertising@paradigm.co.jp

Production and distribution

Daisuke Inoue
eurobiz@paradigm.co.jp

Published by Paradigm

6F Daiwa Osaki
3-chome Bldg.
3-6-28 Osaki, Shinagawa-ku, Tokyo 141-0032
Tel: 03-5719-4660
Fax: 03-3492-1202
www.paradigm.co.jp

Published monthly in Tokyo. All rights reserved. The views and opinions expressed herein (other than editorials by the EBC) are solely the opinions and views of their authors. The EBC and Paradigm are not responsible or liable for any portions thereof.

European Business Council in Japan (EBC) The European (EU) Chamber of Commerce in Japan

The EBC is the trade policy arm of the sixteen European national chambers of commerce and business associations in Japan

Chairman Danny Risberg

Vice-Chairman Carl Eklund

Treasurer Erik Ullner

Executive Director Alison Murray

Policy Director Bjorn Kongstad

Communications & PR Yoko Hijikuro

Subscription is free for members of the EBC and national European chambers of commerce.

Subscription rates are: one year ¥9,000; two years ¥15,000; three years ¥22,000; ¥800 per copy. Rates include domestic postage or surface postage for overseas subscribers. Add ¥7,500 per year if overseas airmail is preferred. Please allow two weeks for changes of address to take effect. Subscription requests should be sent to eurobiz@paradigm.co.jp

If you prefer not to receive this magazine, and for all matters related to distribution, please send an email to eurobiz@paradigm.co.jp

Eurobiz Japan welcomes story ideas from readers and proposals from writers and photographers. Letters to the editor may be edited for length and style.

Celebrating 30 years, and looking beyond...

B. Braun Aesculap Japan will continue to be an effective contributor to better health and quality of life for people in Japan and overseas.

We protect and improve the **HEALTH**
of people around the world.

B. Braun Aesculap Japan Co., Ltd is a Japanese subsidiary of B. Braun Group — a leading global healthcare supplier with a history of 177 years.

Our extensive product portfolio covers various surgical disciplines including anaesthesia therapies and instrument management. We are more than a product provider; we are a total solution supplier for hospital and medical professionals.

Through sharing our expertise with our customers and partners, we strive to improve people's health and quality of life.

B. Braun Aesculap Japan Co., Ltd.
www.bbraun.jp



15th
ANNIVERSARY

Pink Ball 2017

Friday, March 3, 2017

The Westin Tokyo, Galaxy Ballroom

6:00 p.m. to 12:00 midnight

¥35,000/person ¥350,000/table for 10
(including a five-course dinner and drinks)

Award winning celebrity chef,
Elio Orsara, owner of Elio Locanda
Italiana, will be our guest chef for this
special 15th anniversary Pink Ball.

www.runforthe cure.org

DRIVE THE LAMBORGHINI HURACÁN!

Don't miss your chance to bid on
a weekend driving the incredible
Lamborghini Huracán, and other
great prizes in our live auction.

BOOK NOW

Contact Marco
03-6420-0860

marco@runforthe cure.org





FROM EUROBIJ JAPAN

TEXT BY ANDREW HOWITT

Holding to hope

We start 2017 looking into an uncertain future, particularly for global trade — under threat from rising protectionist sentiment in many countries around the world. With Donald Trump insisting he will pull out of the Trans-Pacific Partnership (TPP) as he takes office this month, Japan's prospects for future economic growth — tied up, in part, with the success of the TPP agreement — may well be stunted.

Justin McCurry's *Bucking globalisation* on page 14 looks at how the slowdown in trade growth and the rising tide of anti-globalisation could affect Japan's relationships with its trading partners.

However, the European business community here is holding to hope. After 17 rounds of negotiations, an EU-Japan free trade

agreement looks achievable. *Within Reach* by Gavin Blair (page 18) highlights some of the EBC's recommendations for the Japanese government, from its newly published 2016 white paper, that will help European businesses thrive and continue to grow stronger in Japan.

The image on our cover this month, shot by Benjamin Parks, is a perfect representation of how Europe and Japan are working well together for mutual benefit. Koji Fujita and Michael Mroczek of Okuno & Partners, interviewed by Gavin Blair, spoke about the vision of the

firm's founder and how having a Swiss lawyer on staff has attracted European clients (page 10).

We were fortunate to speak with Austrian Ambassador to Japan Dr Hubert Heiss. Read about his career and his views on the benefits of an EU-Japan free trade agreement in The Interview on page 20.

Whatever the new year brings, let's all hold to hope that our world will become more united — that walls aren't built, that barriers come down. ●

Editor-in-Chief
andrew@paradigm.co.jp



Chez Olivier

*Michelin-star
French restaurant
in the
Ichigaya area*



Reservations:
chez.olivier.tokyo@gmail.com
Tel: 03-6268-9933
www.chezolivier.co.jp



International law, *samurai spirit*

Okuno & Partners law firm

A full-service independent business law firm, Okuno & Partners has a history that dates back more than 90 years. It aims to uphold the samurai-inspired principles of its founder, even as it moves to internationalise its operations. The firm now consists of around 60 staff, including 35 lawyers, and is the only Japanese law firm that advises on cases involving Swiss law.

“Our founder Hikoroku Okuno used to say that the Japanese character *shi* in *bengoshi* [lawyer] is the *shi* in *bushi* [samurai],” says

Koji Fujita, Okuno & Partners vice-chairman. “That core of the firm’s culture remains today.”

The founder worked as a lawyer on his own for many years, and focused on human rights and protecting individuals against powerful interests, according to Fujita. The firm began to expand when Yoshihiko Okuno, the founder’s son, took over as chairman about 50 years ago.

Over the decades, the type of clients the firm served shifted from individuals, whom the attorneys met through personal connections, to small- and medium-sized enterprises, later expanding to include larger corporations. Today, Okuno & Partners specialises in commercial law, with a

particular focus on bankruptcy and restructuring, corporate law and financing, legal issues surrounding corporate governance and transactions, M&As, as well as dispute resolution — litigation, mediation, and arbitration.

A landmark case for the firm was the rehabilitation of Japan Leasing Corp, which filed for bankruptcy in 1998 with liabilities of ¥2.3 trillion — almost \$18 billion at the exchange rate of the time. It was one of the major corporate failures in the aftermath of the bubble economy. Okuno — who is still chairman of the firm — took the lead in the proceedings, assisted by Fujita, and utilised innovative restructuring methods that went on to become standard practice in corporate rehabilitation cases in Japan.

Business law now accounts for the majority of the firm’s caseload, but it does have lawyers who can cover nearly any field and still undertakes the occasional human rights and criminal case. Shigeki Nomura, a senior partner at the firm who works on a large number of the human rights cases, was the



“They come to
us because they
know that we can
provide more than
just legal advice”



THE WINE GLASS COMPANY

GRAPE  VARIETAL SPECIFIC®

Taste the difference!

TOKYO

Aoyama Twin Tower (East)
1F 1-1-1 Minami-Aoyama
TEL : 03-3404-4456



NAGOYA

South House 1F 3-6-29
Nishiki, Naka-ku, Nagoya
TEL : 052-954-8015



Shop
information



first visually impaired lawyer admitted to the bar in Japan.

“Of course, many businesses ask for our help, and transactional work is a large part of our job; but being able to help individuals who are having difficulties in their lives is one of the most satisfying elements of our work,” observes Fujita.

Whether dealing with business law, criminal law or human rights, the firm’s lawyers are guided by the same tenets of social justice, faithfulness and benevolence, as well as in preserving the samurai spirit of “putting down the strong and helping the weak,” according to Fujita. Building deep relationships with clients so that their businesses and intentions can be truly understood is an extension of those principles, he adds.

As well as a greater shift to specialisation amongst its lawyers — a trend that is evident across the profession — another change for the firm has been an increase in cross-border cases and those involving foreign companies.

In 2013, the firm recruited Swiss attorney Michael Mroczek, who had come to Japan a year earlier to take a Master of Laws (LL.M.) with the intention of returning home after its completion.

Although it took about six months for Mroczek to get used to working in a Japanese

environment and for his local colleagues to get used to him, he says he now feels, “part of the family.”

Thanks to Mroczek’s presence, Okuno & Partners has seen an increase in business from European companies that do business in Japan and from Japanese companies that deal with European companies in connection to Swiss law and arbitration, according to Fujita.

Recent assignments have included assisting a Japanese company in acquiring a pharmaceutical company in Switzerland, with the transaction governed by agreements under the laws of both countries. The firm also represented a Japanese company in a dispute against a German company over a licence agreement, which had been made under Swiss law. Okuno & Partners is currently working on the restructuring of a Japanese subsidiary of a Swiss company.

“Interestingly, people in Japan have the impression that Swiss law is neutral; I worked on a case between Japanese and Austrian companies where both parties had agreed for their transactions to be governed by Swiss law,” says Mroczek.

Non-Japanese companies also choose to retain Okuno & Partners because it is seen as a Japanese firm with a profound understanding of Japanese business culture and customs in addition to Japanese law.

“They come to us because they know that we can provide more than just legal advice,” adds Mroczek. “And at the same time we strive to advise our non-Japanese clients the way they are used to being advised in their home jurisdiction. We try to be approachable, responsive and, if necessary, to think outside the box.”

Working in teams on many cases, Mroczek says there are inevitable differences between the perfectionism of his Japanese colleagues and his own more efficiency-driven Western approach, though he believes both sides have learned from each other. “We try to compromise between doing things quickly and doing them perfectly.”

Similar to the way Mroczek and his colleagues have found a middle way between the two working styles, the firm aims to act as an intermediary between European and Japanese businesses.

“Even as business goes global, legal systems vary by country due to their historic circumstances [and] fundamental differences remain. Furthermore, bigger differences exist in cultural backgrounds,” states Fujita. “When European clients do business in Japan and vice-versa, we would like to be a bridge between the two.” ●





FEATURE

TEXT BY JUSTIN MCCURRY

ILLUSTRATION BY GUILLAUME BABUSIAUX

Bucking globalisation

What the global push to the right could mean for trade



Friday 9 December should have been a day of quiet satisfaction for Japan's prime minister, Shinzo Abe. After months of acrimonious debate, the House of Representatives ratified the Trans-Pacific Partnership (TPP), a 12-nation free trade deal covering an estimated 40% of the global economy.

"the prospect of a more protectionist, inward-looking Europe ... [is] leading global trade into a new, and uncertain future"

But Abe and his fellow TPP enthusiasts were unlikely to have cracked open a barrel of sake to celebrate that evening. It was, after all, a bitter-sweet victory, their vision of a huge free trade bloc all but dashed against the rocks of an anti-globalisation wave sweeping across the Pacific Ocean.

Just two weeks before Japan ratified the TPP, Donald Trump repeated his threat to rip up the agreement as soon as he is inaugurated on 20 January. Whatever Trump and Abe discussed in New York in November, the prime minister clearly failed to convince the president-elect — who had described

TPP as a "disaster" for the US economy — to change his mind.

Trump's protectionist, "America first" credo reflects a growing recognition of the short-comings of globalisation, and one that could have a profound impact on free trade deals involving the European Union, Japan and other major economies. What started with the UK's decision in June of last year to leave the EU and Trump's surprise election

victory in November could continue when voters in France, Germany, Belgium and the Netherlands go to the polls in 2017.

The rising tide of anti-globalisation — underpinned by opposition to free trade agreements — has sparked a slew of warnings about a new era of protectionism and slow growth.

In October, the International Monetary Fund (IMF) reported that world trade had grown by just over 3% per year since 2012, less than half the average rate of expansion seen during the previous 30 years. "The slowdown in trade growth is remarkable, especially when set against the historical relationship between growth in trade and global economic activity," the IMF stated.

Euler Hermes painted a similarly bleak picture. The credit insurer said in October that it expected global trade growth to shrink 2.9% in value in 2016. It noted that the world had lost \$3.12 trillion in exchange goods and services over the past two years, adding that in the first six months of 2016 alone, countries had adopted a total of 352 new protectionist measures.

Those warnings reflect growing scepticism towards traditional notions of how capitalist economies should work: that multinationals, in return for favourable taxation and minimal regulation, bring rising living standards to the developed world and lift people out of poverty in developing economies.

That globalisation has, to an extent, achieved both of those aims is not in doubt. However, the sense that the fruits of global growth are not being distributed fairly is now impossible to ignore.



THE LEADERSHIP JAPAN SERIES

Be the Light On the Hill in 2017

BY DR. GREG STORY
PRESIDENT, DALE CARNEGIE TRAINING JAPAN



DALE CARNEGIE®
TRAINING

Igniting Workplace Enthusiasm

動
か
す

Will the New Year bring new starts or not? We religiously muscle up at the beginning of January to set resolutions to improve ourselves in the coming 12 months. Often these resolutions are inwardly focused — lose weight, get better organised, be more patient, etc. This year, let's set a breakthrough goal and make it really worthwhile going through this process. Let's become a catalyst, a trigger, a spark to become the light on the hill for others around us. "Be the change you want to see" is a great Gandhi quote and tremendously wise and insightful.

We can start by changing how we see others. Instead of being a perpetual "fault finder", a corrector of errors, a righteous blade to cut those making mistakes, a terminator of the terrible, why not try another approach? Rather than putting others down for their failings, why not become a person who is a serial encourager, someone who builds others up?

Imagine the type of workplace you want to work in. Is it rife with politics, backstabbing, petty power tussles, whining, bitching and complaining about others? I doubt that is what any of us would vote for as a "workplace of the future". We probably want a trouble-free zone, where each person pulls their weight, is cooperative, supportive, committed, capable, successful and nice.

How we see others has a big influence on how we interact with them. If we see people in a negative light, we tend to focus on their poor performance, their faults and inadequacies, while remaining blind to their strengths, achievements and potential.

Switch gears and start becoming a "good finder" rather than a "fault finder". See that each person is operating under tremendous pressures — personal, financial, health, etc. When we see that all of us are united in carrying heavy burdens through life, we can become more empathetic, more forgiving and less judgmental. Remember we often selfishly hold everybody else accountable to a higher standard than that which we set for ourselves. We ingeniously cut ourselves some additional margin, because we know intimately all the problems we face, which mitigate our ability to be perfect. How about extending some of that understanding to those around us?

A well-known quote from Henry David Thoreau is often misremembered, but what he actually said still carries significance, especially here in Japan: "The mass of men lead lives of quiet desperation". Japan is a modest place, not much given to hubris, exaggeration, bombast, boasting, self-promotion or superlatives. Whether it be ridiculous high-density living in the big cities or the gossipy, tedious provincial humdrum, Japan is a place where few people realise their full potential. They purposely rein themselves in, knowing that if they don't, society will do it for them.

This adds up to tremendous internal, self-induced pressures which constantly bubble away under the surface calm. The Japan patina of customary standard politeness and consideration masks what is really going on in people's "desperate" lives. So, let's get off our high horse this year and stop being a pain. Let's encourage those around us to live to their full potential.

Let's give them feedback on what they are doing well. Let's recognise them for their many strengths. Let's be indirect, tactful and circumspect about pointing out any shortcomings. Let's help others to really stretch their comfort zones and assure them that the risks associated with growth are worth it. Let's note and praise tiny, faltering steps forward, to inspire others to make even bigger strides.

We must simply stop complaining. We should take that whole sad vocabulary out of our thought and speech patterns. We will now speak in positive terms about life, business and those around us. We will switch on a mental outlook that emanates a powerful external illumination to guide others to find their own strengths hidden within as they climb the hill.

In short, in 2017 we become a tremendous giver of good. A guiding beacon for the positive in our dark, desperate, foreboding and at times, simply terrifying reality. Decide which world you want to inhabit and then become that world. We often want and wait for everybody else to make the change, to improve, to do better. By the

way, how has that been going for you so far? This year let's try another approach. Be the light.

"Let's ... inspire others to make even bigger strides."

Engaged employees are self-motivated. The self-motivated are inspired. Inspired staff grow your business but are you inspiring them? We teach leaders and organisations how to inspire their people. Want to know how we do that? Contact me at greg.story@dalecarnegie.com

“The goals of more equitable economic growth and of social inclusion can either be facilitated or hindered by the shape of globalisation,” Danny Leipziger, professor of international business and international affairs at the School of Business, George Washington University, wrote on the voxu.org website in December. “If globalisation moves, as it has, with few effective limits on bad behaviour, and if national economic policies are either captured by vested interests or are simply powerless to stop the excesses of globalisation, then a wholesale retrenchment is inevitable.”

Less than 10 years ago, the impetus behind anger over the concentration of wealth in the hands of the “one percent” came from the left. But with Trump’s election, the Brexit referendum, and the possibility that right-wing populists could form governments in France, Italy and elsewhere this year, anti-globalisation has acquired a more reactionary tinge.

In the US, this could take the form of a trade war with China if Trump imposes tariffs that run counter to World Trade Organisation rules. However, he is not alone in challenging the established view of how nations trade in a post-globalisation world.

Months before Trump won the election, Britain gave notice that public discontent with the status quo — in the form of membership of the EU — would force governments to rethink their relationships with established trading blocs based on the free movement of goods and services and, critically, of people.

What remains to be seen is exactly how the British prime minister, Theresa May, and her handpicked Brexit task force plan to navigate the legal, political and economic minefield laid by British voters.

Outside Europe, Japan has more reason than most to observe Brexit talks with interest — and anxiety. More than 1,000 Japanese firms have a presence in the UK, employing around 140,000 people. For many of those firms, Britain had represented their gateway to

the huge EU market.

Among them is Hitachi, which bases a third of its European business in the UK, along with a quarter

of its employees. Hitachi has much to lose from a hard Brexit, or a British exit that would see the Japanese technology conglomerate denied tariff-free access to the European single market and other benefits of EU membership.

“For the time being, the effects [of Brexit] have been limited, but in the long term there is uncertainty over the future of the UK,” said Yasuo Tanabe, Hitachi’s senior vice-president and executive officer, at a recent forum in Tokyo organised by the Research Institute of Economy, Trade and Industry. “In the face of the anti-globalisation trend, Japan and the UK should promote inclusive trade and rule-making in this era of digitalised trade.”

Tomohiko Taniguchi, a special adviser to Prime Minister Abe, was confident that Britain’s

exit from the EU would not damage Anglo-Japanese ties in trade or any other area. “While there shall be any number of concerns as to what business environment should emerge for the UK-based Japanese investments — and one duly hopes that it will remain a favourable one for them — the UK will still be a country Japan should count upon to play a significant role in preserving the transparent and rules-based international order,” he said.

Brexit, Trump, and the prospect of a more protectionist, inward-looking Europe — fomented by the rise of politicians such as the National Front’s Marine Le Pen in France and political activist Beppe Grillo in Italy — are leading global trade into a new, and uncertain future.

The minutiae of rival economic theories aside, the shape of trade relations in the EU, and throughout the rest of the world, will come down to a battle of political wills that, for now, has the anti-globalisation camp in the ascendancy.

“We always talk as if Brexit was a cause, but it is also a consequence of deeper trends in globalisation,” said Tarum Ramadorai, a professor of financial economics at Imperial College, London. “One factor is that, with Brexit, the arguments in favour of globalisation were not made as convincingly as those against.” ●

3%

In October, the International Monetary Fund reported that world trade had grown by just over 3% per year since 2012, less than half the average rate of expansion seen during the previous 30 years.



Within Reach

2016 EBC white paper

The publication of the 2016 EBC white paper comes at a time of mixed economic signals from Japan and an uncertain geopolitical outlook across much of the globe. Japan has enjoyed three consecutive quarters of GDP growth and a two-decade low unemployment rate of 3%. However, the Bank of Japan's 2% inflation target looks increasingly unachievable, while wage growth and corporate investment remain minimal. The weak yen is the major driver of corporate profits, and Abenomics' third-arrow promise of structural reform looks to still be stuck stubbornly in its quiver.

The title of this year's report is *Within Reach*. EBC Chairman Danny Risberg explains the title: "Simply because, after nearly four years of negotiations, an EU-Japan Free Trade Agreement [FTA] is finally looking not just theoretically possible, but genuinely achievable."

There have been 17 rounds of negotiations since they were formally launched in 2013, and many believe the end is in sight. EBC Policy Director Bjorn Kongstad sounds a cautiously positive note in his introduction to the 29 chapters of the 2016 white paper.

"Occasionally in life there is a moment when, after much hard work, the realisation dawns that a once distant goal is now within reach. It is a moment filled with optimism that success is near, and fear that a prize so evidently achievable could yet be lost," Kongstad writes.

When last year's report was issued, the Trans-Pacific Partnership (TPP) seemed to

be on an unstoppable trajectory towards ratification. But after 2016's anti-globalisation backlash, typified by the UK's Brexit vote and Donald Trump's presidential victory, the TPP now appears dead in the water. What influence, if any, this will have on the EU-Japan FTA remains to be seen.

Risberg points out that there are also numerous issues outside the scope of the FTA that the EBC is drawing attention to in order to help improve the Japanese business environment, including, "a tax regime that too often discourages inward investment; a health-care system that inflicts unpredictable price revisions on products vital to patient welfare; airport fees so excessive that they drive away business; labelling requirements of no consumer benefit that serve only to inflate costs; and labour legislation that still rewards long service ahead of performance."

The 2016 white paper acknowledges the Abe government's measures on cutting corporate tax rates, introducing Stewardship and Corporate Governance Codes, improving childcare, raising female participation in the workforce, boosting inbound tourism and easing limitations on the recruitment of skilled professionals from overseas. However, Kongstad notes that the prime minister has an unprecedented majority in both houses of the Diet, along with high approval ratings, providing a strong platform to implement the kind of reforms he has been promising — even in the face of opposition from bureaucrats and vested interests.

Japan is enjoying an inbound tourism boom, with new records being set regularly. However, to reach the still higher targets for visitor numbers set by the government, there

"It is a moment filled with optimism that success is near"

are a number of steps that need to be taken, recommends the Airlines Committee. High fees at major international airports are an ongoing issue, while the fall in outbound travel to Europe has contributed to a reduced capacity on many routes. According to the committee, Tokyo's Haneda Airport

remains underutilised for international flights — two significant barriers cited being a lack of satisfactory infrastructure, as well as preferential treatment given to Japanese airlines in slot allocation. Meanwhile at Narita, the safety requirement for planes to open their landing gear while over the ocean, in advance of landing, is deemed unnecessary and results in increased fuel usage.

Staying with transport, the Railway Committee reports that despite some progress in the area of opening up contracts to tendering, there is still a long way to go. Japan is a signatory to the World Trade Organization treaty that governs tender processes, but has added an exemption clause on everything related to transportation, on the grounds of safety. The definitions under the Operational Safety Clause (OSC) are still unclear, leading to very few calls for tenders in this sector. The EBC commends JR East for its recent calls for tenders for rolling stock, but notes this is a rare bright spot, and encourages other companies to follow suit.

In the telecoms equipment sector, the 2016 white paper welcomes the government's reforms under its ICT (information and communications technology) strategy that have facilitated the growth of high-speed, large-capacity ICT infrastructure, as well as the development of e-commerce and e-government, along with reduced costs for internet access and telecommunications. Important steps have also been taken toward accepting a global approach to standards and platform development, and the EBC appreciates being allowed to contribute to the Ministry of Internal Affairs and Communications' policy committees as an official participant. However, implementing a mutual recognition of standards has been disappointing. The government is currently considering further bandwidth allocations to mobile communications in all its forms, and the EBC hopes that Japan will continue to employ spectrum bands that are harmonised with other countries' markets.

The animal health sector, which was worth ¥114.1 billion in 2015, remains highly regulated. Product approval can involve the Ministry of Agriculture, Forestry and Fisheries; the National Veterinary Assay

17 rounds

There have been 17 rounds of negotiations on the Japan-EU FTA since they formally launched in 2013

Laboratory; the Food Safety Commission; and the Ministry of Health, Labour and Welfare. Products derived from multinational animal health companies now account for around half the market share. For veterinary pharmaceutical products, in particular, multinationals are the main source of innovative

products containing new chemical entities. While the registration process for new products has improved in recent years, delays persist, particularly for the use of GMOs (genetically modified organisms).

Kongstad concludes his introduction to the 2016 white paper with the following thought:

"The EBC trusts that the ideas and recommendations in this report will prove a positive contribution to the thinking of the Government of Japan, the European Union and all others who genuinely wish to see the EU-Japan trade relationship reach its full potential."

At long last, the EBC's hope of seeing an EU-Japan free trade agreement is within reach. ●

WITHIN REACH

The EBC Report on the Japanese Business Environment

2016



THE INTERVIEW

TEXT BY ANDREW HOWITT

PHOTO BY BENJAMIN PARKS

Presenting and representing a nation

Austrian Ambassador to
Japan Dr Hubert Heiss





For most of his career, Austrian Ambassador to Japan Dr Hubert Heiss has had Europe on his mind. He was assistant to the chief negotiator when Austria was discussing terms for its entry into the European Union, acted as permanent representative of Austria to the EU in Brussels, and, for 12 years, dealt with European policy from within the Austrian government. For some time, Ambassador Heiss has wanted to see the world from a different perspective, so when he was given the opportunity to serve Austria as its ambassador to Japan, he eagerly accepted. The Ambassador spoke with *Eurobiz Japan* about the need for a direct flight between Vienna and Tokyo, how being an ambassador differs from his previous multilateral roles, and the reception of Austria's music in Japan.

Could you give me a brief overview of your career?

For the past 25 years, I have been busy with European questions. I was in Brussels for almost the whole decade of the 1990s which, from an Austrian perspective, was a very important period. There was this kind of rapprochement with European institutions and European communities at that time. We became a member of the EU in 1995, and we had the first Austrian presidency of the European Council in 1998. I was the chairman of the EU enlargement group in Brussels in 1998. That's when we started membership negotiations with the countries that would join in 2004.

I went back to Vienna, and between 2000 and 2007 I was seconded to the Federal Chancellery, the prime minister's office, where I was in charge of European affairs. From 2007 to 2011, I was

ambassador to France and to Monaco. After that, I went back to Vienna for five and a half years. I was in the Ministry of Foreign Affairs as director general for Europe and global economic governance, and thus once again in charge of European questions.

How was being ambassador to France and Monaco after years of dealing with European issues?

It was my first official posting as ambassador, and also my first bilateral assignment. There's a huge difference between a multilateral and a bilateral post. With a multilateral post, you depend on others. The chairman of a committee sets the agenda and you have to be there. Then you have to organise the follow-up. It's a continuous process; there are continuous negotiations. You negotiate with other member states, with the European

Imerys High Resistance Minerals Japan KK

MINERAL SOLUTIONS FOR A CHANGING WORLD



Fused Aluminum Oxide
Ceramic Grain
Fused Mullite
Fused Cast Blocks
Silicon Carbide
Fused Zirconium Oxide
Chemical Zirconium Oxide
Zirconia for Advanced Ceramics
Zirconium Chemicals
Fused Magnesium Oxide
Andalusite
Charmottes & Mullite
Fused Silica
Refractory Clays
Metakaolin



The High Resistance Minerals business group designs mineral-based specialties with key properties such as heat resistance, abrasiveness and conductivity. The Refractory Minerals and Fused Minerals divisions supply the steel, automotive and aerospace sectors.

www.imerys-highresistanceminerals.com



Commission; but you also negotiate with people in the capital, and you have to strike the right balance.

A bilateral post is about presentation and representation. You present and represent your country. You present a specific case to an economic operator, or a corporation, or to someone in home affairs. And you're much more the master of your own agenda and timetable.

What are some of your office's goals for 2017?

Austrian Airlines has discontinued its direct flight between Vienna and Tokyo, which, of course, is inconvenient — not for me only, but also for many others. We have around 260,000 Japanese tourists who go to Austria every year, and 20,000 Austrians who come to Japan every year. I'm going to be in Vienna in February; I'll try to make a case to the CEO of Austrian Airlines, and ask if he would revisit the question of taking up this route again. There are a lot of potential opportunities over the next few years, particularly in view of the Tokyo Summer Olympic Games in 2020.

In 2019, we will celebrate 150 years of diplomatic relations with Japan. And this will be a good opportunity just to be present in the public space, both in Japan and in Austria. And particularly in the cultural area, we will have some special programmes and events to present. We will be getting ready for this over the coming two years.

Can you share some details about the Science Agora 2016 event you recently attended in Tokyo?

This is an initiative of the European Commission, who organise the event worldwide.

On this particular occasion in Tokyo, one of the participants was Ars Electronica, founded in the late '70s in Linz in Austria. The basic idea behind it is to present the inter-connection between technology and the arts — and they have very interesting projects. For example, they do a kind of fireworks show without fire. They use drones that act like powerful lights. These little machines, flying through the air like a flock of birds, are programmed to be in certain positions and flash their lights at a particular moment. It's amazing.

I'd like to convince the director in charge to do a performance on the occasion of our 150th anniversary celebrations, perhaps together with a classical performance by the Vienna State Opera.

How does Austria view Japan from a business and investment perspective?

I recently read the new Mori Memorial Foundation's study, the *Global Power City Index 2016*, where Tokyo ranked as the third most economically powerful city in the world, after London and New York. And Tokyo is aspiring to become even more of a global financial centre. So, it is very appealing to Austrian businesses.

Japan is Austria's third-largest overseas market. Obviously, geography matters, so 75% of our economic exchange is within Europe. But outside Europe, it's the US, China, and Japan. It's significant for the Austrian economy. And Japanese — for good reason — have a reputation for being trustworthy, reliable and steady.

You wrote on the embassy's webpage that "music and culture are the backbone of the relations between Austria and Japan". Could you tell me about the two countries' cultural exchanges?

Music and culture alone aren't enough, but they help in promoting other topics. It's a very good starting point — an advantage we have as Austrians. World-renowned ensembles, such as the Vienna Philharmonic Orchestra and the Vienna Boys' Choir, come

to Japan every year. We also had the Vienna State Opera here recently. They usually come every four years. For the Philharmonic and the Vienna State Opera, in particular, Japan is the most important market outside Austria.

I had a chat with the director of the State Opera, Dominique Meyer. He knows about audiences, how they behave. The way they react tells you a lot about the basic knowledge they have about the composers or the historic background of the particular piece being performed. Meyer said that Japanese audiences are very knowledgeable, one of the most well-educated.

Do you think Austria would benefit from the signing of an EU-Japan free trade agreement?

It certainly would. And particularly in these circumstances now, I think it will be a really

"Music and culture alone aren't enough, but they help in promoting other topics"

good way to show to the world that free trade agreements — which are actually beneficial to all sides — are still possible.

The fact that the Trans-Pacific Partnership passed in Japanese parliament at a time when it was clear that it would never come into existence was a political statement, particularly by the prime minister; that Japan is a reliable partner and still a champion of free trade. I think this is important; and that the European side should make such statements as well. ●



Austria

The artistry of industry

Mention Austria and the immediate associations that come to mind are its composers, including Mozart, Haydn and Schubert; its thinkers, such as Freud and Wittgenstein; as well as its artists, among whom are Klimt and Schiele. The nation's entrepreneurs and business leaders also deeply value beauty, ideas and artistry.

For 11 generations, the Riedel family of Austria has been perfecting glassware. Riedel Crystal — originally established in 1756 — is today a world leader in the production of decanters and glasses for wine and spirits. Riedel Crystal glassware is created with the aim of bringing out the flavours of different kinds of wines. But each glass is also a finely crafted object of beauty; some examples are even in the permanent collection at the Museum of Modern Art in New York.

In 1895, Daniel Swarovski patented a glass-cutting machine that cut crystal more precisely than hand-held

instruments, and that same year he founded Swarovski. His small crystal manufacturing business has since grown into a global enterprise, with revenue of €3.37 billion in 2016 and a brand presence in 170 countries. All the products made by the Swarovski Crystal Business are akin to delicately sculpted works of art; its jewellery has been worn on screen by cinema greats, such as Marilyn Monroe and Marlene Dietrich, while its family of crystal animal figurines is beloved by collectors around the world.

Dr Ingeborg Hochmair and Prof. Erwin Hochmair have dedicated their lives to helping those with hearing loss.



Thanks to their work, many children and adults are given the ability to hear, and, thus, the chance to discover and enjoy the transcendent music of Austria. The Hochmairs' firm, Med-El, applies their research to the development and production of implantable hearing systems. Med-El innovations and state-of-the-art devices are continually

helping to advance technology in the field.

Although their products may not be much to look at, Anton Paar's laboratory instruments and process measuring systems raise the science of precision measurement to the

the nation's entrepreneurs ... deeply value beauty, ideas and artistry

level of an art. Its rheometers for measuring the density, concentration and CO2 levels of fluids are considered cutting-edge in the industry. Dedicated to strengthening its position as a global leader in measuring technology, Anton Paar invests 20% of its net sales back into R&D.

Since 1984, Red Bull has helped aspiring artists stay up late to work on their craft. The company holds the highest market share of any energy drink in the world, having sold 5.96 billion cans worldwide in 2015. In addition to sponsoring motorsport teams, football teams and extreme sporting events, Red Bull has its own record label, Red Bull Records, and since 1998, has operated the Red Bull Music Academy, an annual series of workshops and festivals designed to foster creativity in music.

According to Ingomar Lochschmidt, head of Advantage Austria Tokyo and commercial counsellor at the Austrian Embassy in Japan, "A Japan-EU free trade agreement would level the playing field for some key items such as innovative wood products ... There would also be a significant reduction of non-tariff barriers, such as mutual recognition of standards and certificates."



Area

83,871 km².
Coastline: landlocked.

Climate

Temperate; continental, cloudy; cold winters with frequent rain, some snow in lowlands and snow in mountain regions; moderate summers with occasional showers.

Major cities

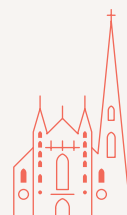
Vienna (capital), Graz, Linz, Salzburg, Innsbruck, and Klagenfurt am Wörthersee.

Population

8,665,550 (2015, estimate).
Urban population: 66% of total population (2015); 42.98% aged 25-54 years.

Natural resources

Oil, coal, lignite, timber, iron ore, copper, zinc, antimony, magnesite, tungsten, graphite, salt and hydropower.



Trade with Japan

Imports from Japan: €1.87 billion
Exports to Japan: €1.35 billion

SOURCE:
STATISTIK AUSTRIA,
WWW.STATISTIK.AT (2015)



BUSINESSES FROM ...

AUSTRIA

A LOOK AT SOME COMPANIES FROM THE REGION



KTM GROUP

The Austrian sports motorcycle manufacturer's brands of KTM and Husqvarna Motorcycles sold around 200,000 units in 2016 and achieved a turnover of more than €1 billion. Racing is the KTM GROUP's core value, resulting in more than 260 world championship titles in nearly all categories of street and off-road racing. "Ready To Race" in MotoGP in 2017 is further proof of KTM's limitless ambition in motorcycle sports.

www.ktmgroup.com

KTM GROUP



ANTON PAAR JAPAN K.K.

Anton Paar GmbH develops and produces high-end measuring and laboratory instruments. It leads the global market in the fields of rheology, density measurement, material characterisation, refractive index, polarimetry, and the determination of dissolved CO₂ content, as well as in the production of complex, high-precision components such as artificial limbs.

Approximately 20% of the annual turnover is invested in R&D.

.....

info.jp@anton-paar.com

www.anton-paar.com/corp-en



GETZNER

Getzner Werkstoffe is one of the world's leading suppliers and manufacturers of technical polyurethane materials for the Rail, Construction and Industry sectors. These solutions reduce oscillations, vibrations and noise to improve the quality and extend the service life of vehicles, tracks, buildings, machines and systems. The subsidiary Nihon Getzner K.K. services the firm's Japanese clients.

.....

info.tokyo@getzner.com

www.getzner.com/en



HEAD

HEAD Japan, a HEAD Sport's subsidiary, is a leading global manufacturer and marketer of premium sports equipment and apparel, organised into Winter Sports, Racquet Sports, and Diving. We sell products under the three brands of HEAD (alpine skis, ski bindings, ski boots, snowboards and protection products; tennis/racquetball/squash racquets; tennis balls); Tyrolia (ski bindings); and Mares (diving equipment). Our motto is "Superior Performance Through Superior Technology".

.....

www.head.com



HIGH-CAPACITY | PRECISION | RELIABILITY

**Smart Solutions
for Track Maintenance**

Nippon Plasser

Plasser & Theurer



www.nipponplasser.co.jp

Tokyo Office, 1-33-1, Komagome, Toshima-ku, Tokyo 170-0003
Tel. +81-3-5395-6280 / Fax +81-3-5395-6286

/ Perfect Welding / Solar Energy / Perfect Charging

fronius

CMT - COLD METAL TRANSFER

/ Now as a simple upgrade for TPS/i

TPS/i IS THE CORONATION OF WELDING. BECAUSE WE INTEGRATED CMT.

Interested?



www.tps-i.com

The TPS/i combined with the CMT welding process is a highly flexible welding system. It enables multi-platform production operations to be performed with the best welding processes for every application.

TPS/i with CMT not only ensures your production plant is equipped with the cutting edge technology of today, but of tomorrow too. www.fronius.jp

sitour

takes your brand to the
peaks of pleasure

- emotionalizing its audience
- precisely targeted
- vividly perceived

sitour japan KK
info@sitour.jp
www.sitour.jp

BMW xDrive
www.bmw.co.jp
xDrive
喜びを創る喜び

すべての道を
歓びに変える。
インテリジェント・フルタイム4WD
BMW xDrive.



Ryann Thomas

Been there, done that

When Ryann Thomas of PwC Tax Japan was a child, her father told her that she could play any sport she wanted, but that she had to play a sport — a healthy mind in a healthy body being his personal philosophy. Having had this wisdom instilled in her early on, Thomas has played a variety of popular and less typical sports over the years.

“When I was young, I started playing netball, which is what a lot of women in New Zealand play,” Thomas recalls. “I did orienteering for a few years. I played field hockey for many years. Badminton. And then hockey and touch rugby. Then a lot of indoor football and indoor cricket.”

But when she came to Japan in 1996, it was hard to find a place to play club sports that were not football or baseball — this being especially true for women. After looking for a while, she heard about a women’s rugby team and started to play.

“Rugby’s full contact — it’s wearying on the body — and there came a time when I felt I didn’t want to play anymore,” Thomas explains. “I met an Irish woman through rugby who played Gaelic, and she invited me to come along and try it.”

Gaelic is an Irish team sport, similar to rugby with kicking and passing, but played with a round ball. Thomas describes it as something like a cross between football and basketball, because in certain circumstances players can bounce the ball as they run down the field.

There’s currently only one Gaelic club in Tokyo. But every year, clubs throughout

Asia meet over a long weekend for the Asian Gaelic Games. The first year that Thomas played was particularly memorable for her and the Japan team.

“The Games are very informal, but considering that Gaelic’s not a global sport, a good number of people attend,” Thomas notes. “I was in goal. And that year, we won the competition, which was great.”

She has since stopped playing Gaelic, but continues to try new things and stay active.

“Through my running club, I met people who introduced me to adventure racing and snowshoe racing,” says Thomas. “At the moment, I go to a gym with a personal trainer. I’ve tried some boxing classes. I’ve also

Do you like natto?

Time spent working in Japan:
20 years.

Career regret (if any):
There are times you think, “I could’ve done that better”; but that’s all part of learning.

Favourite saying:
“Well-behaved women seldom make history.”

Favourite book:
I have hundreds of favourite books. I read all the time — anything and everything.

Cannot live without:
My Kindle.

Lesson learned in Japan:
Patience. Taking time to think things through and not rushing.

Secret of success in business:
The ability to be flexible in each situation, and to grow continually.

Favourite place to dine:
I never cook, so I eat out all the time and try to go to a different place every night.

Do you like natto?:
“Like” suggests it’s a food you’ll go out of your way to buy. Let me just say I don’t hate natto.

"Everywhere I've travelled to is memorable ... Everywhere has something different about it"



started taking New York-style spin classes."

Since 2001, Thomas has worked for PwC Tax Japan, which provides a range of tax services to individuals and businesses, and she is now one of the partners at the firm. It has been an ideal place for her to use her double degree in law and business, and her area of specialisation is, unsurprisingly, challenging and not so well-known.

These days, governments are paying close attention to transfer pricing as they try to get more tax revenue. They audit taxpayers when they think products have not been suitably priced and then try to make an adjustment.

"Transfer pricing is a small part of the tax industry," Thomas adds. "But it has been interesting to see it grow throughout my time here."

As someone who loves new

experiences, Thomas is also passionate about travel. She has spent time on almost every continent, and the list of countries she has been to is exhaustive.

"I always make it a point to see places off the beaten track," she states. "For example, I've been to the Galapagos Islands, North Korea, Iran and Uzbekistan."

Last year, she took a wine tour in Moldova, and went kayaking and hiking on Iriomote, an island in Okinawa.

"Everywhere I've travelled to is memorable," she says. "Everywhere has something different about it." ●



"When it comes to healthy living in Tokyo, you're in good hands."

INDUSTRY PERSPECTIVES

HEALTHY LIVING

Looking good, feeling well

TEXT BY DAVID UMEDA

The options to stay fit and look your very best are yours for the taking in Tokyo. But it requires making wise choices and sticking to the regimen set out by your trainers and coaches. Here is a sampling of what to consider, and who is in the best position to keep you to your New Year's resolutions for healthy living.

Club 360 is where members receive unparalleled professional treatment by uniquely experienced staff in an expansive, friendly, and pristine environment.

"From morning to night, seven days a week, visit Club 360 today and start yourself on the path to a better, healthier you," encourages Sam Gilbert, Manager, Head Physiotherapist.

Club 360 is conveniently only a three-minute walk from Roppongi Hills.

"Pilates facilitates both physical and mental wellbeing," explains Yasu Takeji, CEO of **Ola Pilates Studio**. "The movements require a high level of awareness of — and concentration on — the entire body."

Pilates helps to free your mind from the high demands of day-to-day work-life.

"Pilates is a valuable exercise," Takeji contends, "speaking from my past experience as a managing director of a financial firm."

Palmo Tokyo helps clients improve their health and achieve a balanced lifestyle.

"We provide high-quality aroma massage, facial massage, acupuncture, and personal training," points out Hitoko Ogawa, Owner.

At Palmo Tokyo, personal trainer Takeshi Hirose has handled the maintenance of a pro golfer, and is a licensed acupuncturist. English-speaking massage therapist Kaori Iwatani possesses aroma verification and exceptional people skills.

When it comes to healthy living in Tokyo, you're in good hands.



Who's Who

FITNESS

CLUB 360

Club 360 is Tokyo's premier gym, offering personal training, physiotherapy, group and kids classes, massage, boxing, kickboxing, and more. Classes focus on technique, are suitable for all fitness levels, and are taught by exceptionally well-trained staff with decades of experience. Our philosophy — "Changing lives through health and fitness."

"At Club 360, we continually endeavour to employ the latest, cutting-edge programs in a friendly and supportive environment."

Nathan Schmid,
Managing Director /
Head Trainer



B1 CMA3 Bldg,
3-1-35 Moto-Azabu,
Minato-ku, Tokyo

03-6434-9667
info@club360.jp
www.club360.jp



Who's Who

FITNESS

OLA PILATES STUDIO

By carefully examining your goals, and your physical and mental condition, we create the best program for your present and the future.

"Learning Pilates at Ola has convinced me that I never want to stop doing it. Pilates is continually helping me to improve the quality of my life," says one of our clients.

"Pilates changes your life, and brings wellbeing physically and mentally, for both men and women."

Nahoko and Yasu Takeji,
Owners and Instructors



Ola Pilates Studio

The Third Yoyogi Uehara #202
12-7 Motoyogicho,
Shibuya-ku, Tokyo

03-5790-9778
studio@olapilates.com
www.olapilates.com





Palmo

Palmo Tokyo
1-2-6-103 Shirokanedai, Minato-ku, Tokyo
palmo.tokyo@gmail.com
03-3280-1217

palmo-tokyo.com



Join & Support

EBC members can not only learn about important changes taking place in Japan, but also play a critical role in influencing change themselves.

To join the EBC visit **www.ebc-jp.com**

For more information please contact the EBC Secretariat.
Alison Murray, EBC Executive Director. Tel: 03-3263-6222. E-mail: ebc@gol.com



EUROPEAN BUSINESS COUNCIL IN JAPAN
THE EUROPEAN (EU) CHAMBER OF COMMERCE IN JAPAN



Medical Equipment

Industry 4.0's beneficiaries

It's no secret that information technology is quickly making inroads into just about every aspect of our lives. That includes the medical field, which is why the EBC Medical Equipment Committee added "improvement of environment for IT medicine" as a new issue in the EBC 2015 white paper.

"IT is happening everywhere," says committee chairman Danny Risberg. "The same [kind of] revolution we saw with industry, we're now seeing with information and robotics ... This same phenomenon is happening in medical."

The potential of IT medicine seems boundless. Beyond diagnostics, therapies and robotic-assisted surgery, hospital administration is expected to be revolutionised by analytics and other technologies.

"The technology is actually moving faster than the guidance, the people, the process, and the rules," cautions Risberg. "We need people to think about it. That's why we brought it up."

The committee is urging the Japanese government to work on new rules, improve infrastructure and come up with reimbursement structures that promote IT applications in the field of medicine.

These measures will be especially needed if "personalised medicine" is to get off the ground.

This next-generation area is about providing therapies that are tailor-made for the patient's individual medical conditions, as opposed to a single standard approach — in other words, treating the patient rather than the disease.

"[Patients] can start saying, 'Based on my disease and diagnosis, this [therapy] seems best to meet my lifestyle,'" Risberg explains. "So they'll become much more selective in their [type of] care."

Hospital administrators, meanwhile, will be able to ramp up their efficiency, optimising such factors as bed occupancy.

"You have patients lying in ICU beds who don't need to be there anymore," Risberg says. "That's because the doctor doesn't know the data, or maybe he's not scheduled to see them until tomorrow."

Achieving this kind of efficiency is crucial for Japan. The healthcare system is expected

to feel increasing financial and manpower strains as the population ages. "The physicians will never be eliminated, but you will see huge efficiencies if IT is implemented," Risberg states.

He adds that he's encouraged by the Japanese government's stance on creating medical technologies for the future. With the country's current demographics, this is sure to be a major growth area.

"Robotics is big here, and there's a lot of expertise," the committee chairman says. "So, data

analytics, artificial intelligence ... are going to be applied, and one of the first areas will be healthcare."

European companies in Japan are keen to take part in this brave new high-tech world. Not only do they want a stake in the industry, but they're also keen to gain experience in a rapidly ageing society, seen as a precursor of things to come in other affluent industrialised countries.

"What we learn here will be taken to other places," Risberg says.

A longstanding issue for the committee is certification and approval. For many years, the group has complained of a "device lag," whereby the latest medical equipment would take excessively long periods to reach medical institutions in Japan, due to domestic approval processes that took longer than in other countries.

However, that issue largely has been resolved. "If you look at the numbers, it has gotten lightyears better," says Risberg.

The new, more relevant challenge is the "device gap": when the latest technology overseas doesn't make it to Japan because of a lack of medical and insurance schemes able to evaluate innovations. Manufacturers abroad won't risk exporting their technologies if they can't be fairly certain their products' value will be fully recognised.

The solution is implementation of global rules that protect such things as data privacy along with harmonisation of technical standards. Confident that Japanese officials appreciate this situation and want to improve it, the committee chairman says, "I'm positive things are moving forward. But are there a million more things to do? I'd say 'yes'." ●

Advocacy issues

IT medicine

Regulation has lagged technical advances, so efforts to draw up new rules need to be sped up.

Quality Management System (QMS)

Work needs to be done to achieve mutual approval and international alignment of the QMS.

Clinical evaluation

Although alignment of Japan's clinical evaluation with ISO14155 is progressing, the government should publish guidelines for evaluation reports and clarify standards to determine when clinical trials are needed.



The economic sense of gender equality

The EU Delegation's Economic Empowerment of Women Conference



Although equality between men and women is a fundamental value held in the European Union and Japan, both still face numerous challenges in creating gender-equal societies. The specifics of these challenges, and how governments and corporations are working to close gender gaps in the work place, were the subject of talks and panel discussions at the EU High-Level Conference on Economic Empowerment of Women, hosted by the EU Delegation to Japan in December.

In a video message, Věra Jourová, EU Commissioner for Justice, Consumers and Gender Equality, stated that the EU was striving to increase female labour market participation, boost women's economic independence, and reduce the gender pay gap.

"Companies are critical to the success of these initiatives," she said. "They will need to turn current corporate culture into an inclusive, gender-balanced one."

With an average of just 23% of women on the corporate boards of publicly listed companies registered in the EU, and only 5% with a woman as their CEO, Jourová believes this is deeply unfair and a sheer waste of talent.

"At a time when the EU wants to boost growth and jobs, enhancing gender equality makes economic sense," she added.

Dr Jesper Edman, a researcher at Hitotsubashi University, presented the preliminary findings of his EU-Japan Comparative Report on the Economic Empowerment of Women. Among the many statistics presented, Edman found that there are more Japanese women in part-time work than in the EU. He also showed that, compared to the EU average, Japanese men spend well over 100 minutes more per day at work.

"This explains some of the structural barriers within [Japanese] companies," Edman stated. "First, because men cannot help out at home — so Japanese women face more pressures to take care of children. Secondly, because men then set the standard for how much time needs to be spent at work to become a manager."

Many of the speakers throughout the conference decried this system of long working hours and insisted that progress could only be made when this practice ended.

One of the keynote speakers was Katsunobu Kato,

Minister in Charge of Women's Empowerment and Minister of State for Gender Equality, who showed that the government is moving ahead with initiatives to get more women into the workforce. He said the government understood that Japan's economic recovery would not be possible without women's empowerment, and cited an OECD survey showing that the nation's GDP would increase by 20% if women's labour-force participation reaches parity with that of men by 2030.

In August of 2015, the government enacted a law requiring companies with 301 employees or more to publicly set goals for hiring women and promoting them to managerial positions.

"Companies have to look at how they are utilising their female employees, set out an action plan [for making their work places more gender-equal] and make it public," said Kato. "Additionally, they will need to show, in numbers, the progress they are making."

These action plans can be viewed on the Health, Labour and Welfare Ministry's home page. Companies also are given scores based on how well they meet their goals, and their scores can affect their involvement in public procurement.

Kato added that the government would announce another major policy in March that would change the way people work.

The conference ended with remarks from the Ambassador of Ireland to Japan, Anne Barrington.

"The more that the gender equality agenda is advanced, the likelier it is that our economies will do better," she said. "I have every faith that when Japan puts its mind to achieving something, it will be achieved." ●



Instantly from page to screen

Is a smartpen the write tool for you?

If you often find yourself digging out old notebooks from a closet or hunting for scraps of paper in a desperate quest to find a hastily jotted down idea or phone number, consider the smartpen. These gadgets have been around for years; and although big stationery brands like Staedtler and Moleskine have gotten in on the game, these gizmos aren't exactly mainstream yet.

Smartpens combine the natural ease of old-fashioned, analog writing with the convenience of digital storage. The concept is straightforward: you write on paper and your scribbles are stored in digital form — and can be converted into text — on a cloud service like Evernote or Google Drive, or on a PC or mobile device via a dedicated iOS or Android app. This allows for easy organisation, sharing and preservation. Some pens let you save your writing according to categories such as contact information or class notes, and they're all designed to make digitisation easy. Where smartpens differ is in their features.

One of the best features about the popular Livescribe 3, for instance, is its dictaphone function.

It can record audio and link it with what you're writing during a recording. For instance, businesspeople can record meetings while jotting down notes. Clicking on a word or diagram taken down during the meeting — either on the notepaper or its digitised version — can trigger a playback of the audio. That function appeals to me as a journalist, but I'm still waiting for a gadget that will instantly and accurately produce a digital transcript of an interview.

Depending on the model of smartpen, you may need special notebooks with graph-like paper (and they can cost anywhere from \$3 to \$30 apiece); the dots on the page allow the smartpen to locate a character, word or drawing on the page. Pens that don't use digital paper rely on a sensor placed at the top of whatever you're writing on — be it the back of an envelope or a cocktail napkin.

In terms of usability, smartpens are bulkier than normal pens and computer stylus because they house components such as accelerometers, trackball sensors, flash memory units and infrared cameras along with standard ink cartridges. Other factors to consider when choosing a smartpen include battery life and storage capacity. The Staedtler digital pen 2.0, for example, can store 100 pages, while Moleskine's Pen+ has capacity for 1,000. In terms of cost, smartpens range from about \$150 to \$200.

If you're the sort who likes to keep old notebooks, or if you have a yen for inventorying — and plenty of storage space — you probably don't need a smartpen. If you like handwritten notes and don't mind using a stylus on a touchscreen, you can always go with an iPad Pro, Surface Pro 4 or Galaxy Note 5. But if you're stuck on paper and also crave digital features, a smartpen might be right for you. ●





Skill-set specialists

Allegis Group Japan

Nothing is more important for success in business than finding people with the right skill set and cultural fit to help a company prosper and grow. And today's increasingly rapid pace of technological change and globalisation have made this more of a challenge than ever.

As a result, there is more demand for recruitment companies — essentially matchmakers between businesses looking for the right people and people looking for the right career move.

The US-based Allegis Group is a major player in the global recruitment industry. And it sees major opportunities in the Japanese labour market.

Since its establishment in 1983, Allegis has become the world's largest privately held recruitment company, with annual revenues over \$11 billion.

Allegis Group comprises a diverse portfolio of brands, including three global recruitment brands: Aerotek focuses on technical and industrial positions; TEKsystems concentrates on the IT field; and Aston Carter specialises in business professionals and is currently the firm's strongest brand here.

"In Japan, we have all the recruitment brands [under one roof and] ... see Japan as

a massive opportunity," notes Scott Wallace, General Manager of Allegis' Japanese operations.

Allegis currently operates in eight Asian countries, including Japan. The company entered the Japanese market in 2014 by purchasing Talent2, an Australian recruitment firm that had been operating here since 2007. In September 2016, Allegis Group made the strategic decision to decommission the Talent2 brand, reposition its recruitment strategy in Asia Pacific and align to the global brand structure.

According to Wallace, what sets Allegis apart from other recruitment firms is its values, meaning that it is committed to understanding the needs

"[We] see Japan as a massive opportunity."

of its clients, candidates and employees. These clients are the companies that use the firm to search for potential employees, and candidates are the individuals who come to Allegis in the hope of finding a position that matches their abilities and career goals.

Allegis is guided by its "Voice of the Customer" research.

"We try to understand the needs of clients and candidates to a deeper, more significant degree," Wallace says. "Our number one goal is delivering



Scott Wallace, General Manager (left) and Jason Lewis, Director of Practice (right) at Allegis Group

behaviour that extends to providing higher-level services for our clients and candidates. We're skill-set specialists, rather than industry specialists."

Sales and marketing skills, for example, are in demand by companies in any number of fields, Wallace notes.

Allegis emphasises quality by focusing on clients' specific needs and business cultures, as well as candidates' individual skill sets and career goals.

"The worst thing you can do is to commit to a client or candidate and not come through," Wallace states.

Wallace is originally from Oliver, a town of some 4,000 people in the Southern Interior of British Columbia, Canada.

In recent years, the area has become well-known for producing many excellent wines. While in high school, Wallace spent some summers working in local vineyards, which may have helped him learn about the importance of quality.

He came to Japan 15 years ago to work as a physical education and geography teacher at an international school in Tokyo before entering the recruitment field.

Most of Allegis' clients in Japan are foreign companies. And Japanese people with English ability make up most of the candidates who come to Allegis for help in finding their dream job.

Wallace says that 80% of Allegis' staffing business globally involves contract workers, noting that Japan is the world's second-largest contract labour market.

The Japanese labour market is opening up — but not in terms of immigration, Wallace quickly adds. "We're seeing

long-term contracts being extended, and a trend toward highly skilled workers with longer contracts."

Increasingly, specialists are being prioritised over generalists as candidates. And as technology transforms the work place — creating greater flexibility — Allegis believes more women will join the workforce.

Entering the Japanese market is not easy for recruiting firms. "You have to be agile to reflect the needs of the market," Wallace observes. "It's all about managing relationships — our ability to help as many people as possible."

When it comes to Allegis' own practice of hiring people, Wallace says the firm looks for people who share its core values. They have to have high standards, integrity, a competitive spirit, the ability to serve others, and a strong sense of the value of relationships.

"We want people who want to help people — they're far rarer than you might think," Wallace continues. "As a privately held company, we can take our time to target the right people, and can invest more time in the initiation phase. We can play a more long-term game to make sure people do the right thing."

Something else Allegis brings to the proverbial table is how the firm can serve as a consultant that can help clients get a better sense of who they need to hire, and, in turn, encourage candidates to focus on, and develop, their specific skill sets.

"It's all about behaviours," Wallace says, explaining that Allegis helps candidates learn how to behave during job interviews, for example.

Globally, Allegis is able to retain employees longer than other recruitment firms by focusing on hiring the right people.

"We're looking for future leaders," Wallace explains. "It's up to us to provide an environment that brings that out in people. It has a lot to do with management, and opportunity for growth and development."

The company's Japanese business currently has a staff of 40, divided evenly between Japanese and foreign employees.

Allegis' commitment to both sides of the recruitment equation bodes well for the local economy — and for its Japanese business. You could say that Allegis and Japan are an ideal match. ●

INDUSTRY PERSPECTIVES

IN GOOD HANDS

Helping to pull people up in their careers

TEXT BY DAVID UMEDA

Today's ageing workforce and low birth rate, the appeal of merit over seniority for advancement, and the slowing down of globalisation have had a direct impact on the priorities of human resources and the strategies of recruitment. So what job opportunities will 2017 usher in; and, more importantly, who will be chosen?

CORPORATE CULTURE

"In our Hays Asia Salary Guide, the key reason for candidates in Japan to move to a different employer is to seek new challenges, while the main motivation to stay is opportunities to advance one's career," points out Marc Burrage, Managing Director at **Hays Japan**. "This contrasts with other Asian regions whose key motivation is salary."

Companies need to respond accordingly to secure the best recruits.

Burrage suggests that employers might want to focus more on providing opportunities for up-skilling and for new challenges.

"Many employers also are realising that a high salary is not a long-term solution, and so are offering more flexible work practices to attract and retain the best talent," he adds.

DEMOGRAPHICS FACTOR

Current changing demographics are placing older staff with young recruits, requiring particular leadership skills in prospective mid- to high-level management candidates.

The ability to lead a team of diverse personalities and backgrounds will be necessary, accord-

"recognise and welcome the diversity of your employees"

ing to David Swan, Managing Director for Japan & Korea at **Robert Walters**. "It really comes down to human relation skills and communication skills, and whether you can inspire your team members."

Swan stresses the importance of management candidates striving "to

understand their teams' needs and work alongside their staff as much as possible."

"Diversity management is a key leadership skill," explains Burrage of Hays Japan.

"In the current changing demographics, having insight into Generation Y through research, such as Hays' 'Gen Y and the World of Work,' and sustained avenues of communication also contribute to effectively managing diversity in the work environment," he adds.

RETAINING

There are best practices in retaining talent at domestic operations.

"Reward high-performing employees — regardless of their seniority, gender, nationality, etc.," enthuses Swan of Robert Walters. "And recognise and welcome the diversity of your employees."

He cites the following example: "Support female staff who are juggling a variety of family responsibilities, such as child-rearing, so that they can continue working for the company."

While being considered by corporations, management candidates must demonstrate skills that can satisfy their future employees.



In mid-December, the Japanese Diet approved an integrated resorts law which will open the door for legalising casino gambling in Japan. The country could potentially become one of the world's largest markets for gambling, and the decision will encourage foreign investment. However, there are concerns that casinos would increase an already high number of gambling addicts in the nation — an estimated five million.

Do you think casinos will be good for Japan?

Yes

40%

If people want to gamble their money away, let them!

Why not allow casinos? They've already got pachinko parlours.



No

60%

While I think people should be free to gamble, legalising casinos will inevitably lead to more severe addiction problems.

They will mainly benefit only a small segment of the population.



To vote in the next Eurobiz Poll, find details in our Eurobiz Japan newsletter. Subscribe by visiting eurobiz.jp.

Not too sharp

Japan's top universities failing exams

Japan's top universities are failing badly internationally. The elite University of Tokyo has fallen to seventh best in Asia and 39th in the world, according to the latest Times Higher Education (THE) rankings. The only other Japanese institution in the world top 200 is Kyoto University, sharing 91st place. Tohoku University is next best, ranked in the 201-250 block, and Osaka University and Tokyo Institute of Technology lag behind at 251-300. Osaka's plunge has been spectacular, from 119th in 2011.

These results mock Prime Minister Shinzo Abe's dream of creating not merely international universities, but "Super Global Universities", as his 2014 plan proclaimed. Universities in Singapore, China and Hong Kong have moved ahead of Japan; and South Korea has four universities in the THE's top 200.

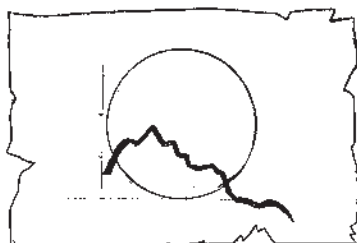
Some claim the rankings are more entertainment than reality, with suspect methodology, subject to superficial opinions. Unfortunately, THE's failing grades for Japan are reflected in more conventional measurements.

The Organisation for Economic Cooperation and Development (OECD) notes that Japan spends 1.6% of its gross domestic product on tertiary education, far below South Korea's 2.4% or the 2.6% in the US. As to Japan as an international university player, the OECD describes Japan as "stagnant", with only 0.9% of its students enrolled abroad and only 3% of tertiary students in Japan from abroad — both half the OECD averages. At the University of Oxford, topping the THE rankings, a third of its students and 45% of its academics are non-British.

Education should be the key to unlocking the talent of Japan's increasingly moribund economy, which is facing a falling population and low productivity, measured by output per hour, of \$41.30 in 2014, against \$64.40 in Germany and \$65.20 in France.

Unfortunately, as Devin Stewart of the Carnegie Council noted in a perceptive 2016 essay in *Foreign Affairs*: "The Japanese educational system was set up to support social order, industrial prowess, and political stability." The system has become bureaucratically sclerotic, as has much of Japan Inc, unable to comprehend a rapidly changing world.

At the undergraduate level in arts and humanities, Japanese universities are glorified finishing schools preparing students for lifetime jobs that are going the way of the dinosaurs. In scientific and clinical research,



which should be driving the modern economy, funds are scarce and tied up with red tape.

Here are a few ideas for sharpening Japanese universities:

- Open chief executive jobs to competition and find leaders who will lead and not be creatures of the bureaucracy. Cambridge's new vice-chancellor (CEO) will come from Toronto. Oxford's present and previous vice-chancellors had no previous connection with the university. It would be too much to expect non-Japanese

executives because of language issues, but how about an academic who has won an international reputation abroad, or someone who has run a complex company with international operations?

- Break the grip of the bureaucracy. My institution at Osaka University had 23 "support staff" for 10 academics; the World Bank's international department had six support staff for 60 professionals. Why should Japan's top universities have an education ministry bureaucrat among their executive vice-presidents?
- Broaden the funding of Japanese universities and loosen the government's grip. Give tax concessions to encourage industry and alumni to contribute.
- Pay professors properly. National universities pay professors about ¥11 million, or less than a London Underground train driver fresh from initial training.
- Promote women with their different, often richer, perspectives. CEOs at Harvard, Oxford, Imperial College London and Manchester, are women. Tokyo University's top leadership is all male; Osaka has one woman, previously retired, among its eight executive vice-presidents (EVPs); Kyoto has one woman among seven EVPs.
- Welcome foreigners, as academics and students. From personal experience, it is tough if you are a foreigner, especially if you are trying to promote a new idea through the bureaucratic blanc-mange. ●

Kevin Rafferty, journalist and former World Bank official, was a professor in the Institute for Academic Initiatives at Osaka University.

Time to take stock

Ensuring Womenomics becomes a transformative change in Japan

If you have been living in, or working with, Japan over the past four years, you may feel that there's a lot being done to support women's empowerment here. The mantra of creating "a society where women can shine" has been megaphoned so much that many Japanese men who belong to the *ojisan*, or middle-aged male, demographic — including many of Japan's managers — actually confide that they feel enough has been done for women already.

And here lies a pitfall. This chance Japan has today to make real, significant progress may be missed amidst the high volume of publicity, and the repetitions of our desired direction and intentions — which still have a long way to go before being fully implemented. Japanese women struggling for equal treatment in the workplace, trying to manage work and family responsibilities, working "part-time" jobs, or finding themselves unable to get back into the job market after giving birth, are all well aware that concrete achievements for women are still too few and far between.

A look at the facts, though — including international comparisons — reveals that Japan's current push to tackle gender inequality, led from the top office of government, is unprecedentedly power-

ful. It's powerful because it's pitched as a commitment from the very highest level — as a *sine qua non* policy of core national growth strategy — and not just as a boutique issue of women's rights. However, success for Womenomics requires a fundamental change in mindset and systems — one that we at UN Women consider will be a shift of tectonic proportions in Japanese society, equivalent to what the Meiji Restoration brought to the country.

Lack of labour market vitality and productivity are among the biggest reasons many feel investing in Japan yields limited returns. If Japan is looking for greater foreign investment and a global competitive edge, the perils of extremely long working hours and women's limited contribution to the economy need

to be addressed as soon as possible — they are longstanding practices of the Japanese workforce that must become past-tense.

The government is putting in place some of the needed incentives, and these are certainly elements that will help foster change. But in order for society to transform its way of thinking, much bolder measures are needed, especially in the area of corporate practice by Japanese businesses. Several great examples are often highlighted from Japanese firms such as Shiseido, Calbee, LIXIL and Cybozu, just to name a few. But it will be essential to make their practices standard at the majority of big, mainstream companies, in order for us to see the level of change we are striving for. We are not there yet.

In addition, having the foreign business community engage with their Japanese

counterparts can send important messages and guide companies and partners to increase the number of women leaders, as well as implement strong diversity policies. Change takes place through the creation of positive examples, so courageous action should be recognised and rewarded to create the right incentives.

This year is the mid-point of the Womenomics journey towards 2020 — which the government has set as the year to achieve some of its goals for women. For everyone who is committed to realising a happy and competitive Japan, 2017 is a good time to review the early successes and remaining challenges of the Womenomics policy after its implementation in 2013. Japan can also learn from how other countries have dealt with similar challenges. If successful, Womenomics and related policies pursued here will make history — not

Japan's current push to tackle gender inequality ... is unprecedentedly powerful

just for Japan, but also for many non-Western countries around the world, especially for those in Asia, which often see women's empowerment as a Western concept. If Japan can make it happen, there will be many other nations that will no longer have an excuse for not taking the action required for sustainable development and dynamic progress. ●

Miwa Kato is UN Women's Regional Director for Asia Pacific.



A true country club experience... for the whole family.

First-class amenities, family activities, horseback riding,
a golf course designed by Jack Nicklaus, and more
— all nestled in a beautiful forest, just a short hop from the city.

**Now offering a unique opportunity to
become a shareholder member.**



Become one of our international members.

|| Limited to 70 people || For a five year period

Single	Membership Fee ¥1,000,000	Monthly Fee ¥30,000
Family(with spouse)	Membership Fee ¥1,500,000	Monthly Fee ¥50,000

www.tokyo-classic.jp • info@tokyo-classic.jp



TOKYO CLASSIC CLUB

Opened December 8, 2016

365 Izumi-cho Wakaba-ku, Chiba-shi, Chiba 265-0052

TEL.043-309-6661 (Ask for Tabei for service in English)



Magnificent and exclusive

Jack Nicklaus' Tokyo Classic course opens

The Jack Nicklaus-designed Tokyo Classic is Japan's newest golf course. The Chiba-based golf club had its grand opening on 8 December — after a 25-year struggle. And Nicklaus, who waited six years to win his final major, needed to wait even longer to complete his latest Japan course.

Japan has nearly 2,500 golf courses and many have struggled in recent times, so there hasn't been a great demand for new ones. But Nicklaus and the investors behind the Tokyo Classic knew a good thing when they saw it — namely, the land — and after a troubled history of ownership, the magnificent course is now open for business.

The plot of land just five minutes from Junction 4 of the Chiba-Togane expressway — only 45 minutes from central Tokyo — was originally purchased by the Tohato snack company 25 years ago. Tohato also obtained a permit to build a golf course there, but things went sour when the company filed for bankruptcy in 2003. The course was to have been called Chiba National.

Jack Nicklaus, also known as the Golden Bear, was brought on board by another company in 2007 to create a high-class country club, with a new name, Izuminosato. But this second owner went bankrupt in 2008 and things had to be put on hold again.

Classic Corporation eventually took the gamble to complete the club. Nicklaus stayed faithful and designed the course — visiting numerous times to fine-tune the plans. The private members' club had its soft opening in May of last year.

The demand for membership has been so high that the original plan for 600 members is under review and could be capped, for now, at 400. Manager Satoshi Tabei says foreigners are welcome to join for a maximum

of five years. The entry fee for non-Japanese members has been heavily reduced to ¥1 million, plus the regular ¥30,000 monthly dues. Japanese members have to pay a ¥3.5 million entry fee and also have to buy

“Many clubs in Japan are just country clubs in name only,” Tabei pointed out. “In England and the United States, clubs have added facilities, such as a swimming pool or tennis courts. At the moment, we have horse-back-riding, horse-trekking, and stabling facilities with three instructors; a kids area and programmes where children can be looked after and have an adventure; and we're looking at glamping [glamorous camping], providing luxury on-site tents with beds for guests to stay in.” The club has even set aside land where members can grow organic vegetables.

“Tokyo Classic is the ideal place for members and their



into a shareholding plan, costing an additional ¥15 million.

What do you get for all that? Not surprisingly, exclusivity. This explains its attraction for Kanto's elite, including some from the entertainment field. As you'd expect, the clubhouse is magnificent and looks out over the stunning par 5, 18th hole that snakes its way through the trees, alongside a lake to the green — right outside the dining area. And there's quite a bit more, giving some credence to the club's claim that it's the only “real” country club in Japan.

families to meet people and develop friendships,” Tabei adds.

There is a pro shop and club fitting by True Spec Golf at the 330-yard driving range, where the balls can be tracked on video.

The course itself is quite flat with only a 13m variance in elevation; but like most Nicklaus courses, says Tabei, it's “challenging but fair.”

It's good to remember, though, that those signature “Golden Bear” traps are always out there ... ●



Mad for Madeira

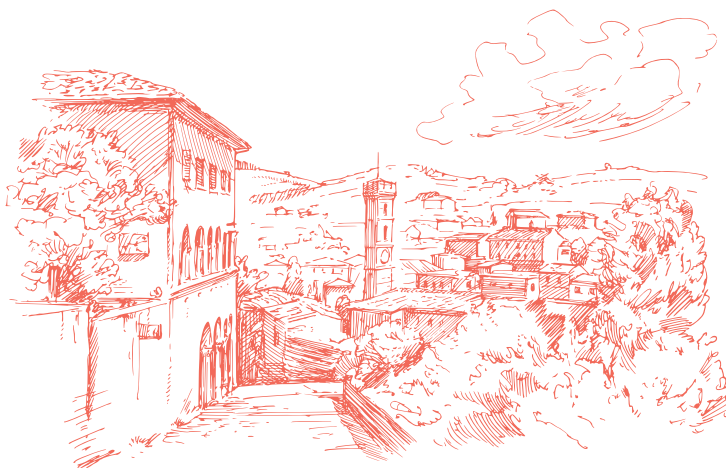
A wine like no other

In the 17th century, the small island of Madeira was a bustling port. Then a colony of Portugal, 1,000km away, Madeira was a stopover for ships travelling from Europe to Africa, Asia, or the Americas. On these journeys, wine became a weary traveller's close companion. With demand so high, Madeira's winemakers loaded up ships with their local tipple, and 'Madeira' became a favourite amongst the settlers of the world's largest colonies.

Madeira was considered to be a great wine; yet it was puzzling nonetheless, how a wine could withstand thousands of miles of tumultuous seas, under extreme temperature fluctuations — between Madeira's balmy tropics and the bite of the cold Atlantic. The wines were most likely fortified, with the addition of a spirit to act as a preservative.

Its unique flavours came from the wine being overheated, resulting in a baked, nutty, caramelised complexity. Americans such as Thomas Jefferson and George Washington fell in love with the drink.

Today, wine lovers cherish Madeira for those very same flavours, though modern winemakers accomplish this complexity in a very different way. The wine is still fortified with a grape-based spirit, either during primary fermentation — which results in a sweet wine — or after primary fermentation — which creates a dry wine — so that all Madeira has an ABV (alcohol by volume) of



17% or higher. To replicate the extreme temperature fluctuations found on 17th century ships, winemakers can employ one of two methods.

There is the *estufagem* process, in which the wine is transferred to a stainless steel vat, called an *estufa*, that heats the wine by circulating hot water in a jacket surrounding the tank to between 45 and 50 degrees Celsius. The wine rests for at least 90 days before being poured into casks for ageing, and cannot be made available to the market for at least two years after harvest.

And then there is the *canteiro* process, the method top

winemakers employ to produce the highest quality Madeira. After fortification, the wine is transferred to casks and placed in lodge attics — or even outside where the natural warmth of the sun slowly heats the wine — for at least two years. The wine cannot be sold for at least three years after harvest, and the best of the best will rest in casks for over 20 years. These are wines of great complexity, both dry and sweet, that release delicate caramelised flavours of unparalleled quality.

When shopping for Madeira, simply look for one of the noble grape varieties — including Sercial, Verdelho, Bual, and Malmsey/Malvasia — on the label; and you can rest assured that the wine has most likely been aged using the *canteiro* system. Sercial is the driest, while Malmsey/Malvasia produces the sweetest and softest Madeira. No matter the grape used, Madeira is known for its marked acidity, which keeps the wines remarkably balanced and allows for years, decades, or even centuries of ageing. ●





DOWN TIME

TEXT BY ANDREW HOWITT



Antony Strianese

Company: Barilla Japan KK
Official title: President
Originally from: Salerno, Italy
Length of time in Japan: Two years

Hungry? Where do you like to go for a bite?

Probably the best pizza in Tokyo is Napoli Sta'ca in Kamiyacho. Tokyo has the best pizzas outside Italy.

What do you do to stay in shape?

I play soccer with friends twice a week.

Name a favourite movie:

The Great Beauty.

Favourite band: Placebo.

Favourite album: Placebo's *Sleeping with Ghosts*.

Favourite TV show: *Lost*.

Favourite book: Isaac Asimov's *Foundation* series.

What's something a lot of people don't know about you?

I love sci-fi.

Cats or dogs?

Cats.

Summer or winter?

Summer.

What's your ideal weekend?

Getting out of town with family and friends.

Where do you go for a drink after a busy week?

Bulgari Bar.



“Tokyo has the best pizzas outside Italy.”



Rebecca Green

Company: ERM Japan
Official title: Principal Consultant
Originally from: Wisconsin, USA
Length of time in Japan: 13 years

Hungry? Where do you like to go for a bite?

Pizzakaya.

What do you do to stay in shape?

Krav Maga, GORUCK, and waking up early to hit the gym.

Name a favourite movie:

The Empire Strikes Back.

Favourite band: It's always changing.

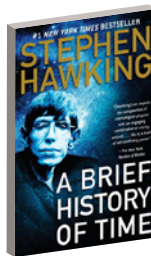
Favourite album: I prefer playlists.

Favourite TV show:

Game of Thrones.
And Friday Night Lights.

Favourite book:

Stephen
Hawking's *A Brief History of Time*.



What's something a lot of people don't know about you?

The population of my hometown and my current apartment building are roughly the same.

Cats or dogs?

I'm allergic to both, but I watch all the videos.

Summer or winter?

Summer.

What's your ideal weekend?

Hiking in Honolulu. So, the three-day kind.

Where do you go for a drink after a busy week?

A great place called “Home”.

“Ideal weekend?
Hiking in Honolulu.”

HAYS TENTH ANNUAL SALARY GUIDE

Insights from some 3,000 organisations employing more than six million people across Asia to understand the latest salary, recruitment and HR related trends.

Join our Tokyo, Yokohama and Osaka seminar and networking events to learn more from the 2017 Hays Asia Salary Guide.



TOKYO
Thursday, 9 February 2017, 7-9pm
Ritz Carlton Tokyo



OSAKA
Tuesday, 21 February 2017, 7-9pm
Inter-Continental Osaka



YOKOHAMA
Wednesday, 8 March 2017, 11:30am-1:00pm
Yokohama Bay Sheraton Hotel & Towers

The QR code will take you to the event details for each city

Seats are limited

Sign up today to attend these annual premium events

For more information on the Salary Guide or other reports, contact the Hays office nearest you.

Roppongi Head Office	T: 03 3560 1188	E: info@hays.co.jp
Shinjuku Office	T: 03 4579 9660	E: shinjuku@hays.co.jp
Yokohama Office	T: 045 326 3130	E: yokohama@hays.co.jp
Osaka Office	T: 06 6457 7272	E: osaka@hays.co.jp

hays.co.jp



HAYS Recruiting experts worldwide

ASIA BRACES FOR CHANGE: TAILORING TALENT STRATEGIES FOR UNCERTAINTY

The 2017 Hays Asia Salary Guide



ACCOUNTANCY & MA/CONSTRUCTI
CONTACT CENTR
ATIONS/EDUCATI
HNOLOGY/LEGAL
SAFETY/POLICY &
OURCES & MINING
ENGINEERING/HU
LOGISTICS/FACILITIES MANAGEMENT/FINANCIAL
CIAL SERVICES/SOCIAL CARE/SALES & MARKETI
ING/ENERGY/OFFICE SUPPORT/RESPONSE MANA
HEALTHCARE/OIL & GAS/ARCHITECTURE/ASSESS
& DEVELOPMENT/PUBLIC SERVICES/ACCOUNTAN
NCY & FINANCE/EDUCATION/PHARMA/CONSTRU
NSTRUCTION & PROPERTY/RESOURCE MANAGEN
MENT/MANUFACTURING & OPERATIONS/RETAIL/I
INFORMATION TECHNOLOGY/SALES & MARKETING
RATEGY/BANKIN
MARKETING/ENE
INING/TELECOMS
HUMAN RESOURC
TRES/FINANCIAL
PHARMA/MANUF
HEALTHCARE/AR
PROCUREMENT/H

UCATION/PHARM
TY/CONTACT CEN
URING & OPERATI
ON TECHNOLOGY
NT/HEALTH & SAF
NKG/RESOURC
INSURANCE/ENG
RESOURCES/LOG
PUBLIC SERVICES
RESOURCES & MIN
ENGINEERING/H
CONTACT CENTR
ES/SOCIAL CARE
NG/ENERGY/HEA
OFFICE SUPPORT
LEGAL/OIL & GAS



The Agenda

JAN.
18POLISH CHAMBER OF COMMERCE AND
INDUSTRY IN JAPAN**New Year's Party****TIME:** 18:30-21:00 (doors open 18:00)**VENUE:** Embassy of the Republic
of Poland**FEE*:** ¥4,000 (members),
¥5,000 (non-members)**CONTACT:** secretariat@pccij.or.jp

* Meals, drinks included.

FEB.
2IRELAND JAPAN CHAMBER OF
COMMERCE**Joint Networking Event
with the American
Chamber****TIME:** 19:00-21:00**VENUE:** Irish Ambassador's Residence**FEE:** To be confirmed**CONTACT:** secretariat@ijcc.jpJAN.
19IRELAND JAPAN CHAMBER OF
COMMERCE**IJCC 3rd Thursday
Networking Event****TIME:** from 19:00**VENUE:** To be confirmed**FEE:** Buy your own drinks and food**CONTACT:** secretariat@ijcc.jpFEB.
16JOINT NORDIC EVENT***Team Building Bowling
Competition****TIME:** 19:00-22:00**VENUE:** Tokyo Port Bowl, Shibaura**FEE:** ¥6,000 (two games, party)**CONTACT:** www.sccj.org* Organised by the Swedish Chamber of
Commerce and Industry in JapanJAN.
24SWISS CHAMBER OF COMMERCE AND
INDUSTRY IN JAPAN**Luncheon:
Hiromichi Shirakawa,
Credit Suisse****TIME:** 12:00-14:00**VENUE:** To be confirmed**FEE:** ¥6,500 (members &
non-members)**CONTACT:** info@sccij.jpFEB.
20BELGIAN-LUXEMBOURG CHAMBER OF
COMMERCE IN JAPAN**Monthly Beer
Gathering****TIME:** 19:00-22:00**VENUE:** Belgian beer café in Tokyo**FEE:** Pay for what you drink**CONTACT:** info@blccj.or.jpJAN.
25FINNISH CHAMBER OF COMMERCE IN
JAPAN**FCCJ Shinnenkai
Club Evening****TIME:** 18:30-21:00**VENUE:** Scandinavian Center, Akasaka**FEE*:** ¥4,000 (members), ¥6,000
(non-members)**CONTACT:** fccj@gol.com

* Including buffet and free-flowing drinks

MAR.
18-19IRELAND JAPAN CHAMBER OF
COMMERCE**I Love Ireland
Festival 2017*****VENUE:** Yoyogi Park, Shibuya**FEE:** Pay for what you purchase**CONTACT:** secretariat@ijcc.jp* Live Irish music and dancing, food,
drink and cultureJAN.
28AUSTRIAN BUSINESS COUNCIL**2nd Inter-chamber
Ski Race Hakuba 2017*****TIME:** Race starts at 09:30,
Award Ceremony at 18:00**VENUE:** Happo-One, Hakuba, Nagano**FEE:** Race—¥2,500 adults, ¥1,250
under 20; Award party—¥4,000 adults,
¥2,000 under 12**CONTACT:** tokio@advantageaustria.org* For foreign business chambers, their
friends and families



Franke Coffee Systems

Swiss firm Franke Coffee Systems is part of the Franke Group, a global commercial manufacturing company founded in 1911.

“We have the largest market share in both Europe and the US, and the second largest in Asia,” says Kojiro Kurosawa, Senior Sales Director at Franke

Coffee Systems. “The reason for our popularity lies in our innovative, user-friendly coffee machines.”

The company has signed a distributorship agreement with Mitsui-Soko Logistics Co., Ltd. to handle all of Franke Coffee Systems’ sales activities in Japan. ●



Kazuhiro Okamoto

General Manager,
Coffee Systems Business Division at
Mitsui-Soko Logistics Co., Ltd.

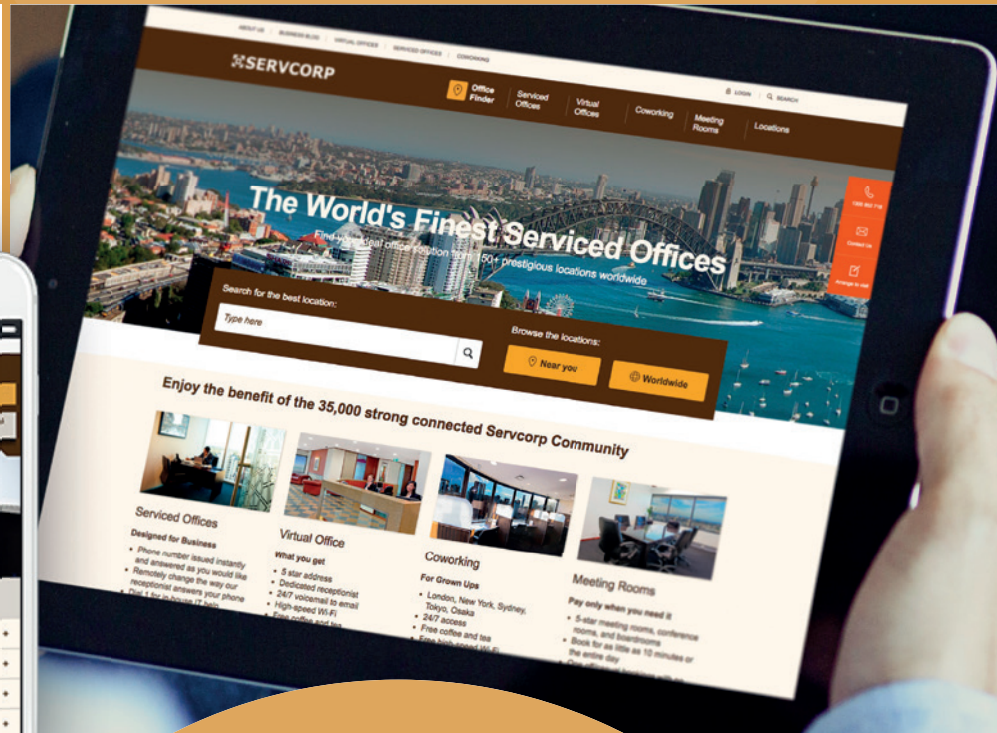
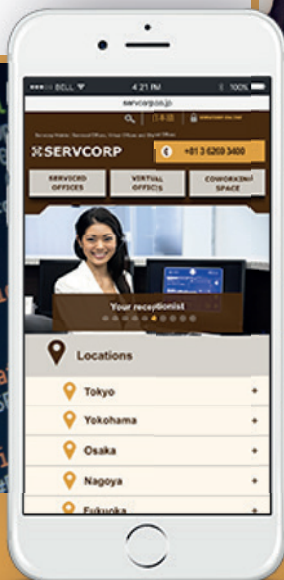


Kojiro Kurosawa

Senior Sales Director at
Franke Coffee Systems

Serving Servcorp's vital online business

 **SERVCORP**



Japan is one of the most important markets for Servcorp, the global leader in premium serviced offices. Paradigm is Servcorp's retained agency, supporting their crucial commercial online activity for the fastest-growing market in their portfolio. Paradigm also produces TV commercials for Servcorp, handling concept development, copywriting, art direction, filming, animation and post-production.

Full service digital creative

Project scope

Web UI/UX design, Web server hosting, IT Consulting, SEO, Animation, Video production

Paradigm

paradigm.co.jp

LUXURY LIVING IN TOKYO

Housing Japan is a luxury property agent helping you with:

- Short-term rentals for business travel
- Long-term rentals for expats and their families
- Residential and investment home purchases (with financing)

We make it easy to rent a luxury apartment, purchase a dream home or invest in the Tokyo property market. Our international team of agents are experts at what they do and can help you secure your next home on the best possible terms.

Enquiries: eurobiz@housingjapan.com | 03-3588-8860

Visit: housingjapan.com



HOUSING JAPAN