

# EURO BIZ JAPAN

MARCH 2018

## ➔ The future of driving

*How soon will autonomous vehicles rule the road?*

## ➔ Looking at the horizon

*Leonidas Karapiperis, Head of the Science and Technology Section at the EU Delegation to Japan*

ASH ELFADELI,  
DIRECTOR OF THE  
IT DIVISION

AIKO TOKUHISA,  
DIRECTOR OF THE COMMERCE  
& INDUSTRY DIVISION

JONATHAN HUGHES,  
DIRECTOR OF THE  
CORPORATE  
SERVICES DIVISION

## A POSITIVE OUTLOOK

*Three directors at Bilingual Recruitment Solutions see changes for the better in Japan's labour market*



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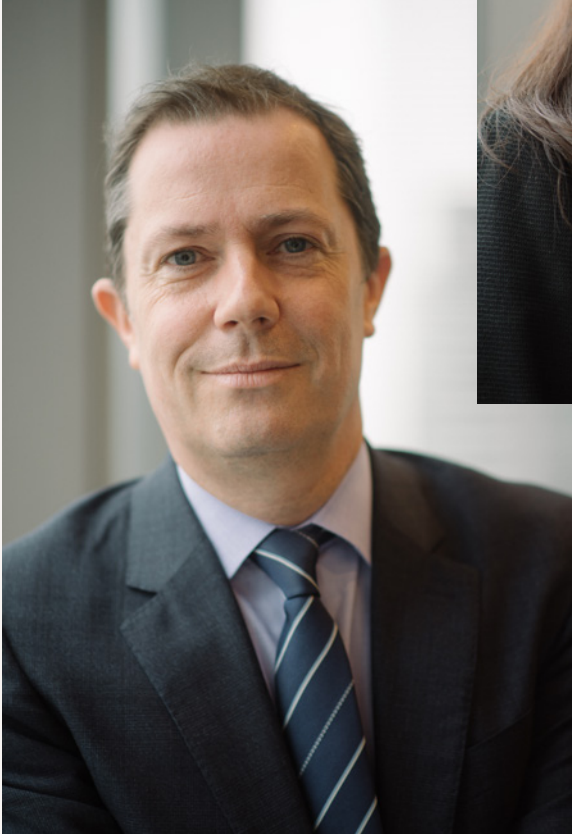
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12

# A positive outlook

By James Douglas





# Workspace that works

As businesses increasingly move towards flexibility in the workplace, Servcorp keeps innovating to stay ahead by providing solutions to help your business succeed.

**F**lexible workspace solutions have transformed the global real estate industry over the last few years, including in Japan. Coworking spaces in particular have sprung up like mushrooms in a field. The concept itself is nothing new; serviced offices and rental offices have been around for over four decades. Servcorp was founded in 1978 and it's been 24 years since they opened what was the very first serviced office in Japan. Today, the company has more than 160 locations worldwide with over 40,000 clients. But the serviced offices of now, and then, look quite different.

"The experience of the global financial crisis, the rise of the millennials, and the advancement of the sharing economy has revolutionised the way people work, resulting in a sharp rise in demand for flexible office space," notes Olga Vlietstra, general manager of Servcorp Japan. "People have come to realise that being locked into long-term obligations that come with an office lease is not worth the risk, and they no longer need to, or want to, be stuck in an office."

## PRIVATE OFFICE OR DESK SPACE?

Flexible offices have now become an integral part of larger corporations' property portfolio, and coworking spaces let entrepreneurs and start-ups use office space or meeting spaces only when they need it, thus saving costs and increasing efficiency. As people come to work, they can use any desk that's available. Millennials have also changed the dynamics of work today, with many wanting to start a business or work for themselves. Superfast Wi-Fi, free coffee and tea, and networking events are just some of the perks available, at no extra cost, when having a flexible Hot Desk space or Dedicated Desk space with Servcorp.

Servcorp is growing rapidly, and besides opening new locations in Osaka and in Tokyo this year, the company is upgrading many of their older locations to keep pace with the changes taking place.

"We're investing \$20 million into the remodelling of many of our existing locations," Vlietstra explains. "We're giving them a new look by opening them up to feature large coworking spaces, break-out areas, private phone booths, counter bars





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and pantries where people can relax, have casual meetings and collaborate or network. It's a more premium version of coworking space — one that blends professional with comfortable."

"Our Tri-Seven Roppongi location was remodelled in November 2017, and we expanded coworking within our Shinagawa Intercity and Hibiya Central Building locations in February. By this summer, 10 additional locations will either be finished or well under way."

#### LOCATION, TECHNOLOGY AND PEOPLE ARE KEY

Location, location, location is any real estate agent's mantra, and crucial when it comes to choosing your place of business. Servcorp is renowned for selecting only the most prestigious buildings in the cities where it operates. Its business

model is to provide a superior office infrastructure, with excellent secretarial and IT services, to businesses of all sizes and assist them in whatever growth phase they are in.

When walking onto one of their floors, you immediately know it's a Servcorp office as it features their signature granite stone floors and counters, stylish leather furnishings, fine finishes and refined artwork.

"The feel is the same, the technology and hardware is the same, the team operates the floor in the same way — everything works identically," says Vlietstra. "This gives our customers a seamless experience from one location to the next, be it in Tokyo, London or New York. Our clients feel at home wherever they go."

An early investment in technology has helped Servcorp stay ahead in the industry. The company has essentially built their own unique technology platform that connects their worldwide offices and facilitates all services online. It guarantees a



99.9% internet uptime and most phone calls can be made over its VoIP network. So far, they've invested over \$100 million in developing this.

"We've built proprietary IT solutions — including sophisticated telephone answering software, and apps to make calls, bookings, register desks — that our clients use every day, whether they work from one of our private offices, coworking desks or from the comfort of their own home," Vlietstra adds.

Last year, the company also launched The Servcorp Community, an online platform where their 40,000 global clients can list their business and connect with others. With this private platform Servcorp gives their clients the possibility to advertise, sell to/buy from, connect and communicate with each other at no cost.

"Our clients in Japan love the fact that they can find compatible businesses locally or in other countries," Vlietstra notes, "helping them to expand their business or to simply connect."

**"Our clients in Japan love the fact that they can find compatible businesses locally or in other countries"**



Servcorp has 160+ locations worldwide  
 26 locations in 5 cities in Japan



4,000+ small businesses or entrepreneurs in Japan use Servcorp's coworking space and/or call answering services to run their business.

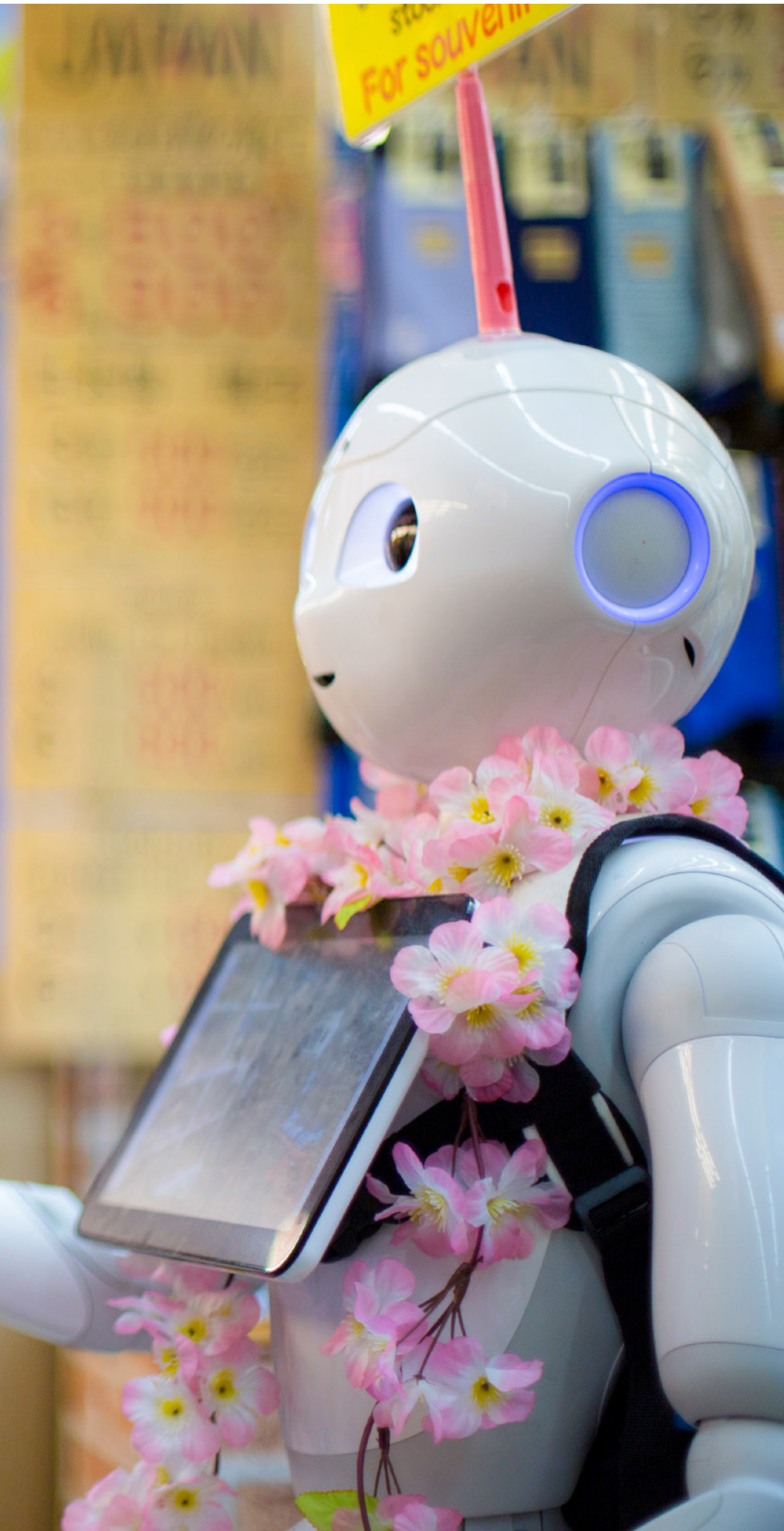
1.2m

1.2m people worldwide used coworking as their office solution in 2017.









# First Focus

Trials at American retailers have shown that SoftBank's humanoid robot Pepper stationed outside storefronts — ready to answer questions, and sometimes dance with, potential customers — has helped to increase foot traffic by at least 20%, which translated into an increase in revenue. In Japan, at least one shop at Osaka's 170-year-old Kuromon Ichiba, or Black Gate Market, is putting Pepper to the test.

Our attraction to robots like Pepper is undeniable, and the next generation is clearly happy to embrace a future peopled with these AI-enabled machines. Perhaps it also helps that the robots of today get into the springtime spirit by wearing *sakura* leis.

---

Photo by Andy Kelly  
[unsplash.com](https://unsplash.com)





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

➔ *"I'm not a driver, but even I can recognise the hesitation some motorists have about self-driving cars. In response, the industry says safety is its priority and that the push for autonomy needn't remove humans from the equation altogether. Lots of people love keeping their hands on the wheel. Perhaps I'll be one of them – when I finally get around to obtaining a licence."*



**Dan Sloan** has covered Japan and Asia as a journalist, author and corporate content chief for over 20 years, seeing more governments than he can count. He is a former president of the Foreign Correspondents' Club of Japan, and an unrepentant Yokohama BayStars fan.

➔ *"Japan has become the centre of the universe for crypto-currency trade, but a January hack-hest at a local exchange that saw a loss of more than €400 million has made regulators and investors wonder if they're ready for the future."*



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.

➔ *"Record levels of foreign direct investment into Japan strongly suggest the country is genuinely beginning to open up more. According to the latest figures, more than half of that came from Europe – another encouraging sign. Investments from foreign companies now account for more than 5% of GDP for the first time."*



**Julia Carvell** is a student at The University of Tokyo and an editorial intern for *Eurobiz Japan*. She has written for the *Toyo Keizai Shimbun* on the internationalisation of Japanese universities and the experiences of mixed-race Japanese children. Her fields of study include Japan's rural-urban divide and the Japanese diaspora.

➔ *"David Mundell's visit to Tokyo was a unique opportunity for business leaders in Japan to raise their Brexit-related concerns to a central figure in UK politics. Mundell was highly optimistic about the impact that Brexit will have on the future of Japan-UK trade, but was his message convincing enough?"*

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# Significant investments, significant rewards

**Founded in 1954**, the European Organization for Nuclear Research, commonly known as CERN, is devoted to studying the building blocks of matter. It is home to the world's biggest machine, the Large Hadron Collider (LHC), a 27km-long particle accelerator. The LHC took decades to plan and build, with construction finally completed in 2008, but has resulted in several significant discoveries, including that of the Higgs boson particle. Since 2013, CERN has been planning the Future Circular Collider, a particle accelerator seven times more powerful than the LHC and 80-100km in length. The project could take 30 years to finish, but as the LHC has proved, huge investments of time and energy often yield huge rewards.

Leonidas Karapiperis, head of the Science and Technology Section at the EU

Delegation in Japan, was an observer on the CERN Council for the EU Commission. In his role today, he is involved in promoting the EU's Horizon 2020 programme, which funds researchers from around the world and makes long-term investments in innovation. In *Looking at the horizon* (page 22), he speaks about the importance of Horizon 2020 and gives details of collaboration between the EU and Japan.

After 11 years of planning and negotiations, the EU-Japan EPA was concluded last December.

Read about an event the EBC co-hosted, called Mission

Accomplished, in celebration of this major achievement in our new EBC Update column (page 37).

In *The future of driving* (page 16), Justin McCurry notes the long-term investments car manufacturers have been making into autonomous driving technology. Find out how their foresight and planning is set to transform mobility over the next decade, and beyond.

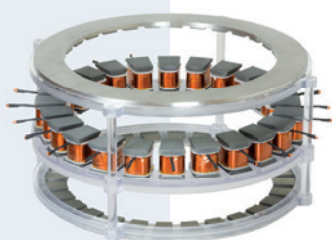
We should all stop and ask ourselves how wisely we are investing our time and energy. ●

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# A POSITIVE OUTLOOK

Three directors at Bilingual Recruitment Solutions see changes for the better in Japan's labour market

For years, Japan has been accused of not changing fast enough. Many bemoan factors such as the nation's shrinking population, its outdated patriarchal business world and the sluggish economy. However, three directors from Bilingual Recruitment Solutions (BRS), the international arm of the recruiting giant Persol Group, have a more positive outlook.

**“O**ver the past several years, Japan has changed dramatically,” says Ash Elfadeli, director of BRS's IT Division. “The government and the business world are finding real solutions that are moving the country in the right direction.”

Significant change takes time. And when the rate of change is slow, it's easy to overlook the positive changes that are actually occurring.

“Japan's job market, education system, national pension system, economic growth, immigration — so many things are deeply affected by the declining birth rate,” says Aiko Tokuhisa, director of the Commerce

& Industry Division at BRS.

“As professionals within the recruitment industry, we have seen the direct effects that the declining population has had on the job market, but in the midst of this, we are also seeing something unexpected — a jump in the number of people in the workforce.”

At the beginning of March, the government released the latest labour market statistics, which showed unemployment had fallen another 0.3% in January to a 25-year low of 2.4%. According to the data, there were 920,000 more people employed than in January of last year, pushing the total number up to 65.6 million. These numbers show that companies are still finding the professionals they need.

“It's true that the 2020 Tokyo Olympics and Paralympics is helping to stimulate the job market but, more importantly, I believe there has been a fundamental shift in society,” notes Jonathan Hughes, director of the Corporate Services Division at BRS. “There have been huge

**“Over the past several years, Japan has changed dramatically”**







ASH ELFADELI,  
DIRECTOR OF THE IT DIVISION

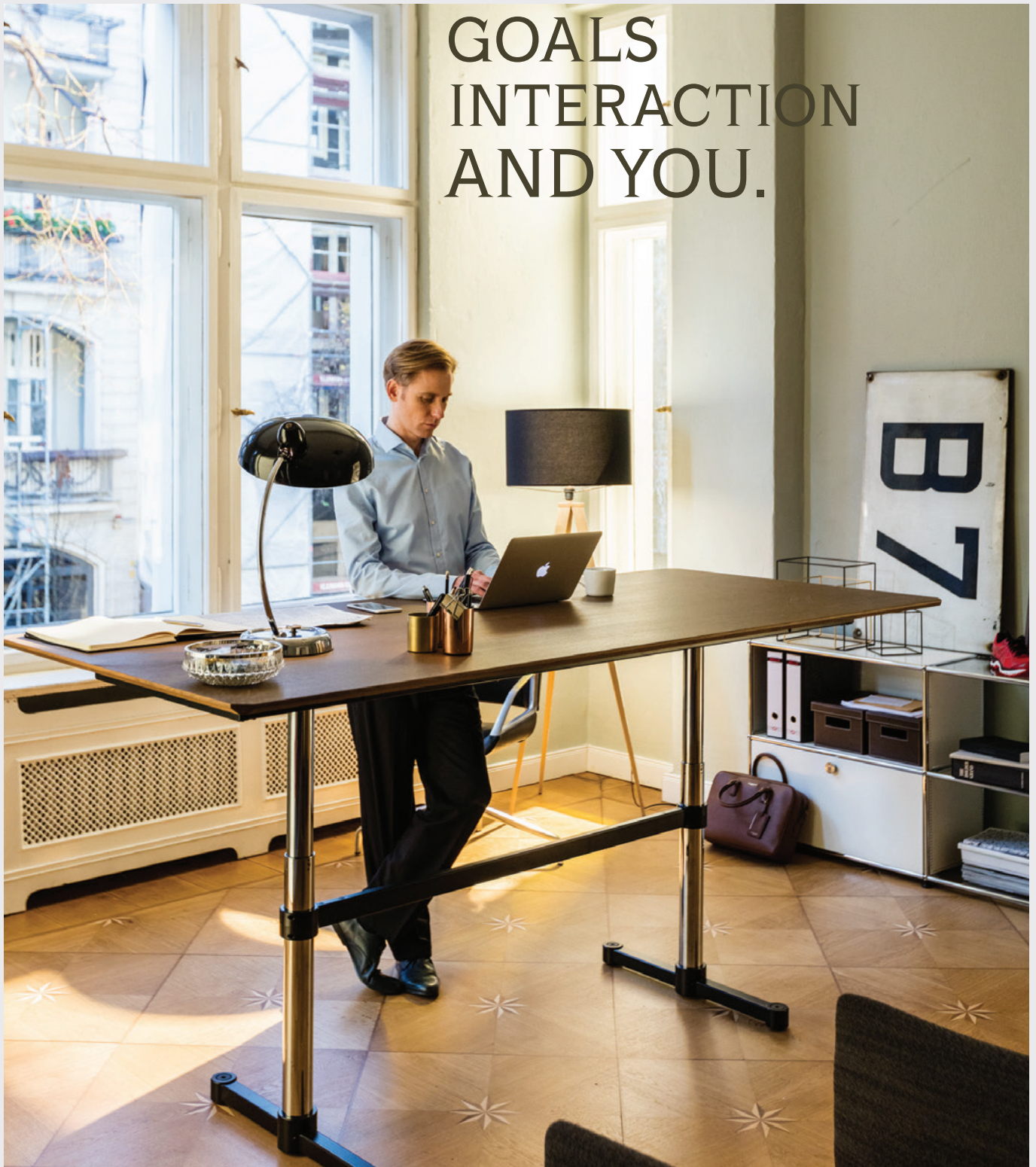


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advances in trying to close the gender gap, for example. Public announcements by government officials about the need for change in this area, as well as the launching of various initiatives, are making a difference.”

According to Hughes, many corporations have implemented internal regulations to ensure that everyone has equal opportunity for career growth – something that was accomplished without the need for any legislation.

“We’ve also seen a shift in women’s career aspirations,” says Tokuhisa. “In the past, societal norms had limited what a woman could achieve, compared to a man, in corporate Japan. Today, these walls and glass ceilings are being broken at a surprising pace. With an increasing number of female role models in management positions, more and more women are striving to get into the boardroom.”

More than 40% of employees at Persol Group are women, with many holding management positions. Additionally, more than 95% of the firm’s female staff members who took maternity leave have returned to work; nearly 100 women made use of the system in 2017.

**A**nother shift the BRS directors have seen is that work-life balance has become a primary concern for employees over the last few years.

“We have witnessed this personal policy blossom into a critical deciding factor for professionals seeking a change in employment,” observes Elfadeli. “So much so that it has become almost as important to job seekers as the company they are applying for, or even the job itself.”

Over the last 20 years, large corporations have invested heavily into employee programmes that reward highly productive employees. Additionally, some companies offer perks such as free lunches and relaxation or sleep zones. While not all of these fringe benefits for the Japanese work place have made their way from Silicon Valley to Japan, the idea that work can be enjoyable is beginning to take root here.

“We are seeing corporations working hard to create systems that work for the employee, rather than the other way around,” Elfadeli adds. “Companies are starting to advertise flexible working times and locations, relaxed dress codes, maternity and paternity leave and that no overtime is required. This is a massive change, and the Persol

**“We are seeing corporations working hard to create systems that work for the employee, rather than the other way around”**

920,000

920,000 more people were employed in Japan in January 2018 than the same time last year

Group is right there, leading the way.”

The recruitment firm offers its employees a flexible working environment that includes educational support, child-care leave and programmes for travelling sabbaticals.

“Another positive change we’ve witnessed is the increase in flexibility companies are showing when hiring,” says Hughes.

According to Japan’s Ministry of Health, Labour and Welfare, there are 1.43 job vacancies for every jobseeker in Japan, and more than two job vacancies for every jobseeker in Tokyo. With that supply and demand imbalance, companies understand the challenges that exist and are loosening some of their requirements.

“We are now seeing companies implement training programmes that will supplement the non-essential but previously required skills,” Hughes adds. “This has resulted in a positive increase in hiring for our clients – and a positive change for the country.”

While the rate of change may continue to be slow, the future of Japan’s labour market is undoubtedly bright. ●



# THE FUTURE OF DRIVING

How soon will autonomous vehicles rule the road?

As we embrace the age of artificial intelligence, the relationship between cars and their owners is undergoing arguably the biggest transformation since the invention of the internal combustion engine.

**T**he rapid development of vehicles that can, to differing degrees, drive themselves has been greeted with excitement and trepidation in roughly equal measure.

Automakers such as Mercedes-Benz, BMW and Jaguar Land Rover, along with Nissan, Mazda and Mitsubishi Fuso Truck and Bus Corporation, are already changing the way drivers interact with their vehicles — with

the European firms increasingly expected to take the lead.

Representatives of these companies are at pains to distinguish their vision from that of their respective competitors, but they are united in the belief that, despite the considerable media hype, change will be incremental as they find ways for autonomous cars to co-exist comfortably with their human passengers — and with each other.

The road to full autonomy comes in stages, starting with Industry Level 0 where there is no automation. Level 1 sees some driver-assistance features, and partial automation at Level 2. Level 3 brings conditional



**“The car reduces the effort I have to put into driving in traffic, and that improves my overall driving experience”**

autonomy, where drivers can take their eyes off the road for extended periods of time, and Level 4, high automation within certain geographical areas.

Attaining Level 5, or complete automation, could bring to the road cars such as Volkswagen’s concept sedan, I.D. Vizzion, which has no steering wheel or pedals.

Another German car manufacturer, Mercedes-Benz, has been working for some time on projects to develop Level 3 vehicles, as well as technology for Level 4 and Level 5, says Bernhard Weidemann, a spokesman for autonomous driving at the firm’s headquarters in Stuttgart.

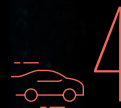
“We are now getting close to being able to introduce appropriate systems in this area,” he notes.

At present, the highest legal and technically viable option available in any market across the globe is Level 2, in which drivers can get a lot of support from the car. But, Weidemann added, they need to keep their eyes on the road and remain wholly responsible for their vehicle.

Mercedes-Benz, like others, is anticipating legal changes in major markets such as Japan, Europe and the US that will see Level 4 cars with high automation reach consumers in 2020, with fully automated versions to follow by the middle of the decade.

Nissan has been particularly visible in the autonomous driving realm. In 2016, it became the first Japanese automaker to introduce a combination of steering, accelerating and braking that can be operated in full automatic mode in its Serena Minivan.

“The company’s ProPILOT technology understands road and traffic situations and executes precise steering, enabling the vehicle to perform naturally,” says Nick Maxfield of Nissan’s global communications division.



Legal changes in major markets will allow Level 4 cars with high automation to reach consumers in 2020



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Since 2016, ProPILOT has been brought to other Nissan vehicles, including the Qashqai in Europe, the X-Trail in Japan and the latest generation of the LEAF electric vehicle — meaning Nissan has more semi-autonomous vehicles on the road than any other mass-market carmaker.

Mazda, meanwhile, is currently developing autonomous technologies in line with their human-centred Mazda Co-Pilot concept that, as the name suggests, will retain a key role for the driver, according to Hideki Taira, a manager in the corporate communications division.

“Autonomous driving technology is not something that will suddenly appear,” says Taira. “There will be step-by-step improvements in the technologies. Improving interaction between drivers and their cars is the approach that Mazda is taking.”

The firm aims to begin testing the technology in 2020 and to make it standard in all its models by 2025.

29%

Only 29% of drivers today say they would embrace fully autonomous vehicles

But do motorists really want to hand over control to their vehicles? A recent poll of key European markets, conducted on Mazda’s behalf by Ipsos Mori, reveals that only 29% would embrace fully autonomous vehicles, while 71% of respondents said they would like to retain control of their cars as a driver.

Industry experts believe the answer lies in offering them a choice.

“At least in the short- to mid-term, we expect that cars will be operable in self-driving and manual driving modes,” says Maxfield of Nissan.

The BMW Group slogan, Sheer Driving Pleasure, will apply as much to its automated vehicles as to its existing range of luxury cars, says Peter Kronschnabl, President and CEO of BMW GROUP Japan.

“Even if you enjoy driving as much as I do, there are still times when it may be preferable to let the car take over,” he adds. “For example, when I’m in a traffic jam, I turn on the adaptive cruise control and the steering and lane-keeping assist functions. The car reduces the effort I have to put into driving in traffic, and that improves my overall driving experience.”

The advances are not confined to passenger vehicles. Mitsubishi Fuso Truck and Bus, a subsidiary of Daimler AG, is taking part in a Japanese government-sponsored initiative to encourage truck platooning, in which fleets of interconnected trucks travel in close formation and at a constant speed. This will reduce the potential for accidents and traffic jams, while improving fuel efficiency.

“Platooning is just one of many ways that we are leveraging technology to make commercial vehicle operation smarter, safer

While some motorists are sceptical about a car’s ability to anticipate and react to the myriad contingencies a human faces on even the shortest journey, manufacturers are confident about their vehicles’ ability to cope with real traffic conditions, regardless of which countries’ roads they appear on.

“Autonomous vehicles relieve the driver’s workload in monotonous driving situations or during difficult, complex manoeuvres,” says Weidemann of Mercedes-Benz.

One thing drivers won’t need to worry about is the comfort and appearance of their autonomous vehicles.

Jaguar Land Rover — which tested its first driverless car in the UK late last year — is guarded about its specific plans for its autonomous vehicles, but promises it will offer the same aesthetic experience as its conventional luxury cars.

“It isn’t a question of special features that differentiate our cars from our competitors’,” says Keiichi Wakabayashi, director of marketing and PR for Jaguar Land Rover Japan. “It is about how the car feels — what you see, touch and hear when you drive.” ●

and more efficient for drivers and fleet owners,” a spokesperson for Mitsubishi Fuso says.

And this brings us to the question on the lips of many drivers contemplating a future where they will be taking a back seat — perhaps literally — to an on-board computer: Will autonomous driving be safe?

Automakers all agree that safety must come first.



# An even larger piece of the pie

Europe's foreign direct investment into Japan hits a record high

Inflows from Europe helped overall foreign direct investment (FDI) into Japan hit record levels in 2016, according to a report from the Japan External Trade Organization (JETRO) released in December.

Investments from Europe accounted for ¥2.01 trillion (€16.75 billion at 2016 rates), more than half of the ¥3.8 trillion total inbound FDI — a sharp turnaround from a sizeable divestment by European companies the previous year.

**T**he JETRO report looks at takeovers, acquisitions of stakes larger than 10% and major investments in Japan operations by European firms. The largest M&A deal of 2016 was the takeover of the management of Kansai and Osaka International airports by a consortium led by French airport operator Vinci. Meanwhile, in the pharmaceutical sector, Denmark's Leo Pharma bought Astella's dermatology division and the UK's AstraZeneca acquired Takeda's respiratory business.

The total value of investments held by foreign firms in Japan came to a record ¥27.8 trillion (€211 billion), representing more than 5% of GDP for the first time. According to a survey by JETRO, 72% of foreign companies operating in Japan also plan to raise investment levels over the next five years.

Outbound FDI also jumped by nearly a quarter, to a record of almost \$170 billion, with \$73.5 billion of that going to Europe, compared with \$53 billion to the US. Of the outflows to Europe, \$47.8 billion went to the UK, with \$31 billion of that from SoftBank's acquisition of chipmaker ARM. While Japan Inc. has gone on sporadic corporate shopping sprees for decades, successful large-scale deals in the other direction had

**“There has been a huge change over the last 20 years ... [the Japanese government has] a much more cooperative attitude”**



been few in number. “There has been a huge change over the last 20 years, from the Japanese government being very protective and basically trying to keep foreigners out, to a much more cooperative attitude,” says Dr Gerhard Fasol, who runs Tokyo-based consultancy Eurotechnology Japan and has been working with the Japanese tech sector since 1984.

That shift has been largely driven by economic realities, according to Ken Siegel, managing partner of law firm Morrison & Foerster’s Tokyo office and head of its large M&A team.

“The Japanese government is less willing to prop up or support troubled companies,” he said. “[The government has] become more realistic about what they can do with their balance sheet ... There is also recognition that when large corporations are divesting, those businesses can often be more effectively handled by foreign bidders. In terms of layoffs or sell-offs, that is easier for them to do than for a Japanese company.”

In addition to a growing acceptance of the need to sell businesses, including to foreign investors, and a willingness at listed companies to dispose of underperforming divisions, many family-owned, small and medium-sized enterprises also face “severe succession issues”, points out Yuuichiro Nakajima, director of Crimson

Phoenix, a boutique M&A consultancy.

Nakajima, a former investment banker now based in London, says his European clients see Japan as an increasingly appealing investment destination. In addition to an extended period of growth, albeit modest, Japan is looked upon as a safe bet compared to other countries in the region.

“It is good that Japan is enjoying a period of relative political stability; whether Abenomics is working or not, people know what it is,” Nakajima says. “Other parts of Asia are not seen as particularly stable, with China’s aggressive foreign policy in the South China Sea and tensions on the Korean Peninsula.”

Fasol also sees Japan’s quality of life and stable regulatory environment as big pluses.

“A lot of European companies have been focusing on China as it’s such a big economy, but then realising that doing business there is not so straightforward or safe,” he says, citing legal disputes as a particularly challenging aspect of operating in the world’s second-largest market.

“There are also a lot of companies in Europe and Japan with complementary technologies,” explains Fasol, who is currently working with a small European company in a niche medical sector to help it find a partner in Japan.

“I was just in Europe in January and had a lot of discussions with companies that are interested in Japan,” he reports. “From that, I’m talking with three or four that are now looking for deals.”

European companies have also become more sophisticated in their approach to takeovers in Japan, says Fasol, who believes lessons have been learned from DaimlerChrysler’s ill-fated deal with Mitsubishi Motors and Vodafone’s similarly value-destroying takeover of J-Phone — the mobile telecoms firm subsequently transformed by SoftBank — in the early 2000s.

In terms of regulatory environment, Nakajima points out that, “Japan’s takeover code is similar to the UK’s, and the corporate governance code has been in place for years.”

However, he notes that there is some concern about the slew of recent corporate scandals involving Japanese companies.

**“It is good that Japan is enjoying a period of relative political stability”**

“There is a feeling of ‘what’s next?’; investors, of course, take a dim view of corporate scandals, but it is not endemic,” says Nakajima, who also sits on the board of an investment fund. “Corporate governance is not perfect, but is acceptable; Japanese companies are having to listen to foreign investors. And the government is putting pressure on them to clean up.”

Nakajima says that he is seeing more interest from European clients in sectors in Japan such as the automotive components, computer-assisted design, specialist technologies and service sectors.

Siegel of Morrison & Foerster, which usually handles M&As at the larger end of the market, believes there will continue to be deals “across the board”, but identifies Japan’s huge electronics sector, which is in the midst of ongoing restructuring, as one likely to see more takeover activity.

“It’s a good time to be a lawyer in the market,” says Siegel. ●

# Looking at the horizon

Leonidas Karapiperis, Minister-Counsellor,  
Head of the Science and Technology Section at the  
EU Delegation to Japan

Since he was a boy growing up in Thessaloniki, Greece, Leonidas Karapiperis has been fascinated by science. He studied mathematical physics at the University of Sussex, and then did his PhD in microelectronics at Cornell University. After seven years of research in the private sector, Karapiperis took a position at the European Commission in 1988. Following a stint as press and cultural counsellor at the Delegation of the

European Commission to Japan between 1995 and 1999, he returned to Brussels to work on the EU's research policy. He acted as an observer on the CERN Council and was the representative of the European Commission on the OECD Global Science Forum. In 2014, Karapiperis took up his current position as minister-counsellor and head of the Science and Technology Section at the EU Delegation in Japan.









**Can you tell me about the Science and Technology Section at the EU Delegation in Tokyo?**

We facilitate and mediate cooperation between Europe and Japan. In order to do that, we need to understand both our home system and the local system. We keep a close eye on science, technology and innovation developments here, and send reports on major developments. We also interact with policymakers and a lot of the leaders of research organisations in Japan to explain to them how our system works

and how researchers can become involved in our EU programmes. Public outreach on the benefits of cooperation is another important priority for us.

**How are the EU and Japan cooperating on science and technology?**

Since March 2011, we've had in force a science and technology cooperation agreement. One axis is on deepening strategic cooperation through frequent consultation at multiple levels. Another involves taking a thematic approach for promoting activities in key strategic areas. This looks at where we want to cooperate, what the big issues are — advanced materials, aeronautics, ICT or Arctic research. Then, there's what we call framework conditions for collaboration. No matter what, a

researcher needs to have access to suitable funding mechanisms, and we work on those. The EU's framework programmes have been running since 1984. Now we are in the eighth, which is called Horizon 2020.

**Could you give me some details about Horizon 2020?**

It's the European Union's comprehensive research and innovation programme. It helps fund everything from individual fellowships for researchers to collaborative research among large consortia to tailor-made support for SMEs that are innovating. Horizon 2020 has three pillars: excellent science, industrial leadership and societal challenges. Almost 65% of its projects have to do with sustainability.

The overall EU budget for the financial period from 2014 through 2020 is roughly €1 trillion, and close to €80 billion of that is for Horizon 2020, an impressive 8%. And it's not only the 28 EU member states that are contributing. There are 16 associate countries — including





Switzerland, Norway, Israel, Ukraine and Tunisia — that have joined this common scientific endeavour. It is the biggest, most comprehensive programme in the world for research and innovation. And, quite importantly, it is open to collaboration with the entire world.

#### **Why is the EU investing so much in innovation?**

There was a big increase — about 30% in real terms — between the budget of Horizon 2020 and the previous framework programme. That decision was made in 2013, after the debt

crisis. It was a time when the big political priority for Europe was to get back on the path of sustainable growth and create jobs. At that time, the overall budget was constrained, but the part that got the biggest increase was Horizon 2020. It was a clear recognition at the highest level by all member states that research and innovation is key for economic growth, sustainability and addressing societal challenges. We see it as a necessary tool for overcoming our problems and for creating prosperity for our citizens. But also, we are recognising the value of science as such, the pursuit of knowledge. We believe in curiosity, to discover why something is — just this why, the pure why.

You will not have great inventions unless you have a love for science. That's the reason Horizon 2020 spends a little more than one-third of its budget on “excellent science”, which is mostly bottom-up research.

#### **How does funding for EU–Japan collaboration work?**

When it comes to developed countries, like Japan and the US, we do not fund them. We tell their governments, if your scientists wish to join, you should fund them. But most of the Japanese programmes get funding only if they cooperate domestically. So, we try

to convince them to allocate more funds to international cooperation, with some good results.

We have a mechanism called Joint Calls where we decide on a topic and do a call for proposals in Europe and Japan at the same time. We invite European and Japanese scientists to come together and make a common proposal. And then the Europeans, through Horizon 2020, fund the European scientists and the Japanese are funded through a ministry or a funding agency in Japan. The Japan Science and Technology Agency has also developed its own co-funding scheme.

#### **What are some examples of Joint Call projects with Japan under Horizon 2020?**

The BigClouT project is on smart cities. A consortium of organisations in the ICT area from Europe and Japan is involved — NTT and the University of Tsukuba from Japan, CEA from France, and the Institute of Communication and Computer Systems from Greece, to name a few. There are two cities in Europe, Grenoble and Bristol, and then there are two in Japan, Tsukuba and Fujisawa, that are being used in pilot projects. The idea is to enable cities to tackle many of the problems they have with vital functions, like traffic and energy systems, through the Internet of Things and artificial intelligence, which can be implemented across the whole city network. It involves, in a major way, the citizens themselves. Things are not being developed and then presented to citizens; it is an important co-creation, so to speak.

An excellent example of applied research is the VISION project, about air transport safety and safer navigation. The objective is to investigate, develop and validate smarter aircraft guidance, navigation and control solutions, and to automatically detect and overcome some critical flight situations. The results will be shared among air traffic controllers in Europe and Japan.

#### **What happens after 2020?**

We don't know precisely what will be in the next framework programme, FP9, but there will be a bigger emphasis on facilitating innovation and, in particular, disruptive innovation. The sustainable development goals adopted by the UN will be one of the guiding principles of all the activities in FP9, and the involvement of citizens will be even bigger. The EU Parliament has already said the budget should be no less than €100 billion. ●

“We see [science and technology] as a necessary tool for overcoming our problems and for creating prosperity for our citizens”



# The UK

## Still strong

Despite the uncertainties Brexit has brought, the United Kingdom was ranked the best country for business for 2018 by *Forbes* magazine. The nation's leading sectors remain strong — finance and banking, for example, contributed more than £190 billion to the economy in 2016, nearly 12% of its GDP. Strict investor protection and transparency laws make it an attractive destination for foreign investment.

According to The Soft Power 30 index for 2017, the UK ranks second in terms of its global soft power, after France. The digital revolution has spread British arts and entertainment across the globe, while *The Economist*, Reuters and the BBC rank as the world's most trusted news sources. The UK's reputation for innovative technology is upheld by the global success of companies such as Dyson and Shazam.



### Trade with Japan

Imports from Japan: ¥1.48 trillion  
Exports to Japan: ¥710 billion

SOURCE: MINISTRY OF FOREIGN AFFAIRS OF JAPAN (2016)

#### Area

243,610km<sup>2</sup>. Coastline: 12,429km.

#### Comprises

England, Northern Ireland, Scotland and Wales.

#### Climate

Temperate, moderated by prevailing southwest winds over the North Atlantic Current.

#### Major cities

London (capital), Birmingham, Glasgow, Liverpool and Bristol.

#### Population

64,769,452 (July 2017, estimate).

Urban population:  
83.1% of total population (2017).  
40.55% are 25-54 years of age.

#### Natural resources

Coal, petroleum, natural gas, iron ore, lead, zinc, gold, tin, limestone, salt, clay, chalk, gypsum, potash, silica sand, slate and arable land.







# A lot to offer

British Ambassador to Japan  
Paul Madden

## How are British companies benefiting Japan?

There are many successful British companies in Japan that are making huge contributions in a variety of sectors from financial services and life sciences to technology, energy, engineering, nuclear decommissioning and consumer products.

In 2019, Japan hosts the Rugby World Cup [RWC] and, in 2020, the Olympic and Paralympic Games. Our experience with the London 2012 Games and RWC 2015 puts us in a prime position to cooperate closely with Japan to create policy, in areas such as cyber-security, and allows us to share our extensive commercial expertise, which helped us to deliver successful events in the UK. We are also working with local sports stadium owners to help make their venues more sustainable.

As well as providing unique, high-tech goods and services to Japanese consumers, British companies here also provide excellent, flexible work environments for their employees and make significant contributions to the community. For example, Unilever won an award at the British Chamber of Commerce in Japan's British Business Awards last year in recognition of its work to operate a sustainable business, drive social change and empower women.



**"We hope to do more with Japan ... on key global issues"**

## How is the embassy working to increase bilateral trade?

When Prime Minister Theresa May visited Japan last year, economic and trade issues were naturally part of the agenda. Both prime ministers addressed a major business forum, and Prime Minister May met a number of individual Japanese investors. We were pleased to see agreement reached on the final text of the EU-Japan Economic Partnership Agreement trade deal in December, and Prime Minister May and Prime Minister [Shinzo] Abe agreed to work together to quickly deliver a new bilateral economic relationship based on the final terms of the deal after the UK leaves the EU. Our newly launched UK-Japan Trade and Investment Working Group is already taking forward this important work. In December, the new Industrial Policy Dialogue took place for the first time between Japan's Ministry of Economy, Trade and Industry and the UK's Department of Business, Energy and Industrial Strategy.

We are continuing to work closely with businesses to address market access issues in Japan, including lifting the ban on UK beef and lamb imports, which has been in

place since the BSE outbreak in the 1990s, and we anticipate seeing it lifted this year. The embassy has also been supporting Tokyo's development as a global financial centre, creating a more efficient capital market for the Japanese economy and making Tokyo a more attractive destination for foreign businesses. We facilitated the signing of a memorandum of understanding between the City of London and the Tokyo Metropolitan Government to enable greater cooperation in financial services between the two cities. We also signed memoranda of cooperation with the Japan Bank for International Cooperation

and Japan External Trade Organization to take forward projects of mutual interest.

## What are the embassy's goals for 2018?

As always, we will be working hard to further strengthen the close relationship between the UK and Japan, building on the joint declaration made by our two prime ministers when Theresa May visited Japan last year. In addition to our trade and investment relationship, we'll be working with Japan to deepen our security and defence cooperation through joint exercises, including two visits by Royal Navy ships.

We hope to do more with Japan, not only in the Asia-Pacific region, but also on key global issues, such as climate change, women's education and global health. ●



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# THE VALUE OF REAL ESTATE

TEXT BY DAVID UMEDA

Real estate is integral to doing business in Japan. And what makes the market thrive is the delicate balance maintained between competition and cooperation in urban planning — across complex, intertwining functions.

## PORTFOLIO

Involvement in Japan's real estate industry requires outstanding components to one's portfolio of properties, products or services.

At **CBRE**, there is recognition that every building, big or small, is unique — different tenants, different needs and different solutions.

"We leverage best asset management practices and real-time data to improve the operational performance of the buildings under our care," explains Keiichi Komamura, Asset Services Managing Director, "and to ensure that we are creating advantages for every client we serve."

Since entering the Japanese market 30 years ago, **CLESTRA Hauserman** has become a leader in providing steel and glass partitions for the commercial office market.

"We have innovative and customised solutions that target efficiency on design and acoustic performance," says Fernando Iglesias, President of CLESTRA K.K., "with green international certifications not yet achieved by local players."

According to **Servcorp**, the flexible office industry is mostly about providing space with less commitment and risk.

"Servcorp stands out for its focus on IT and communications services, as well as people services," points out Olga Vlietstra, General Manager - Japan, "with bilingual receptionists, secretaries and IT engineers who are trained to support any business, small or large."

## COMMITMENT

In the Japan real estate industry, there is also a focus on investment, as well as human resources and expertise.

"When it comes to real estate in Japan, potential exists everywhere," points out Komamura of CBRE. "Identifying and capitalising on that potential is what is critical to success in this market."

Across all property types, the CBRE team applies data, insight and experience in helping clients make informed real estate decisions.

"Ultimately achieving optimal asset and portfolio management," Komamura adds.

CLESTRA Hauserman's experienced staff is essential in providing products and services that meet the customers' expectations. The firm is also increasingly investing in research and development,

"Bringing to the table new technologies and design aesthetics are key to maintaining our leadership in the field," states Iglesias.

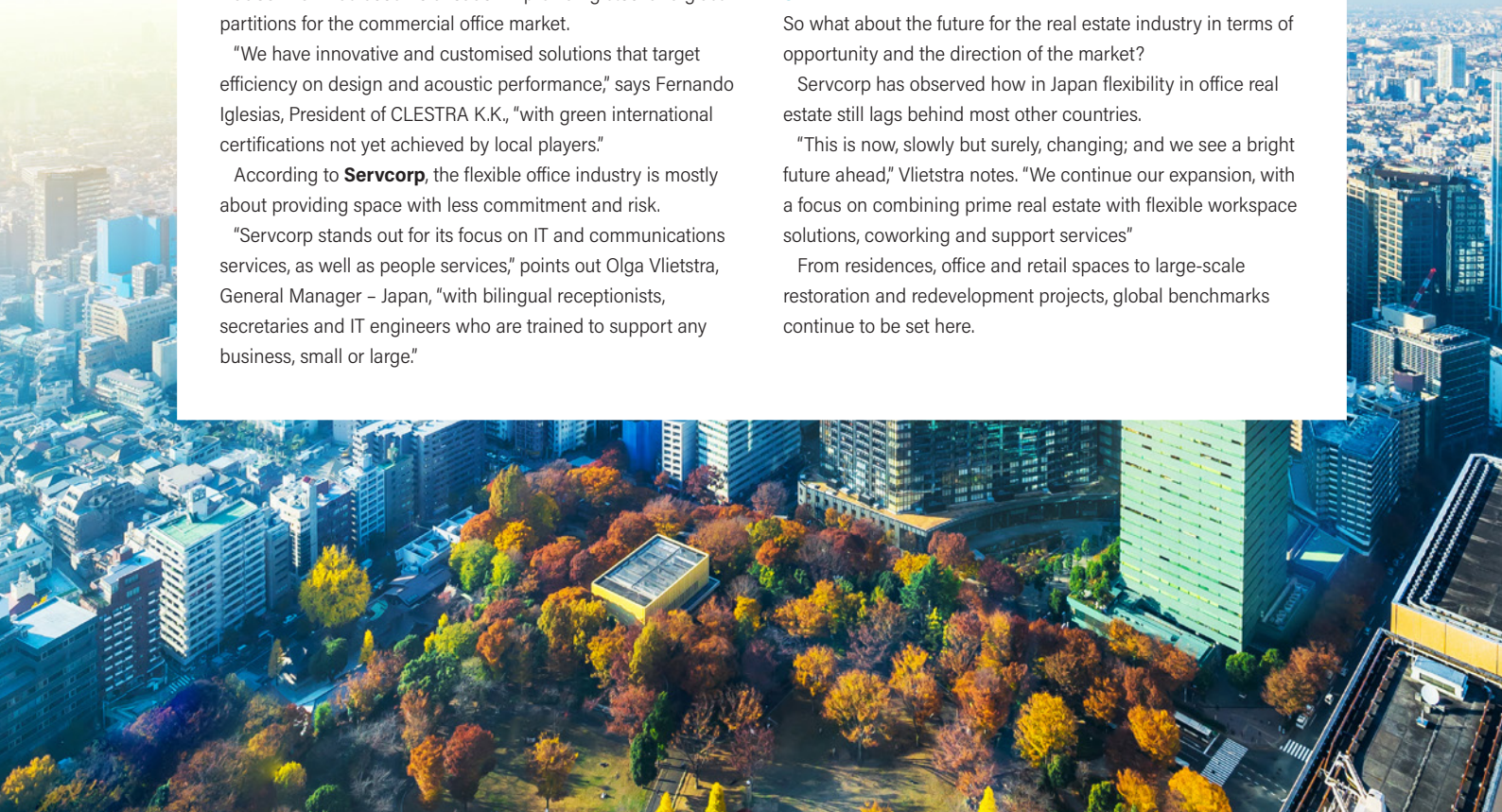
## UP AHEAD

So what about the future for the real estate industry in terms of opportunity and the direction of the market?

Servcorp has observed how in Japan flexibility in office real estate still lags behind most other countries.

"This is now, slowly but surely, changing; and we see a bright future ahead," Vlietstra notes. "We continue our expansion, with a focus on combining prime real estate with flexible workspace solutions, coworking and support services"

From residences, office and retail spaces to large-scale restoration and redevelopment projects, global benchmarks continue to be set here.







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# Antoine Bourgeois

Never just skin deep

The great blues, jazz and rock guitarists, such as Albert King, Wes Montgomery and Prince, make their instruments sing — and make it look effortless. When he was in his teens, Antoine Bourgeois, today president of Clarins Japan, wanted to know what made these musicians' songs so good. So he appropriated his sister's neglected guitar and taught himself how to play.

**“**I loved this music and tried to reproduce it,” he says. “It can be technically and artistically marvellous. And understanding the complexity of producing those great songs adds to the wonder of it.”

But Bourgeois' pursuit of a deeper understanding of how the best music is made didn't stop with learning how to play the guitar. He decided to build one.

A professional guitar-maker was running a summer camp and Bourgeois enrolled. Every day for two weeks, he sawed, carved and sanded.

“When you arrive the first day, you see the parts and this dirty wood, and you think, okay, we're really a long way from a guitar,” he said. “We worked from morning to night, getting blisters and aches, but everyone was passionate about it.”

He enjoyed the experience so much that he went back the following summer and made a second guitar. And, Bourgeois insists, both instruments still sound great.

“It was another valuable step in understanding the process of making music,” he states.

Bourgeois, from Paris, comes by this desire to understand how things work honestly. The son of a biology teacher, he developed an interest in science thanks to his mother. The university he attended, AgroParisTech, allowed him to immerse himself in a wide range of science-related topics — including biology research, agriculture and food processing — but also business management, which he ultimately pursued.

A job with the global professional services firm Accenture brought Bourgeois to Japan in 2008. He then headed the Japan branch of a French telecommunications company from 2010 through 2013. At the start of 2014, he was offered the position of CFO at Clarins Japan but, shortly after taking on this role, the then-general manager stepped down and Bourgeois was invited to take over.

Founded in France 63 years ago, Clarins is a family-owned cosmetics company. Its focus is on body care, face care and makeup.

“Everything that is related to skin care, we cover,” says Bourgeois. “We have a lineup that is absolutely unmatched by anyone.”

The Japan subsidiary opened 32 years ago, and today has 80 points of sale across the country. Some of the products created specifically for Japan have gone on to become best-sellers in Asia.

“Jacques Courtin, the founder of the company, was always asking women questions to understand their definition of beauty,” says Bourgeois. “He learned that Japanese women want to have a slimmer face, especially in the cheek area.”

Clarins created Total V Contouring Serum, a slimming product for the face. It reduces fatty tissue in the cheeks.

“You have to understand the skin's cells, the adipocytes and the physiology of fat tissues to create products like this,” Bourgeois explains. “These are really advanced, complex products with a formula made for a good reason.”

The business trips he often takes give him an opportunity to work on another one of his interests: photography.





“When I first came to Japan, I always had my camera in my pocket,” Bourgeois recalls. “But when I looked back at the pictures, I saw that they were a little blurry or that the colours were burnt.”

He started asking himself how he could improve the photos he took.

“I started playing with my wife’s DSLR camera and discovered more about how to take a picture,” Bourgeois says. “Understanding how the camera works helps you reproduce a place at a certain point in time in the best possible way.”

After learning many of the technical aspects of photography, Bourgeois says that he just has to keep practicing and learning.

“Photography, from the Greek, means writing light,” Bourgeois points out. “In the end, it’s not as easy as it sounds.” ●

Antoine Bourgeois is president of Clarins Japan and a member of the EBC Cosmetics & Quasi-drugs Committee.

## Do you like natto?

**Time spent working in Japan:**

Ten years.

**Career regret (if any):**

No. I took every opportunity I got, and those opportunities brought me here.

**Favourite saying:**

“Once you stop learning, you start dying.” – Albert Einstein.

**Favourite book:**

*Hyperion* by Dan Simmons. It’s a masterpiece of science fiction.

**Cannot live without:**

My family, of course. I have two young boys.

**Lesson learned in Japan:**

There is a saying in French that goes, ‘One who does not speak up, agrees.’ This

is absolutely not true in Japan. Here, someone who doesn’t say ‘yes’ probably disagrees.

**Secret of success in business:**

Adaptation. Evolution. Because nobody knows what the future is going to throw at you.

**Favourite place to dine:**

*Les enfants gâtés* near Daikanyama. It’s a wonderful French restaurant with a Japanese chef. I’ve never had better pressed terrines anywhere, even in France.

**Do you like natto?:**

To my wife’s dismay, no. She is always saying that, since I love cheese I should love natto, but I don’t think it’s the same.





# Logistics and Freight

## Keeping Japan's shipments moving efficiently

**The IT revolution** is expected to hit the logistics industry in a big way over the coming years. Think drones buzzing around neighbourhoods dropping off parcels or fleets of cargo-laden trailers controlled by a single driver.

"If you think about intercity routes, you could have one large vehicle followed autonomously by others," explains Gavin Murdoch, chairman of the EBC Logistics and Freight Committee. "You'd have one driver and five or six vehicles with fixed departure and arrival times between major cities."

The short-term future for Murdoch's industry, however, isn't so bright. The logistics and freight business in Japan is among the hardest-hit by the country's worsening labour shortage. Companies are reporting serious problems hiring and retaining drivers and warehouse workers.

Paradoxically, the situation has been exacerbated by a boom in business. As consumers increasingly go online for their shopping, the burden of handling the surging demand is being placed on the companies that store, move and deliver the products.

"That's obviously putting a huge strain on everything," says Murdoch, president and representative

director at DHL Supply Chain in Japan. "At the same time, the population is ageing and declining ... we're seeing a tightening of [the labour] supply at all levels."

To help ease the situation, the committee is calling on the Japanese government to follow through on its efforts to bring more women into the workforce.

"The authorities should support companies in setting up child care provision, including through access to training and certification for child care workers, to facilitate the employment of women in the sector," the EBC's 2017 white paper states.

The EBC also wants the authorities to be more flexible about bringing in workers from overseas.

"We are suggesting that the government choose to introduce short-term work visas to encourage more people to come and join the workforce during peak seasons," Murdoch says.

For delivery companies, the squeeze is generally tightest in the "final mile" of the supply chain: from the distribution centre to the customer's doorstep, according to the chairman. One problem is redeliveries, which are needed if the recipient isn't home the first time, requiring drivers to make two or more trips for a single delivery.

One solution is parcel lockers, which would "put the onus on the person who has made the order to physically go and get it," Murdoch explains.

Government involvement in this initiative is essential to ensure facilities

are non-proprietary — that they can be used by all delivery firms. Already, ¥500 million of public funding has been allocated for the current fiscal year to set up lockers in suburban and rural areas.

"They should be in convenient locations, such as train stations, so deliveries can be consolidated, allowing more than one item to be delivered while the driver is there," the committee chairman says.

Another aspect of modernisation being pushed by the committee is a lot more fundamental.

As Richard van Schie from Schenker-Seino explains: "The international transport industry in Japan still relies too much on outdated processes when exchanging information or data, and has not embraced modern technology. For example, documents are often still sent by fax, instead of via e-mail or through cloud services."

The EBC is calling for the swift introduction of the latest technologies in workplaces, including customs offices, to speed up and streamline procedures.

"More effective solutions are needed to improve efficiency throughout the supply chain," van Schie says.

The committee is relatively diverse, composed of companies involved in various links of the global supply chain.

This year, it aims to stress the issues related to modernisation and demographics, while "refreshing" some of the issues in shipping that have been around for many years, according to Murdoch.

"As an industry," he says, "we have a role to play in keeping Japan efficient." ●

### Advocacy issues

#### ➔ Modernisation

Parcel lockers and large autonomous vehicles should be considered to make delivery services more efficient. Work places should replace paper-based and manual operations with electronic solutions.

#### ➔ Labour shortage

The government should reform visa regulations to allow entry to temporary foreign labour.

#### ➔ Port costs

The Japanese government needs to address the problem of exceptionally high costs at ports in the country.

Gavin Murdoch is president and representative director at DHL Supply Chain in Japan and is chairperson of the EBC Logistics and Freight Committee.





# Mission accomplished

## The EBC celebrates the conclusion of the EPA

**The EBC first** proposed the idea of a free trade agreement between the EU and Japan to the European Commission in 2007. Formal negotiations began in 2013 and, after four years and nearly 20 rounds of talks, the agreement — one of the largest trade deals in existence — was concluded on 7 December last year. Such a major achievement is certainly reason to celebrate.

On 28 February, the EBC, the Delegation of the European Union to Japan and the EU–Japan Centre for Industrial Cooperation hosted a seminar and reception for 150 guests in honour of the conclusion of the EU–Japan Economic Partnership Agreement

(EPA). The event was aptly called Mission Accomplished.

“Much work has been required from everyone in making the agreement come true, and further work remains to be done,” said Ambassador of the EU to Japan Viorel Isticioaia-Budura. “But, tonight, we can take a break and together celebrate the achievement and say, ‘Bravo! We did it!’”

When the EU–Japan EPA comes into force in 2019, it will create an economic zone of 600 million people covering 30% of the world’s GDP. Under the agreement, tariffs will be lowered or removed, mutual standards will be recognised, fair competition will be encouraged and geographical indications will be protected, among many other benefits.

“We are confident that, once in place, this agreement will deliver sustainable and inclusive economic growth and spur job creation,” the ambassador added, “while at the same time confirming our commitment to the highest level of labour, safety, environmental and consumer protection standards; and fully safeguarding public services.”

In addition to Ambassador Isticioaia-Budura, many other distinguished guests — including Yoshio Sato, chair of the Committee on Europe at the Keidanren (Japan Business Federation), and Yasushi Akahoshi, president of the Japan External Trade Organization — were in attendance to give talks and offer their congratulations.

Although the evening was about cheering this milestone, each of the nine speakers stressed

that the work of implementation ahead would be as challenging as the work to date, and that continued collaboration between the EU and Japan was essential.

“It is equally important that the EU–Japan EPA becomes a living agreement, in which regulatory cooperation will continue,” said Danny Risberg, current chairperson of the EBC. “We hope there is a strong mechanism in the EPA that establishes an ongoing dialogue between EU and Japanese regulators to ensure that future requirements do not inadvertently serve as new barriers to trade.”

It was also noted that the road ahead may not be perfectly smooth.

“What we should be seeing is increased volumes of trade and more frictionless trade between our countries,” said Marjut Hannonen, head of the Trade Section at the EU Delegation. “We know from our experience of previous FTAs that this is not always the case; there are always some issues ... [But] I am confident we will succeed.”

In addition to commendations, many offered thanks to those who had been part of the work thus far. The group responsible for putting the idea of the EPA forward was given special attention.

“I would like to take the opportunity to thank the European Business Council and its committees for their important contribution in making the negotiations a success,” said Ambassador Isticioaia-Budura. “The current chairman, the previous chairmen and the chairmen of the committees have made a valuable input into the negotiation process. I trust that our cooperation will continue once we start implementing the agreement.” ●



Ambassador of the EU to Japan Viorel Isticioaia-Budura



# More freedom to trade

Secretary of State for Scotland  
David Mundell speaks on Brexit

Negotiations for the UK's withdrawal from the EU are well under way, with the second phase of the talks now on the horizon. But with so many issues still unsettled, businesses are becoming increasingly anxious about what lies ahead.

**On 16 February**, the British Embassy in Tokyo hosted David Mundell, secretary of state for Scotland and a member of Prime Minister Theresa May's Cabinet. He spoke to members of the British Chamber of Commerce in Japan and Japanese business leaders about what Brexit will mean for Scotland, the UK and Japan.

Despite the current level of uncertainty surrounding Brexit, Mundell's message was resoundingly optimistic: "[The referendum] wasn't a vote to turn inwards or to turn our backs on the world. In fact, I see it as the opposite ... I do believe that the years ahead now offer global opportunities that we could never have taken as a member of the EU."

He noted that Scotland-Japan relations have endured since the Meiji period. Thomas Glover, from Aberdeen, was



instrumental in the establishment of firms that went on to become the Mitsubishi Corporation and Kirin Brewery, while Tokyo-born engineer Kaichi Watanabe is commemorated on the Scottish £20 note for his contribution to the construction of one of the most famous monuments in Scotland, the Forth Rail Bridge. Today, there is robust trade between Scotland and Japan, and this has undoubtedly been bolstered by May's visit to Japan last year. According to Mundell, Scottish exports to Japan total half a billion pounds, an increase of 11% since 2015. He also noted that Japan is a leading Asian investor in Scotland with 85 Japanese companies employing over 6,000 Scots.

Although some have expressed fears of further fragmentation within the UK in the aftermath of the shock Brexit result, Mundell was confident that Brexit would further strengthen both devolution and union within the UK.

"We don't anticipate that there will be another referendum in relation to Scotland's place in the UK," he said. "What we've seen is that support for [Scottish] independence

has fallen since the Brexit vote ... There has not been a correlation between Brexit and independence."

Mundell also spoke about what is being done to ensure successful trade and investment between Japan and the UK post-Brexit. In 2016, May created the Department for International Trade, dedicated

to increasing the competitiveness of overseas companies in the UK and promoting trade opportunities through the advice of experts and greater access to global networks. Officers have already been placed in Tokyo and Osaka. A future bilateral UK-Japan free trade agreement is anticipated, which Mundell said would prioritise UK interests more

than the recently concluded EU-Japan Economic Partnership Agreement.

"Once we're outside the EU, we can look to trade around the world with more freedom and more energy to open up new markets and strengthen the links we already have with friends like you here in Japan," he said. "At a time when protectionism is on the rise, we will stand tall as a beacon of free trade, proud that we look to the rest of the world and see opportunity, not threat."

Mundell concluded by assuring those in the audience that the UK and Scotland would continue to be good places for Japanese companies to invest.

"We are very much open for business," he stated. "Be ambitious, be bold, and join us in seizing the opportunities that lie ahead of us." ●





# The Agenda

MAR.  
19BELGIAN-LUXEMBOURG CHAMBER OF  
COMMERCE IN JAPAN

## Monthly Beer Gathering

**TIME:** 19:00-22:00**VENUE:** Belgian beer café in Tokyo**FEE:** You pay for what you drink**CONTACT:** info@blccj.or.jpAPR.  
12SWISS CHAMBER OF COMMERCE AND  
INDUSTRY IN JAPAN

## Surviving & Thriving in Japan

**TIME:** 19:00-21:00**VENUE:** Okuno & Partners,  
Kyobashi TD Bldg.**FEE:** Free**CONTACT:** www.stofficetokyo.ch/  
swissexperiences/MAR.  
27BELGIAN-LUXEMBOURG CHAMBER OF  
COMMERCE IN JAPAN

## BeLux Business Talk: The Future of Fintech in Japan

**TIME:** 12:00-14:00**VENUE:** Hilton Tokyo, Dynasty room**FEE:** ¥5,000 (incl. lunch)**CONTACT:** info@blccjAPR.  
13FINNISH AND SWEDISH CHAMBERS OF  
COMMERCE

## 32nd Stora Enso Cup: Sweden-Finland Golf Challenge

**TIME:** 9:32 tee time**VENUE:** Taiheiyo Club Gotemba West,  
Shizuoka Prefecture**FEE:** ¥18,040 (includes green fee,  
caddie, lunch and after party)**CONTACT:** Respective chambersMAR.  
29BRITISH CHAMBER OF COMMERCE IN  
JAPAN

## Luncheon: Successful Joint Ventures

**TIME:** 12:00-14:00**VENUE:** ANA InterContinental Tokyo,  
Aurora, B1F**FEE:** ¥6,500 (members),  
¥10,000 (non-members)**CONTACT:** info@bccjapan.comAPR.  
19ITALIAN CHAMBER OF COMMERCE IN  
JAPAN

## Italia, amore mio! Chambering\*

**TIME:** 19:00-21:00**LOCATION:** Angelo Court Tokyo,  
Warehouse TERRADA, Tennozu Isle**FEE:** ¥7,000 (members), ¥9,000  
(non-members) for buffet, all-you-  
can-drink

\* Co-host: NCCJ.

APR.  
5NETHERLANDS CHAMBER OF  
COMMERCE IN JAPAN

## Joint Chamber of Young Professionals Networking Party

**TIME:** 19:00-21:00**VENUE:** Longrain Tokyo, Yebisu Garden  
Place Tower, 39F, Ebisu**FEE:** ¥5,000 (members), ¥7,000  
(non-members)**CONTACT:** nccj@nccj.jpMAY  
17-20BELGIAN-LUXEMBOURG CHAMBER OF  
COMMERCE IN JAPAN

## Belgian shop @ Belgian Beer Weekend

**TIME:** 11:00-21:00**VENUE:** Yamashita Park, Yokohama**FEE:** You pay for what you buy**CONTACT:** info@blccjAPR.  
11ITALIAN CHAMBER OF COMMERCE IN  
JAPAN

## Japan Olive Oil Prize 2018 Award Ceremony

**TIME:** 11:30-14:30**VENUE:** Hula Teri Paradiso,  
Omotesando Hills, 3F**FEE:** ¥3,000 (members), ¥4,500  
(non-members)**CONTACT:** projects@iccj.or.jp



# Clean, efficient, connected

Electric vehicles are transforming the automotive industry

What connects Athens, Berlin, London, Madrid, Oslo and Paris, aside from the fact they are capitals of European nations, is that each city has moved to curb vehicle emissions by restricting automobiles, especially in city centres. Diesel vehicles, and others that don't meet emissions standards, are being targeted with bans, fines or fees. However, these strict standards are creating an opening for electric vehicles (EVs) to penetrate the market.

**W**ith the potential proliferation of EVs, the future could be a world with clean, efficient, connected automobiles, providing society with the benefits of all that the technology of today has to offer.

European automakers, such as Porsche and the BMW Group of Germany, are leading the way in producing EVs with high efficiency and low or zero emissions, without losing driving performance.

One example is Porsche's Mission E concept car. It is the

company's vision of the sports car of the future, with 600 horsepower and a zero-to-60mph (100 km/h) time of less than 3.5 seconds. And it's an all-electric vehicle that has double the voltage of EVs in use today.

"Our Mission E concept is based on an 800V architecture, which will provide big customer benefits in terms of journey distance and charge time," says Alexander Quaas, product manager at Porsche Japan, adding that it will take less than 20 minutes to charge for a travel range of about 400km.

One of the leaders in EV propagation is the BMW Group, which sold more than 100,000 electrified vehicles worldwide in 2017. Global sales of its EVs have increased every year for the past four consecutive years, according to BMW. The automaker also registered more all-electric or plug-in hybrid vehicles last year than any other manufacturer in Europe.

"Here in Japan, the BMW Group has just released the new BMW i3, an all-electric vehicle that can drive 400 kilometres on a single charge," says a spokesperson from BMW Group Japan.

The firm expects its global vehicle portfolio to include 25 all-electric or hybrid electric (HEV) models by 2025.

Helping carmakers realise their objectives for building EVs are industrial suppliers such as metal powder producer Höganäs AB of Sweden.

The electric traction motors, DC-DC con-

verters and onboard chargers in some of the world's EVs and HEVs contain soft magnetic composites made by Höganäs.

"The main trend in mobility is towards electrification, driven by the consumer demanding a better environment; zero-emission vehicles for a sustainable future," says Carl-Gustav Eklund, president of Höganäs Japan K.K. "All major automotive makers are making large investments in HEVs and EVs, and our company is working in close cooperation with the automotive industry to offer better solutions."

While all-electric vehicles have the benefit of being emissions-free, they are not only made to be ecologically sustainable, but they are also becoming socially sustainable. Today, many young people in urban areas do not own cars, but as EVs become more common, car-sharing is becoming an efficient and affordable option.

A major Japanese automaker is developing a fleet of single-passenger EVs for car-sharing and is currently conducting tests around Tokyo Station.



Such efforts aim to create more mobility options, for more of the population, without increasing emissions.

“In the beginning, EVs will mainly be used as city cars but, later on, will develop into the total car market,” Eklund predicts.

A global study conducted by Porsche says more than €500 billion in revenue will be gener-

ated by “Mobility on Demand” in 2025.

While overcoming some of these challenges will require cooperation with other industries, adoption of EVs on a mass scale will depend on the capacity of car batteries, not to mention the availability of charging stations.

With their connected cars, linked to the internet and other communications systems, EV-makers are looking to tap into a constantly connected generation who are looking for custom options.

“Connected cars can offer service-based options for a particular period depending on a customer’s lifestyle needs at that given time,” Quaas says. “Customers can customise their cars to optimise their lifestyles – just like you change your clothes every day.”

The BMW Group considers EV technology to be one of the key drivers of future mobility, what in industry terms is known as ACES: automated, connected, electric and shared.

However, with EVs being connected and storing large volumes of personal data, digital security is a challenge for automakers. But that is not the only new dimension of the technology they have to deal with.

“Safety, legal issues, 4G and 5G, even 6G [mobile telecommunications technology], will be needed to manage enough data transfer capabilities,” Eklund says.

“EV technology still needs improvements,” Eklund says. “The main development required is in the battery technology, to increase the power density and reduce costs. The industry needs some more breakthrough developments before we can see a major increase in global EV penetration.”

BMW’s spokesperson says that an integral part of the automaker’s EV strategy is to “establish ecological and social sustainability throughout the value chain, comprehensive product responsibility and a clear commitment to conserving resources”.

Financial sustainability of EVs is one more issue for automakers to consider.

“Another challenge is to produce the right business model to be sustainable,” Quaas says. “As car sales are very limited compared to smartphone or other IoT [Internet of Things] devices, we have to be creative to offer the right business model and our best-in-class services to our customers.” ●

“What this could mean,” Quaas says, “is that the conventional business model, which is to sell new cars, will change as customers’ mindsets and expectations for cars change.”

## “The main trend in mobility is towards electrification, driven by the consumer demanding a better environment”



# ALL-ELECTRIC PIONEER

Porsche continues  
to lead the way

The world's first hybrid vehicle was presented to the public on 14 April at the 1900 World's Fair in Paris, a car developed by Ludwig Lohner and the young Ferdinand Porsche. Nearly 120 years later, the ambitions of Porsche's engineers remain as strong as ever.

In 2010, Porsche opened a new chapter in motorsport history with its 911 GT3 R Hybrid, which employed the Mixte drive concept developed by Ferry Porsche to reclaim kinetic energy usually lost as heat when braking.

Maintaining its pioneering position in the field, Porsche became the world's first car manufacturer in the premium segment to feature three plug-in hybrids in its product range. In 2017, for the third successive year, Porsche won the 24 Hours of Le Mans endurance race with its 919 Hybrid. The treble of victories entitles Porsche to keep the coveted challenge cup.







## Mission E Cross Turismo

Unveiled at the recent Geneva Motor Show, the Mission E Cross Turismo concept study reflects Porsche's vision of pure electric mobility. As an all-electric sports car, it provides even more space for all riders' requirements with its four doors and four individual, bucket-type racing seats. Thanks to an increased ground clearance, a robust chassis and on-demand electric all-wheel drive, the Mission E Cross Turismo never shies away from new terrain.

This all-electric sports car is for everyday adventures, but with performance levels that are anything but ordinary. There is a harmonious combination of typical Porsche design language and optimised aerodynamics. The result is a body designed for maximum performance.

The performance data wows even motorsport enthusiasts: total system power output of 600hp; acceleration from 0 to 60 mph (100 km/h) in under 3.5 seconds. And long-distance capability is also guaranteed — with a range of over 300 miles (500km), according to the NEDC (New European Driving Cycle). Due to its innovative 800-volt technology, it can be recharged for a range of 250 miles (400km) in a mere 15 minutes.

The flat bonnet design at the front reveals its relation to the iconic Porsche 918 Spyder. Its vertical air intakes for the air curtain around the front wheels exudes unrestrained dynamism.

Thanks to its distinctive rear fenders and sporty exterior details,

the Mission E Cross Turismo is also instantly recognisable as a Porsche when viewed from the side.

The door handles are flush and automatically fold out when you approach the vehicle. The charging ports are elegantly integrated into the design on both the driver and front passenger sides — to make recharging easy. Alternatively, you can do away with cables or plugs and charge the battery inductively over a base plate in your garage.

As always, Porsche looks to reimagine the sports car of the future. With an eye toward sustainable mobility and digitisation, this innovative German carmaker continues to provide a spark for all enthusiasts who are eagerly looking forward to what lies ahead.

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# Cryptic fluctuations

## From Bitcoin to J Coin

This year has already been a white-knuckle rollercoaster ride for holders of Bitcoin and other crypto-currencies in Japan. Just two months in, 2018 has seen plummeting prices, a record digital theft and growing anxiety in a nation that aspired to become a global trading hub.

**The record** ¥58 billion (\$530 million) hack-heist of XEM virtual currency in late January from Japan-based exchange Coincheck went beyond just reviving memories of the Mt. Gox theft in 2014. This most recent crime underscored the continuing vulnerability of crypto-exchanges, despite greater government oversight and surging public interest.

Japan was at the epicenter of the 2017 rise in crypto-currency valuations, which reached record highs. A new law introduced last year saw the country's Financial Services Agency (FSA) officially recognise payments in digital currencies, and virtual trading here became indisputably the strongest in the world.

Even higher highs were hit in December when Nomura Securities went so far as to say that fintech trading could add measurable growth to Japan's annual GDP, while Japanese commercial banks planned their own digital currency, J Coin, to encourage citizens to go cashless by 2020.

Suspension of disbelief turned to the surreal when the music group Virtual Currency Girls debuted with songs that are the literal score for the latest in J-Pop-meets-speculative-investment-opportunity. Then, in December, the Nem Bar opened in Shibuya, accepting payment in selected crypto-currencies, including XEM and Bitcoin.

The recent Coincheck hack has prompted investors, regulators and central banks in

Japan and Europe to take a step back from what are now dubbed "crypto-assets", and the virtual issue is expected to occupy G20 discussions in the coming months.

Ken Kawai, an advisor to the Japan Cryptocurrency Business Association, who has also advised the Japanese government, says change to Japan's law is coming, but not quickly.



"The government needs to revise the current law, but it will take more than one year," he said during a press conference at the Foreign Correspondents' Club of Japan. "[The FSA has] to put much emphasis on the regulation side because there are so many scam ICOs [Initial Currency Offerings] and the system has been found too weak at exchanges ... Development of this industry is beyond everyone's comprehension."

Japan's 16 crypto-exchanges have experienced dramatic swings that have sent Bitcoin

down more than 55% from its record high of around €16,000 in December. However, if stability returns, some practical next steps may include expansion, such as with Tokyo-based bitFlyer. This is one of the largest Bitcoin exchanges underwritten by a number of Japanese banks, which launched a European exchange in January after having been licensed by the Luxembourg financial regulator, Commission de Surveillance du Secteur Financier.

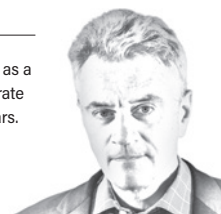
To be charitable, the future for crypto-currencies is still fluid. Osaka-based exchange Zaif briefly offered free Bitcoins in February before recognising its mistake and voiding all trades. Crypto-exchanges now intend to form a self-regulatory body under the eyes of the FSA,



which, in the wake of recent incidents, has vowed to inspect them all.

Coincheck, meanwhile, is being sued by investors despite promises to reimburse them, albeit at a lower exchange rate. And, as if the largest theft in fintech history wasn't enough to scare investors, Bitcoin appears to be rising again. ●

Dan Sloan has covered Asia as a journalist, author and corporate content chief for over 20 years.



# Creating bridges of philanthropy

## The Ireland Funds is doing great things for Ireland

Whether through ancestry or interest, people love Ireland and feel a deep connection to it. One way they express that love is through philanthropy.

**The Ireland Funds** is a network of people who want to do great things for Ireland. Now active in 12 countries, we effectively channel the goodwill of the Irish diaspora around the world. Since our founding in 1976, we've raised over half a billion dollars for more than 3,000 nonprofit organisations that serve the island of Ireland and Irish communities outside Ireland, which makes us one of the largest private sources of support for the Irish nonprofit sector.

Every year, we hold over 150 events throughout the world, attended by thousands of people. The support we raise from these events allows us to target the areas of greatest need and make grants to nonprofits of all sizes and reach. So, a donor's attendance at an event in Tokyo may ultimately help bring meals to a family in Cork. A company that takes a table at our New York Gala might assist a hospice in Wicklow. We love creating those bridges of philanthropy, and it is extremely satisfying to see the impact of our investment.

The Ireland Funds focuses on four key areas: education, com-

munity development, arts and culture, and peace and reconciliation. The Music Generation project is one great example of the impact we've made. Together with the Irish rock group U2, The Ireland Funds established Music Generation as Ireland's first national music programme, which now brings musical tuition to more than 41,000 children across the country and has created hundreds of jobs. After seeing the programme's initial success, the Irish government has agreed to sustain it going forward. It's really a gift to the Irish people that will have cultural reverberations for generations to come.

Another great example is integrated education in Northern Ireland. The Ireland Funds has always believed cross-community initiatives that bring people together are key to advancing peace and bringing about reconciliation. For almost 30 years, our support for integrated education has brought Protestant and Catholic children together to be taught in the same space. At present, over 22,000 children are in integrated schools, and that number is growing.

In Japan, we were incorporated as an NPO last year and relaunched our chapter with an eye to increasing our presence here. The Emerald Ball, our annual fundraising and

networking event that started in 1993, is considered one of the key events during the St Patrick's Day season here. Last year, over 270 people attended, and it was a terrific showcase of Irish music and dance. Most importantly, the event enabled grants to be made to some great local organisations, including Save Our Kids, Irish Network Japan and the I Love Ireland Festival organised by the Ireland Japan Chamber of Commerce.

This year is shaping up to be even more exciting with a larger attendance at the Emerald Ball on 17 March at the Hotel Gajoen. It will be the event's 25th anniversary and a celebration of the friendship and cultural ties between Japan and Ireland. The Irish musical star Mundy will be coming from Ireland to perform, and the ball is part of a larger weekend

## we effectively channel the goodwill of the Irish diaspora

of Irish events and festivities including the St Patrick's Day parade in Omotesando on Sunday, 18 March and the I Love Ireland Festival in Yoyogi Park.

We are already planning for The Ireland Funds' 50th anniversary in 2026. Extending and deepening our global reach is integral to achieving the goals we have set for ourselves. Our growth in Japan is critical to our long-term aspirations. ●

Kieran McLoughlin is worldwide president and CEO of The Ireland Funds.







On 27 June, 1967, the Enfield branch of Barclays Bank PLC in London unveiled something revolutionary: the world's first automated teller machine (ATM). Credited to British inventor John Shepherd-Barron, the robotic banker wasn't exactly frictionless; customers first had to get a branch voucher before they could withdraw any cash. But the idea of ready cash outside banking hours proved explosive. Today one can find ATMs in nearly every corner of the world — even Antarctica.



pening with both cards and PINs. Customers touch their near-field communication-enabled phones to the machine, enter the amount they wish to withdraw, and then confirm their identity via a face-recognition function on the app. The solution, which was trialled by Banco Popular de Puerto Rico, supposedly makes for faster, more secure transactions compared with traditional ATMs.

# Are ATMs here to stay?

## The necessary evolution of cashpoints

**“In the UK** last year, ATMs dispensed £175 billion of cash, which is nearly twice the annual government deficit,” Carl Hynes, head of brand innovation at Barclays, told Reuters while marking the ATM's semi-centennial at Enfield. “We absolutely see that ATMs play a fundamental role in our economy.”

However, that isn't the case across Europe. In countries such as Sweden, electronic payments are so popular that barely 1% of the value of all payments was made in cash in 2016; “no cash” signs are a common sight in Stockholm. Indeed, ATM installations across Europe have been declining since 2010, but that's hardly stopping the evolution of cashpoints. In the UK in 2016 and 2017, Barclays introduced hundreds of contactless ATMs that work by either waving a debit card or authorising a smartphone app, which allows users to pre-select how much cash they want.

In the US, Bank of America, JPMorgan Chase and other large banks have experimented with two-step authentication technology that enables customers to withdraw cash from ATMs using a smartphone app; Wells Fargo has deployed the feature in all 13,000 of its ATMs across the country. Aside from the benefit of being able to get money without a wallet full of plastic, the technology can help prevent card-skimming fraud, but it relies on the transmission of a one-time code.

Last year, ATM-maker Diebold Nixdorf and IT services provider Samsung SDS America showed off a biometric ATM that goes a step further by dis-

In Japan, Fujitsu has long supplied banks with biometric ATMs that authenticate users based on their palm vein patterns. Last year, it demoed an ATM that works with NFC-equipped smartphones. AEON Bank is now installing cardless ATMs that dole out cash after scanning customers' finger veins.

ATMs persist in Japan because Japan loves cash, and it loves cash because there are ATMs everywhere. The continuing popularity of bankbooks, used as accounting records by small businesses, is another reason. Some 65% of payments in Japan are still cash-based, just over twice the rate in other wealthy nations, according to Boston Consulting Group. That means ATMs, while costly for banks to operate, won't go away anytime soon. They will remain a key element of the Japanese economy; but they will internationalise, at least to a degree. Half of Japan's 200,000 ATMs will be upgraded to accept foreign cash cards by the time the 2020 Tokyo Olympics rolls around. ●

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# Caddy culture

## The most intense job on the golf course

If you use a caddy in Japan, don't expect the Steve Williams treatment. Williams, when he caddied for Tiger Woods, acted as club carrier, golf advisor, emotional supporter and even bouncer when Tiger dominated world golf.

**For a start**, unless you're a pro here, you don't get the whole caddy; you get a quarter. One caddy is responsible for taking care of a group of up to four golfers. But at least they don't have to carry all the bags, which stay on the cart.

Almost all the caddies in Japan are women, and they nearly all wear the same style of uniform — a baggy cotton suit with an oversized bonnet that protects them from the sun. They introduce themselves at the start of the round, make sure your clubs are in order and usually drive the cart.

But once the players start hitting their balls, the caddy is an essential part of the action — and it's nonstop action. One player will hit right, another left, one will be short, another long. The caddy has to keep an eye on where the four balls land, run from player to player with the right selection of clubs, find lost balls, clean clubs, know the distance to the pin, keep the play moving, mark and clean balls, read putts and keep score. It's a very intense job.

But, it's rewarding in different ways. For Yukiko Namiki, who has caddied for 12 years at Kisarazu Golf Club in Chiba, caddying not only pays the bills but has given her a lot of enjoyment.

"The best part is when everyone's having a good time," says the effervescent 50-year-old. "When the players play well and we all have fun together, it's really enjoyable."

the caddy is an essential part of the action — and it's nonstop action



Akiyo Kudo (left) and Yukiko Namiki

For 23-year-old Akiyo Kudo, the attraction was that it would help her keep fit.

"For me, the best thing about the job is being able to keep moving," she said. "It's like doing sport every day."

But while being outdoors does have its advantages, it's not always easy. Both caddies suffer from pollen allergies, and they have to put on a brave face when it's windy, rainy or cold.

"And when some players play badly, the atmosphere can be unpleasant," Namiki says diplomatically. "They get too worked up about their score and things can get a little tense."

Neither were golfers or had an interest in golf before they decided to become caddies, but both now play regularly. They learned of the opportunity to caddy through friends and underwent six months of training — studying the game, the rules and golf etiquette — before being let loose on the course. They get one day off a week and

can earn up to ¥250,000 per month.

But the number of caddies in Japan is declining as carts with GPS mapping systems make it easier to play without one. While many players still like to use a caddy, many golf clubs would rather do away with them. The number of caddies at Kisarazu has dropped from 50 to 25 over the past 10 years. On tournament days, when a lot of caddies are required, they bring in extras from a caddy dispatch company.

Most Japanese caddies are very well trained and good at their job, keeping sometimes cantankerous players happy. But even caddies have their limits. One young caddy got tired of being told by her client to "go and find my ball" every time he dumped his shot into the trees. Finally, she gave up. "Go and find your own damned ball," she shot back.

If you don't want caddies to mess with your game, don't mess with your caddy. ●



# Wood's true value

## The ancient art of barrel-making

They say that the most profitable nook of the wine industry is barrel-making — and rightly so. Wineries regularly need to purchase new oak barrels, ranging in price from \$600 to \$1,200 each. The casks impart to wines their distinct flavours, which wine-drinkers have become so accustomed to. Preserving particular nuances is highly valued in the world of wine production, and winemakers have been paying steep prices for millennia for these.

**The Romans began** using wooden barrels around 200AD, as a replacement for the fragile clay amphorae, to transport wine and other goods. Wooden barrels were much sturdier than their predecessors, but also much more expensive to produce. And so the cooper was born, a new class of tradesmen.

Coopers are highly regarded today as skilled craftsmen, not only because their products are so costly, but also because of the traditional methods they employ to create their iconic oak barrels, used primarily for the ageing of wine and whisky. Oak barrels are crafted using only wood and metal hoops — no glue, nails or screws hold the casks together.

The cooper starts with fine oak wood, usually from France or the US, that must be straight and knot-free to create the perfect stave. Once cut, the staves are aged for several years to strengthen the wood and to soften any harsh, natural flavours. After this lengthy process, the cooper begins construc-



tion by piecing together one end of the barrel with its metal hoops, leaving the other half splayed open for the next vital step: toasting.

Based on the winemaker's preferences, the cooper toasts the barrel over an open fire to char its inside, softening the wood's natural tannins and releasing more complex flavours, such as spice and vanilla. The heavier the toast, the stronger the barrel's flavours. Once toasted to the requested degree, and the other half is bound, construction is finished. The bunghole is then drilled, and the barrel is ready to be filled.

When winemakers select

an oak barrel, they are looking for one that will impart a desired flavour profile to their wine. The first step is to choose between oak origins: French or American? These are the finest oaks on the market — with French considered to be of the highest quality. American oaks can deliver a heavy vanilla profile with tropical notes of coconut and dill, while French oaks are more subdued, slowly imparting gorgeous baking spice aromas to the finest wines on the market.

It is worth mentioning the rare, expensive Japanese *mizunara* oak, used today in limited whisky production. During World War II, Japan's lack of access to Western oak barrels, combined with the country's thirst for whisky, resulted in Japanese producers turning to their own native wood. While *mizunara* is soft, porous and, therefore, difficult to use, the wood's exotic flavours of sandalwood, coconut and incense impart rare complexity to Japan's most iconic whiskies — and even a few Japanese wines. ●







# Holger Klein

**Company:** Dräger Japan

**Official title:** President and Managing Director for Japan and Korea

**Originally from:** Hamelin, where the story of the pied piper takes place in Northern Germany

**Length of time in Japan:** Seven years

“I was a basketball coach for many years”

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

I recently went a few times to Crista in Shibuya. It has great steaks and some excellent wine.

**What do you do to stay in shape?**

Cycling and indoor rowing. I'd love to spend more time on the bike since I'm enjoying a lot of good food!

**Name a favourite movie:** I like a good action movie like *John Wick*.

**Favourite band:** Coldplay. I saw them last year live in Tokyo and really enjoyed their concert.

**Favourite song:** The Cranberries' *Zombie*.

**Favourite TV show:** *Line of Duty*.

**Favourite book:** *Homo Faber* by Max Frisch.

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

I was a basketball coach for many years, first coaching kids and then, years later, my sons' school teams in Melbourne and Ho Chi Minh City.

**Cats or dogs?**

Definitely dogs. We have a Golden-doodle called Lulu.

**Summer or winter?**

Dry, hot summers.

**What's your ideal weekend?**

Get up early to do a long bike ride along the Tama River with my cycling buddies, spend the afternoon with my wife and then catch up with friends for dinner.

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

Any restaurant we pick for a Friday dinner has to have a good gin and tonic with a little lime juice. Gin Mare is my current favourite brand of gin.



# Nobuhiro "Nigel" Asai

**Company:** Electrolux Professional

**Official title:** Head of Region for Japan and Korea

**Originally from:** Tsu, Mie prefecture

“Ideal weekend? Relaxing on the beach”

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

I like to go to Ikina Sushi close to my gym. When I lived in Sapporo, my favourite sushi bar was Triton.

**What do you do to stay in shape?**

I used to ski and do water sports, but not anymore. Now I go to the gym twice or three times a week.

**Name a favourite movie:**

*Last Year at Marienbad*.

**Favourite musician/band:** U2.

**Favourite album:** U2's *War*.

**Favourite TV show:**

I don't watch TV.

**Favourite book:** *1Q84* by

Haruki Murakami.

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

I'm the proud father of a two-year old.

**Cats or dogs?**

Dogs.

**Summer or winter?**

Summer.

**What's your ideal weekend?**

Just to relax on the beach ...

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

I often go to Hobgoblin.





**SEAN RALEY,  
GYMBOREE ON THE GO  
LEADER**

**ISABELLA MUELLER,  
GYMBOREE ON THE GO  
LEADER**

# Gymboree Play & Music

“Play smart,” says Isabella Mueller, Gymboree On the Go leader. “This is how brain power gets its start.”

Gymboree Play & Music ([www.gymboglobal.jp](http://www.gymboglobal.jp)) has been fostering creativity and confidence in children, ages 0 to 6 years old, around the world for over 40 years.

Designed by experts in both education and play, age-appropriate, mommy and me, and drop-off activities help develop the cognitive, physical and social skills of children as they play.

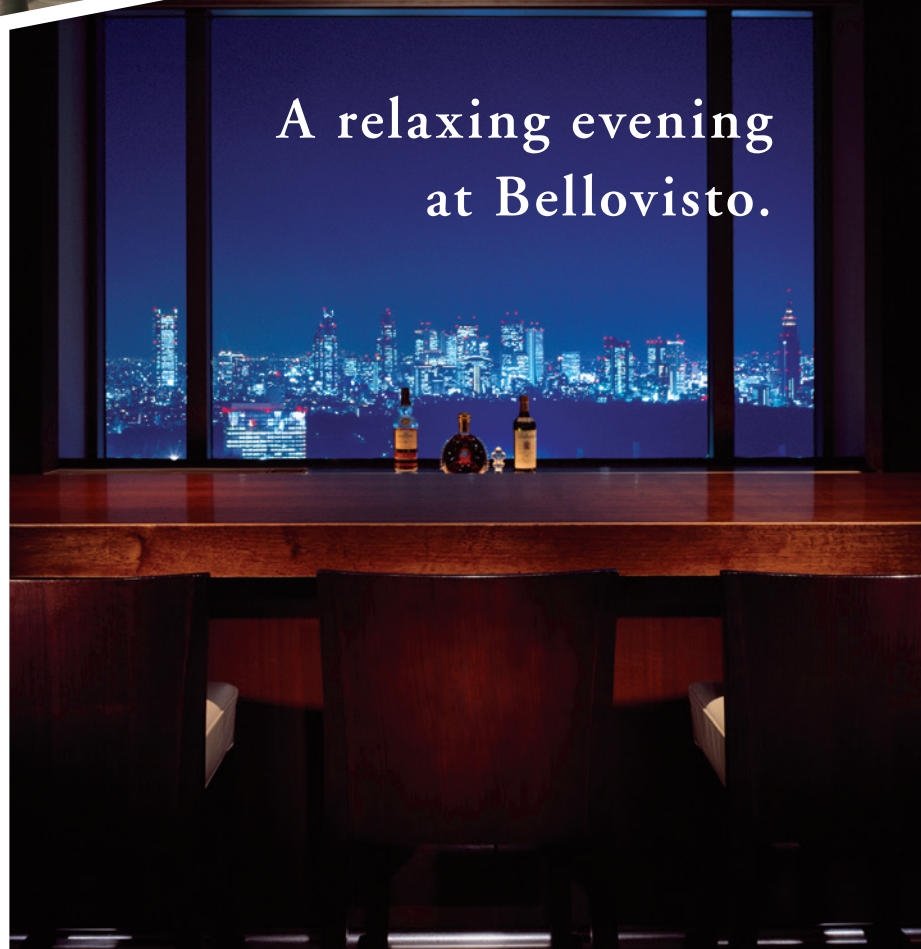
“We hope to bring the best kind of play to children in Japan through our franchise and Gymboree On the Go opportunities,” says Sean Raley, Gymboree On the Go leader. ●



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Vehicles shown from the left: 530e iPerformance Luxury, X5 xDrive40e iPerformance, 740e iPerformance, 330e iPerformance Luxury, 225xe iPerformance Active Tourer Luxury. \*Pictures used are printed images and colors may differ from actual vehicles. \*The information described is as of March 1, 2018.

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