

EURO BIZ JAPAN

MAY 2016

Open markets, stronger economies

EU Commissioner
Elżbieta Bieńkowska

➤ A leap in the dark

Japan's pension system today

➤ Rethinking the war on superbugs

Pharma companies prepare for the impending crisis

➤ A barrier-free Olympics

Improving Tokyo's infrastructure before 2020

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To promote an impediment-free environment for European business in Japan.

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First Focus

Getting away from it all?

Golden Week, the series of national holidays in early May, is a time when many Japanese people get away from the stresses of working life here – all at the same time. The boating pond at Showa Kinen Park in Tachikawa was packed with those looking for a break from the congestion of city life.

Photo by Paddy O'Connor



David McNeill writes for *The Economist*, *The Irish Times* and other publications. He is co-author of the acclaimed book of survivor stories *Strong in the Rain* (Palgrave Macmillan, 2012), and is currently working on a book about the Japanese media.

➔ *“As with so many things, Japan is ahead of the curve: How will a country with one of the world’s oldest populations finance retirement? The government has started controversial reforms of the giant public pension fund. Given that I have two Japanese children and may retire here myself, this is an experiment I’m watching carefully.”*



Starting out as a technology columnist for various publications, **Rick Martin** helped build a number of new media startups before applying his craft with corporate clients. He now works for a multinational company in Tokyo, and on weekends he photographs kingfishers (@tokyokawasemi).

➔ *“It wasn’t a surprise to hear people in the industry raving about the potential applications of 3D printing for medical applications. But learning about how the technology could be used to accelerate traditional manufacturing processes behind the scenes — that was an eye-opener for me.”*



Tokyo journalist **Tim Hornyak** has covered technology in Japan for IDG News, CNET, Scientific American and other media, and is the author of *Loving the Machine: The Art and Science of Japanese Robots*. He has also co-authored Lonely Planet’s guidebooks to Japan and Tokyo.

➔ *“Having read about Afghanistan veteran Kirstie Ennis’ struggle with antibiotic-resistant bacteria, I learned how superbugs are cutting down people in the prime of life. Doctors are running out of remedies, but drugmakers are addressing this urgent public health problem by working together.”*



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

➔ *“Ms Bienkowska was one of the most photogenic people I’ve ever photographed, and had a radiant personality that hopefully shines through in the photos. It was my first time meeting her, and we only had a short time for the shoot; but she made it seem as though we’d been friends for years.”*

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Overcoming anxiety

With so many in Japan's ageing society set to retire in the coming decades — and the shrivelling workforce unable to support them — people here are anxious about being sufficiently provided for in their old age. The Japanese government is now slowly beginning to make reforms to its pension fund in an attempt to secure more in the coffers for Japan's elderly to last through the rough years ahead. David McNeill takes a look at the concerns, the reforms and their potential effects on page 10.

Another cause for alarm is the very real threat to our health from bacteria that is resistant to the antibiotics we have today. In Rethinking the War on Superbugs (page 16), Tim Hornyak details the threat and the collaborative effort required to win the battle.

Following a series of major problems, there is worry over whether the Tokyo 2020 Organising Committee can pull off the Games successfully. This month's Game On (page 36), a new irregular column in *Eurobiz Japan* which will look at different topics relating to the Olympics in the lead-up to the 2020 Games, describes how the city aims to become more easily accessible for both the physically challenged and visitors to Japan.

On our cover is EU Commissioner Elżbieta Bieńkowska. During her recent

trip to Tokyo, she gave a speech at the EU-Japan Business Round Table and made time for a photo shoot with *Eurobiz*. In her talk, she insists on open markets as the way to a hopeful future for businesses in Japan and the EU (page 14).

Knowing there are many working to secure a better future for the next generation, it is time for us to overcome our anxiety. ●

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A leap in the dark

The current state of
Japan's pension system

With Japan's demographic time bomb ticking, how will the government fund millions of retirements? And how will its pension reforms affect Europe?

Until recently, the office of the planet's biggest public pension pot could be found in a dingy old building in central Tokyo. However, the Government Pension Investment Fund (GPIF) now resides up the road in the swanky Mori Tower, among the movers and shakers of the global finance industry.

In 2014, after years of hectoring by everyone from politicians in the Liberal Democratic Party (LDP) to billionaire investor George Soros, Japan's government finally began pulling the ¥139.8 trillion fund out of the hands of risk-averse bureaucrats and into the light of 21st century capitalism.

Reformers said this was necessary because, after years of investing in little more than domestic government bonds, the fund's rates of return were too measly. *The*



Economist had described the GPIF investment strategy as little better than stuffing yen into mattresses.

The reform is being watched closely. Across the developed world, pension funds are grappling with a major headache: how to pay for the retirement of millions of people as populations age and fewer pay contributions. The dilemma perhaps runs deeper in Japan than anywhere else.

Japan is one of the planet's oldest societies, with a median age of 46.5 years. By 2060, the population is projected to fall from 127 million to 87 million,

of which almost 40% will be 65 or older.

The working population, meanwhile, has declined by 10 million over the last two decades, says Kosuke Motani, a senior economist at the Japan Research Institute, a think-tank. Millions more workers will be lost in the coming years unless the government opens the drawbridge to immigration, which it has shown little sign of doing.

The asset mix of Japan's pension fund has altered dramatically since the reform began. According to the GPIF, the percentage of all equity holdings has doubled, with interna-

tional holdings going from 12% to 22%. Domestic holdings of government bonds, meanwhile, have fallen sharply from 60% to about 37%.

There was, however, instant scepticism of the strategy among some politicians, trade unions and even the fund's then-president, Takahiro Mitani. Many accused Prime Minister Shinzo Abe and the government of gambling with pension money to drive the stock market up — one of the few tangible successes of Abe's inflationary creed.

The flak reflected the conservatism and deep unease of Japanese investors concerning stocks, admits Shinichiro Mori, spokesman for the GPIF. "Lack of public faith in the markets is our biggest problem," he laments. Millions of people with raw memories of the bubble economy think bourses are a "virtual world" where money can just melt away, he explains.

Some of those fears appear to have been vindicated by the recent performance of the Nikkei Average. After a turbo-charged initial run under Abe, the Nikkei's rise has stalled and this year stocks have seen their worst performance since the global financial crisis of 2008. Many analysts predict a rocky patch ahead for global markets and, some say, another even deeper crash could be around the corner.

These uncertainties mean the GPIF's sharp asset diversification is in temporary hiatus, says Masamichi Adachi, senior economist at JPMorgan. World equity markets again look, in his words "bubbly." A collapse in the next few years could ruin confidence in the pension strategy and be politically costly to the Abe government, he predicts.

“Lack of public faith in the markets is our biggest problem”





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ROBERT WALTERS

Japan has a median age of 46.5 years. By 2060, the population is projected to fall from 127 million to 87 million, of which almost 40% will be 65 or older.

Still, there is probably no going back. Japan's looming demographic crash means keeping the old system intact is simply not an option, according to Takehiro Noguchi, senior economist with the Mizuho Research Institute. And because the GPIF is such a key cog in Japan Inc., its reform is already sending ripples out across the entire economy.

For one thing, the more daring GPIF is already helping to nudge firms in which it owns shares into overhauling management. The shifting of the fund's giant bulk could have a major impact on stewardship in Japan and "lead to better corporate governance and better companies," believes Hans-Christoph Hirt of British fund manager Hermes Investment Management.

Some say this isn't enough. The fund is banned from directly investing in stocks or trading in derivatives, partly because many fear its enormous clout on the markets if let loose. Its investment targets are still relatively modest. The GPIF, as it stands, has one foot in the old world of the Ministry of Health, Labour and Welfare's bureaucrats, and one in the world of professional high finance.

The personification of this dual identity is Hiromichi Mizuno, the chief investment officer hired by the GPIF in 2014. Once a Ferrari-driving private-equity executive in London, Mizuno now rides a bike to work and is paid a fraction of what he once earned. Under him, the fund has hired investment

professionals, issued a code of conduct, and demanded more freedom to invest.

The fund's managers are likely to face a rough ride in the event of a major stock-market crash. Mori believes they will try to argue that — while investment income plummeted in 2008, and has been negative since 2014 — the long-term trend is clearly up. He says the fund's average annual rate of return of almost 3% from 2001 to 2015 is well above wage inflation, and will expand in the years ahead.

Some of the investment has already trickled into European bonds, one of the few markets with yields, according to Martin Schultz, a senior research fellow with Fujitsu Research Institute. He sees a gradual exposure to world markets, starting with safer assets. "The managers have already been burned because the yen is stronger and stock markets are down," he explains. "These conservative fund managers don't like that, neither does the public, so it will be a very gradual approach."

Nicolas Sauvage, representative director at Amundi Japan

and chairman of the EBC Asset Management Committee, points to the appeal of the current conditions in Japan for foreign companies. "The evolution of the pension system in Japan is offering a broad range of opportunities to the European asset management industry, even though it is a very competitive area," he explains. Sauvage predicts that "despite the recent market volatility, pension funds will continue to reorganise their asset allocation and to diversify investment strategies ... even in alternative investments like infrastructure."

And there is no shortage of invitations to invest the money. Noguchi of Mizuho would like to see more go into domestic infrastructure projects. Yasuyo Yamazaki, a former investment banker who heads the country's largest solar-energy project, says it could help provide the ¥6.5 trillion needed to subsidise renewable energy such as solar and wind, and upgrade the electricity grid.

The trillion-yen question is whether all this will help to fund the retirement of 67 million Japanese. On that, the jury is out. Adachi believes that reforming the pension fund must be part of a broader strategy to raise economic growth, fix Japan's creaking finances, and cut public debt. "The pension fund is supposed to service the next 100 years," he says. "It is still very difficult to conclude [whether it will be a] failure or success." ●

Japan's pension fund is worth

¥139.8 trillion





Open markets, stronger economies

EU Commissioner Elżbieta Bieńkowska

“If we can work together effectively on the basis of open markets, our economies will gain, our businesses will gain, and our consumers will gain,” insisted EU Commissioner Elżbieta Bieńkowska in her speech at the EU-Japan Business Round Table in Tokyo to an audience that included Japanese Cabinet Ministers and businesspeople. “The free trade agreement that we are negotiating will stimulate growth on both sides.”

After having served as Minister of Regional Development and then as Deputy Prime Minister of Poland under Donald Tusk, Bieńkowska was appointed to the EU Commission in 2014. As Commissioner for Internal Market, Industry, Entrepreneurship, and SMEs, she is responsible for strategising the removal of remaining obstacles to trade within the EU and complete the creation of a single EU market for goods and services. She is also working to strengthen the EU’s industrial base, to help EU countries make their defence markets more open and efficient, and to promote investment in new technologies.

While in Tokyo in April, Commissioner Bieńkowska met with Prime Minister Shinzo Abe to encourage his government to find ways to accelerate the signing of a free trade agreement with the EU. She also spoke with Motoo Hayashi, head of the Ministry of Economy, Trade and Industry, to discuss ways the business environment in Japan could be improved, with a particular empha-

sis on dealing with issues in the steel sector.

The Commissioner’s speech, “EU and Japan: Same challenges, common agenda”, underlined the importance of cooperation between Japan and the EU in increasing employment, economic growth, and investment – and that having open borders is the answer to all this.

“Around the world, employment, growth and investment are too low,” Bieńkowska said. “We are doing everything we can to promote more jobs and more growth in an open world.”

She noted that there are those who believe markets and borders should be shut, but pointed to the fact that this has not worked historically. If Japan and the EU are to move forward and grow economically, these

voices of opposition must be proven wrong; and in order to do this, both entities must work closely together.

In order to communicate the attractiveness of the EU to Japanese investors, Commissioner Bieńkowska gave an overview of the EU Single Market, highlighting three areas of particular interest to Japan.

“First, we will propose a services passport to reduce the burden on companies looking to offer services cross-border,” she explained. In order to accomplish this, her office is attempting to loosen regulatory requirements and simplify procedures.

“The Free Trade Agreement that we are negotiating will stimulate growth on both sides”

“Second, we are consolidating and modernising our intellectual property framework,” she continued. Steps she is taking to achieve this include reviewing the framework for IPR enforcement and looking for

ways to make it easier for SMEs to protect their intellectual investments.

“Third, we are putting much greater focus on implementation and delivery,” she continued, which means “working with national governments to make sure that laws are implemented and enforced correctly and consistently throughout the EU.”

The Commissioner believes that with these three things in place, both EU and Japanese businesses will benefit.

Bieńkowska’s main point on the necessity for expediting a free trade agreement was something she returned to again to conclude her speech.

“We need to make progress on market access for goods. We need to make progress on procurement. We need to make progress on automotive. This can be done,” she stated.

With a little more work, and continued cooperation, Bieńkowska is confident that an EU-Japan free trade agreement is set to become a reality.

“We just need to push on,” she said. “Every effort on both sides should be made to speed up the process and reach a comprehensive and balanced agreement. That is the best way to silence those who call for closed markets and closed borders.” ●





Rethinking the war on superbugs

How the pharmaceutical industry is preparing for the impending crisis

When 26-year-old U.S. Marine Kirstie Ennis emerged from a helicopter crash in Afghanistan in 2012, her battle was far from over. She underwent more than 35 operations and had part of her leg amputated. Last year, after completing a 1,609-kilometre charity walk through Britain, cheered on by Prince Harry, her leg became dangerously swollen – this time because of methicillin-resistant *Staphylococcus aureus*, an antibiotic-resistant bug commonly known as MRSA. More of her leg had to be amputated. But while Ennis survived, thousands are losing the fight against so-called superbugs.

This year at the World Economic Forum in Davos, Switzerland, more than 80 pharmaceuticals, biotech and healthcare companies came together to warn of the increasing resistance of bacteria to antibiotics.

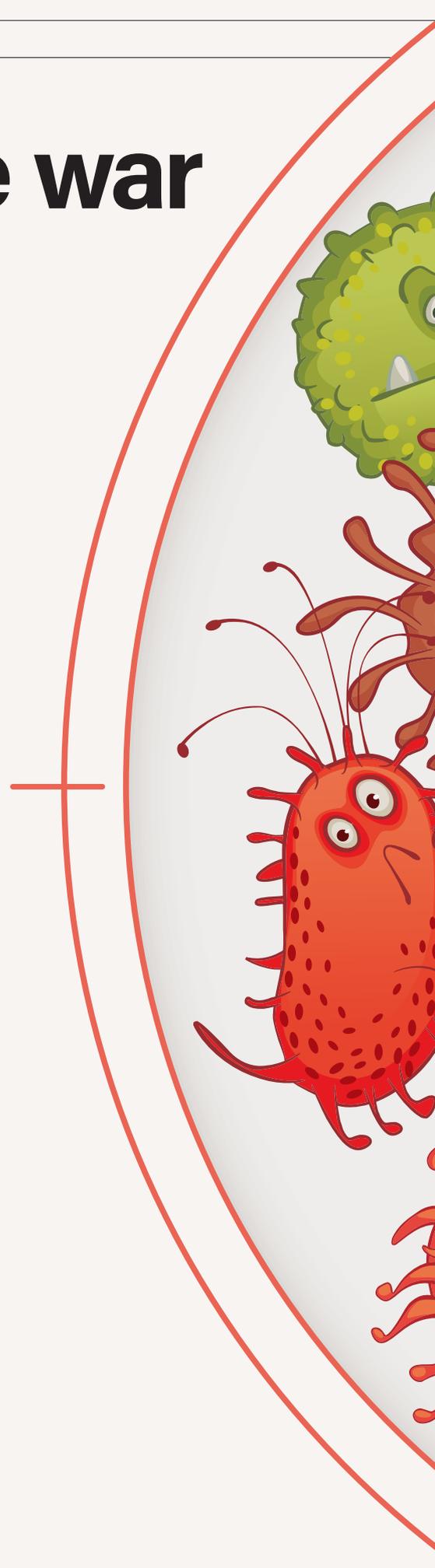
Superbugs are developing new defenses faster than medicines can be developed. According to the Centers for Disease Control and Prevention, superbugs infect over two million people and kill 23,000 annually in the US alone. In the EU, the toll is 25,000 yearly deaths, with treatment and social costs totalling around €1.5 billion, according to the World Health Organization. They have called

antimicrobial resistance (AMR) “one of the biggest health challenges of the 21st century.”

In a joint declaration, the consortium of companies at Davos stated that, “The scientific difficulties are formidable and traditional R&D approaches have largely failed: companies, private and public funders have invested billions of dollars over the last 20 years to discover new antibacterials, yet no new class of antibiotic for gram-negative infections has reached approval in over 40 years.”

The group includes major drug manufacturers AstraZeneca, GlaxoSmithKline, Merck, Pfizer and Johnson & Johnson – as well as Japan’s Meiji Seika, Shionogi and the Japan Pharmaceutical Manufacturers Association (JPMA). The former group of companies are members of the European Federation of Pharmaceutical Industries and Associations (EFPIA), a trade association headquartered in Brussels representing 33 national associations and 39 companies. It doesn’t mince words when describing the superbug threat.

“Globally speaking, we can say that we are now seeing infections that are resistant







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25,000

Superbugs kill 25,000 annually in the EU, with treatment and social costs around €1.5 billion

Seven

Seven projects worth about €700 million are under way at Innovative Medicines Initiative (IMI)

to all existing antibiotics,” says Brendan Barnes, director of IP & Global Health at the EFPIA. “The situation varies from place to place, depending on local practices in using antibiotics and the extent to which their use is managed. However, resistance will spread and this is why people talk about an era without antibiotics.”

Why have we reached a point where that nightmare scenario could come to pass, less than a century since Sir Alexander Fleming discovered penicillin in 1928? It’s a complex combination of evolution and economics. Some bacteria are able to adapt to drugs and develop resistance, for instance, by changing their outer structure to become impervious. While antibiotics can kill harmful bacteria that cause illness, they leave the resistant ones free to multiply and pass their resistance on to other bugs.

Drug-resistant bugs have grown exponentially through repeated overuse of antibiotics, especially when treating conditions that don’t merit their use, such as flu and the common cold. Other factors that have contributed to the spread of superbugs include the use of antibiotics for livestock and a lack of adequate prescription–medicine controls in developing countries.

To make matters worse, most of the world’s major pharma companies stopped producing antibiotics years ago, citing the enormous cost of development due, in part, to the large numbers of patients required

can cause infections including pneumonia. The company said it could no longer see “a streamlined development path as originally planned” for the drug.

“We believe the solution to the challenge of antimicrobial resistance requires collaboration and joint action from pharmaceutical and biotech companies, academia, governments and public health organisations,” says Roche spokeswoman Sabine Steimle.

In order to keep effective antibiotics in dispensaries, in 2008 the EFPIA partnered with the European Union to set up the Innovative Medicines Initiative (IMI), a €2 billion public–private fund aimed at removing bottlenecks to drug development. IMI’s New Drugs 4 Bad Bugs (ND4BB) programme is an innovative international project to fight antimicrobial resistance. It is bringing together companies that are traditional rivals in the marketplace by having them share resources and thus lower development costs.

An ND4BB platform called ENABLE aims to find promising candidates for treating gram-negative infections. It allows any research group, even those in Japan, to submit new agents for clinical testing. With €100 million in funding, ENABLE’s ultimate goal is to obtain at least one drug molecule for early clinical trials by 2019.

Seven projects worth about €700 million are under way at IMI and cover the bench-to-bedside progression – from understanding resistance mechanisms and identifying new classes of antibiotics to clinical development and patient access. The hope is that these experiments will yield a new, sustainable business model for keeping antibiotics in the pipeline – for instance, by introducing an upfront payment system for bug-killing drugs.

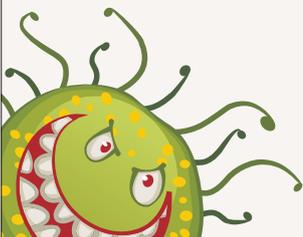
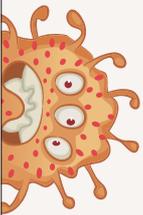
The EFPIA called for such a system in a 2015 proposal for a global antibiotics charter. It is now hoping that world powers will continue to press for action on antibiotic resistance when they meet in Japan at the G7 summit this month.

“AMR strategies must be holistic, including the development of rapid diagnostics, development and use of vaccines, as well as better clinical stewardship and addressing the clinical, financial and organisational capabilities needed to reverse current trends,” says Barnes of the EFPIA. “Success depends on political commitment and improved financing across the board.” ●

Superbugs are developing new defenses faster than medicines can be developed

for clinical trials. Responding to a survey, EFPIA members said that regulations were hampering development and that low prices for the drugs did not reflect their value as potential lifesavers. Drug companies also stand to get a larger return on investment for developing medicines to treat chronic illnesses, such as high blood pressure than those to treat brief but dangerous infections.

Last year Roche Holding AG, the world’s largest cancer drugmaker, pulled out of a joint project to develop an experimental antibiotic to fight *Pseudomonas aeruginosa*, a common gram-negative superbug that





United Kingdom

A culture of tradition and innovation

As the fifth largest economy in the world, the United Kingdom relies on its tradition of fine quality, as well as a culture of innovation and adaptability, to maintain its success in today's global market. Many British products and services from a wide range of industries are held in high regard in Japan as a result of their long-standing presence and the trust that companies have developed with Japanese consumers.



The British Chamber of Commerce in Japan is committed to strengthening business ties between the UK and Japan as well as helping businesses adapt to current trends. The chamber places a high priority on promoting greater inclusion of women, people with disabilities, and the LGBTQ community in the Japanese work place. “We are committed to advancing diversity and inclusion, and this runs through everything we do: governance and

operations, recruitment of people, and elections for our Executive Committee,” says Executive Director Lori Henderson.

Britain’s automotive industry employs well over three quarters of a million people, and the country’s largest export — amounting to 10% of the total — is cars. Jaguar is one of the most immediately recognisable British luxury vehicles on Japan’s roads. With a history that

Many British products and services from a wide range of industries are held in high regard in Japan



dates back to 1922, Jaguar is at the pinnacle of refined British style – its sleek-looking cars have been found in the garages of British prime ministers and, until very recently, Queen Elizabeth II. Another exclusive British car brand, founded in 1913, is Aston Martin.



The company's worldwide reputation for quality and speed has been bolstered by its inextricable association – for over fifty years – with the James Bond films.

British fashion also enjoys a great deal of popularity in Japan. It is the largest market for Paul Smith. His meticulously tailored clothing, often adorned with his signature colourful stripes, takes the traditional British look and gives it a contemporary twist. The high-fashion brand Burberry, the foot-wear manufacturing giant Clarks, and the fabrics and fashion label Cath Kidston have also found enduring success in Japan.

Synonymous with innovation is Dyson. Their products have revolutionised the vacuum cleaner and fan industries, and are known for their compelling designs. GlaxoSmithKlein is another major British innovator, operating in the pharmaceutical field, who is continually looking for new ways to fight disease and meet their customers' diverse health needs. They are currently doing pioneering research in the field of bioelectronics.

In the food and beverage sectors, British companies such as Diageo and Unilever distribute a host of products with global name-brand recognition. Unilever's Lipton and Ben & Jerry's, and Diageo's Guinness and Johnny Walker are all best-sellers in the Japanese market.

While innovating and adapting to current tastes is an essential way to advance British businesses around the world, many companies also recognise that the traditional and the well-established can also be a very powerful tool for their international sales.

Area

243,610km². Coastline: 12,429km.

Comprised of

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, Bristol, Sheffield, Manchester, Leeds, Edinburgh, Leicester, Belfast, Cardiff.

Population

64,088,222 (July 2015 est.).
Urban population:
82.6% (2015).
40.91% 25-54 years (2015 est.).

Natural resources

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



Trade with Japan

Imports from Japan: ¥1.3 trillion
Exports to Japan: ¥788 billion

SOURCE: MINISTRY OF FOREIGN AFFAIRS OF JAPAN (2015)



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*Congratulations on
 the 150th anniversary
 of relations between
 Italy and Japan*



*We will have a stand at Oyane Plaza in Roppongi Hills for the Italia Amore Mio event on May 28th and 29th.
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Some 250 of the over 2,500 affiliated local European companies and individuals participate directly in one or more of the EBC's 26 industry committees covering a wide variety of economic sectors.

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- » Railways
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- » Tax
- » Telecommunications Carriers
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To join the EBC visit www.ebc-jp.com

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



This year marks the 150th anniversary of diplomatic relations between Italy and Japan, officially inaugurated on the 25th of August, 1866. As the two countries look to the future, they are determined to continue working together to ensure mutual peace and prosperity.



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Johanna Honeyfield

Valuing every moment

Do you like natto?

Time spent working in

Japan: Two-and-a-half years.

Career regret (if any):

No regrets.

Favourite saying: *Carpe diem.*

Favourite book: I enjoyed

Outliers by Malcolm Gladwell. It was easy to read, but also thought-provoking.

Cannot live without: Sleep.

Lesson learned in Japan: Don't underestimate the importance

of building consensus when making decisions.

Secret of success in

business: There are no secrets. It's a complex recipe, with vision, resilience, empathy and integrity as key ingredients.

Favourite place to dine: There are too many great restaurants in Tokyo to choose from. Favourite French bakery is easier — Viron in Shibuya.

Do you like natto?: Sadly, no.

Just before moving to Japan from Singapore in 2013 to take up the position of Representative Director for Diageo Japan, Johanna Honeyfield was asked to go in for a routine medical check-up. When one of the tests came back with a slight anomaly, she was advised to have further tests done.

L

“Long story short, the doctor tells me — just as all of our stuff is being packed into a container to move to Japan — ‘You have colon cancer,’” she recalls.

At first, Honeyfield was told she would be back at work within six weeks. But after undergoing a painful operation to remove the cancer, a biopsy revealed that it had spread further than the doctors had initially thought. Now she would need to have chemotherapy and take an additional six months off work.

“So we put our Japan plans on hold and moved to the US — where my husband is from — to do the chemotherapy there,” she says. “And Diageo — who is an amazing employer — said, ‘Don’t worry, we’ll hold the job for you.’”

Honeyfield remembers how she felt at the time: “The first

thing I wanted was just to get back to a normal life.”

But it would be a while before her life could return to normal; her treatments were very draining. “Chemo really knocks you out. You feel frail and old,” she reflects.

Now after more than two years of being cancer-free, she admits that her experience is never far from her thoughts. “You think you can put it behind you, but you can’t,” she says. “I have a doctor’s appointment every single month, and every single month he draws blood and I think, is this going to be OK?”

Not surprisingly, having had cancer has changed her outlook on life, work and family.

“I’m more conscious of making every moment count” she notes. “I’m less tolerant of things that waste my time because I think, what if I don’t have too much of it left?”

Honeyfield grew up in a suburb of Auckland, New Zealand, called Mission Bay. But her work has allowed her to live all over the world, including San Francisco, Dublin, Singapore, and now Tokyo. This has been ideal for her, since she is passionate about travelling; she has been to over 50 countries.

“I like learning about different cultures,” she says. “Getting on a plane and going somewhere new for a few days is great — but living in a place and really being part of the culture is a special experience.”

Diageo is the largest alcoholic beverages company in the world. It has an extensive portfolio of spirits and beers,

including global best-sellers Johnnie Walker, Smirnoff and Guinness. In Japan, Diageo has two joint ventures — one with Kirin and the other with Moët Hennessy.

“Drinking and eating are an important part of Japanese culture,” she observes. “It’s a similar attitude to the French ... there’s a lot of value placed on high quality drinking and eating experiences.”

And it is the food in Japan that Honeyfield is drawn to the most.

“One of the things I love to do is eat out,” she says. “And Tokyo is a city full of amazing food — it’s hard to find a bad restaurant ... On weekends, my family and I like to search out places we haven’t tried before. We’ve challenged ourselves to find the best *kaiten zushi* restaurant in Tokyo.”

Through her battle with cancer, Honeyfield has clearly learned to put a priority on what really matters — valuing every moment of her life, treasuring time with her family, and giving her best at work.

“I think that if you’re not stretching yourself, you’re not growing,” she says. “For me, part of what makes a career satisfying is continuing to try new things and scale new heights.” ●

“You think you can put it behind you, but you can’t”

SPECIAL: INDUSTRY PERSPECTIVES

AT THE CENTRE OF ALL THE ACTION

Major industry players think global

TEXT BY DAVID UMEDA

Industries in Japan are at the centre of the Japan-EU economic relationship generating nearly one-third of the world's GDP. Here are some of the sectors bringing best practices to this globalised economy.

MANAGING BUSINESSES WELL

Executing structural reforms — the third arrow of Abenomics — to make the economy more productive and competitive is proving to be a daunting task in Japan, and free trade agreements are accelerating changes in the way businesses are run. As a result, management consultancy requires a personal touch when focused on Japan and the region.

"We have supported Japanese companies in various industries with a thorough hands-on approach to their functions, such as production, R&D and sales," explains Toru Suzuki, President of JMA Consultants Inc. "We achieve the goals of our clients by not only applying existing theories, but also by working onsite with them — from analysis to implementation of countermeasures and ideas for improvement."

With their personalised approach based on onsite work, JMA Consultants is able to identify particular issues and bring about solutions.

"This is our special feature," emphasises Suzuki. "Through this hands-on approach, we can bring success to our clients — regardless of their size, industry, nationality or geography."

AN INVESTMENT IN THE FUTURE

The need for higher education and executive programmes to strengthen employees' skills and help them affect significant change on their organisations is greater than ever in this globalised economy.

The profiles of the faculty must meet the criteria of both the employees who are considering the programme and the employers who will be covering the tuition or fees.

"Dale Carnegie Training is very strict about its trainer development programme," points out Dr Greg Story, President of Dale Carnegie Training Japan. "Having a solid business background and completing 250 hours of trainer bootcamp are set requirements to become a Dale Carnegie trainer."

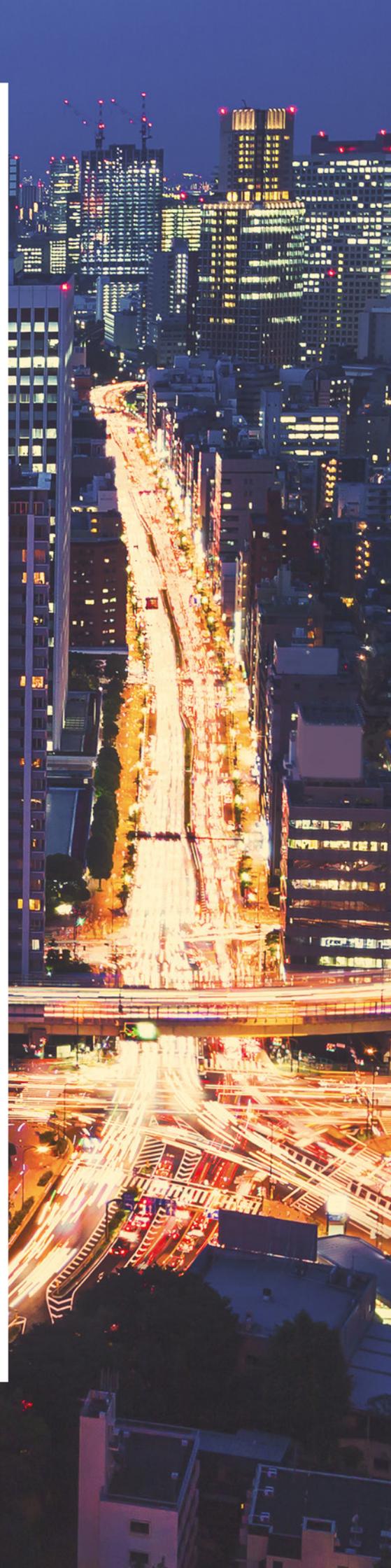
There also are unique challenges when educating professionals working in Japan.

"OJT, or On The Job Training, is the basic philosophy of most domestic Japanese companies," adds Story. "External training is often hard-skills only, or very one-way, with little interaction and of little value."

"The negative image this has created lowers the perception of the value that training can provide," he cautions. "This OJT approach is limiting Japan's potential, and the opportunity cost is very large."

Across industries, business is always about helping people.

Business is always about helping people.





The effect of Brexit on UK markets

From the investors' perspective

On 23 June, the UK will vote in a referendum on whether to leave, or remain in, the European Union. If there is a vote to leave — the so-called Brexit scenario — what would the implications be on the value of UK assets?

We have already seen the value of sterling dip when key government ministers announce their intention to break ranks and support the Leave campaign. If opinion polls appear to shift in favour of Brexit as we get closer to the vote, we can expect further falls. Goldman Sachs has estimated a 20% fall in both the pound and the dollar if Brexit were to happen.

UK government bonds, known as gilts, are also likely to fall in value — and yields rise. Investors who wish to cut their ties to sterling-based assets will sell this highly liquid sterling-denominated asset. A weaker currency brings with it fears of inflation, so a larger yield or lower price would then be desired by investors.

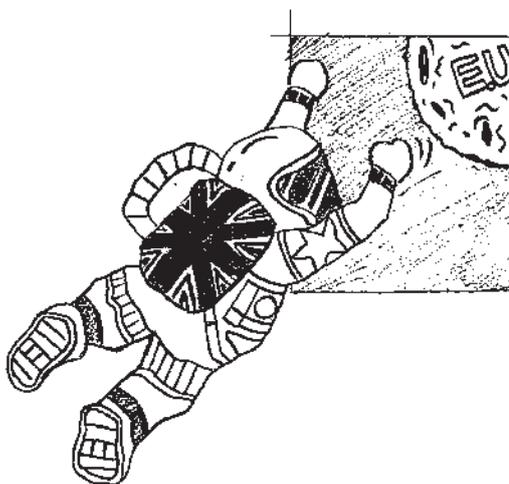
I predict small and mid-cap stocks would underperform blue chip stocks. Blue chip FTSE 100 stocks — the most liquid part of the UK stock market — are the most vulnerable to being sold off by investors looking to exit sterling assets. However, around 70% of FTSE 100 company earnings come from abroad, and a devaluation will boost their profits when expressed in sterling — and so protect their share prices.

Small and mid-cap UK stocks tend to be domestically focused, so they would benefit less from devaluation, and will be much more sensitive to any economic uncertainty arising from Brexit.

The Bank of England may, in fact, welcome a weaker pound as a monetary stimulus, which would help it to achieve its target of 2% consumer price index inflation. Therefore, a hike in the bank's key policy rate is unlikely in the first few months after Brexit.

However, market lending rates would go up in conjunction with gilt yields, while the cost of short-term interbank lending would also rise, reflecting the banks' desire to hoard cash.

In most of the UK, the ratios of income to mortgage cost are roughly in line with their 30-year trends, and the



property market can probably withstand modest mortgage rate rises. But in London the ratio is already excessive, making property prices in the capital vulnerable to a downward move.

Creating a model of a long-term economic scenario for the UK after Brexit is almost impossible. Not least because the Leave campaign is itself

split over what sort of trading relationships it would seek with the EU and other trading partners.

However, the Confederation of British Industry (CBI) commissioned the consultancy firm PricewaterhouseCoopers (PwC) to estimate the impact of Brexit on the UK economy by 2020 and by 2030.

PwC built two scenarios. One had the UK strike quick and favourable trade deals with the EU and with major non-EU trading partners. They assumed that foreign direct investment (FDI) and immigration of skilled EU workers into the UK would be relatively unaffected. In this scenario, by 2020 GDP would be 3% smaller than it would have been had the UK remained in the EU. By 2030, the projected gap would be just 0.5%.

The second scenario has the UK failing to re-negotiate favourable trade terms with the EU and no easy bilateral deals worked out with non-EU countries. All immigration into the EU would halt, leading to a skills shortage. FDI would become unwelcome as protectionism grew. In this scenario, GDP would be 5.6% smaller in 2020 than if the UK had remained in the EU, and 2.7% smaller by 2030.

Given the above scenarios, many investors in UK assets will be hoping that the vote delivers a resounding Remain win. Only then can Britain's Euro-scepticism — with its roots in populist anti-globalisation — be buried at last, for all time. ●

Tom Elliott is an international investment strategist with the deVere Group in London.





Leveraging Japan's Cool

Swiss Chamber of Commerce and Industry in Japan's April 2016 luncheon

The phrase Cool Japan most likely triggers images of anime, manga and Japan's culture of cute characters. But for the Japanese government, Cool Japan is so much more – it has become an essential tool in helping to promote Brand Japan overseas.

“Cool Japan is an umbrella term encompassing the many diverse attractions of Japan,” said Cabinet Minister Aiko Shimajiri in her talk, “The Cool Japan Strategy”, delivered to the business leaders gathered for the SCCIJ's April luncheon at the Grand Hyatt Tokyo. “There are literally hundreds of other things in many fields that non-Japanese people consider cool [about Japan],” she added – fields as diverse as fashion, gaming, sake, music, electronics, and traditional arts and crafts.

As the minister in charge of the Cool Japan strategy – one of her many ministerial responsibilities – Shimajiri is deeply familiar with how Japan is utilising its popular and traditional cultures to help increase exports and encourage more tourists to visit.

The popularity of Japanese food around the world is something the government hopes to more effectively exploit in the coming years. “*Washoku*, the traditional dietary culture of the Japanese, was registered as an intangible cultural heritage by UNESCO in 2013,” Shimajiri noted. “Partly because of this

recognition, there has been a global boom in Japanese food, and ... exports of agricultural products and food have also steadily risen.”

She cited Italy's lucrative food export industry, with an annual revenue of \$43.4 billion, as something Japan is aiming to match. Currently, Japan's total food exports only amount to \$5.1 billion. “We believe there is much room for growth in the export value of agricultural products and food, provided that we can leverage the popularity of Japanese cuisine,” she said.



Over the past few years, Japan has seen a marked increase in tourism. “The Japanese government had previously set an [annual] target of 20 million overseas visitors by the year 2020, but it appears this target will be met this year,” Shimajiri observed. “We are now aiming for 40 million overseas visitors by 2020 and 60 million by 2030.

“Although Japan's tourism industry is growing steadily, we are still in the early stages,” she said. And Cool Japan is one way the government plans to reach these ambitious targets. “We need to fully realise Japan's brand power or potential,” she added.

Encouraging cross-field partnerships is a key to stimulating growth across many industries, Shimajiri believes. One such

partnership brings together the traditional arts and crafts industry with the content industry. Makers of Kutani ware porcelain – with a history of well over three centuries – have worked with the creators of the popular anime series Gundam to design porcelain adorned with the show's characters.

“This partnership makes it possible to broadly promote the appeal of traditional arts and crafts by making use of the name recognition of anime and manga titles,” Shimajiri stated. “If we can promote the attractiveness of traditional arts and crafts ... it will lead to a revival of the industry.”

Another cross-field partnership is between food culture and tourism. By promoting festivals like Tokyo Harvest, held each autumn, more tourists can be exposed to the wide variety of food from the various regions of Japan; and this, in turn, should generate interest in visiting less well-known parts of the country.

As Japan works to better leverage a cool image overseas, Shimajiri is not focused solely on the economic benefits, but also on how Japan can continue to provide the very best experiences for consumers and tourists. She emphasised that “the most important perspective in promoting stronger ties between Japan and other countries is constructing relationships that are win-win for both.” ●



Printing out new ideas

The potential of 3D printing

Much hype has surrounded 3D printing in recent years, and you might be wondering when this revolutionary technology is going to be visible in your life and at your work place. There are impressive collections of 3D designs on websites like Thingiverse.com; and if your office could use some pen holders, a laptop stand or even a set of drawers, open source designs are freely available for you to download and print. But for many industries, the greatest incentive to use 3D printing technology lies in its potential to cut down on the time and expense of prototyping.

Zortrax, a Polish provider of 3D printing solutions, has produced the M200 printer, which is among the most popular — and most affordable — 3D printers in the world. One person with this particular printer is an Italian jewellery maker who uses the device to create small plastic models of his designs, iterating and improving each one far more quickly and cheaply than if he were working with metal. To create a more realistic finish, the printer coats the plastic model in a “metalisation” process, achieving a result that is astonishingly close to his vision for the final product.

Similarly, 3D printing can help businesses in the area of industrial mould-making. Not only do 3D printers enable users to create the initial master prototype, but the mould box and frame used to produce rubber products can be printed. This is illuminating since 3D printing is not limited to creating products with ABS or PLA plastics, those most commonly associated with the process.

While these prototyping applications are certainly exciting, Zortrax CEO Rafał Tomasiak points out that the medical field is

the “key industry for 3D printing in the future.” He sees many opportunities for the technology to improve speed and cost-efficiency in the treatment of patients.

His company has already delivered one innovative yet affordable 3D-printed tool that assists in the minimally-invasive laser treatment of varicose veins. One of the most difficult aspects of the procedure has been manually retracting the fibre that guides the laser from the vein — at the required constant rate of 1mm per second. Zortrax’s clever solution was to create a small 3D-printable winch that can assist doctors in this critical phase. The device is already being used in vascular surgery by some specialists.

“the medical field is the ‘key industry for 3D printing in the future’”

As 3D printing emerges from its infancy, it is important to remember that many of its greatest applications are behind the scenes. While we have yet to be overrun by 3D printed products in our homes and offices, this technology’s impact on traditional manufacturing and services is very real, and will continue to change our world in dramatic ways. ●





Aeronautics, Space, Defence and Security Committee

Charting new territory

The EBC Aeronautics, Space, Defence and Security Committee is flying in a new direction. Until recently, one of its leading issues was aircraft sales.

The committee has long pushed Airbus passenger and cargo jumbo jets, as well as European helicopters, in the Japanese market. It argued that political and historic factors, not technical or economic ones, were responsible for the skewed market share enjoyed by US aircraft makers in Japan.

The last couple of years have seen breakthroughs for the Europeans. For example, Japan Airlines has a purchase agreement for 31 wide-body A350s, while All Nippon Airlines has a deal for three double-deck A380s.

“Now we can say our goal as a committee has succeeded,” says committee Deputy Chairman Frank Bignone, adding that they have put such issues aside and are shifting focus.

Topping the revised agenda is the EU–Japan Air Safety Agreement. In December, officials on both sides gave the green light to start negotiations.

“This is very important for all the committee members, because under this

agreement, we can expect to have reciprocity on homologation between the EU and Japan,” explains the deputy chairman.

This means items and services in a wide field – including training and maintenance – that are certified in one market would be automatically approved in the other. “We would not need to go through the same processes in Japan,” Bignone says.

An agreement would speed up the process and reduce costs in the aviation business. “This is very important – to have a lean process when we import into Japan,” he says. It would also be a boon for Japan’s industries. Training, for example, could help ease a shortage of skilled aviation workers here.

The satellite industry is another committee priority. While civil tenders for satellite launchers are theoretically open, Japanese customers have, to date, only chosen US companies. “Japan mostly ignores Europe’s satellite technology,” the committee states in the 2015 EBC white paper.

The committee wants the country to show more enthusiasm for European satellite technology, calling for greater cooperation in areas such as development.

In the meantime, the committee is working on a new initiative – to form partnerships with Japanese companies. The aim is to seek out, and then collaborate with, second- and third-tier businesses in the defence field, targeting the export market.

“We do believe there are some interesting companies with specific skills and products, and we’d like to see how we can partner with those companies to help them get into the export market,” the deputy chairman adds.

Industry heavyweights, however, are not being targeted by the committee. Rather, their interest is in small and medium-sized enterprises. “Many [SMEs] already have good products, but they may have difficulties marketing their products abroad,” Bignone explains.

An example of greater co-operation could be in bundling Japanese-made electronic countermeasures systems, which are highly sophisticated, with helicopters developed in Europe.

Such cooperation is included on the agenda of the Acquisition, Technology and Logistics Agency, under Japan’s Ministry of Defense. The committee’s strategy is to hold events where people on both sides can get to know each other.

“This is important – to look at cooperation in Japan, not just selling our products, but to see how we can develop things together,” Bignone concludes. ●

Advocacy issues

✦ Air safety agreement

The EU and Japan should work together on a bilateral agreement to achieve mutual approval and certification of aviation-related products and services.

✦ Satellite business cooperation

Japan should encourage its space industry to cooperate more with EU companies.

✦ Partnerships in defence technology

Japanese SMEs in the defence field are encouraged to form partnerships with European companies to sell products in the export market.



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Following accusations of plagiarism, the first logo of the Tokyo 2020 Olympic Games was dropped. At the beginning of April, the organisers unveiled four new candidate logos for the Games.

We asked our readers which one they thought should be chosen.



A

15%

“Not because it’s the best, but because it’s the least bad.”



B

36%

“It is like the ouroboros – the symbol of eternal return – which is of particular relevance for Japan following its many recent disasters.”



C

20%

“Of the four choices, it is the only one that has any life or action.”



D

29%

“It stands out immediately as uniquely Japanese. And it is sexy.”

At the end of April, option A was announced as the new official logo. Interestingly, it was the least popular among our readers.

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



THE LEADERSHIP SERIES



BY DR. GREG STORY
PRESIDENT, DALE CARNEGIE TRAINING JAPAN



DALE CARNEGIE®
TRAINING

Igniting Workplace Enthusiasm

Ancien Régime Corporate Leaders

Support is a popular source of inspiration for corporate leadership. Coaches attend off-sites and make good money telling executives how to be better motivators. Sports journalist Simon Kuper recently made an interesting observation in his column in *The Financial Times* about famous football coaches falling into decline, supplanted by younger, more innovative rivals. These superstar coaches were the original innovators, but they ran out of gas. Well, not all of them. Almost as an aside, he flagged the difference between the shorter longevity of the “innovators” and those more-hardy types who excelled at “people management”.

This is an interesting observation because often we surge through our careers based on our ideas, innovation or technical expertise. In Kuper’s article, the age of 40 was singled out. The planets start to align and leadership hopefuls begin their move to the very top. In my native Australia, historically, you were not thought to be a real man until you reached the age of 40. At that point you were considered to have amassed the requisite knowledge and experience, as well as the physical strength.

Kuper notes that at this age, when you get the big promotion or the shot at a significant job, you have probably expended all of your innovator ammo just getting there; and now it is all downhill. What does this mean for those who have risen

in the organisation based on their technical knowledge or the strength of their ideas?

A lot of firms value those hard skills over the soft skills. The culture is geared that way, and so are the promotions. Somewhere along the line the soft skills become more important in practice, but often there is not the organisational recognition that this is the case. Being the smartest person in the room is fine, but not much help. Organisations today are more collaborative, require leadership and accountability at all levels, and are screaming out for insights into how to beat the competition. Teams need to have good teamwork — that means producing more collectively than what can be achieved by a couple of superstars.

Getting the best ideas out of everyone on the team, ensuring clear, concise communication and a culture of going the extra mile in the execution of plans are not driven from the hard-skills toolbox. The leader’s soft skills are required, and now the gaps arise. Being the best technician runs its race at some point, as we are overtaken by rivals. What will then happen to us for the

rest of our worklives? We need to be able to substitute “I do it all” with “we do it all together”. The key question is, why would anyone on the team care? They don’t, so we need the communication and motivational soft skills of the leader.

Like the most successful sports coaches, we have to learn how to become excellent people leaders. When you get to 40, understand the clock is ticking and start working on your people-management capability big time.

“Being the smartest person in the room is fine, but not much help”

It is quite interesting that our clients come from just about every industry you can imagine, but we notice there are some common requests for improving team performance. The four most popular areas are leadership, communications, sales, and presentations. Although we started in New York in 1912, in Japan we deliver 90% of our training in Japanese. Also, having launched here in Tokyo 53 years ago, we have been able to master how to bring global best practices, together with the required degree of localization, to Japan. You’re the boss. Are you fully satisfied with your current results? If not, and you would like to see higher skill and performance levels in your organization (through training delivered in Japanese or English), drop us a brief note at info3@dale-carnegie.co.jp

Overseas assignments

Advancing the development of Japanese female talent

A common lament in HR departments across Japan is that there's a war for talent. And if you tack on words like female, global-minded, and high-performer, then that war becomes outright hostile. Whether at a domestic firm or multinational conglomerate operating in Japan, everyone is acknowledging that businesses grow faster and further with a truly diverse workforce — and, in particular, a workforce with a strong presence of women.

If you don't know the facts, take a look at the NPO Catalyst's research paper, *Diversity Matters*, from October 1st 2014. It lists 39 reasons for increasing diversity in the work place. Some of the points given indicate that businesses have improved their financial performance with women in leadership roles.

everyone is acknowledging that businesses grow faster and further with a truly diverse workforce

Companies today are doing everything possible to recruit skilled mid-career women with business acumen and the confidence to influence and drive financial growth. This is certainly one good way to penetrate offices and boardrooms. But Japanese subsidiaries of multinationals, and Japanese companies looking to expand

their businesses overseas, are under-utilising one of the most effective tools to accelerate the development of female talent currently on staff — the overseas assignment.

In the past seven years, Coca-Cola Japan has sponsored a number of promising female employees for assignments all over the world, including to China, South Africa, Australia, and the UK. These assignments are designed to strengthen employees' abilities in core competencies such as negotiating, executive presentations, strategic thinking, and leadership. Business English skills are enhanced and, most important, confidence in communicating is enriched. And not to be overlooked is the advancement of cultural acuity, curiosity, flexibility, innovation, and risk-taking — skills and behaviours often associated with intrapreneurs.

The return on investment for overseas assignments is invaluable, and a win-win scenario for both home and overseas entities. An additional positive result is that the entire Japan team is encouraged when one of their own is globally recognised for applying Japanese innovation and market strengths to another market that is hungry for new ideas. And with over 800 product, equipment and packaging innovations a year, we have plenty of new ideas to share!

With a variety of global mobility programmes to suit any assignment duration, it can still be daunting to consider an expatriate assignment of two to three years, especially with dual-income families where the spouse can't move, or if children are committed to studies at their schools. However, I would not discount the effectiveness of an extended business trip of up to three months, short-term assignments from six to 12 months, or being a representative on a global project team requiring routine meetings and market visits outside Japan. All have unique value and deliver a level of accelerated growth.

A successful assignment starts with human capital planning:

- Prepare a succession plan with a focus on critical roles. Identify successors who have the potential to go further, faster, and be honest when no successor is immediately ready
- Clarify capabilities and experiences required for positions where a talent gap exists
- Identify high-potential employees who could ultimately fill your critical roles
- Assess employees against the position criteria and attributes noted above
- Identify best practice markets overseas that will help in accelerating development
- Establish clear objectives to be gained from an assignment, and ensure the host department is aligned
- Check in frequently with the employee; encourage them to visit the Japan office when in the country
- Plan re-entry with the aim of promoting the employee to a more senior role
- Most important, hold the employee up as a role model to your organization. ●

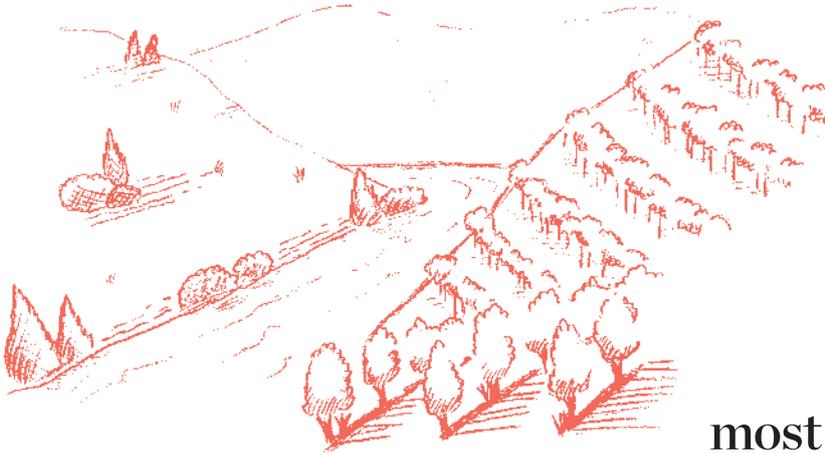
Lydia M. Dorman is Senior Vice President, Coca-Cola Japan and HR Consultant to Coca-Cola Asia-Pacific Group





The noblest of rots

Why a mould can be a winemaker's best friend



As certain benevolent moulds create some of the most flavourful cheeses, there is also a mould responsible for the world's richest and sweetest wines. *Botrytis cinerea*, also known as "noble rot," assumes the role of winemaker's assistant for creating the likes of Bordeaux Sauternes, Hungarian Tokaji Aszú and German Trockenbeerenauslese.

Botrytis is a rather temperamental mould, requiring very specific conditions for an optimal infestation. Cool temperatures and high humidity, usually present near rivers early in the day, set the stage for morning fog to arise. As the fungus begins to grow on the grapes, it pokes small holes in the clusters, allowing water to evaporate and sugars to concentrate. Later in the day, warm sunshine and drier air stop the mould from continuing to grow — and the grapes continue to shrivel. With more evaporation

comes greater concentration of sugar, resulting in sweet and viscous wines.

White grapes seem to be the ones to benefit from such treatment, while red grapes affected by botrytis can display off-putting flavours and aromas. This isn't necessarily a bad thing, at least for wine producers. Botrytis needs optimal growing conditions, so it doesn't always develop every year and it certainly doesn't grow on all white grapes. As a result, most producers have to individually select grapes that have been perfectly affected by noble

most
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rot. So what do more labour and fewer grapes mean for the consumer? A higher priced, but exceptionally fine wine.

Luckily for us, there are many places in the world where harvesters do pick enough botrytised grapes to make wine for the commercial market. Perhaps the most notable of these wines comes from a sub-region of the left bank of Bordeaux called

Sauternais. Sauternes are made from a blend of Semillon, Sauvignon Blanc and Muscadelle grapes, and display typical notes of botrytised

wines that include honey, citrus, apricots, nuts and honeysuckle.

Heading eastward towards the less well-explored wine regions of Hungary, you'll find the jewel in every connoisseur's cellar — Tokaji Aszú. Made from a medley of grapes, Aszú wines come from a region where mountain rains and Indian summers create the perfect scenario for botrytis to flourish. The resulting wine is deliciously sweet, with high acidity levels that prevent the wine from being cloying.

Pairing food with botrytised wines is rather simple: any dessert that has a fruit, caramel or vanilla component is a guaranteed winner. My favourite dessert, or very sumptuous snack, would be a glass paired with blue or Camembert cheese. This salty-sweet combo is a must for all wine lovers' repertoire. ●



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The Pebble Beach of Japan

Picture perfect golf

“We think of Pebble Beach as our competitor,” says Hiromichi Murai, general manager at the Kawana Hotel in Izu. That’s California’s Pebble Beach on the other side of the Pacific Ocean. Not many courses would have the audacity to compare themselves to one of golf’s legendary venues but, then again, what other resort courses in Japan have been visited by Marilyn Monroe, Joe DiMaggio, John Wayne, Boris Yeltsin and Gary Player?

The 80-year-old Fuji Course at Kawana has no rival in Japan — except, maybe, the shorter Oshima Course next door. The Fuji Course has been ranked No. 67 in Golf Magazine’s top 100 courses in the world for 2015. For many years, it has played host to a men’s professional tournament and now is the regular venue for the prestigious Fujisankei Ladies Classic every April.

“The view alone is worth the price of admission”

Even on TV, which often falls short in conveying the dynamics of many golf courses, the Fuji Course looks magnificent, enhanced by its spectacular ocean-side setting.

But setting alone is not enough to make a course great. British architect C.H. Alison needed to give the location a challenging course layout. The result was a combination of astonishing beauty with some great golf holes.

The first tee has you positioned high up on the hill looking down an avenue of trees leading to the first green — and the Pacific Ocean. The view alone is worth the price of admission. The second hole’s fairway runs alongside the sea, and even the most rule-bound golfers will be tempted to take pictures with their cell phones. Number three requires a steep climb, and the first of back-

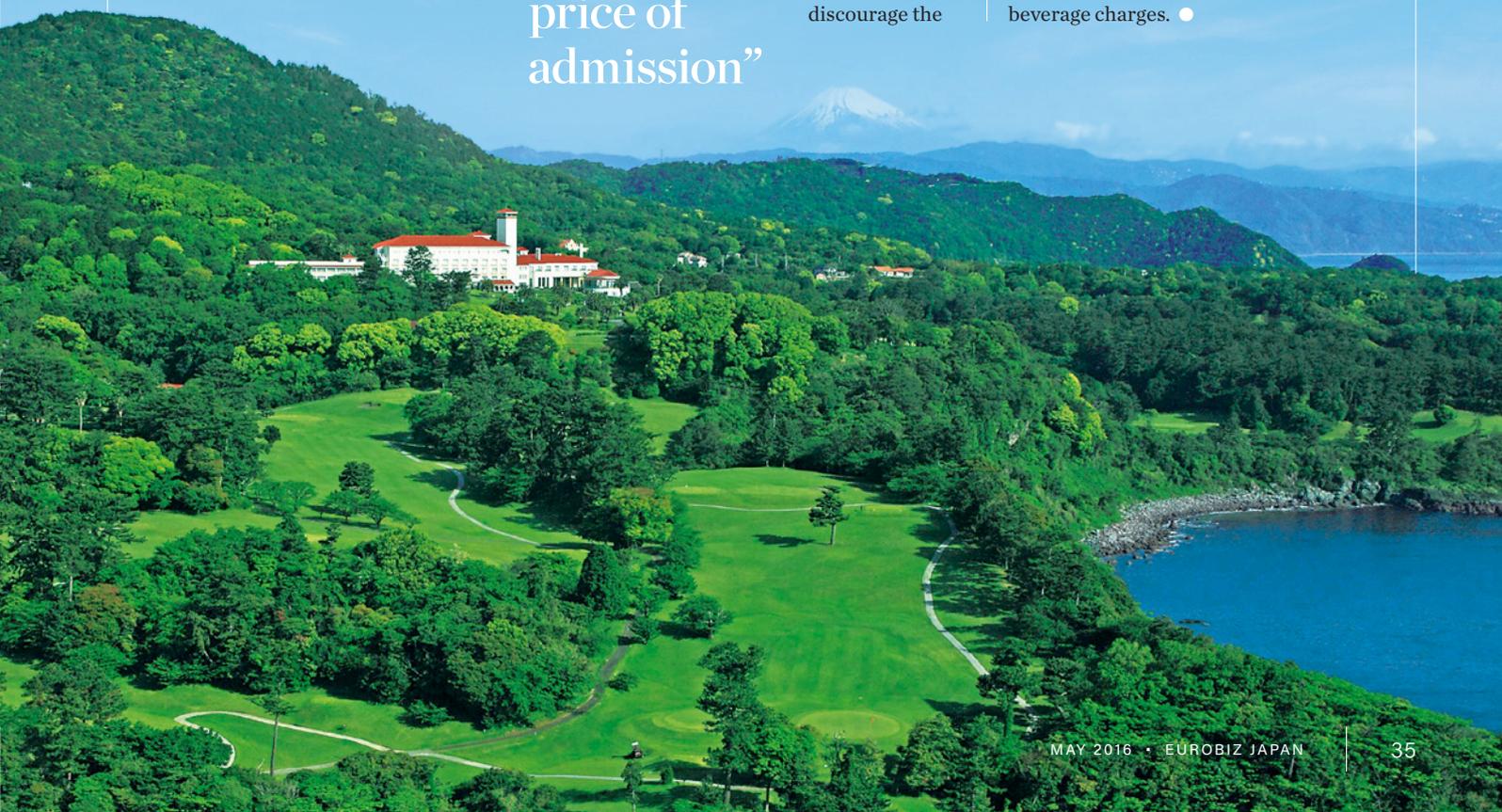
to-back par five holes, with number four taking you back down the hill. The course’s basic policy is to discourage the

use of golf carts, so everybody has a caddy and is expected to walk. And, as you’ll find on the third hole, the climb can be pretty tough.

The Fuji course has acquiesced to allowing chauffeured carts to be rented at ¥21,000 per round with up to four players. Lunch after nine holes is an option; there is a snack hut midway. Chances are you won’t notice your fatigue or hunger, though, as there are just too many distractions.

The ocean is never far away, and when you arrive at the iconic 15th hole, a par five, it will be too close for some. You’ll be high up on a cliff, with Mt. Fuji over your right shoulder and the sea to your left, as you drive the ball over the rocks and watch it sail towards the fairway. It’s picture perfect.

But such perfection doesn’t come cheap. The Fuji Course is exclusive to guests of the beautiful, historic Kawana Hotel. Play fees run from ¥26,000 on weekdays to ¥34,500 on Saturdays and ¥32,500 on Sundays and holidays, plus accommodations and food and beverage charges. ●





A barrier-free Olympics

Tokyo banks on goodwill

Tokyo is a difficult enough city to navigate at the best of times. Its meandering streets, complex train lines and complicated addresses mean that even veterans of the Japanese capital sometimes find themselves lost.

There are further complications in the city for the elderly, the disabled and young families with young children. Train stations and buildings often have woefully inadequate access — many of which only have stairs. Add the huge crowds at rush hour and it's easy to see that Tokyo is as far away from

department for the Tokyo Metropolitan Government told *Eurobiz Japan*. “And with the older venues, during refurbishment, we will make sure they offer [good] access.”

In the main Olympic stadium, designed by Kengo Kuma, consideration has been given to more than just accessibility. Inside the stadium, wheelchair areas are elevated so that

even if those in front stand up, disabled viewers will still be able to see the action.

However, this will not be enough. Plans are underway to improve accessibility in other ways: easy-to-read signs for

Navigating the station and getting out at ground level in the right place is not always possible.

Some remain optimistic. “We need to keep in mind that Japan has strong domestic industry players and previous successful experiences in hosting sports

events,” said Lori Henderson, Executive Director at the British Chamber of Commerce in Japan. “Japanese companies have been eager to learn from the experiences of UK companies [in 2012], but

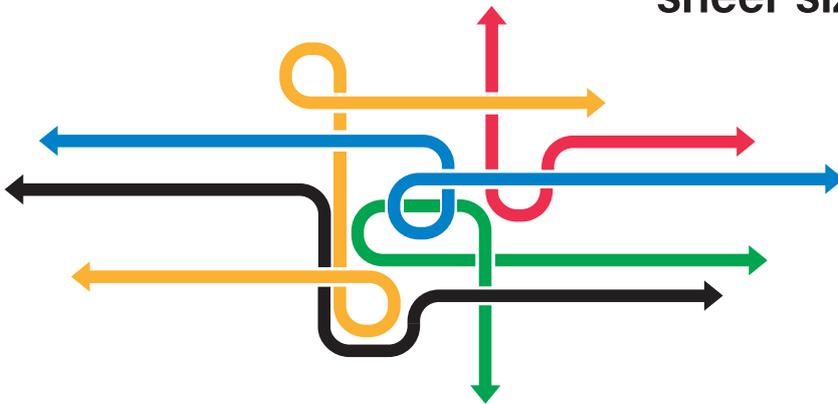
are also excited about delivering the Games themselves ‘the Japanese way’.”

Any attempts to improve infrastructure still come up against Tokyo's sheer size. How does one go about transforming a place as vast as Tokyo? Kozaka sees the answer in *omotenashi* — the nation's hospitality culture.

“There are issues with elevators in train stations, and these can be resolved with more construction,” he said. “But we are taking a softer approach. If [Japanese] people see somebody struggling, there is a [cultural] tendency not to help them. We want to get people to believe in a truly barrier-free city through campaigns so that they will be more willing to help.”

Such optimism may prove to be the city's only hope — the Games are already six times over budget and have been hit by a bribery scandal. ●

“Any attempts to improve infrastructure still come up against Tokyo's sheer size”



barrier-free as modern infrastructure can be.

But the city wants to be barrier-free in time for the 2020 Tokyo Olympic and Paralympic Games. Of the 24 venues within the metropolitan area and the six in greater Tokyo, about half will be built from scratch and will allow for easy access for everyone.

“Of course, the new places will all be barrier-free from the start,” Tsutomu Kozaka, a manager in the Olympic planning

foreigners; better transport links, including new bus routes and water taxis for the more isolated venues; and to recruit an army of volunteers.

There are limits, however, to what Tokyo can accomplish ahead of the Games. Tellingly, the city's plans call for making it barrier-free “around competition venues.” If only because of the dearth of hotels in central areas, that will likely not be enough.

Take Shibuya Station, which has in recent years evolved into a labyrinth of stairways and long underground passages. Lifts are hard to find and barrier-free access for the disabled is practically non-existent.



Dave Enright

Company: Evergreen Outdoor Center

Title: CEO / Chief Guide

Originally from: West Vancouver, British Columbia, Canada

Time in Japan: 25 years



Erik Ullner

Company: EU Japan Consulting & Associates Co., Ltd.

Title: President

Originally from: Helsinki, Finland

Time in Japan: 51 years (hard to believe, but true)

“I am a huge HO gauge miniature model train buff”

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

As a vegetarian of 26 years, Roots Café Hakuba (Nagano) is my favourite place for a vegan pizza or a Buddha Burger.

What do you do to stay in shape?

Work. As an outdoor guide, just doing my job keeps me in good physical condition: ski touring in the winter; mountain biking, canoeing, rock climbing and canyoning in the summer.

Name a favourite movie.

I was really excited about watching the new *Star Wars* with my kids.

Favourite kinds of music.

Reggae, funk and jazz.

Favourite book.

The Power of Now by Eckhart Tolle.

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

The noodle shop in my neighbourhood in Setagaya.

What do you do to stay in shape?

I try to walk at least 10,000 steps a day, although it's often very difficult to achieve.

Name a favourite movie, musician and album, TV show, and book.

Movie: Sergio Leone's *Dollars Trilogy*.

Music: Eric Clapton – *Complete Clapton*.

TV: Detective mysteries like the Swedish series *Wallender*, and *Hercule Poirot*.

Book: Any history books.

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

I am a huge HO gauge miniature model train buff.

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

I grew up playing team sports like soccer, rugby, cricket and track and field until my first year of college.

Cats or dogs?

I like animals in general and grew up with both cats and dogs as pets. Presently, we have two big dogs.

Summer or winter?

All four seasons. Every season provides new excitement and great opportunities for outdoor recreation.

What's your ideal weekend?

Out riding a bike, canoeing or skiing with my son or my friends is always going to be a great day.

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

The Hakuba Brewing Company. I recommend the Hakuba Pale Ale.

Cats or dogs?

I love both.

Summer or winter?

Since I'm from Finland, definitely winter; the steamy Tokyo summers are a killer.

What's your ideal weekend?

To go to my Finnish log house in cool Karuizawa; play a round of golf with friends; and, of course, have a BBQ afterwards.

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

Mexico Lindo in Akasaka — they make the best margaritas in Tokyo.



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The Agenda

MAY
13NETHERLANDS CHAMBER OF
COMMERCE IN JAPAN**Luncheon:
Chris Gunner of
Shell Japan**

TIME: 12:00-14:00
VENUE: Shangri-La Hotel, Tokyo
FEE: ¥6,500 (members),
¥8,500 (non-members)
CONTACT: nccj@nccj.jp

MAY
13IRELAND JAPAN CHAMBER OF
COMMERCE**Speaker Event:
Denis McCarthy,
Group CEO, FEXCO**

TIME: 19:00-
VENUE: Embassy of Ireland
FEE: Free (members),
¥1,000 (non-members)
CONTACT: secretariat@ijcc.jp

MAY
18SWISS CHAMBER OF COMMERCE
AND INDUSTRY IN JAPAN**Luncheon: H. E. Urs
Bucher, Ambassador
of Switzerland to Japan**

TIME: 12:00-14:00
VENUE: Grand Hyatt Tokyo,
Residence Basil event room
FEE: ¥6,500
CONTACT: info@sccij.jp

MAY
18FRENCH CHAMBER OF COMMERCE
AND INDUSTRY IN JAPAN**Global Business
Opportunities in Food
and Related Industries**

TIME: 13:00-17:00
VENUE: Denki Bldg. Kyosokan, Fukuoka
FEE: ¥27,000 (open to non-members)
CONTACT: nyoshida@ccifj.or.jp

MAY
19-22BELGIAN-LUXEMBOURG CHAMBER
OF COMMERCE IN JAPAN**Belgian shop @
Belgian Beer Weekend
Yokohama**

TIME: 16:00-21:00 (Thurs-Fri),
11:00-21:00 (Sat-Sun)
VENUE: Yamashita Park
FEE: Pay for what you buy
CONTACT: info@blccj.or.jp

MAY
24BRITISH CHAMBER OF COMMERCE
IN JAPAN**51 Night at
BeBu by Andaz**

TIME: 18:00-20:00
VENUE: Andaz Tokyo, BeBu, 1F
FEE: ¥5,500 (members), ¥7,500
(non-members)
CONTACT: info@bccjapan.com

MAY
25-29BELGIAN-LUXEMBOURG CHAMBER
OF COMMERCE IN JAPAN**Belgian shop @
Belgian Beer Weekend
Kanazawa**

TIME: 16:00-22:00 (Wed-Fri),
11:00-22:00 (Sat), ~21:00 (Sun)
VENUE: Ishikawa Shiko Memorial Park
FEE: Pay for what you buy
CONTACT: info@blccj.or.jp

MAY
26IRELAND JAPAN CHAMBER OF
COMMERCE**JMEC Business
Innovation2 Event
with IJCC**

TIME: 19:00-
VENUE: Irish Ambassador's Residence
CONTACT: secretariat@ijcc.jp

MAY
28-29ITALIAN CHAMBER OF COMMERCE
IN JAPAN**150th Anniversary of
Relations between
Italy and Japan**

TIME: 10:00-21:00
VENUE: Roppongi Hills Arena
and O-yane Plaza
CONTACT: iccj@iccj.or.jp

JUNE
4

MULTI-CHAMBER EVENT

Golf Tournament

TIME: 09:30-17:00
VENUE: Narashino Country Club, Chiba
FEE: ¥25,000 (including transport),
¥21,000 (excluding transport)
CONTACT: BLCCJ, CCIFJ or SCCIJ

Alistair Minty

Director of
Food & Beverage,
Andaz Tokyo
Toranomom Hills

Featuring locally sourced, premium ingredients selected by in-house culinary experts, Andaz Tokyo (www.andaztokyodining.com) brings local traditions to diners' plates.

"Japanese are well known around the world for their sophisticated palates. I'm excited to join Andaz Tokyo to continue to create the ultimate dining experience for our guests," says Alistair Minty, new Director of Food & Beverage.

Our signature restaurant, **Andaz Tavern**, serves refined European provincial cuisine, prepared with seasonal indigenous Japanese ingredients.

Rooftop Bar presents an experience that combines modern and traditional Japan.

BeBu offers the perfect place for relaxed dining, offering signature burgers and grill menus. ●



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