

# eurobiz JAPAN

## Touch of class

*Yoshikazu Yann Gahier  
S.T. Dupont Japan*



### **Healthy prescription**

Euro firms help Japan  
cut medical costs

### **Bumpy roads**

Euro-Japan auto alliances,  
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18



## 8 **Healthy prescription**

Euro firms help Japan cut medical costs

By **Martin Foster**

---

## 14 **Bumpy roads**

Euro-Japan auto alliances, good & bad

By **Gavin Blair**

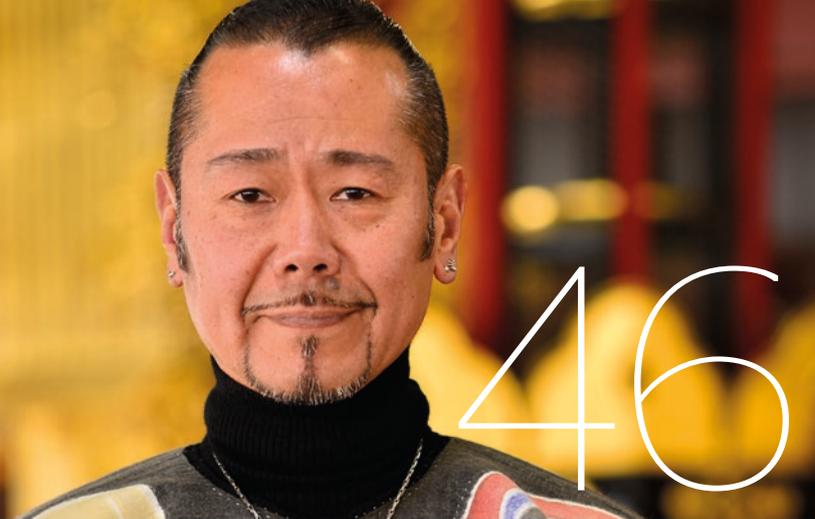
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## 24 **Of MICE and guests**

Tokyo hotels package special events

By **Hugh Ashton**

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## COLUMNS

### 7 From the Editor

#### 10 Q&A

Hepatitis battle: Charles Gore of the World Hepatitis Alliance.

By Mike de Jong

#### 18 Investing in Japan

Touch of class: Yoshikazu Yann Gahier of S.T. Dupont Japan.

By EURObiZ staff

#### 20 EBC Personality

Olivier Convert: High-flying manager at Roquette Japan.

By Mike de Jong

#### 29 Green Biz

Teijin's eco-friendly clothes.

By Allison Bettin

#### 31 Chamber Voice

Stefan Linde Jakobsen of the Danish Chamber of Commerce in Japan.

By Mike de Jong

#### 37 Executive notes

Dan Slater: Inflation vs deflation, part II.

#### 39 Event Report

GCCIJ event: Data protection 101.

By Allison Bettin

#### 40 In Committee

Insurance: waiting for reform.

By Geoff Botting

#### 43 Brand Aid

Industry 4.0: Buzzword or branding opportunity?

By Dr Jochen Legewie

#### 45 Upcoming Events

Events for the European business community in Japan.

#### 46 Lens Flair

Shoichi Sakurai: the Recycle Artist.

#### 48 Work Place

Ryotaro Tachino, President and CEO, Aero Asahi Corporation.

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

*eURObiZ* is now available onboard Turkish Airlines business class, leaving Tokyo twice daily from Narita and once daily from Osaka.



A STAR ALLIANCE MEMBER

## Contributors

**Gavin Blair** covers the successes and failures of Euro-Japan auto alliances, page 14.



Writing in and about Japan since 2000, Gavin contributes articles to magazines, websites and newspapers in Asia, Europe

and the US on a wide range of topics, many of them business-related.

"The exact reasons for the various successes and tribulations of alliances between European and Japanese automakers were hard to pin down, but interesting to hear about. It is hard to shake the feeling that, at whatever corporate level the drama is being played out, the vagaries of human egos play a larger part than is usually acknowledged."

Martin is a freelance journalist who has branched out into environmental issues after a career in economic journalism. Apart from serving as the Tokyo correspondent for *Windpower Monthly*, he has also written about the environmental cost of the overfishing of bluefin tuna in the Mediterranean.

"Innovation by manufacturers and increased engagement by the EBC have clearly bred results in efforts to reduce healthcare costs in Japan. But one is left wondering if easier access to the market

**Martin Foster** finds out how Euro firms are helping Japan with medical efficiencies, page 8.



for the aged is not an admission of defeat by Japanese authorities in tackling that other great conundrum of Japanese society — the chronically low birth rate."

**Allison Bettin** writes about the future of eco clothing, page 29.



Allison recently relocated to Tokyo from Hong Kong, where she received her

degree in journalism and geography.

"Teijin's chemical recycling technology, the first of its kind, has yet to be seen outside of Japan. But the possibilities of what they can make with recycled polyester are endless. Chances for widespread implementation of the technology will come from the support of consumers and the inevitable decline in the supply of petroleum."

# Jewels in the sun

Thai isle resorts gleam

**Thailand is blessed with an** abundance of natural resources, and is the ideal getaway for getting back to nature. A wide variety of flora and fauna in distinct ecological zones add up to over 100 national parks, including more than 20 marine parks. Thailand invites exploring the great outdoors.

The resort islands offer the best of both contemporary and traditional – from modern conveniences, signature spa treatments, and exquisite authentic cuisines to an abundance of water/land activities, and enchanting exotic views from verandas.

Patong beach resort on the island of Phuket complements sandy

beaches with a bustling nightlife that includes hundreds of restaurants and bars. For a more laid-back feel, Kamala Beach is popular for watching sunsets, while Nai Harn Beach is secluded with clean, white sands. Karon Beach has its crescent bay and large resort complexes lining the road, but not the long, broad sandy shoreline. Kata Beach attracts surfers from May to October, and snorkelers, sunbathers and other water sports enthusiasts from November to April.

The Phi Phi Islands are positioned between Phuket and the western Strait of Malacca coast. Ko Phi Phi Leh, the setting for the film “The Beach”, is reflective of the coral reefs that make these six islands popular for snorkelling. Picturesque Ton Sai and Lo Dalum bays offer many shops to browse and a rewarding climb up to a viewpoint taking in both bays.

From snorkelling and diving to kayaking and boating, Koh Samui is the ideal location in the blue-green waters of the Gulf of Siam. An added bonus is Fisherman’s Village, consisting of old Chinese-style shop houses offering boutiques and beachside dining options.



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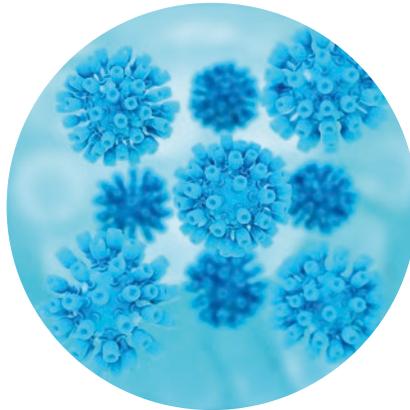
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# Summer break

August is here and that means it's holiday time for many of our readers. Whether you are staying in Japan or are heading overseas, we at *EURObiZ* wish you a very relaxing and joyful break. It is always nice to take some time off to spend with family or friends, recharging the batteries for a return to work. Perhaps if you are catching a flight, you have picked us up at the airport. Our magazine is available in the business lounges at both Narita and Haneda airports. (If you're flying Turkish Airlines, you likely found us on board.)

This month, we have a detailed discussion about a health problem that is not well publicised in Japan, yet affects millions of people: **hepatitis**. According to statistics, more than 3 million people suffer from either Hep-B or C; many of them elderly and unaware they are infected. Charles Gore of the World Hepatitis Alliance visited Japan recently and spoke to us about the



problem (page 10) and what is being done about it.

Still with the medical theme, we all know that Japan's population is getting older, putting greater pressure on the country's medical system. Healthcare costs continue to be a burden for governments who are always looking for ways to make the system more efficient. As Martin Foster tells us (page 8),

European companies are providing help in this regard.

Finally, we at *EURObiZ* recently bid a fond farewell to our talented designer Iree Torii who, along with Creative Director Paddy O'Connor, has been responsible for the fantastic look and design of this magazine over the past couple of years. Iree has decided to return to England and we will definitely miss her. However, our new designer Cliff Cardona is also very talented and someone who will do a great job for us.

Welcome, Cliff. We know that your creative abilities will now be fully realised with our magazine. 

**Mike de Jong**  
Editor-in-chief

[dejong@paradigm.co.jp](mailto:dejong@paradigm.co.jp)



*Rachna joined Robert Walters Japan in June 2004 and was appointed Director of the Sales & Marketing Division in January 2012. A former Monbusho Scholar with an MA in International Relations from Osaka University's School of Foreign Studies, Rachna has been working in the recruitment industry for over 11 years. Her teams have a deep understanding of market trends and strong connections with top talent in sales & marketing area.*

## What are the trends in hiring for the sales & marketing sector?

Recruitment remained strong in the first half of 2014 for sales & marketing roles as companies continued to seek experienced bilingual professionals. This is attributed to both the expansion of international firms already operating in Japan, as well as a large number of new entrants into the market.

## Can you explain the main areas of your coverage?

Our sales & marketing division recruits for a variety of roles, ranging from brand marketing, communications and CRM to commercial business development, general management and sales positions within chemical, consumer & retail, energy & infrastructure, financial services, healthcare, industrial, information technology and online industries.

## Which areas have marked the strong growth in hiring in particular?

As companies continue to integrate cloud and web services into their core businesses, we are seeing a surge in demand for software as a service and digital marketing specialists as well as bilingual professionals with experience in SEO, SEM, website traffic, and other related skills. The recruitment volume in the healthcare sector is also consistently high and senior management level professionals are in high demand by new companies entering the Japan market. Also noteworthy are the hiring needs of CROs, as they see their business expanding.

## What makes Robert Walters unique in this industry's recruitment?

We have been recruiting sales & marketing professionals in Japan for nearly 15 years. This has allowed our specialised teams to establish a

wide network within the industry and enabled our consultants to be experts in their area of coverage. Our team-based approach with a strong emphasis on head hunting the best talent in the market ensures that we always provide the best results for our clients.

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# Healthy prescription

## *Euro firms help Japan cut medical costs*

Text **MARTIN FOSTER**

**F**aced with the demographic difficulties of a rapidly ageing population, healthcare costs could be one of Japan's greatest challenges in the coming years. Finding funding solutions to maintaining a quality healthcare system will be difficult, compounded by a traditional mindset favouring institutional over home-based care. Simply put, it has been the tradition in Japan for the elderly and ill to go to the hospital, rather than seek treatment in their own homes.

Slowly, though, that mindset is

changing, and European medical device companies are leading the way, thanks to a combination of innovation and reduced red tape. Compared with four years ago, relations have greatly improved between Japanese regulators and European medical manufacturers. Innovation and increased engagement by the EBC has also bred results.

One big change on the horizon comes this November, when the Ministry of Health, Labour and Welfare (MHLW) introduces the Revised Pharmaceutical Affairs Law – with a new name, the Pharmaceutical and Medical Device Law – recognising

medical devices as an independent field, separate from drugs and medications.

"We welcome the new law as a favourable direction for medical devices," says Izumi Hamada, head of government affairs at Phillips Electronics Japan and secretary general of the EBC Medical Equipment Committee.

"We are moving towards a more rational set of regulations," adds Kaname Yamamoto, director of the Office of Medical Devices at the MHLW. "We want people to understand that this is a significant move for Japan."

Philips is one company whose

products can help more patients remain at home for treatment. For example, introduced in 2011, a portable, water-proof personal transmitter pendant can be worn on a soft neck cord or on the wrist. This pendant contains a fixed transponder, allowing for two-way voice communication between the user and a support response centre. In case of an emergency, responders are on-call 24 hours a day, 365 days a year. The pendant's multiple sensors automatically detect (at a detection rate of over 95%) when the user suffers a fall, and notifies the support centre.

This device and response service has already helped at least one patient: a 70-year-old woman who had fallen twice over a period of a month at home and was considering moving to a care facility. Now, with the new device, she can stay at home.

While some European manufacturers are developing stay-at-home medical devices or products, others are coming up with solutions for streamlining hospital care – to make the overall health-care system more efficient. Dräger Medical Japan is a good example. Its advanced ICU ventilator workstation customises and streamlines the workflow. The system provides a software package that ensures mobile monitoring and information about a patient are all easily accessible to doctors, nurses and medical technicians.

"In the hospital segment, we have key propositions that address the challenges of countries with developed healthcare systems and ageing population, low birth rates and shortage of nursing staff," says Holger Klein, Dräger's president and representative director for Japan. "[These include ideas for] improved clinical outcome; reduced stay in the ICU; higher, or thorough developmental and family-centred care in the [neonatal intensive care unit]; ergonomic and efficient workplace; and cross-departmental hospital solutions."

Innovation is also the name of the game at Siemens, which in 2012 introduced a unique Molecular Magnetic Resonance imaging system that integrated Positron Emission Tomography and Magnetic Resonance technology.

Siemens was rightly proud of its innovation, but got an unexpected response from Japanese authorities, according to Junichi Obata, Siemens Japan president



and CEO. "For the new system to be commercially viable, we needed to obtain a high reimbursement rate, but we have frankly had difficulty getting such a premium," he says. "In fact, the Japanese authorities told us [that] it is a productivity gain, and you should be able to do it cheaper."

The Japanese medical device market accounts for approximately 10% of the global market, just behind the United States, and was worth an estimated ¥2.4 trillion in 2011, according to data from

## Health spending on the rise



Japan spent **\$384 billion** on healthcare in 2012, about 8% of GDP.

Spending expected to rise to **9.7%** by 2017.

SOURCE: ECONOMIST INTELLIGENCE UNIT

the MHLW. Imports account for 44.4% of domestic sales, and the rapidly greying Japanese population is expected to further expand this market.

But one problem that persists is known as "device lag" – delays due to Japan's lengthy approval process that leave certain medical devices available a generation behind those in Europe and the US. A new five-year action programme review was launched in 2009 to address this problem, and the consensus is that the gap is shrinking.

"I would say that everyone believes that the device lag has narrowed in the last five years," Obata says. "I feel that entry barriers for foreign [makers of diagnostic devices] are not huge, but with the caveat that you must have competent regulatory and quality groups."

Most cases of concern in the medical devices area may have been removed for now. But apart from developmental lags, Hamada of the EBC Medical Equipment Committee feels that the Japanese medical equipment market has yet to arrive at a model that is consistent with global markets.

"In order for the Japanese medical devices market to enjoy significant growth ahead, it will be necessary to boost the investment desire of overseas companies, which, in the final analysis, will lead to Japanese patients receiving more sophisticated devices." 

# HEPATITIS BATTLE

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*Mike de Jong talks with Charles Gore  
of the World Hepatitis Alliance*

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## **The numbers are startling: more than 3 million people in Japan**

suffer from chronic hepatitis B or C, many over the age of 60. About 50% are unaware they have the diseases, not having been screened. Globally, viral hepatitis kills about 1.5 million people each year, as many as does HIV/AIDS.

The World Health Assembly of the World Health Organization (WHO) recently passed a resolution aimed at getting countries to develop plans for the screening, diagnosis and treatment of viral hepatitis. *EURObiZ* Editor-in-chief Mike de Jong spoke with World Hepatitis Alliance president Charles Gore and infectious disease control and prevention specialist Dr Junko Tanaka of Hiroshima University about the screening and treatment in Japan.

### **How prevalent are all types of hepatitis in Japan?**

**Gore:** I reckon that there are 3 million people with either B or C, is that right?

**Tanaka:** Yes, that's right. About 3.5 million people were affected in 2000. Now it's a little bit less because some of them

died. So 3.3 million people now in Japan have hepatitis. One group is the carriers who don't know they are infected. And the second group is carriers who are in a hospital getting some treatment. The third group knows that they are infected, but they don't want to go to a hospital and so just stay at home. The fourth group is very small: the newly infected.

So, in Japan, we have to make some different strategies among all groups, especially the first group of carriers. They don't know they are infected, so we have to give them a lot of screening tests without a fee.

### **Is hepatitis a growing problem in Japan?**

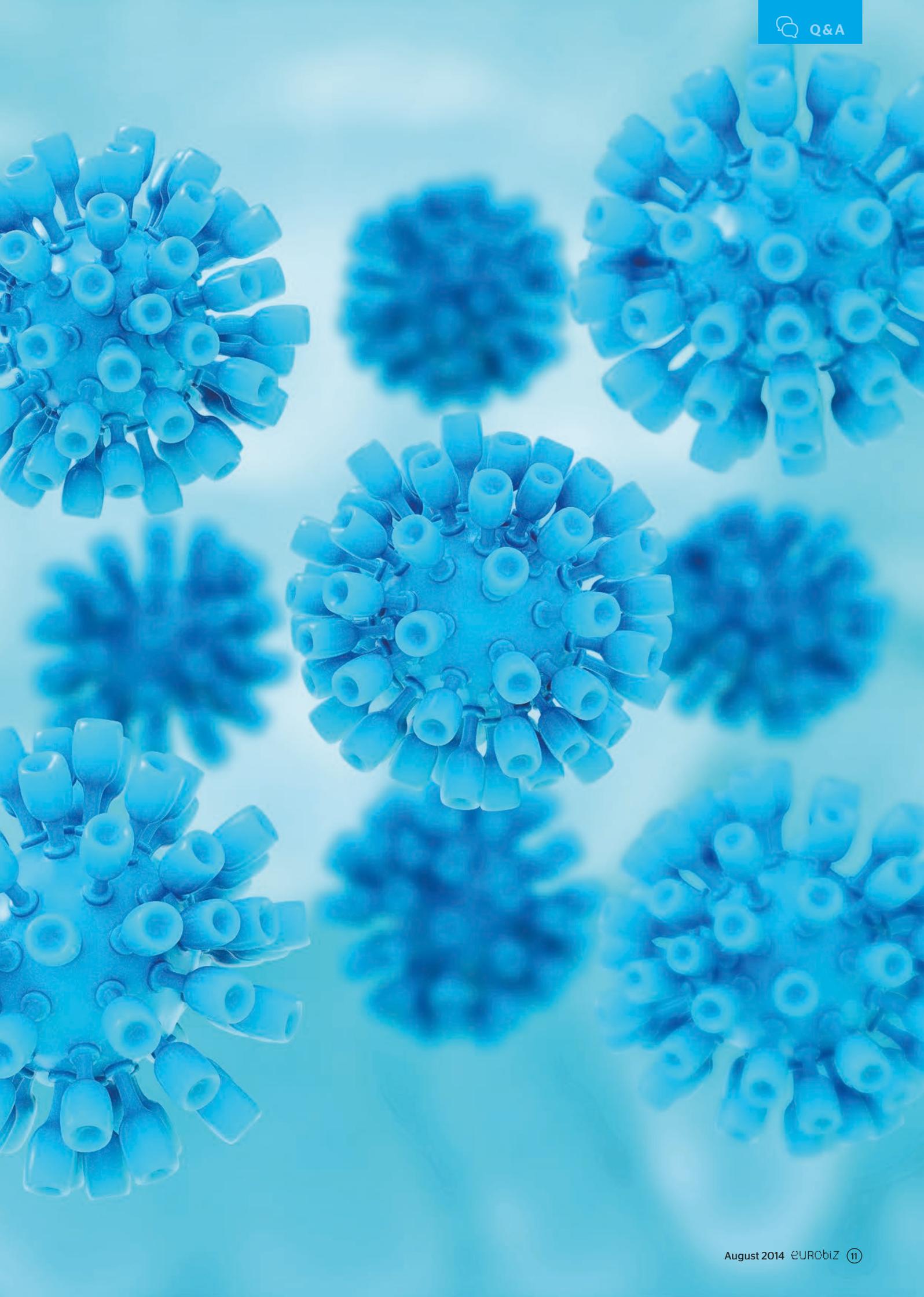
**Gore:** It's not a growing problem in the

sense of the numbers. If anything, it is coming down because there aren't that many new infections and, unfortunately, there are quite a lot of deaths. But that's why it's also a pressing problem. It's an increasingly pressing problem because more and more people are approaching the age at which there are very high risks of liver cirrhosis and liver cancer.

### **What can be done to raise awareness so that people will get tested?**

**Gore:** It's very difficult. And it's a difficulty not just in Japan, but everywhere. In some respects, Japan is more advanced than any other country. In fact, approximately 50% of the Japanese population – one way or another – has been screened. That's phenomenal. I'm not aware of any





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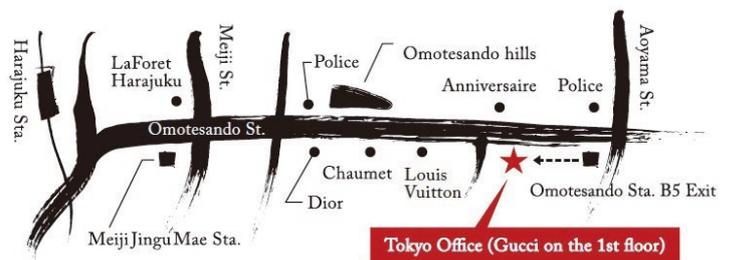
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“WE HAVE A **UNIQUE**  
VACCINATION PROGRAMME”

Dr Junko Tanaka

“IT’S AN **INCREASINGLY**  
**PRESSING** PROBLEM”

Charles Gore



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other country where that is true. And actually if you look at countries around the world, it’s only screening that really works. In Japan, for quite some time, testing has been free. You can go somewhere organised by your prefecture and get screened. And some people have definitely done that, but some have definitely not. Just because something is available doesn’t mean that somebody will take advantage of it.

A lot of the screening that’s happened has been in a hospital where people have undergone surgery or something else, and they’ve just been routinely screened as a prerequisite before some other intervention. One of the problems is hepatitis testing is included in some health checks, in some areas, with some insurers, with some employers – but it’s a bit random. I was at the Ministry of Health, Labour and Welfare discussing whether we could make this a mandatory inclusion because that is really important. And I think we need to consider that.

#### **Even if people are screened, why are they not getting treated?**

**Gore:** They’re misinformed about the cost, which is very heavily subsidised for treatment, and the actual screening is free. But in terms of why they’re not getting treatment, they don’t know that it’s going to cost them very little, they don’t know how effective it is, and they think the side effects are much worse than they are. So the treatment’s going to make you feel horrible, and you feel fine now. But you don’t really understand the real consequences.

#### **Can you tell us about the importance of the WHO Viral Hepatitis Draft Resolution?**

**Gore:** I think it’s a very important resolution because it’s more detailed than the one in 2010, and it says very clearly that, number one, countries should have proper comprehensive national strategies. And the last research that [the] WHO did last year [shows that] only 17 countries actually have one – and Japan

is one of them. It looks like a lot of the measures should be in place, [including] vaccination for hepatitis B. It actually talks about stigma and discrimination, and countries should have policies on that.

#### **What does Japan do well in combating hepatitis? And what could be done better?**

**Tanaka:** We have a unique vaccination programme for prevention, and it runs very well. Children also – maybe up to eight years old – are very low, maybe 1.15%. So the unique vaccination programme in Japan is very effective. But the third group [mentioned above] is the problem. They know they are infected, but don’t want to go to the hospital. So the Ministry of Health agrees ... getting new information out to these people in the third group is the [key]. So now our strategy is targeted to the third group. [E](#)

**Mergers and acquisitions have been a** feature of the auto industry since the beginning of the 1900s, when General Motors took over dozens of small carmakers. While takeovers have continued to be a part of the industry, the end of the 20th century bore witness to the rise of the alliance: intended to be a complementary coming together of partners greater than the sum of their parts.



Companies from Europe and Japan — two of the three centres of the global auto industry — have formed a range of alliances, with varying

degrees of success.

The alliance between then-DaimlerChrysler and Mitsubishi Motors Corporation (MMC) that ran from 2000 to 2005 was a sorry tale, neither side emerging with much credit. Shortly after the deal, MMC was raided by the Japanese police over allegations it had covered-up defects, leading to a million-vehicle recall. Rolf Eckrodt, the CEO installed at MMC from Daimler, also failed to turn around the troubled

# Bumpy roads

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*Euro-Japan auto alliances, good & bad*

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Text **GAVIN BLAIR**



carmaker. DaimlerChrysler's stake eventually found its way, via JPMorgan Chase and Goldman Sachs, back to the Mitsubishi *keiretsu* (loose conglomeration of firms sharing common denominators).

The experience didn't seem to put MMC off alliances completely. The company established a joint venture with PSA Peugeot Citroën in Russia in 2008, and has limited arrangements with Renault-Nissan and Volkswagen. And this June, MMC announced a deal to supply cars for the Asian market to Fiat Chrysler.

Swedish truck-maker Scania had a decade-long business alliance with Hino Motors, Japan's biggest manufacturer of medium-sized and large trucks. The arrangement involved Hino selling the European maker's trucks in the domestic market, until shortly after Scania Japan was established in 2009. The company has no plans for a further alliance with a Japanese truck-maker, according to a spokesperson from Scania Japan.

The undisputed poster-child for auto alliances is Renault-Nissan, which celebrated its 15-year anniversary in March. When former state-owned Renault bought a 36.8% stake in Nissan in 1999, the Japanese auto-manufacturer was fighting for its survival. Carlos Ghosn famously turned Nissan around after becoming the first foreign boss of a Japanese company of that scale. The figures speak for themselves: the two companies' combined sales went from

## “TO BE HONEST, THE ALLIANCE HAS BEEN MORE SUCCESSFUL THAN I'D EXPECTED”

**Tatsuo Yoshida**

4.8 million vehicles in 1999 to 8.3 million units in 2013.

Much has been written about why Renault-Nissan has been such a success, with the alliance becoming something of a case study in cross-border cooperation.

"It's a combination of Nissan's capabilities and potential in the areas of R&D and manufacturing, and the disciplined management of Renault," says Tatsuo Yoshida, managing director of equity research at Barclays in Tokyo, who was previously with Nissan for 16 years.

"To be honest, the alliance has been more successful than I'd expected," concedes Yoshida, who spent his final

two years at Nissan in one of the teams working towards bringing the two car-makers together.

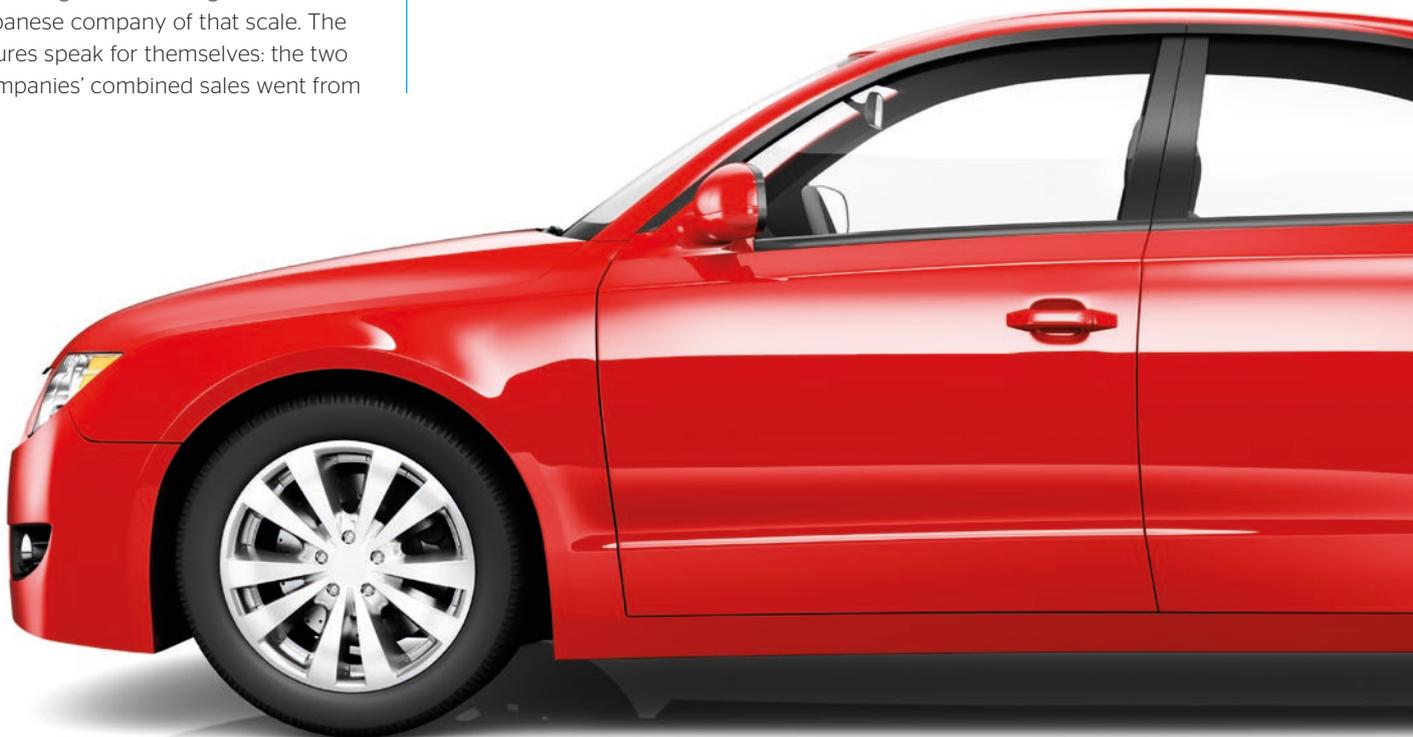
One of the keys was "a respect for each other's strategy, corporate culture and identity", according to Tsuyoshi Yamaguchi, recently appointed vice-president for alliance technology development at Renault-Nissan.

"It was clear from the beginning that Renault and Nissan would seek synergies that would benefit both companies," says Yamaguchi.

"The fact is, interdependence between the alliance partners has been steady and cautious ... the brands remain separate, the company cultures are separate. Yet we are collectively better, faster and more capable," he adds.

In April this year, the Renault-Nissan alliance began to implement convergence in four key areas: engineering, manufacturing and supply chain management, purchasing, and human resources, with the goal of €4.3 billion in annualised synergies by 2016.

The fact that Nissan was relatively internationalised before the alliance, with many staff having worked overseas, helped it work smoothly, suggests Yoshida. However, he believes that





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things may not be quite so perfect below the surface.

"There is no such thing as an alliance in the real world. At the top, they can conceptually agree on things, but the implementation is another matter. There are always conflicts of interest," says Yoshida. "Nissan's R&D and manufacturing departments are pretty independent, so their face and pride were saved; and those are the people who really create value for a car company. But the central nervous system — areas such as human resources and finance — they are dominated by managers sent from Renault."

Takeshi Miyao, managing director of automotive analyst Carnorama-Japan, also believes that there may be tensions brewing.

"I think that while these last 10 years have been very good, the next 10 will not be so good. In the early years, Ghosn, who is a very charismatic leader, led both companies as one," says Miyao. "But since 2008, when he went back to being chairman of Renault, that balance has changed."

"In the early days, Nissan employees were very motivated because they respected Ghosn," says Miyao, who believes that elements of Nissan's senior management have now become frustrated with the Renault chairman's lack of recent presence in Japan.

Whatever concerns there may be, almost nobody would argue that Renault-Nissan isn't the longest and most fruitful auto alliance to date. At the

other end of the spectrum has been the relationship between Volkswagen (VW) and Suzuki Motor, which could almost be a case study in how *not* to engage in a cross-border alliance.

Announced in 2009, when VW took a 19.9% stake in Suzuki Motor for €1.7 billion, the alliance showed initial promise, with engineers from the two companies reportedly cooperating successfully with the aim of developing small cars for emerging markets. However, things deteriorated rapidly and came to a head in 2011 when Suzuki Motor announced it was using engines from Fiat. The Japanese carmaker said it was an agreement that predated the alliance, but Volkswagen called it a breach of contract. When famously outspoken CEO Osamu Suzuki went to the media to announce the deal was off before informing VW, the final nail appeared to have been driven in.

"From day one, Suzuki and Volkswagen had different objectives. Volkswagen wanted to use Suzuki to expand in India; but for Suzuki, India is a jewel, and they won't let anyone touch it," says Yoshida.

Carnorama's Miyao suggests, "Osamu Suzuki made a good decision in dissolving the alliance with Volkswagen, as there were conflicts when the two companies tried to rearrange their purchasing and sourcing systems; they didn't gel together well.

"If either side had been weak, the alliance might have worked better.

Volkswagen viewed Suzuki as weak, but Suzuki didn't see itself that way," says Miyao.

A lack of mutual understanding between VW and Suzuki was at the heart of their problems, suggests Miyao.

"For example, Volkswagen engineers might emphasise the importance of quality, while Japanese engineers will wonder why they are talking about that, because quality is a given in Japan. On the other hand, Suzuki engineers might talk about the importance of price, while the Volkswagen engineers think that is just common sense," says Miyao.

"Even when they actually believe the same thing deep down, conflicts can arise."

VW has refused to sell its holding in Suzuki Motor, ignoring demands from the Japanese side to do so, and there were rumours last year that chairman Ferdinand Piech and Osamu Suzuki had resumed negotiations. However, the two sides have remained tight-lipped since.

Beyond confirming that VW still held the 19.9% stake, a spokesperson from Suzuki Motor's Hamamatsu city headquarters in Shizuoka would only add, "We have nothing else to say; that's it."

Volkswagen Japan also declined to comment for this article.

The key to resolution of the issue may lie with the end of the five-decade career of Suzuki Motor's 84-year-old CEO.

"If Osamu Suzuki steps down, the younger generation may think differently," suggests Yoshida. 

“EVEN WHEN  
THEY ACTUALLY  
BELIEVE THE  
SAME THING  
DEEP DOWN,  
**CONFLICTS** CAN  
ARISE”

Takeshi Miyao





# Touch of class

*Yoshikazu Yann Gahier of S.T. Dupont Japan*

Text **EUROBIZ STAFF** Photo **BENJAMIN PARKS**

What does a company do when its main product finds itself on the downside of a fading societal norm? It returns to its roots, boosts creativity and refocuses on a younger demographic.

That is exactly what happened to S.T. Dupont, the iconic French firm famous for its elegant handcrafted lighters with the distinctive ringing “bell” upon flipping the cap. “When you are a brand for more than 140 years, creativity and innovation hold the key to success,” says Yoshikazu Yann Gahier, president and representative director for S.T. Dupont Japon. “You need to lead the avant garde by leveraging traditional craftsmanship and preserving the DNA of the brand.”

After suffering continuous losses for almost a decade (until 2010) due mainly to gradual societal move away from smoking, S.T. Dupont decided to rework the image and strategy of its lighters and push other products such as pens and leather goods. The results? The company returned to profitability with double-digit growth each year for the past three years in Japan.

“The Japanese market now represents almost 10% of worldwide sales against about 6% four years ago,” says Gahier. “And it keeps increasing.”

During Japan’s bubble era (mid-1980s to early 1990s), lighters made up about 90% of Dupont’s business here. Now that’s down to 65%, with pens comprising 20%, and leather goods and accessories making up the rest.

“A lot of people ask how can you survive,” says Gahier. “Actually, it’s all a

matter of from which angle you see the problem. And for me, it’s not a problem; it’s still an opportunity.”

Few people are aware that leather goods and pens are part of the S.T. Dupont heritage. Founded in 1872 by Simon Tissot Dupont, the firm initially created unique handmade travel cases for French aristocracy and nobility, such as Napoleon III and his wife Eugénie. The exceptional quality and design built Dupont’s reputation worldwide to the point that he was called “Malletier of the Kings”.

“THE STRENGTHS OF S.T. DUPONT ARE **OUR COLLABORATIONS AND LOCAL INITIATIVES**”

Later, due to World War II, Dupont started producing lighters, securing a worldwide patent for gas lighters with adjustable flames. It wasn’t until Jackie Kennedy-Onassis asked for a special pen to match her Dupont lighter in 1973 that the company moved into hand-crafted writing instruments.

Dupont products are known for being painstakingly handcrafted by artisans in France, working up to 60 hours on a single piece. During the last few years, the firm has launched collections branded with iconic names such as Audrey Hepburn and Humphrey

Bogart, or designed by internationally renowned celebrities like Karl Lagerfeld. The company also connects with local artists such as Japanese manga artist Eiichiro Oda of “One Piece” fame. Dupont also made a special collection in commemoration of the 3/11 tragedy in Japan, with proceeds going to the Japanese Red Cross Society.

“The strengths of S.T. Dupont are our collaborations and local initiatives,” points out Gahier.

Dupont products are available mostly through its flagship store in Ginza and corners in major department stores in Tokyo districts as well as in Fukuoka and Osaka.

Despite some tough economic times, Gahier sees a positive future for the company thanks to an expanded mix of products and by creating more affordable, colourful and modern lines.

“Despite hard times we’ve gone through, having a long history and heritage, making handcrafted products with the highest quality possible, the brand possesses without doubt all the necessary ingredients to ensure success and long term growth in Japan,” adds Gahier.

“It is just a matter of strategy and convincing our consumers by putting S.T. Dupont products into their hands.”

“Our upcoming collections designed around the theme of Chivalry [with a] shield or coat of arms should undeniably support the brand even further,” he adds. ☺



# Olivier Convert

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*High-flying manager at Roquette Japan*

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Text **MIKE DE JONG**  
Photo **BENJAMIN PARKS**

It might seem like hyperbole to say that someone has had a high-flying career. However, in Olivier Convert's case, it is true. And it all started with hot-air ballooning in university.

"I did it a few times. It was very expensive for my student budget at that time," says Convert. "[But] it was great.

"There is something fantastic about ballooning," he adds. "I am relatively sensitive to heights. But the second the balloon rises, the fear disappears.

"You don't fear heights anymore when you're in the basket of a balloon."

Convert doesn't have time for ballooning these days, but he is still in the air often as managing director of Roquette Japan, the international French food company. Convert is in charge of Roquette's operations in Japan and the pharmaceutical side of the company's business in Asia. It's a job that certainly adds to one's travel miles.

"Actually, I [have] travelled less recently, because we have to be careful about savings. So we try to use more videoconferences and so on. But for several years, I [was] out of Japan for half of the time."

The company converts plant-based raw materials such as maize, wheat, potatoes, peas and micro-algae into more than 600 products in the fields of human nutrition, pharmacy-cosmetology, paper, chemistry, biotechnology and animal nutrition. Roquette's main product is food starch, used in noodles, pasta and even beer.

"All of our products are white powders or transparent liquids. But they are all chemically different," says Convert. "They all come from natural, raw materials like cereals, potatoes, peas.

"Those products modify the way other products are consumed by the people on the street. Most of them are in the nutrition field, but some are also important [in] pharmaceutical applications."

The natural element of Roquette's products is what attracted Convert to the firm in the first place.

"What was very, very interesting for me, and still is, at Roquette is that it's really rooted in sustainable development. The turning into something useful of natural resources ... this is instantly rewarding. There is little chance that

you can do something wrong for yourself or for society as a whole in this kind of industry.

"It's possible to develop without creating any negative, downside effects."

Prior to arriving in Japan, Convert worked in the steel industry in France and the United States, spending two years in America's steel capital of Pittsburgh, Pennsylvania. Having worked on three continents, Convert believes he gained valuable "three-point experience" on life and culture in very distinct living and working environments.

"It gives really a very interesting basis for cultural comparisons, either about the way people live or the way people work," Convert says of his tri-cultural

work background. "I'm really fascinated by the differences between [cultural] models. I'm very interested at understanding what were the situations that developed into these differences. Why are there countries and organisations that develop and others that don't? What's the best compromise between development and happiness or quality of life?"

As a student of culture, politics and management, Convert has seen the good and the bad in business practices. While he says there are things that cultures can learn from each other, he believes that one element is vital to the success of any company.

"The only thing that is the same

“I'M REALLY FASCINATED BY **THE DIFFERENCES** BETWEEN [CULTURAL] MODELS. I'M VERY INTERESTED AT UNDERSTANDING WHAT WERE THE SITUATIONS THAT DEVELOPED INTO THESE DIFFERENCES.”



#### Do you like natto?

**Time spent working in Japan (meaning what portion of your career has been spent in this country):** 14 of the last 28 years, starting 28 years ago

**Career regret (if any):** None, by principle. One can never know what would have happened ...

**Favourite saying:** Let's be positive!

**Favourite book:** *Dangerous Liaisons* by Pierre Choderlos de Laclos

**Cannot live without:** Quality (of life, goods, environment etc.)

**Lesson learned in Japan:** The worst is never certain (actually, more so in Japan than in any other place I know)

**Secret of success in business:** Satisfy customers

**Favourite place to dine out:** A Tokyo *izakaya* or a Paris bistro

**Do you like natto?** Yes, but I prefer cheese

everywhere is that it is necessary for the manager to [have] vision and to know how to promote it," he says. "Vision, at the leadership level, is necessary because it gives direction. Everything else is just details that more or less have to be adapted locally."

Convert's vision also serves him well as chairman of the EBC Food & Agriculture Committee, a role he calls a heavy responsibility. "The EBC is kind of a super chamber of commerce," he says. "And food is a big part of the culture of our older European countries. Food in Europe is extremely diverse. In terms of variety, creativity and new products, European companies have really a lot to offer."

Convert sees his EBC role as a kind of European food ambassador – helping to promote and propagate European culture in Japan, making it more accessible to Japanese people.

"I feel very comfortable about that," he says. "I'm very happy about my origins, and food is really the ideal media to convey this idea."

# NOURISHMENT AND WELLBEING

*a fulfilling stay*



The Andaz Tokyo Toranomon Hills, on the top six floors of a 52-storey tower between the Imperial Palace and Tokyo Tower, takes exceptional care of both hotel guests and locals. Sterling examples include the 1,350-square-metre AO Spa & Club on the 37th floor that harmoniously unites nature and water with a 20-metre pool overlooking the Imperial Palace grounds.

“Honouring the constant cycles in life — time of day, seasons, ageing process — we were inspired by the ever-changing and inescapable needs of the body to restore equilibrium,” explains Rachael McCrory, Spa Director.

Focused on personal style, the AO Spa & Club features a unique consultation to help each guest discover their own personal spa style — season, leisure and music — to create a truly tailor-made experience.

“Through our Jiyujizai experiences, our therapists blend personal products featuring seasonal, fresh elements for each guest,” adds Rachael. AO Spa treatments were developed to be flexible, based on the goals of the guest.

“Each therapist is empowered to customise each treatment accordingly, infusing in the therapist’s own personal style,” she continues.



*“Honouring the constant cycles in life — time of day, seasons, ageing process — we were inspired by the ever-changing and inescapable needs of the body to restore equilibrium”*

Rachael McCrory, Spa Director



## spa interior

Fluidity is a key element of the design and concept for AO Spa, which features contrasting elements using a relaxing tone of white surrounded in grey and black.

"Light and shade complement each other with energy flowing into the gym through the large windows," observes Rachael, "and relaxation flowing out of the five treatment suites."

AO Spa inspires each guest to discover their own personal spa style at the Blend Bar, where products are customised for you — by you.

"Being mindful of our environment, we follow the philosophy of 'farm to treatment table' — sourcing indigenous and local ingredients wherever possible," points out the AO Spa Director.



Gerhard Passruger,  
Director of Food & Beverage/Executive Chef



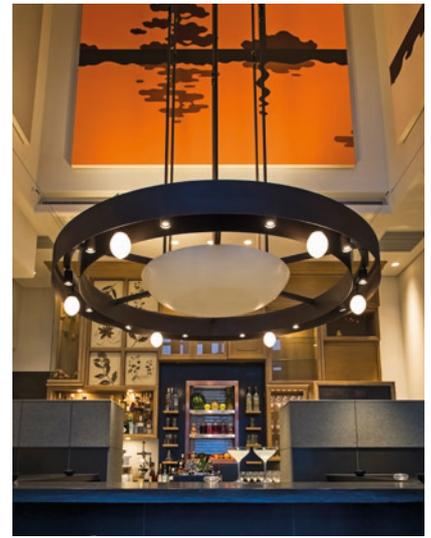
## dining pleasure

The Andaz Tavern, with its five-metre floor-to-ceiling windows, offers a cosy lounge and bar, as well as dining area on the 51st floor.

"The Andaz Tavern concept is based on countryside cooking from various regions of Europe. Travelling through European provinces, one can find a wonderful variety of flavours and regional delicatessen," explains Gerhard Passruger, Director of Food & Beverage and Executive Chef.

The aim to provide the best of Japanese produce — paired with unusual and interesting imported products — comes with an emphasis on craftsmanship.

"Artisan cheeses, natural ciders and whole baked Yamanashi chickens are good examples," says Gerhard. "Prepared in the most authentic ways of European cooking, this adds a unique dining experience to a buzzing capital city."



## up on the roof

A floor above, The Rooftop Bar overlooks Tokyo Bay, and provides indoor and open-air seating.

"It is re-envisioned from the image of the traditional Japanese teahouse, being part of the complete setting, which is accompanied by a contemporary chapel and an event space that reflect the shrine and personal study of a villa, respectively," continues Gerhard.

To accompany this architecture, the cocktails are based on premium teas, seasonal fruit sake and premium Champagnes.

"Fruits are used at the peak of the season, and teas are sourced with utmost respect to premium Japanese tea culture," observes Gerhard. The menu strongly reflects seasonal and indigenous influences with a creative touch through passionate bartenders — creating a limited selection of signature cocktails.

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Sitting in a sumo stable watching the wrestlers' workout is an experience that hotel guests would not likely forget. Sharing a meal with the legendary athletes merely adds to the experience. Guests at the Shangri-La Hotel, Tokyo recently got to do both – and even visit the famous Ryugoku Kokugikan sumo arena – as part of an events package

arranged by the high-end Tokyo hotel.

More and more these days, Japan's hotels are using MICE (meetings, incentives, conferences and exhibitions) events as key selling points to attract new clients. Some hotels work with professional event organisers to sell comprehensive MICE packages, while others partner with travel agents on promotions that include accommodation and event management.

"[Tokyo] gives the guests some sort of experience that they cannot get elsewhere," says Stanley Tan, sales and marketing director at the Shangri-La Hotel, Tokyo. MICE areas are becoming an important part of the hotel's business, with a key push to win over more American and European clients.

The Tokyo Metropolitan Government is also advertising and promoting Tokyo as a MICE destination in the Asian

# Of MICE and guests

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## *Tokyo hotels package special events*

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Text **HUGH ASHTON**



and American markets through the Tokyo Convention & Visitors Bureau. As a result, the numbers of events and attendees are increasing. The recent weakening of the yen and the relaxation of visa restrictions for some Asian visitors have resulted in a record number of foreign guests over the past year – a “surge” according to Tan – many of whom are business travellers attending MICE events.



© HUGH ASHTON

Such events also appeal to domestic clients, along with foreign customers. Shinichi Koshikawa, director of business development for The Westin Tokyo, says many of the over 1,000 MICE events held annually at his hotel are organised by companies in Japan, especially for conferences and exhibitions. He points to IT, pharmaceuticals and the auto industry as the major businesses using Westin’s services. Koshikawa says the

“WE CAN HOST  
**SMALL MICE**  
AND PROVIDE  
SOMETHING  
DIFFERENT”

**Masayuki Kinoshita**

parent company, Starwood Hotels & Resorts Worldwide, works with the hotel to sell MICE services for events and accommodation.

For the recently opened Andaz (a Hyatt brand) Tokyo Toranomon Hills, larger public conference spaces are owned and operated by the mixed-use building’s developer, Mori Building. They are made available if a large conference or exhibition books rooms at the hotel, which occupies the top six floors of the 52-storey Toranomon Hills. However, since the Andaz Tokyo positions itself as a “boutique lifestyle” hotel with a relatively small number of guest rooms, director of sales Masayuki Kinoshita says that their MICE target concentrates more on meetings and incentives, rather than the larger conferences and exhibitions.

“We are not able to host huge MICE groups,” Kinoshita explains, “but we can host small MICE [events] and provide something different.”

At the Andaz Tokyo, that means making use of smaller, more distinctive spaces such as the 52nd floor rooftop terrace overlooking the city.

Tokyo’s fascinating blend of ancient and modern, its contrasts between modern high-rise buildings and unique

traditional culture – and its many Michelin-starred restaurants – make for an interesting location for meetings, conferences and exhibitions. Japan’s long-held perception as an expensive destination is also slowly changing, while major hotels are now employing more foreign-speaking staff, making language issues less of a problem.

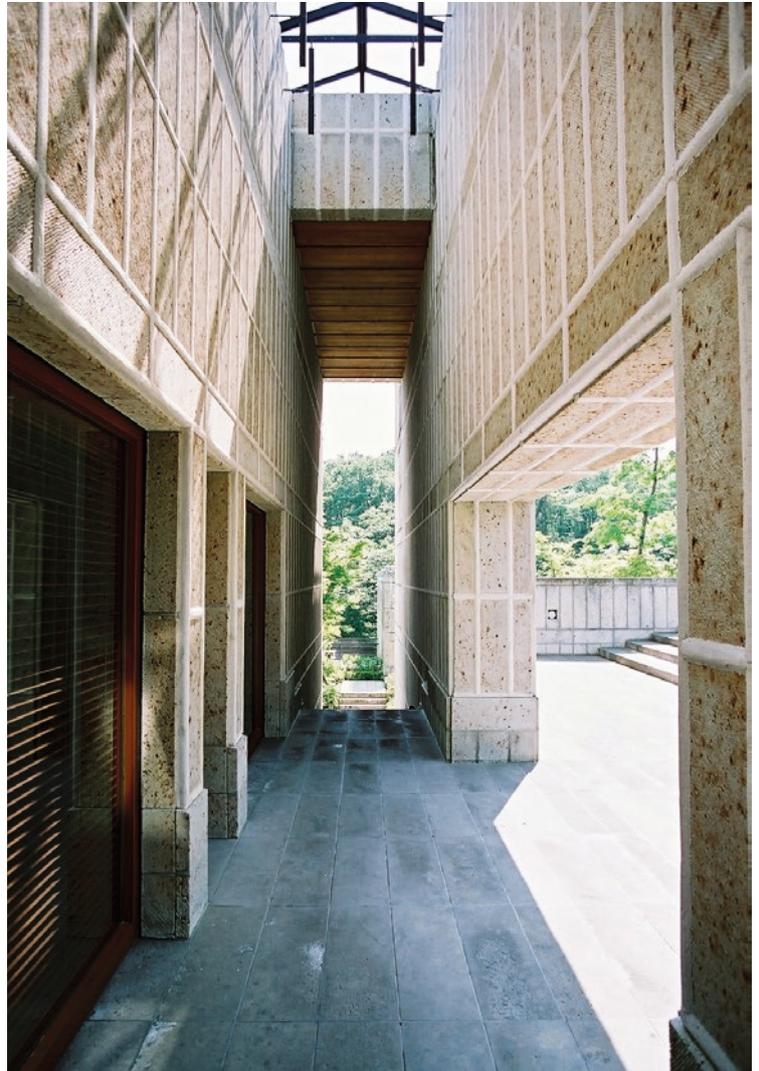
Still, there are issues that people in the industry say prevent Tokyo from becoming a truly great MICE location. One common complaint is the lack of off-site facilities such as castles, gardens or other “creative” spaces. This has an impact on the incentives’ and meetings’ side of MICE. In many other cities, it is possible to use a famous museum or similar well-known public area to host part of the event. Although the Shangri-La, Tokyo has been able to arrange private events at a sumo stable (as described above) and provides a “Matsuri [festival] Package” that appeals to many Asian visitors, Tan believes that there is a distinct lack of outside venues for use by MICE organisers.

For Koshikawa of The Westin Tokyo, the Tsukiji fish market is a selling point as a MICE-related location, along with the shopping areas of Ginza and Akihabara. But he, too, feels that Tokyo lacks in off-site venues. “City-wise, we don’t have good attractions to appeal to the international market,” he says.

Kinoshita at Andaz Tokyo points to efforts by some Kyoto temples to promote themselves as off-site destinations for business groups visiting that city, and hopes that such attitudes will come to Tokyo.

Koshikawa believes that a lack of casinos also causes Tokyo to be overlooked by Asian event organisers, who choose Macau or Singapore instead. That problem could be alleviated by the Abe government’s push for legalisation of casinos later this year, with envisioned 2020 casino openings.

Although it seems that Tokyo has some attractions as a MICE destination – and visitors who are enjoying the city’s hotels and hospitality packages are increasing – many in the service industry believe that more needs to be done by third parties to open the doors wider to visiting groups. This, they believe, would enhance the overall appeal of the city. 



# NIKI CLUB

*The ideal balance between sophisticated and rustic*

A unique getaway is located in Tochigi prefecture, on the lower slopes of the Nasu mountain range in Eastern Japan. The Niki Club is a self-sustaining, contemplative place where guests experience the essence of Japanese living. Such a mission by founder Hitomi Kitayama is what sets Niki Club apart from other destinations.

The many stone paths link the residences with the dining areas and other parts of the hotel. The walkways also connect guests with one another, leading them from one scene to the next. An intermediate zone is thus created between the buildings and the vast surrounding woods. The restaurant and other facilities of Niki Club & Spa overlook a rice paddy, one of the symbolic features of the resort.

You can enjoy morning walks with the Forest Concierge, who will introduce the flora and fauna of the surrounding woods. Sumptuous picnic lunches may be enjoyed anywhere on the property — with chilled champagne or wine coolers just a call away.

## Residences

There are other ways in which Niki Club differs from its luxury competitors. The suites are neither over-the-top nor particularly spacious. An at-home cosiness is in line with a kind of intimate family getaway to a hamlet. The interior design by Yoshiko Kanroji emphasises earthy, natural tones for an unfussy, timeless feel. That care is matched in the clean healthy flavours of Niki Club's fabulous cuisine, which features produce harvested daily from the on-site organic garden.

Distinctive Oya tuff — the stone used in centuries' old warehouses and castle defensive walls — join thick beams of Japanese red pine in the original one-story lodge. The six rooms, built in 1986, each open onto a reflecting pool, and have been given a modern design by architect Akira Watanabe.

A stream marks the resort's western edge, where a newer annex of guest rooms by designer Takashi Sugimoto feature gardens maximising the rich play of light and shade found at Niki Club. There are appointments of bamboo fittings and stone lanterns. But the overall design seems somehow cosmopolitan — even a white parasol rests perfectly in place.

Sir Terence Conran created another set of guest rooms in the East Wing, known as Niki Club & Spa. The 24 pavilions are clustered around a common courtyard, embodying the Niki philosophy that a hotel should serve as a meeting place. The river stones that cover the roofs of both residences designed by Sugimoto and Conran symbolically link the structures with the nearby streambed.

## Presentations

Designed by architect Hiroshi Naito and Masatoshi Izumi — under the concept created by Sigou Matsuoka — the Kagami Stage is just steps from the main banquet hall. It is a one-of-a-kind outdoor setting for performances, ceremonies and other celebrations. It is actually one of the many sculptures that dot the grounds. Flowing panes of mirror-finish stainless steel — reflecting the ever-changing patterns in the sky and leaves above — seamlessly join the seven huge granite boulders, brought from the quarries of Shikoku Island.

All of the art on display throughout the Niki Club hotel are by artists and craftspeople who practice today. They reflect the Japanese psyche and aesthetic sense that are closely attuned to nature — and to the ever-changing present. The artists strive to reveal qualities intrinsic to a given material. Thus, unlike a museum, the displays have less to do with collecting art than with fostering it.

A quiet wisdom, patiently cultivated over the years, informs all of founder Kitayama's initiatives. Among her dreams is working with architect Jun'ya Ishigami on a land-sculpting project that will bring an organic, pesticide-free working farm to the resort.

There is an intelligence to her designs that itself draws simpatico guests back again and again.

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**Crystal Clear Waters**  
The Source of Life



# Eco style

## Teijin's recycled polyester clothing

Text **ALLISON BETTIN**

As the world's petroleum resources grow more and more scarce, transportation won't be the only sector in need of reinvention. The very clothes on our backs might have to change. The fashion industry relies heavily on petrol for the production of polyester fabric, the most dominant fibre in the world.

But a new solution may have been found here in Japan. The Teijin Group, a Japanese technological innovation company, has developed a method of recycling polyester products multiple times without deterioration of quality. So, rather than relying on petroleum to make polyester, Teijin turns used clothing into polyester fibre.

"Polyester is the biggest fibre produced in the world, so we'd like to contribute to recycling," says Ricky Miyatake, general manager of environmental programs of Teijin Frontier, the Teijin Group's fibre-products converting company. "Recycling means less waste, and less usage of new fossil resources ... we'd like to expand the polyester recycling business to stabilize the world."

It's all part of "ECO CIRCLE", a recycling system created in partnership with around 160 companies worldwide. Members such as outdoor clothing company Patagonia collect used polyester clothing, later shipping to Teijin's chemical recycling plant in Matsuyama, Japan. Teijin then utilizes its chemical recycling technology to turn the used clothes into virgin-quality polyester fibres. These fibres are then used to make new clothing.

Teijin is not the first company in the world to recycle polyester. Material recycling is an established technology that converts PET bottles into polyester fibres. However, due to contaminants in bottles such as dyes and bleaches, the recycled fibre is of inferior quality compared to that made of petroleum and cannot be recycled again.

Teijin has solved this problem by removing additives from polyester products, in a process called *chemical recycling*.

"We go back to the molecular level of polyester raw material called DMT," says Miyatake. "So the quality of this is the same as petroleum. We can make any kind of polyester fibres or textiles. Actually there are no limitations."

The quality of Teijin's recycled polyester products can be seen on the shelves of famous sportswear stores like Patagonia, Houdini, and Haglöfs. Most of ECO CIRCLE's overseas member companies are, in fact, European.

"European people are more eco-conscious, I think," laughs Miyatake.

And indeed the environmental benefit of such technology is what makes it so appealing. Compared to making new



“WE'D LIKE TO EXPAND THE POLYESTER RECYCLING BUSINESS TO STABILISE THE WORLD”

**Ricky Miyatake**

PHOTO BY HAGLÖFS (VELUM II Q JACKET)

polyester from petroleum, chemically recycling polyester reduces both energy and CO<sub>2</sub> emissions by about 80%. Of course, there are constraints for current wide-scale adoption of chemical recycling. Recycled polyester fibre is around 15-20% more expensive than fibre made of petroleum and there are limitations to how many times polyester can be recycled (around 5-10 times).

Although Teijin hopes to expand its technology worldwide, Miyatake seems doubtful due to the concentration of manufacturing in Asia.

"Of course, once we've collected and recycled the polyester into raw material, for example, in Europe, unfortunately there are no manufacturing places there," he says. "Everybody asks Asian countries to manufacture products. Back and forth, back and forth. We generate so much CO<sub>2</sub>. It's not good."

At the moment, the benefits of chemically recycled polyester outweigh its negatives. And, as the world's supply of petroleum dwindles, innovative solutions such as ECO CIRCLE will become increasingly necessary. In light of this, Teijin is opening a new chemical recycling plant in China, with plans to start operation at the end of this year. It is also looking into new applications for its current technology.

"Actually we can recycle almost all of the polyester products we are producing right now," says Miyatake. "So not only clothing but of course we can supply the fibre (for) industrial use."

There are even Japanese train cushions that have been made from recycled polyester. The possibilities are limitless. 



# Denmark

*Japan and Denmark exchanged diplomatic missions on a reciprocal basis following the conclusion of the “Treaty of Friendship, Commerce and Navigation between Japan and Denmark” in 1867. Both countries have close ties not only in the economic and trade fields, but also in the cultural and academic areas. In the coming years, much of the Royal Danish Embassy in Tokyo’s outreach efforts will fall under two headings: “Green Nation” and “Creative Nation.” In both fields, the embassy sees good opportunities for enhancing the Japanese interest in, and demand for, Danish products, services and know-how.*



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# Stefan Linde Jakobsen

## *Chairman, Danish Chamber of Commerce in Japan*

[www.dccj.org](http://www.dccj.org)

The Danish Chamber of Commerce in Japan boasts 51 corporate members including leading companies such as Maersk, Danish Crown, Coloplast, Lego and Novo Nordisk. Chairman Stefan Linde Jakobsen spoke to *EURObiZ* about the DCCJ's history and his vision for the future of the organisation.

### **Could you give us some background on yourself and your history with the chamber?**

I have been in Japan for 11 years and working for Danish medtech manufacturer Coloplast for nine of those years. I have been a director on the board of the Danish Chamber since mid-2012, when I took over from the previous Coloplast Japan president. I have also been the DCCJ representative on the JMEC [Japan Market Expansion Competition] executive committee since autumn 2013. In April 2014, I took on the responsibility as Chairman of the Danish Chamber.

### **How long has the chamber been in Japan?**

The roots of our chamber date back to the late-1950s, when a small group of about 10 people representing Danish, Swedish and Norwegian companies in Japan met on a regular basis at the Imperial Hotel in Tokyo. The purpose was to exchange views on business opportunities in Japan, and to assist Scandinavian newcomers with advice as to how to get going on the right track. As the number of attendees gradually increased in the mid-1960s, the group was divided up nationally, and the Danish Businessman Club was established. The name was eventually changed to the Danish Chamber of Commerce Japan and a new set of by-laws were agreed upon in 1990.

### **What areas do you feel Danish companies lead in Japan and worldwide?**

We have traditionally always been



I THINK OUR COUNTRIES ARE HEADING IN A DIRECTION OF CLOSER COLLABORATION

strong in food and agriculture, and shipping. Since the 1970s, we have developed many world-class companies in energy, green technologies and the environment. In the same period, we have also developed strong capabilities in welfare technologies and the life sciences. My own company, Coloplast, is a really good example.

### **What is your vision for the DCCJ?**

I have a clear vision for the DCCJ, which is to revitalise the chamber while keeping the main strengths from the past. At the board of directors, we are currently considering what the DCCJ should focus on and prioritise with our scarce resources, so that we can stay relevant for our members and make a difference in the Danish-Japanese business community. I believe the DCCJ should first

and foremost serve as representative for Danish companies in Japan, and it should feel natural for Danish companies in Japan to join. In addition, we welcome as members individuals and Japanese companies with strong ties to Denmark.

### **Are there any unique Danish products that are becoming popular in Japan?**

Danish furniture and lifestyle design has been popular in Japan for many years. Most recently, Tiger [variety store chain] of Copenhagen has become popular, setting up many stores in Japan. At the Danish Embassy they receive many inquiries about consumer goods and food products.

### **What is your opinion on free trade negotiations between the EU and Japan? What areas are important for Danish companies?**

Both the Danish and the Japanese economies are very reliant on exports, and I think it will be beneficial for both. For Denmark it will mostly benefit the food and agriculture sector, which faces many tariffs and regulatory barriers. Also, the pharmaceutical industry would benefit from deregulation and aligning Japanese new product approval processes closer with those of the EU.

### **Where do you see Japan-Denmark relations going in the next 10 years?**

I think our countries are heading in a direction of closer collaboration. Our prime minister visited Japan back in March with around 20 CEOs of leading Danish companies. During this visit, she and Prime Minister Shinzo Abe signed a strategic partnership agreement between Japan and Denmark aimed at mutual growth and innovation. Japan remains a highly attractive market for Danish companies, and Denmark, in turn, can be the gateway to Europe for Japanese firms. 

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ambience diverse and sophisticated, and the service discreet and attentive.

Le Spa Parisien offers a European spa experience in an apartment setting à la Paris. In addition to a workout routine in the hotel's gym, guests can enjoy experiencing the fresh air and local scenery. The hotel provides a running map, or a group run in spring and autumn with a Westin Running Concierge, who will lead guests on a refreshing trek through Tokyo while imparting interesting facts about the area.



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# Let's get-together

## *The reasons why Japan is a good MICE destination*

Text **DAVID UMEDA**



**The business of meetings, incentives, conferences and exhibitions continues to grow. A vital component is pride of location at each hotel and event venue.**



**F**or Tokyo, the business of meetings, incentives, conferences and exhibitions has become even more convenient as an international city," explains Shinichi Koshikawa, Director of Business Development at The Westin Tokyo, which is celebrating its 20th anniversary this year. "There is easy access from both Haneda and Narita International airports."

As pointed out by Hotel Granvia Kyoto's Shiho Ikeuchi, Director of Overseas Marketing in the Business Planning and Promotion Department, many aspects characteristic of Japanese culture continue to thrive in Kyoto. The ancient capital earned "The World's Best City" in the Travel + Leisure World's Best Awards 2014. "This differentiates – and distinguishes – Kyoto from other MICE locations," she adds.

### **Staff makes a difference**

"Thanks to our multilingual staff, Sakura House and Sakura Hotel provide a friendly and personalised service," points out Masayo Namiki, Sales Manager at Sakura House & Sakura Hotel. "Together we offer a wide range of accommodations in numerous locations in Tokyo."

For Masayuki Kinoshita, Director of Sales, Andaz Tokyo Toranomon Hills, it's all about staff providing fresh ideas on how guests can make the most of their stay in Tokyo. "We offer a personalised, 'unscripted' approach to service," he continues. "In this way, MICE organisers can creatively apply their own personal preferences."

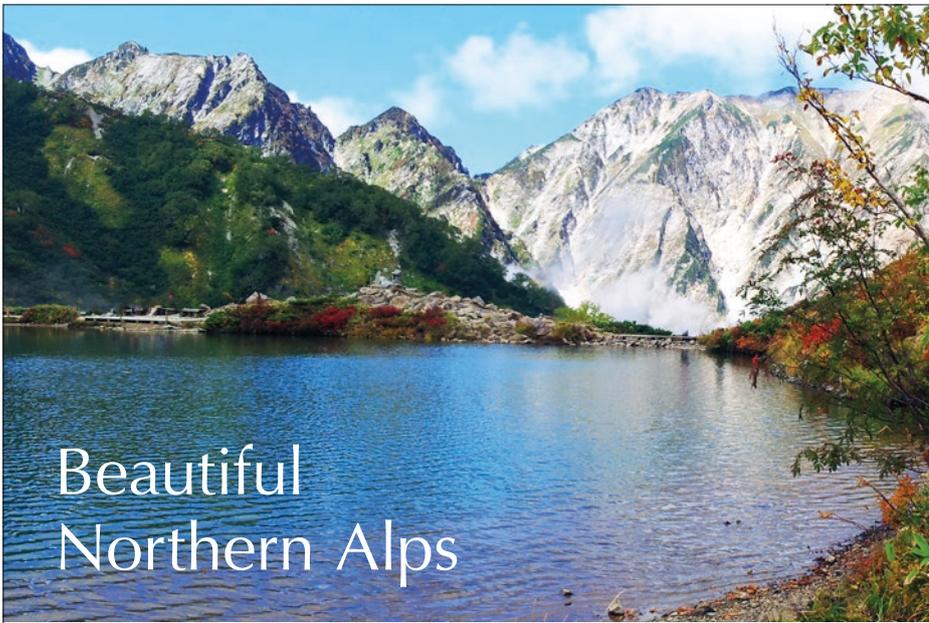
As articulated by Koshikawa of The Westin Tokyo, "Our experienced service team is capable of facilitating any type of event, from conferences or business meetings to fashion and auto shows, formal galas or balls, theme parties, or exhibitions."

For sophisticated MICE planners, according to Ikeuchi of the Hotel Granvia Kyoto, there are far more criteria being considered during the selection process nowadays. "Contributing intangibles include enthusiastic staff ready to assist being considered vital for the success of MICE events," she explains.

### **Products and services**

Hotels.com is part of Expedia Inc., one of the largest online travel companies in the world with a global portfolio of leading consumer travel brands. "Through Hotels.com's loyalty programme, Welcome Rewards, the more than 10 million members can earn a free night at over 100,000 hotels for every 10 nights stayed," explains Chie Ikoma, Marketing Manager at Hotels.com Japan.

The Hotel Continental, Fuchu, part of the Sakura Hotel Group, is located in a suburb of Tokyo. "The best business



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Niki Club

"Hakuba offers staggering scenery and a huge variety of indoor and outdoor activities," he adds. "Just minutes away from the ski slopes and beautiful autumn hiking trails, Koharu brings nature to your doorstep."

Only 75 minutes from Tokyo, Niki Club is a unique getaway on the lower slopes of the Nasu mountain range in Eastern Japan. "The Niki Club is a self-sustaining, contemplative place where guests experience the essence of Japanese living," says Kitayama.

**Public and private**

Adding to the appeal of major Japan cities, especially Tokyo, is a longstanding cooperation between the public and private sectors, along with regional pride and historic preservation of a rich cultural heritage.

"I experience a synergy between the public and private sectors at Toranomon Hills, located in the 'Special Zone for Asian Headquarters' established by the metropolitan government," beams Kinoshita. "The area enjoys greater numbers of visitors, with shops and conference facilities meeting international standards."

Kuzumi of the Hotel Okura Tokyo, offers this observation on the synergy between the public and private sectors: "In the leisure industry, local government takes part in public relations activities aimed to attract overseas travellers since each relevant segment of the private sector seldom has the budget to cover all the PR costs."

Across a range of industries, Japan brings global decision-makers together through its MICE portfolio. ☺

with private views of our Japanese garden."

The interior design of Niki Club in Tochigi prefecture emphasises earthy, natural tones for an unfussy, timeless feel. "That care is matched in the clean healthy flavours of Niki Club's fabulous cuisine," says Miyu Kitayama, Executive Vice-President, NIKI Resort Inc., "which features produce harvested daily from the on-site organic garden."

**Beyond the meetings**

It's worth mentioning about places that help define Japan as a popular destination, yet serve more as enriching getaways to your business event.

Located in the Northern Alps of Japan, Koharu Resort Hotel & Suites offers chic, modern interiors with fully self-contained apartments alongside the facilities of a larger hotel. "This makes Koharu one of the most comfortable and flexible accommodation options in Hakuba," explains Dennis Kam, CEO of Create Asia Limited.



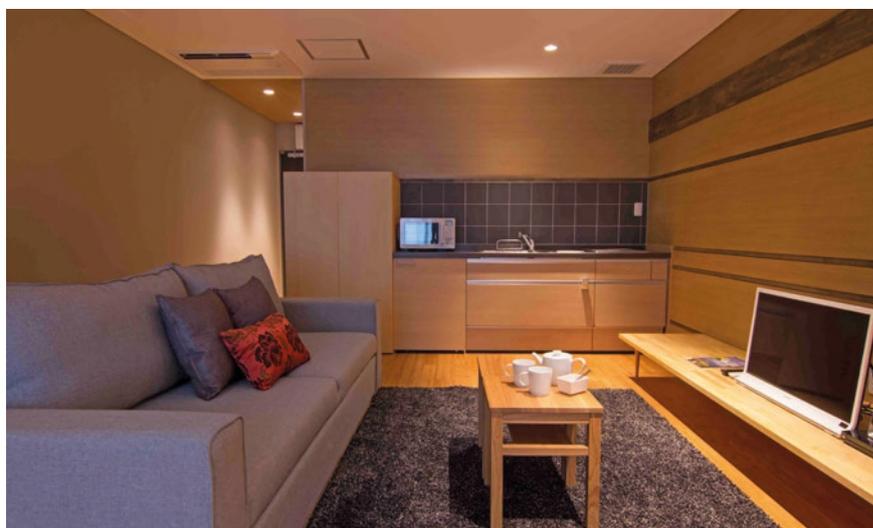
The Hotel Continental, Fuchu

> hotel near the Tama district offers the perfect line-up of meeting and conference rooms in Fuchu," points out Namiki. "Recently, we started offering breakfast from as early as 5:00 for only ¥400 – more convenience for the business traveller."

As highlighted by the director of business development, "The Westin Tokyo's 12 banquet rooms cover a wide variation of sizes, from 40m<sup>2</sup> to 1,020m<sup>2</sup>."

Hotels.com's suite of award-winning mobile apps for iPhone and iPad – and also running on Android, Windows 7 and 8 – allow users to search and book more than 20,000 last-minute deals globally. "We've exceeded 25 million downloads," adds Ikoma.

At the Hotel Okura Tokyo, the staff wear kimono at the Japanese restaurant. "In this way, we convey the traditional culture through our service," explains Naohiro Kuzumi, PR Manager. "Guests also can enjoy the tranquil atmosphere of a tea ceremony room

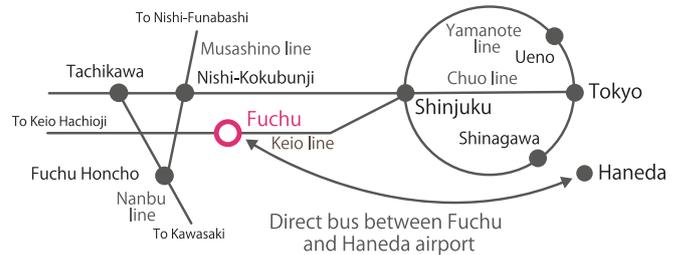


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# Inflation vs Deflation

## *The great debate, part II*



### **As outlined last month, my position**

in the argument between inflation and deflation is that embedded, mild deflation is preferable to even mild inflation for various reasons. With this in mind, I recently organised a debate with two expert economists: Martin Schulz of the Fujitsu Research Institute and Nick Smith of CLSA.

Schulz went first, arguing that deflation was natural in Japan – a super-ageing economy which has already reached a very high level of development. In other words, he posited the conventional view that an ageing, rich country can only grow very slowly.

One of his presentation slides summed up his views perfectly: the economy first slows as the high-speed catch-up phase ends, worsened by the post-war baby boomers becoming consumers of wealth instead of generators. Companies switch to cost-cutting and de-leveraging, raising productivity and lowering prices, leading to higher exports, a stronger yen, and further deflation. Retirees cease earning and spend pensions and wages, but at much lower levels of consumption. The budget deficit rises as more is spent on healthcare and pensions, while taking in tax income. Everybody is earning less money and prices keep trending down.

The single biggest difference between Martin's arguments and those of Smith was the role of demographics and the role of history. Smith paid much closer attention to what happened to Japan in the 1990s, in the post-bubble era and blamed deflation for Japan's economic sluggishness. He emphasised that the fall in Japanese asset prices was uniquely dramatic in recent world economic history, with the post-bubble destruction of wealth amounting to

400% of GDP, compared to 100% in the US during the Great Depression of the 1930s. Given that hard assets back Japanese bank lending, this was a disaster for Japanese companies and the banks themselves.

Later, I spoke to another very smart and unusual thinker, Alexander Kinmont, who runs a small asset management company. As far as I can understand, he believes that Japan has deflation because the bureaucrat and salaryman class (30% of the population) benefit from it personally. He estimates

“IF JAPAN CAN GROW FASTER SAFELY, IT PROBABLY SHOULD”

that deflation has resulted in the loss of 4 million jobs in the Japanese economy, or 10% of the total. He believes that deflation is the result of deliberately lower wages, which depresses consumption, which depresses corporate investment – the same ‘corrosive deflation’ that Smith mentioned. Kinmont's interpretation is slightly different from Smith's in that he blames deliberate government policy, steeped in the moral virtues of austerity, more than he does the consequences of the bubble.

But pursuing moral virtue by economic means is dangerous. Deflation is very, very bad for Japan because it achieves the opposite of the financial balance which the Ministry of Finance

bureaucrats are trying to achieve. Far from reducing debt, deflation makes debt much larger and more threatening. A more reflationary policy would reverse that, and Kinmont believes it is beginning. Tight demographics are leading to higher wages, and this should result in a powerful virtuous cycle.

It's also worth mentioning the controversy about Japan's economic performance. In his defence of deflation, Schulz pointed out that deflation has not harmed Japan in real terms. In other words, per employee and stripping out the price and demographic difference with more inflationary countries, Japan has not under-performed against other rich economies. I think the answer to this point is simple – why settle for less when you can have more? If Japan can grow faster safely, it probably should.

In the end, I learned three things from the debate. First, mild deflation is nice on the wallet, but not when it is the result of an economic heart attack of the kind suffered by Japan in the 1990s. Second, I learned to view deflation as an elite mind-set, which believes hardship is ‘good for the soul’ and which is uniquely keen to control the ‘animal spirits’ of the private sector through deliberate wage suppression. My third big lesson is that demographics have little or nothing to do with economic growth – whatever the classical economists say. The latter was perhaps the most dramatic revelation, and a topic I shall return to in later columns. ☺



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# Data protection 101

*Seminar on privacy rights in Japan at the GCCIJ, 18 June 2014*

Text and photo **ALLISON BETTIN**

You'd be hard-pressed to find a Westerner who'd deem Japan unsafe ... except, perhaps, in the realm of data privacy. In a June seminar, lawyers from German-based ARQIS Foreign Law Office in Tokyo, in a foreign law joint enterprise with TMI Associates, discussed the intricacies of Japan's data protection laws, with emphasis on their differences with European Union regulations.

Data privacy is a highly relevant topic in today's global economy, where companies are facing the challenges of collecting, transferring, and storing personal data in multiple countries, all with varying laws. Despite Japan's reputation of being a stickler for rules, the seminar heard the existing rules, including the Act on Protection of Personal Information (APPI), and related regulations are quite lax compared with the EU legal framework.

"From an EU perspective, Japan is one of those countries where data protection is almost non-existent or not secure," says Ulrich Kirchhoff of ARQIS. "While the EU tries to make the data protection regulations stricter, Japan tries to make them less strict, so it goes exactly the opposite direction."

Although the APPI is expected to be amended next year – with changes taking effect expected in 2017 – seminar participants pointed out that the current Japanese law is little more than a set of conduct guidelines advising businesses on how to handle personal data. Should a company violate a provision of the APPI, it would more than likely receive a government recommendation or order, but rarely face penal sanctions.

"This is [a] scolding from the

government to the businesses, that's it," says Masafumi Oshino of TMI Associates. "If the business doesn't obey the instructions or scolding, then the business [would] be subject to penal sanctions. So if they're scolded and they just obey, everything is fine as far as APPI is concerned."

Another issue relating to data privacy might be what legal recourse would a person have in Japan if their sensitive private information, like of their bank account, was leaked? The legal experts

“JAPAN TRIES TO MAKE [DATA PROTECTION LAWS] **LESS STRICT**”

**Ulrich Kirchhoff**

companies are able to comply with the myriad of national data privacy laws worldwide. It seems there is no simple answer.

"If you have a transfer of data from one jurisdiction to another jurisdiction, which law applies?" asks Dr Tobias Schiebe of ARQIS. "For such

transactions, in a lot of cases, both or several laws apply. If you transfer data collected in Japan to Germany and the data is processed in Germany, then the German Data Protection Act, in prin-

ciple, applies. But also for the act of collection and transfer of data in Japan, the Japanese laws and regulations apply."

Several guests at the seminar shared that in order to navigate the jumble of laws, many German firms oblige their Japanese subsidiaries to follow the EU/German law.

"If you follow the stricter law, which in most cases would be the European/German law, then that would generally also imply that you cover most of the requirements and obligations under the Japanese law," says Schiebe. He states that some Japanese guidelines can also be quite detailed, so it is best to cover all bases and seek advice regarding the compliance of their company regulations and practice with Japanese law.

"It seems that the law amendment that is expected to come into effect in 2017 makes it even easier for companies at least to transfer certain data," says Kirchhoff. "It needs to be seen how this will be implemented." 



**Seminar speakers (from left): Dr Tobias Schiebe, Masafumi Oshino, Ulrich Kirchhoff**

said if the victim was able to prove in a civil lawsuit that either material or immaterial damages occurred then the offending company would be ordered to pay damage compensation. Oshino points out that sometimes it might be more efficient to take on the company directly, as it would be concerned about public reputation, especially on social media. "If the reputation [is threatened] on the Internet, then the company will react to distinguish the bad reputation," he says. In some cases, damages will be paid out of court directly to the person in order to settle the claim.

Another key point of the GCCIJ seminar was to discuss how multinational

# Insurance//

## *Waiting for reform*

Text **GEOFF BOTTING**

In terms of advocacy issues, the EBC Insurance Committee hasn't seen much change over the last few years. Japan Post reform, mutual aid associations (called *Kyosai*) and harmonisation with global standards are listed in the 2013 white paper – as they have been in the past.

And once again, Japan Post tops the list. Parent company Japan Post Holdings (JPH) took over the nation's post office business in 2007. The insurance unit is Japan Post Insurance (JPI), also known as *Kampo*, which remains government-owned. The EBC, as well as industry groups, have been calling on the Japan central government and the relevant ministries to level the playing field in the insurance market. However, JPI continues to enjoy preferential treatment, owing to its enormous size, reach and close government ties, they point out.

The Japanese government has moved to ease such worries over the past year. The big news is the plan for the conglomerate to go public in fiscal 2015. Kazutaka Matsuda, chairman of

### Insurance Key advocacy points

#### → Japan Post reform –

The Japanese government should create a level playing field in the insurance market before allowing the JPI to roll out new products.

#### → *Kyosai* – Their products should be brought in line with the regulations used for private-sector insurance products.

#### → Solvency harmonisation –

Reforms in Japan affecting solvency standards should be aimed at creating greater convergence between Japanese and global standards.

the EBC Insurance Committee, says his group is taking a wait-and-see attitude.

"There isn't much more for [the committee] to do at the present, because [JPH] has already made its decision to go public, and the plans aren't so clear," says Matsuda, who is also an executive officer at AXA Life Insurance.

"Our purpose is to maintain – or even improve – fair competition for the private sector toward Japan Post."

Additionally, Japan promised the US in April 2013 that it wouldn't allow JPI to roll out new cancer insurance or stand-alone medical products. A couple of months later, US insurer Aflac announced a deal whereby it would sell a sharply increased number of products at up to 20,000 Japan Post offices. The two sides also have plans to co-develop new insurance products.

According to the chairman, the committee is watching the Aflac deal closely. The concern is that despite Tokyo's reaction to the criticism of preferential treatment for Japan Post, JPI still retains its close government relationship, including financial ties. The question is how that relationship will be affected after the public offering, in particular with regard to the post office's role in one-stop services throughout the country.

"They say they're trying to create fair competition. But legally, *Kampo* – as well as *Yucho* (Japan Post Bank) – have a legal obligation to provide one-stop

“OUR PURPOSE IS TO  
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 IMPROVE – **FAIR**  
**COMPETITION** FOR THE  
 PRIVATE SECTOR  
 TOWARD JAPAN POST”

**Kazutaka Matsuda**

shopping, or ‘universal services’,” Matsuda points out.

He fears that whatever the outcome of the IPO and other moves, the Japanese government would still not tolerate Kampo losing ground to private-sector rivals.

“The point is that Kampo is potentially a competitive player. But it has also captured its customers who view Kampo as really reliable by means of the fact that it is supported by the government,” explains Matsuda. “As long as the post offices have that legal obligation to provide universal services, then they may try to sell their own products first [over rival private sector products]. That kind of thing should be carefully monitored.”

Should the government continue its big brother role over the JPI, “then that would be discriminatory and an advantage for Kampo and a disadvantage for the private sector,” the committee chairman says.

As in other countries, Japan’s post office has long played an important social role, making the reform process such an onerous task. Its network, spread throughout the four corners of

the archipelago, handles not just postal and logistical needs, but also extensive financial ones as well. These roles are especially important for rural residents, as well as the nation’s growing number of elderly.

Japan Post insurance policies were originally conceived to serve specific groups of workers, such as farmers, although in many cases that role is no longer relevant because anyone can now take out these policies.

For the committee, the problem is that the policies of Kyosai are under the regulatory control of a range of different ministries, depending basically on what kind of workers the policies were originally intended to serve. The products for farmers, for example, are under the Ministry of Agriculture, Forestry and Fisheries.

“The Kyosai are under different sets of regulations, so this is potentially a deterrent to fair competition,” says Matsuda. “The players on the government side are really diverse, so there isn’t any consensus as to where this issue should be going. So this is still an emerging issue.”

As for harmonisation, the issue is over Japan developing common market-based rules to calculate solvency, based on the Solvency II Directive adopted by the Council of the European Union and the European Parliament in November 2009. With these rules harmonised, European insurers would be able to use the same calculations in all its territories.

“From a European perspective, the pace of adoption is not a big problem because we’ve made more progress than the domestic companies,” Matsuda says. The problem, he adds, is a rift possibly emerging at some point between the EU and Japanese domestic insurers.

Regardless of all the issues, Japan remains the world’s second-largest market for insurance products. Growth is expected in the future, due to Japan’s demographic pinch and the strain that it places on the state-run social security programmes.

Reforming the industry, however, remains a challenge. “Insurance products serve over the long term. So it’s hard simply to ban or scrap certain measures,” concludes Matsuda. 



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# Industry 4.0

## *Buzzword or Branding Opportunity?*

*BRAND AID is a forum for experts in public relations and communications.*

**The Olympic motto, “Faster, Higher, Stronger”** – based on the original Latin *Citius, Altius, Fortius* – has not changed since 1894 and is still in use. It is a prime example of the consistent long-term branding of a fundamental idea.

In business, new buzzwords come along every year, often claiming to mark a fundamental shift in thinking. Most of them are forgotten very quickly. Over the last decade, we have seen the popularity of attributes such as 2.0, 3.0 and, most recently, 4.0.

The term “Industry 4.0” was first used in 2011 at Hanover Fair, the world’s leading industrial technology event. It was coined by a working group of leading German manufacturers and soon became a cornerstone of the German government’s industrial high-tech strategy.

But is Industry 4.0 really more than just another buzzword? Does it offer companies a golden opportunity for branding? And if so, how?

Put simply, Industry 4.0 is all about computerising traditional manufacturing and creating “smart” factories. Universal digitisation links all productive units in one economy, integrating production with suppliers, customers and business partners. Cyber-physical systems and the increasing use of the Internet underpin all these transactions.

This merging of traditional hardware manufacturing with the Internet is an unstoppable trend. In America, it is called “Smart Manufacturing” and the Internet of Things (IoT). The GE conglomerate is promoting an initiative called “The Industrial Internet”. Industry 4.0 is probably the broadest of all these concepts. The suffix “4.0” refers to the fourth industrial revolution that its boosters see happening around the world.

The German government is heavily promoting the concept of Industry 4.0 and, in turn, German industrial firms and Germany as a centre of business. Industrial giant Siemens is probably the most aggressive in positioning itself in this area. Back in May, the company reorganised its structure around electrification, automation and digitisation – and even teamed up with IBM and Intel to create a new division: Digital Factory.

Other German companies – including non-traditional manufacturers such as SAP, the world leader in enterprise

to get on board themselves. This is especially true concerning Industry 4.0, which is about networking, about connecting hardware and software, and coordinating the cross-functional work of people across physical, cultural and mental boundaries. Collaborative and cross-cultural competence must succeed in this new network environment that is so reliant on information sharing.

Interdisciplinary work within Japan, however, is still rare beyond the closed networks of related firms. On a global scale, interdisciplinary collaboration is rarer still. Hence, this new shift – whether you label it as Industry 4.0, Internet of Things or Smart Manufacturing – represents a huge opportunity for foreign firms to position themselves, versus customers and business partners. This applies to most foreign firms active in the B2B area. It is not limited to manufacturers, however. Nor is it limited to German firms, as the experience of IBM, Google or France-headquartered Schneider Electric shows.

Interestingly, some German executives have stated that their firms do Industry 4.0, but avoid putting too much emphasis on it to ensure they are seen as global players, not German ones.

But isn’t it all about seamless, cross-functional and borderless production in the end? Or, in other words: Faster, Higher, Stronger? Industry 4.0 is an idea that is threatening to some in Japan. But for many foreign firms here, it presents the combination of perfect branding opportunity and a valuable partnership proposition. 

“  
IN BUSINESS,  
NEW  
BUZZWORDS  
COME ALONG  
EVERY YEAR  
”

software and software-related services – tend not to use the term “Industry 4.0” so much. But they all want to be seen as part of this positive, future-oriented trend, and are increasingly likely to use the term in their external communications.

Here in Japan, there has also been heightened interest in Industry 4.0 over recent months. In January, the *Nikkei* financial daily published a major article on “Germany’s fourth industrial revolution”, which triggered a large number of follow-up articles [and events].

Interest in Japan is especially high due to the many similarities between the industrial structures of Japan and Germany. If German competitors buy into a promising long-term trend, Japanese firms would be well-advised



**DR JOCHEN LEGEWIE**  
is Managing Director of  
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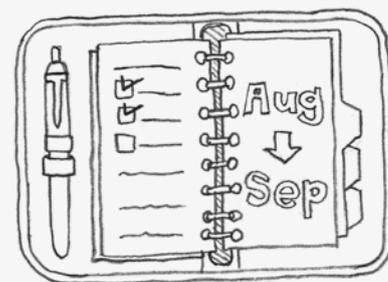
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# Upcoming events



► **Belgian-Luxembourg Chamber of Commerce in Japan**  
[www.blccj.or.jp](http://www.blccj.or.jp)

## Annual Summer Pool & BBQ Party

30 August, Saturday, 15:00-22:00

**Venue:** Hilton Tokyo Bay, pool area, JR Maihama station

**Fee:** ¥10,000 (members), ¥12,000 (non-members), half price (children up to 12 years)

**Contact:** [info@blccj.or.jp](mailto:info@blccj.or.jp)

## Belgian shop @ Belgian Beer Weekend Tokyo

6-7, 13-15 September, weekends, 11:00-22:00

**Venue:** Roppongi Hills Arena, Roppongi

**Fee:** Pay for what you drink

**Contact:** [info@blccj.or.jp](mailto:info@blccj.or.jp)

## Monthly Beer Gathering

20 October, Monday, 19:00-23:00

**Venue:** Belgian beer café in Tokyo

**Fee:** Pay for what you drink

**Contact:** [info@blccj.or.jp](mailto:info@blccj.or.jp)

► **Finnish Chamber of Commerce in Japan**  
[www.fcc.or.jp](http://www.fcc.or.jp)

## FCCJ Yakatabune: Finnair AY4159 - Honka HJ4169 code-share cruise

29 August, Friday, 18.30-21.00

**Venue:** Funayado Miuraya, Tokyo

**Fee:** ¥9,000 (members and guests), ¥11,000 (non-members)

**Contact:** [fccj@gol.com](mailto:fccj@gol.com)

► **French Chamber of Commerce and Industry in Japan**  
[www.ccfij.or.jp](http://www.ccfij.or.jp)

## CCIFJ Bonjour France project presentation

2 September, Tuesday, 19:00-20:30

**Venue:** CCIFJ meeting room, 1F, Iida Building, Yotsuya

**Fee:** free

**Contact:** [www.ccfij.or.jp](http://www.ccfij.or.jp)

## CCIFJ After-Summer Cocktail Party 2014

4 September, Thursday, 19:00-21:00

**Venue:** Andaz Tokyo Toranomon Hills

**Contact:** [www.ccfij.or.jp](http://www.ccfij.or.jp)

► **Italian Chamber of Commerce in Japan**  
[www.iccj.or.jp](http://www.iccj.or.jp)

## Aperitivo della Camera: the Italian Way to Drink & Network

3 September, Wednesday, from 19:00

**Venue:** Spacca Napoli, Shinjuku

**Fee:** ¥1,500 (members), ¥2,500 (non-members)

**Contact:** [promo@iccj.or.jp](mailto:promo@iccj.or.jp)

## Seminar: Venetian Cuisine Workshop (Lesson #8)\*

8 September, Monday, 19:00-21:00

**Speaker:** Chef Paolo Colonnello

**Venue:** The Italian Chamber of Commerce in Japan

**Fee:** ¥4,000 (members), ¥5,000 (non-members) for one lesson

**Contact:** [promo@iccj.or.jp](mailto:promo@iccj.or.jp)

\* Series of 9 lessons – Lesson #9: 24 September

## La Cena della Camera in Osaka - Osaka Summer Dinner

11 September, Thursday, from 19:00

**Venue:** Il Colosseo, Osaka

**Fee:** ¥10,000

**Contact:** [promo@iccj.or.jp](mailto:promo@iccj.or.jp)

► **Netherlands Chamber of Commerce in Japan**  
[www.nccj.jp](http://www.nccj.jp)

## Aperitif – Welcome back drinks

25 September, Thursday, 19:00-21:30

**Venue:** Restaurant bar Amusement, Shibuya station

**Fee:** ¥4,000 (members), ¥5,500 (non-members)

**Contact:** [nccj@nccj.jp](mailto:nccj@nccj.jp)

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► **Swedish Chamber of Commerce and Industry in Japan**  
[www.sccj.org](http://www.sccj.org)

## Back to Tokyo

9 September, Tuesday, 19:00-21:00

**Venue:** Embassy of Sweden

**Fee:** ¥4,000

**Contact:** [office@sccj.org](mailto:office@sccj.org)

## Beach Day in Chigasaki

20 September, Saturday, 10:00- (all day)

**Venue:** Beach in Chigasaki

**Fee:** ¥3,500 (children under 8 years old are free)

**Contact:** [office@sccj.org](mailto:office@sccj.org)

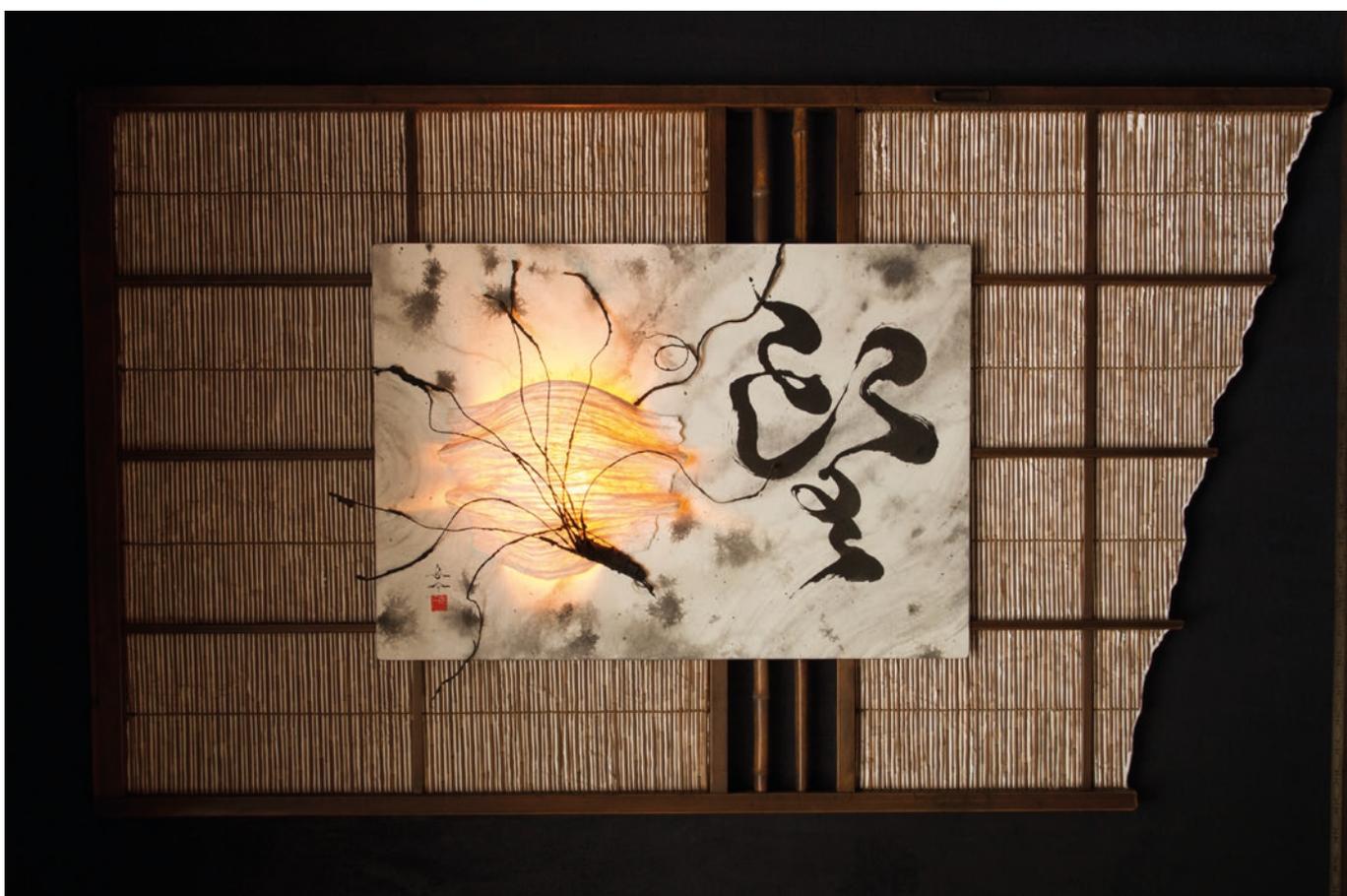
Compiled by **DAVID UMEDA**



# Shoichi Sakurai: the Recycle Artist

Photos **Valeria Mancini, Toshihiro Motoyama & Michiko Tanizaki**

Shoichi Sakurai was born into a family of master craftsmen. From a young age, he had a different view of life and art. A self-taught artist, the key element in his work is the elusive principle of *wabi-sabi*. Referred to as a recycle artist, Sakurai has done sculptures for famous brand companies. His theme is: Don't waste! Recreate! Because life and value don't have to be measured in what was. 





# Ryotaro Tachino

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Photo **ALFIE GOODRICH**



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