

EURObiz JAPAN



Taking action

EBC white paper 2014

Economic future

Japan's post-election
forecast

Talent gap

Growing distance between
jobs and applicants

Head of Delegation

H.E. Viorel Isticioaia Budura
New EU Ambassador to Japan

01 2015



Europe's
Best Airline



Istanbul:
Delightfully Turkish,
delightfully yours.



Turkish Airlines connects you to a city which is connecting two continents.

TURKISHAIRLINES.COM

Voted Europe's Best Airline at the 2014 Skytrax Passengers Choice Awards



WIDEN YOUR WORLD





8 **Taking action**

EBC white paper 2014

By **Geoff Botting**

14 **Economic future**

Japan's post-election forecast

By **Justin McCurry**

20 **Talent gap**

Growing distance between jobs and applicants

By **Gavin Blair**

© Cover photograph **Alfie Goodrich**

② eURObiZ January 2015



COLUMNS

7 From the Editor

10 Q&A

Head of Delegation: H.E. Viorel Isticioaia Budura, new EU Ambassador to Japan

18 EBC Personality

Otto Benz: One company, one career. By Mike de Jong

23 Green Biz

Insulation innovation: Icynene's environment-friendly solution. By Allison Bettin

25 Chamber Voice

Focus on Kansai: German Chamber of Commerce and Industry in Japan. By Mike de Jong

27 Executive notes

Dan Slater on what makes a robot.

29 Event Report

Finding common ground: EBC-EU update on FTA/EPA negotiations. By Mike de Jong

30 In Committee

Materials: Reducing barriers to business. By Geoff Botting

34 Culture Shock

Better Bento: Thomas Bertrand's lunchbox dream. By Rod Walters

39 Brand Aid

Hidden Champions: Does branding matter? By Jochen Legewie

41 Upcoming Events

Events for the European business community in Japan.

42 Lens Flair

Shikoku's Mt. Ishizuchi: Western Japan's highest peak. By Rod Walters

44 Work Place

Alexandre James: President, S.T. Dupont Japon

The Mission of the European Business Council

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

Now with even more support

just when you need it

ECOVIS APO is proud to announce our association with Ecovis, and as an exclusive partner we are delighted to contribute our part to the further success story that is Ecovis.

This international consulting firm, comprising tax advisors, certified accountants, attorneys and management consultants, is represented by over 80 partner offices around the world.

ECOVIS APO is committed to helping our clients realize their objectives, and with the additional support from Ecovis, to providing highly qualified bilingual specialists with extensive experience and knowledge of financial operations, payroll and tax services.

Enabling you to compete better and accomplish your goals.

ECOVIS APO

Iidabashi Building 1-18 Ageba-cho
Shinjuku-ku Tokyo 162-0824

Tel: **+81 (0)3 5228 1820** Fax: +81 (0)3 5228 1830

WWW.ECOVIS.CO.JP



Publisher **Vickie Paradise Green**
paradise@paradigm.co.jp

Editor-in-chief **Mike de Jong**
dejong@paradigm.co.jp
Senior Editor **David Umeda**

Creative Director **Paddy O'Connor**
Art Director **Cliff Cardona**

Advertising Sales
Nicole Alarie
Tapo J Mandal
advertising@paradigm.co.jp

Production and distribution
Daisuke Inoue
eurobiz@paradigm.co.jp

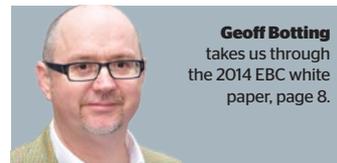
Published by Paradigm
6F Daiwa Osaki 3-chome Bldg.
3-6-28 Osaki, Shinagawa-ku, Tokyo 141-0032
Tel: 03-5719-4660 Fax: 03-349-1202
www.paradigm.co.jp

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

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



Contributors



Geoff Botting takes us through the 2014 EBC white paper, page 8.

A former newspaper and wire service reporter, Geoff has called Japan home for a

quarter century. He now works as a freelance journalist and translator, writing mostly about business, economics and travel.

"There's never a dull moment in Japan these days: a recession, an election and a government eager to kick-start its floundering economy. On that last point, the EBC has plenty of advice to help the government get growth going again. It's all in the 2014 White Paper. Read all about it."

Justin McCurry is the Tokyo correspondent for the London-based *Guardian* and *Observer* newspapers. He graduated from the London School of Economics and earned a master's degree in Japanese studies from London University.

"Had I been able to vote, I might have followed the 46% of Japanese voters who stayed home on 14 December. I shared the widespread feeling that Prime Minister Shinzo Abe was indulging in an opportunist power grab. But perhaps my cynicism



Justin McCurry looks ahead to the post-election future in Japan, page 14.

was misplaced. Having secured a possible four more years in power, Abe is now under pressure to deliver."



Gavin Blair examines Japan's growing talent gap, page 20.

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. "While it is good to hear that at least one sector, recruitment, is enjoying some good times thanks to Japan's shrinking workforce and talent pool, there are signs that these shortages will begin to significantly impact economic growth within a few years. Given the apparent political and cultural allergy to immigration, even a large dose of Womenomics – whenever that is finally administered – looks unlikely to compensate for a simple lack of workers."

Exploring Life



Fulfilling Dreams

Science For A Better Life



Seven billion people already live on our planet, and the number is growing by 220,000 every day. How can we provide food for more and more people without damaging the environment?

How can we improve everyone's health and prevent diseases? How can we develop new materials to help us conserve resources?

To provide better answers to these questions, research is under way in Bayer's three subgroups: HealthCare, CropScience and MaterialScience. Fields in which Bayer is already a global leader – and whose importance to the future of humankind grows by the day.

www.bayer.co.jp



Bayer: HealthCare CropScience MaterialScience



**When your next hire is critical,
one name should Spring to mind.**

Spring Professional is an international recruitment firm specialising in engineering, information technology and property & construction.

We bring great people to great organisations.

Spring Professional Japan focuses exclusively on the recruitment of middle to senior level management and specialists within the IT, engineering and property & construction sectors.

In a dynamic market like Japan, one of the biggest challenges that businesses face is finding the right people, particularly specialists and leaders, to move their business forward.

Spring Professional Japan can help you to build the right team, to help take your business to the next level.

To learn more about partnering with Spring Professional Japan, email us at inquiry@springjapan.com or contact **03 5439 5833** for an informal discussion.

Spring Professional Japan

Granpark Tower 3F, 3-4-1 Shibaura, Minato-ku, Tokyo 108-0023

☎ Tel: 03 5439 5833 | ✉ Email: inquiry@springjapan.com

springjapan.com

Spring
Professional

New Year Greetings!

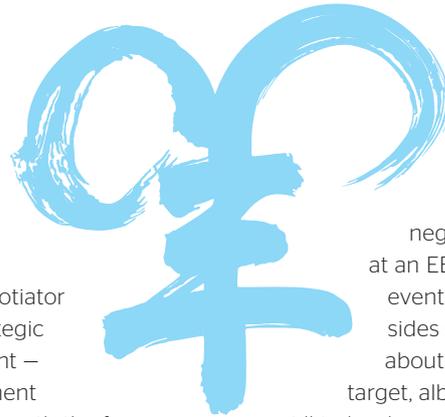
Happy New Year! We hope readers had a joyous and relaxing holiday, and are ready to put the stumbling year of the horse behind us in favour of sheep! Seriously, the year ahead promises to be interesting, even exciting, for Japan's European business community. We should see a successful end to negotiations over the Japan-EU economic partnership/free trade agreement. Newly re-elected Prime Minister Shinzo Abe has promised a conclusion by the end of this year.

His plans for reviving Japan's moribund economy will also be watched closely. Now that Abe has a new mandate from voters, will he continue moving forward with Abenomics, or change course? Will his third arrow of structural reform find its target? Justin McCurry (page 14) gets reaction and analysis from experts on the year ahead.

His Excellency Viorel Isticioaia Budura, the new ambassador and head

of the EU Delegation to Japan, is featured in our cover story this month. H.E. Budura brings a wealth of experience to his new position, including work as the chief negotiator for the EU-Japan Strategic Partnership Agreement – the political arrangement being discussed along with the free trade agreement. The ambassador took time to update us on these various negotiations (page 10), and on the initiatives he's hoping to promote in his upcoming term.

January also means it's time for the EBC white paper. This time, the theme is *Taking Action*, as Geoff Botting tells us (page 8). The EBC is looking for concrete movement on policies and initiatives that member committees have



been promoting for years. Finally, speaking of free trade, we heard from two of the lead

negotiators last month at an EBC-EU co-sponsored event (page 29). Both sides sounded optimistic about meeting Abe's 2015 target, albeit with much work still to be done.

Interesting times ahead! 



KOHARU RESORT HOTEL & SUITES

Koharu Resort Hotel & Suites is proud to present a beautiful selection of self-catering accommodation units in one of the best locations in the Hakuba Valley. We are located in the prestigious area of Wadano no mori, approximately 25 metres from the ski lifts of Happo One, which grant access to some of the best skiing in the world.

All of our accommodation units have fully equipped kitchens and dining/living areas in which to relax and spend an evening unwinding after a day on the slopes.

WINTER SPECIAL DISCOUNT OFFER
from 1 March 2015 to 30 April 2015

Use code **eurobiz15w** on our online booking site

www.koharuresorthotel.com

Tel: 0261-75-5001 | Mail: reservations@koharuresorthotel.com

TAKING ACTION

EBC white paper 2014

Text **GEOFF BOTTING**

Photo **BENJAMIN PARKS**

The EBC 2014 white paper rolled off the press just as several key developments unfolded in Japan's economic and political landscape. On the economic front, Japan has gone into recession, which came as a surprise to many. On the political front, Prime Minister Shinzo Abe claimed an extended mandate on his economic policies by scoring an easy election victory in December's snap election, prompting the business community to put ever more focus on whether his third arrow of reforms will ever see the light of day.

In the meantime, negotiations between the European Commission and Japan for a Free Trade Agreement/Economic Partnership Agreement (FTA/EPA) are in full swing, after the launch in December of the eighth round of talks.

In light of the negotiations, EBC Chairman Danny Risberg sees significance in the timing of this year's white paper, entitled *Taking Action*. "Due to the nature of the negotiations and an agreement that may be reached," he says, "we feel this might be the last time in the foreseeable future when we have such an opportunity to assure several of our issues are resolved with a single stroke of the pen."

Risberg describes the latest white paper as "a catalogue of issues that we want covered and addressed through the EU-Japan FTA/EPA negotiations."

Bjorn Kongstad, EBC policy director, sees the document as a call to both sides at the negotiating table.

"We think now is the time to act, and that the white paper is our contribution. This is what we want, not just from the Japanese authorities, but also from the commission, from the negotiations," he says.

As in previous years, all 28 EBC committees contributed chapters. Some re-submitted exactly the same issues as before, a testament to their frustration with the lack of progress on non-trade barriers and other issues raised over many years. Some committees drafted extensive additions and revisions.

The Tax Committee is in the latter category. One of that committee's new recommendations is termed "extended tax return filing periods." The implications are part of a vital issue in today's Japan. In short, the recommendation calls for Japan's tax authorities to give firms more time to prepare their tax returns, rather than force them to abide by deadlines that are usually two to three months following the end of the calendar or fiscal year.

"The work you can do in other countries over a year – because you are allowed to defer the filing of your tax return – we must do in two months," explains Tax Committee Chairman Hans-Peter Musahl. "That means the people doing this are working day and night, and this is extremely bad for the work-life balance."

The workload bottlenecks are a major hassle for all involved, not least working mothers juggling professional and household duties. This, as Japan's government is trying to figure out ways of bringing more women into the workforce.

The tight scheduling also raises the cost of doing business, since extra staff is needed to handle the temporary surge in workload, while existing staff require overtime compensation.

The Financial Reporting Committee marks its debut in the 2014 white paper. The group has emerged as Japan is in the process of converging accounting standards with International Financial Reporting Standards (IFRS). One of the expected benefits is to attract more overseas investors, as the new converged standards offer a clearer financial picture of Japanese companies.

Committee Chairman Dr Dirk Hermans aims to expand the number of

member firms beyond the current six. "I hope people get interested in what we discuss at the committee," he says. "One outcome is that, hopefully, we have a few more people joining."

Hermans is keen to enlist corporates, as opposed to accounting firms, "to get more diverse views; and so that we can have better discussions and we can understand what problems they face."

The Logistics and Freight Committee has seen recent expansion. Two shipping companies – Denmark's A.P. Moller-Maersk Group and CMA CGM (Japan), part of the CMA Group based in Marseille, France – have been added to the roster.

The committee extended its report an extra page to cover additional recommendations that pertain to shipping.

Logistics and Freight has also seen some progress in its advocacy efforts. For years, the committee had complained of limited customs procedures in jurisdictions where companies don't have a physical presence. The Abe Cabinet has issued an order to reform customs clearance procedures starting in 2017. The change is to include allowing certified brokers to lodge clearances regardless of their own location or that of ports of entry.

"That will allow us to improve the efficiency, consistency and quality of customs brokerage by remote filing," explains Logistics and Freight Committee Chairman Mark Slade. "We won't have to maintain separate operations in each port."

Similarly, the Construction Committee has cheered news of Japan's ongoing efforts to adopt an "open-book" system for construction projects. One of the big benefits is financial transparency, as the system is designed to clearly disclose all the construction costs incurred by contractors.

"This also saves a lot of time and, supposedly, money," says Construction

Committee Chairman Guido Tarchi, adding that the benefits to stakeholders will mainly be in the area of public works projects.

On another issue, Tarchi is not nearly as upbeat. Speculation has been swirling about that a skilled labour shortage within the construction industry would prompt the government to open the doors considerably wider to immigrant workers, especially as construction for the 2020 Olympics heats up.

The committee chairman, however, feels this is unlikely to happen. "The bureaucrats are saying the right words; but based on what I've been reading, I don't see any single power politician who is really willing to risk his or her career to promote this seriously."

Of course, if such a politician was to take an interest in an issue as critical as this, they would have an ideal reference in the EBC 2014 white paper, published also in Japanese.

"Japan should swiftly amend its immigration policy so that construction companies can recruit skilled labour from abroad," the Construction Committee states in its most recent report.

As Risberg adds: "We believe the white paper offers [politicians] a comprehensive documented list of areas that can be improved." 

EBC white paper 2014 main recommendations:

- Further corporate tax rate reduction
- New corporate governance code for listed companies
- Enable more overseas skilled professionals to work in Japan
- Boost female participation in the workforce
- Further healthcare reform, including preventative healthcare services
- Revise policy asset mix of government pension investment fund
- Liberalisation of the agricultural sector

“WE BELIEVE THE WHITE PAPER OFFERS A **COMPREHENSIVE** DOCUMENTED LIST OF AREAS THAT CAN BE IMPROVED”

Danny Risberg





Head of Delegation

New EU Ambassador H. E. Viorel Isticioaia Budura

Text **MIKE DE JONG**
Photos **ALFIE GOODRICH**

In September, Romanian Viorel Isticioaia Budura was appointed the European Union's new ambassador to Japan. A long-term diplomat, Budura brings more than 35 years of experience to the post, including time as his country's ambassador to China and minister-counsellor at the Romanian Embassy in Japan.



“TRADE IS A
MUST, BUT THAT’S
NOT ENOUGH”



His appointment comes at an important time, with free trade talks between the EU and Japan entering a crucial phase. *EURObiZ Japan* discussed this and other issues with the new head of the EU Delegation.

What do you see as your primary objective in your new role as EU ambassador to Japan?

I would say that a big part of my mandate is to keep consolidating what was done for a number of years, of which EU-Japan trade and economic relations are a very big part. They have acknowledged shared and common interests; they have shared moments of competition; and now have shared wisdom that says we need a new economic framework. And this is the Free Trade Agreement [FTA], the Economic Partnership Agreement [EPA] – and the negotiations.

Secondly, it's to challenge this established pattern of our bilateral relations. Trade is a must, but that's not enough. And I would say the current context, regional and international – plus the domestic needs – are pushing us to see what can be done beyond this traditional, well-established pattern of focusing on trade relations. We need to be more ambitious in going beyond that; and what we are doing in the parallel set of negotiations, toward a political agreement called the Strategic Partnership Agreement, shows that we are balancing and updating our relationship.

With the ongoing free trade talks and the sluggish economy in Japan, would you say that you are here at a critical time?

I would say that, indeed, it's a crucial moment in two ways. First, because not only is Japan moving – as the recent

elections show – there's a new dynamic at work and the political forces have to acknowledge, more than before, the needs of the people. But it's the same in Europe. Since the elections for the European Parliament in early spring [last year], the parliament and the new leadership in Europe are similarly feeling the need to get better connected to societies across Europe. The European Parliament is reflecting expectations that new, more dynamic, policies will be produced; and that additional efforts will be made to look for resources to generate growth, create jobs and, indeed, answer to the people's needs. From this point of view, I would say we are living under the same pressures, and facing the same challenges, in Japan and Europe. It is against this background that we may need to work toward better connecting the two agendas and see how much they reflect shared, or common, priorities – which they do.



Welcome to Japan
Three ways of Living
Seven lives in Tokyo



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

Oakwood®



For details and reservations, please visit our website at oakwoodasia.com

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

The eighth round of free trade negotiations between the EU and Japan recently ended in Tokyo. Can you give us an overview of the talks?

I think the preliminary assessment is a positive one, because both sides see the FTA/Economic Partnership Agreement as a way of answering to the needs, which [are] very much convergent. Given the nature of economic growth and the challenges in this respect, we feel on both sides that the conclusion and future implementation of the FTA/EPA may bring additional resources to secure stable, minimal, but still visible, GDP growth on both sides. That might be, according to preliminary assessments, about 1% for both sides.

From the EU's perspective, what would you like to see happen in the next few rounds of talks?

For the European side, we are eager to see the proper promotion of our interests in the areas of protected geographical indications, public procurement [and] liberalising market access. We are working on that. In December, the eighth round marked an important point in trying to secure steady progress. I think that happened because we have guidance from our political leaders, with the right understanding, of the meaning and value of this new political and trade framework, of our bilateral relations in a parallel way.

You were the chief EU negotiator for another important initiative – the Strategic Partnership Agreement. However, those discussions haven't generated much media attention. Why do you feel this is the case?

I'm not sure what we are aiming at is more public attention, because negotiations are always rather a discreet and delicate process. But we need to explain to our audience, to the public, to the communities that we look to engage ... we need to explain what we expect

from these negotiations and by the conclusions of the two agreements. In the case of the EPA, maybe there are so many elements that are obvious that media attention comes naturally. For the political agreement [SPA], to the same extent, its value would run long term. We need to secure a long-term, balanced and comprehensive relationship between the EU and Japan that really lives up to expectations of a strategic nature ... that goes beyond the value of trade and economic relations, and covers new areas in which there are common or shared interests – from areas such as energy, climate and the environment ... to education and academic exchanges. Everything in that is something we can share and work on together. [The SPA] represents the

reflect mutual interests. The death penalty is a central interest for us, and we are already doing a lot, enhancing our dialogue with our Japanese friends here – institutions, NGOs, with the Diet – explaining our position. There is a strong possibility for the Japanese to understand better how the international community sees this issue, especially the Europeans. I'm sure this dialogue will produce a proper background for the advancement of our political agreement.

Moody's recently downgraded Japan on concerns about the debt and prospects for growth, among other things. From an EU perspective, does the current state of the Japanese economy concern you?

We are watching the way in which the decision-makers [are working]. But we have the confidence that the political wisdom and experience of the prime minister and his government – after a number of years trying to promote Abenomics – may produce adequate measures in addressing these challenges. We don't

“WE NEED TO EXPLAIN TO OUR AUDIENCE, TO THE PUBLIC, TO **THE COMMUNITIES** THAT WE LOOK TO ENGAGE”

basic principles and values we share as likeminded partners; it also represents an exercise in exploring areas of potential. From this point of view, I would say, indeed, [the SPA] deserves more advertisement and more acknowledgment from the public; and I am sure we can do that.

The EU has been very strong in opposing the death penalty. Would this issue be included in the SPA?

In general, the political framework does include a number of standard clauses that refer to shared principles in respect to human rights, [nuclear] non-proliferation and disarmament, and certain financial aspects like tax transparency. This is part of our negotiating mandate. But in the negotiations with a certain partner, you create an agreement that reflects basic shared principles, which

forget that in the EU we are also facing a number of risks and challenges, which were generated not only by domestic conditions in Europe – problems of the sovereign debt – but also because the general international climate had created a rather negative background for a number of years. And we also had to make additional efforts in securing a certain level of financial discipline, taking new steps such as deepening the Banking Union, and securing the mechanisms and funding for overcoming those challenges. So we know how much it is not an easy task. This is something that the decision-makers have to look into – the way that we can work together with social partners and the business communities. We are sure that as a stable, solid and mature democracy, Japan can easily work on this and produce the expected progress. 

ECONOMIC FUTURE

Japan's post-election forecast

Text **JUSTIN MCCURRY**



Shinzo Abe made a striking claim in the weeks leading up to December's snap election. There was, he said, "no alternative" to his stagnation-busting Abenomics cocktail of monetary easing, fiscal stimulus and structural reform.

It was no empty boast by Japan's prime minister. Faced with a lackluster opposition, almost half of the country's voters effectively downed their tools by staying away from polling stations. But those who did vote handed the prime minister an overwhelming mandate.

The lowest turnout since World War II took the sheen off the governing coalition's landslide victory. Even so, it is hard to remember a time in recent years when a Japanese leader has secured such a strong endorsement for his plans to revitalise the country's \$5 trillion economy.

During his first two years in office, Abe had been credited with restoring confidence in Japan's anemic economy after successive administrations had seemingly accepted the inevitability of decline – amid a shrinking workforce and the soaring costs of a growing elderly population.

The Nikkei share index – all too often an object of derision among those who remember its zenith during the bubble era (mid-1980s to early 1990s) – had gained roughly 70%; the yen sank against the dollar by about 30%, boosting overseas profits for long-suffering exporters in the auto and consumer electronics markets.

But now, analysts say, Abe must follow through with structural reform to keep alive any hope that consumers will return to spend their way out of stagnation.

The prime minister even faced down fiscal hawks in his own LDP party who believed he should be placing more emphasis on repairing Japan's precarious public finances than on growth.

On the same day he called the snap poll, Abe said a second-stage rise (of 2%) in the consumption tax would be postponed for 18 months, until April 2017. A three-percentage-point rise in the same tax this past April was blamed for sending Japan back into recession in the third quarter of the year.

Instead, this year, there will be more stimulus in the form of a supplementary budget worth as much as ¥3 trillion, along with other measures designed to make Japan more appealing to investors – and to meet Abe's inflation target of 2%.

For now, Japan is unlikely to make much of a dent in its public debt, which is currently 240% larger than the economy.

Robert Feldman, chief Japan economist at Morgan Stanley MUFG Securities in Tokyo, believes the election victory has given Abe's policies "legitimacy, longevity and authority", and secured him





occupation: Real estate investor

Let *Them* Do the Work

Premium Value Bank offers one-stop service to help you find the best property investment in Japan



Every investor has their own unique strategy, market interest, and goals. With full support at every step of the process, including helping to arrange financing for the property value, Premium Value Bank is the trusted partner you need to seamlessly navigate the Japanese real estate market.

We look forward to hearing from you to arrange for your free Premium Value Bank consultation.

You can reach us at 03-5766-7727, or by email at info@p-v-b.com

Aoyama Palacio Tower 4F, 3-6-7 Kita Aoyama, Minato-ku, Tokyo

<http://p-v-b.com>





“THE PROBLEM IS THAT COMPANIES **REMAIN RELUCTANT** TO FURTHER BOOST INVESTMENT AS LONG AS THE FUTURE COURSE OF POLICY AND DEMAND IN JAPAN REMAINS UNCLEAR”

Martin Schulz

an uninterrupted run as prime minister until 2018. “Attention will likely now turn to implementation of Abenomics,” said Feldman, in a paper published just after the election.

“The short-term policy agenda focuses on budgets and the consumption tax, and may disappoint investors looking for growth policy. However, come spring, we expect the growth agenda to accelerate,” added Feldman.

There are potential bumps in the road, however. Abe wants to make it easier for companies to retain temporary workers for longer periods to lower costs yet maintain employment levels. But relaxing employment regulations looks unlikely while wages remain stagnant, particularly among the majority of Japanese workers employed by small and medium-sized firms. As it stands, Abe has secured agreement from major employers that they will “strive” to unshackle some of the \$2 trillion they have in reserve and raise wages in 2015.

“The problem is that companies remain reluctant to further boost investment as long as the future course of policy-and-demand in Japan remains unclear,” said Martin Schulz, chief economist at the Fujitsu Research Institute in Tokyo.

“Cancelling the additional tax hike in such a situation might have been a necessary step to stabilise demand trends

in the short run, but it won’t help to put more long-term policies on a sounder footing.”

The “shock” news in November that the growth juggernaut had momentarily derailed in the second and third quarters – sending Japan back into recession – was hardly surprising, given the timing of the consumption tax increase, added Schulz.

“Abenomics has already had some success in terms of agricultural reform, gradually changing the energy market, slowly capping healthcare costs, and shifting the country towards more liberal free trade agreements,” he said. “All this should bear some fruit over a horizon of about 10 years, but would be hard to measure as a success indicator on a year-to-year GDP basis.”

Abe is virtually assured of being re-elected LDP president this year, but he has no time to sit back and ponder his political longevity after almost a decade of revolving-door leadership.

Japan, and indeed the rest of the world, is waiting to see if he can deliver the third arrow (regulatory reform to boost competitiveness) of Abenomics. Hiring practices aside, that means increasing women’s participation in the workplace and joining various free trade deals, including the FTA/EPA with Europe and the Trans-Pacific Partnership.

“For the foreseeable future, I expect there will be little more than incremental change,” said Tobias Harris, a Japan analyst at Teneo Intelligence in Washington, D.C. “Nothing has really been outlined on the labour market front, and policies to empower women have a long way to go to full implementation.

Officials close to Abe believe he has been given carte blanche to proceed with his growth-oriented economic policy.

“The Japanese economy has a blank canvas for the next 27 months, until April 2017, during which there doesn’t need to be a debate over the desirability of the consumption tax hike,” said Tomohiko Taniguchi, a special adviser in the prime minister’s office.

Since taking office in December 2012, Abe has become the most peripatetic Japanese leader in recent memory, racking up 354,200 miles (570,030km) and more than 50 countries to deliver his “Japan is back” mantra everywhere from New York to New Delhi.

Now that he can claim a new mandate, might Abenomics still offer an alternative to austerity for policy makers in Europe and elsewhere?

“Without the election, brand Abenomics would have gotten rusty”, said Taniguchi. “I imagine that the investment community in the UK, Europe and the US is looking anew to see if Shinzo Abe will deliver.” 



 **Do you like natto?**

Time spent working in Japan:
11 years.

Career regret (if any):
No regrets at all.

Favourite saying: Even monkeys fall from trees (*saru mo ki kara ochiru*).

Favourite book: *The Sleepwalkers* by Christopher Clark.

Cannot live without: My family.

Lesson learned in Japan:
Stand by your word.

Secret of success in business:
Do what you say and say what you mean.

Favourite place to dine:
At home, eating Bavarian food prepared by my wife.

Do you like natto? I've never thought about it.

Otto Benz

One company, one career

Text **MIKE DE JONG**

Photo **GENEVIEVE SAWTELLE**

In the world of business, where people change employers regularly, continuity is rare. But Otto Benz is an exception. The general manager for Japan at Lufthansa German Airlines has been employed by the carrier for nearly 40 years.

"I would call it the world of aviation in one company," says Benz of the only company for which he has worked. "Lufthansa has such dimension that you can spend your whole career in the same corporation, but doing many different jobs. That's what I've found so intriguing about staying with the company. There are so many challenges that you can meet."

Benz, who hails from Neuburg in southern Germany, started with the airline as a management student in the late 1970s. After finishing school, he joined the firm full-time and was immediately sent off to a world hotspot.

"One of the Lufthansa planes was hijacked into Mogadishu, and the government [there] allowed the German special forces to liberate the hostages," he recalls. "As a result, there was an agreement between the two governments that Somalia would receive development aid. One of the results was that the president wanted to have his own airline. Lufthansa was asked to build it, and they were looking for volunteers – I was one of them."

Benz spent four years in Mogadishu, which he describes as "not the most friendly place". However, he was able to gain valuable experience in setting up an airline from scratch and watching it grow and become competitive. Benz

also gained personally from his Somali experience.

"I met my wife in Mogadishu, so for me, it was a fantastic experience. She was working as a diplomat. We got married and are [still] together."

As if his time in Somalia wasn't enough of a challenge, Benz later returned to Africa, where he found himself in the midst of a civil war.

"In 1991, we were the only Western airline operating into Ethiopia. All the other carriers had left because of the circumstances. In my responsibilities, I had to make sure that we would not face any hijackings and that our operations were safe in a difficult environment. On the other hand, we had to make sure that we could serve the foreign community."

It was in Ethiopia that Benz made his first connection with Japan.

"When the civil war came to its dramatic end, everybody had to be evacuated. And I promised the Japanese ambassador that 'when the moment comes, we will send you an extra airplane.' And we did. We kept this promise."

Benz and his colleagues managed to get all of the Japanese diplomats out of the country. But, after sending his family home, he stayed behind to ensure the safety of his staff.

"There were a few tough days," he recalls. "In the final phase of a civil war, anything can happen. There is street fighting ... You have to make sure that your staff and their families are safe. We had a few difficult moments."

In all, Benz would spend eight years in Africa before moving on to Italy, then Germany and finally Japan. Since arriving here 11 years ago, he has helped build

the firm's business amid heavy competition and challenges. New airlines have entered the market, while high fuel costs and airport landing fees have presented huge hurdles for all the major foreign carriers. In his role as chairman of the EBC Airlines Committee Benz, together with his colleagues, has fought to have these and other business growth impediments reduced.

"When I came to Japan, the Ministry [of Land, Infrastructure, Transport and Tourism] had to approve any type of fare. So it was very cumbersome, with the amount of work involved ... this didn't help to create a very competitive environment," he says.

"In Europe, this changed many years ago; and, from then, a lot of stimulus was given to the market. So our job was to explain to our Japanese friends that it might help the whole industry if a more liberal approach was applied. Today, as a consumer, you enjoy a lot of product variation and [at] very attractive prices," he adds. "Compared with 10 years ago, the situation has become a real marketplace."

In a career that has taken him around the world, Benz believes that cultural adaptability is one of the most important lessons he has learned in becoming a successful executive.

"If you want to work in the international arena – especially when you work in the headquarters and have to deal with your colleagues abroad – you should be sensitive and understand which local factors to take into consideration," he says.

"So, cultural competence is a basic requirement in a global world." 



TALENT

The distance grows between jobs and applicants

GAP

Text **GAVIN BLAIR**

Whichever way you stack them, Japan's demographics do not look pretty.

Simply put: there are now more jobs than people, and the situation is set to become more acute as the workforce continues to shrink. Mass immigration does not appear to be on the political horizon, while an unlikely sudden spike in the birth rate would take two decades to filter through to the labour market. Even the apparent no-brainer of greater female workforce participation – touted as Womenomics – is progressing slowly. While many sectors are beginning to feel the squeeze, one industry that is benefiting is recruitment, with services more in demand than ever.

Approximately one million people are currently disappearing from Japan's potential workforce every year, though that number will drop as the working-age population shrinks further. Having peaked at over 87 million in 1995, the workforce had fallen below 80

million in 2013, and is predicted to drop further, to 68 million, by 2030, then to 44 million by 2060.

Meanwhile, a plan floated by government advisers last spring to accept 200,000 immigrant workers annually was dead in the water before the summer had arrived, apparently killed by conservative opposition within the ruling Liberal Democratic Party. Just as that plan was dying, government figures were showing there were 1.1 jobs for every applicant. The lack of qualified workers is beginning to put a strain on some sectors of the economy and will begin to restrict growth if left unchecked, according to many observers.

"There are severe shortages in sectors such as construction, which is now causing a bottleneck for public works," says Kentaro Koyama, economist at Deutsche Securities in Tokyo.

"The most recent GDP figures, which were revised downwards, were affected by a drop in public spending due to a shortage of construction workers," says Koyama, who points out that the

situation in Tokyo, in particular, is likely to become more severe in the coming years leading up to the 2020 Olympics.

However, the shortage is currently affecting only certain industries and not yet impacting the overall economy to a significant degree, suggests Koyama, who points to the medical sector as another that is feeling the strain.

Koyama predicts it may not be until 2017 before significant negative impact is seen on the economy from a lack of workers. He points out, though, that with the consumption tax rate due to rise again that year (from 8% to 10%), the accompanying slowdown is likely to relieve wage pressure.

Hays Recruitment Specialists provides an annual Global Skills Index, which includes a measure of the gap between available talent and labour-market requirements by country.

"The talent mismatch in Japan is 9.5 on a scale of 10, up from last year, and the highest anywhere in Asia-Pacific," says Jonathan Sampson, country manager for Hays Japan. "If you can't get the right people into the right jobs,

it's going to hamper Japan's ability to recover."

As well as boosting its own business, Hays Japan's candidates with skills in human resources have become highly prized as companies put more focus on retaining existing staff, adds Sampson.

The Abenomics reform efforts of Prime Minister Shinzo Abe's government also get a mixed report card from Sampson: "The rhetoric has been positive, but as for seeing action, that's going to take longer."

Despite talk of "sensible immigration policies", Sampson reports that the time it takes to secure visas for candidates has doubled, from two-to-three weeks to four-to-six.

"Womenomics is one area of Abe's policies where we've seen some positive impact," he continues. "There has been encouraging talk about this; and things are being actioned, though there is still a lot of work to be done."

Despite the talent squeeze, some companies are still unwilling to break with tradition and, for example, appoint an outside manager who may

be younger than some of his or her subordinates, according to Sampson. That kind of inflexibility is also observed by Lanis Yarzab, managing director of Spring Professional Japan.

"There is a shortage [of workers] because of the ageing workforce, but a number of positions stay vacant due to legacy hiring systems," explains Yarzab. "Many companies are willing to allow a position to stay open for nine months or longer, until they find the exact person they're looking for.

Yet, as Yarzab also reports: "In many cases, I don't see a large difference between the hiring processes of Japanese companies and the local practices of global firms."

Meanwhile, she does see progress in terms of firms working to retain employees, particularly women re-joining the workforce. "I have met with companies that now offer training to expectant mothers and their managers so they feel encouraged to return to work," Yarzab says. "I would like to see more open policies for being able to hire foreigners, and incentives to do so.

The shortage is real. I don't think we're at the breaking point, but it is getting worse each year."

And despite the growing globalisation of business, fewer Japanese people are studying English abroad, and scores on the TOEIC (Test of English for International Communication) are falling, she points out.

David Swan, managing director of Robert Walters Japan and Korea, also notes how the shortage of bilingual candidates in some sectors means there are two to four jobs for each applicant for certain positions.

The difficulty that companies are having in attracting qualified candidates, though, is proving a definite boon for the recruitment industry.

"The fact that this skills shortage affects most, if not all, companies – and that the need for bilingual and global abilities continues to increase – has also meant that, in recent years, we have been able to work with a much greater range of Japanese companies than we were able to in the earlier part of our 15-year tenure in Japan," says Swan. 

“
THE TALENT
MISMATCH IN
JAPAN **IS 9.5** ON
A SCALE OF 10
”

Jonathan Sampson



ROBERT WALTERS JAPAN ADAPTABLE HIRING OPTIONS

PERMANENT & TEMPORARY RECRUITMENT

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

For a recruitment firm that caters to your company's unique bilingual hiring needs, speak to one of our consultants specialising in your industry sector or visit us at : www.robertwalters.co.jp

Tokyo (03) 4570 1500
Osaka (06) 4560 3100
info@robertwalters.co.jp

ROBERT WALTERS

Insulation innovation

Icynene's environment-friendly solution

Text **ALLISON BETTIN**

It doesn't matter if you're originally from London, Paris or Berlin – Japanese winters are cold. And drafty, too. Millions of heaters blast around the clock to keep this country warm; but the moment they're switched off, the cold bites back. All of this because one essential building material is almost entirely missing from Japanese construction: insulation.

"Traditional Japanese houses had no insulation," explains Eric De Groot, president of Icynene Asia Pacific, a Canadian-owned insulation company. "They were designed to be very open to breezes, to keep them cool in the summer ... in the winter, if it's cold, you can always put on some more clothes and huddle around the *kotatsu* [table heater]," he laughs.

But nowadays, the reality of un-insulated homes in

Japan reaches farther than just an uncomfortable living environment. It's about wasted energy, too. While insulated homes retain heating or air conditioning, homes that lack insulation allow hot or cold air to escape through walls and windows, causing people to leave on their heaters for much longer than should be needed.

Founded in the 1980s, Icynene discovered a type of insulation far superior to the standard – allowing for almost no energy leakage. Instead of packing thick chunks of pink fibreglass into walls, Icynene uses polyurethane foam which, sprayed in a fine mist inside walls, then expands to 100 times its original thickness. "You actually seal the room; it becomes an air barrier," says De Groot. "The big advantage of spray-foam insulation is that it stops that air-flow."

Indeed, tests have shown that Icynene's spray-foam insulation reduces energy consumption by up to 50% compared to traditional fibreglass. Why? Over time, fibreglass insulation sags, explains De Groot. "In an average home with fibreglass insulation, even new, there's going to be gaps equivalent to the size of a basketball. And air will immediately start to go through there."

In addition to energy-savings, Icynene's unique insulation

technology has numerous environmental advantages. It does not retain moisture, which minimises mould. It keeps out pollutants and allergens, improving indoor air-quality. And, perhaps most importantly, the foam is "water-blown", meaning water is the agent used to spray the foam into a fine mist, eliminating the need for hydrofluorocarbons (as in aerosol spray cans), which are considered "super greenhouse gases".

"In the '90s, there was a lot of interest, in Japan, in North American housing," he says, explaining how Western insulation first came to be known in Japanese residential construction. About 10 years after Icynene began selling insulation through a local distributor, Icynene Asia Pacific was founded and headquartered in Tokyo. "It was a slow start," admits De Groot.

"But since then we've grown quite a bit."

Based on current government sustainable initiatives, the company is bound to grow a lot more. De Groot believes the central government is finally waking up to the reality of energy waste in un-insulated homes. Recently, it passed legislation mandating that all new homes have insulation by 2020. Politicians also see a lack of insulation as a health risk for Japan's ageing society. "The incidence of elderly people dying in their homes goes up in the summer a lot," he says, primarily from heat stroke because of inadequate temperature regulation.

At the moment, Icynene's spray-foam insulation comes at a higher initial cost than traditional fibreglass – roughly double. But

De Groot believes his product saves money in the long run. "With fibreglass, you've still got quite a cost advantage, but over time you've got the mould issue, you've got the air gap issue," he points out. "We call it the evolution of insulation. Fibreglass was great, but now [spray-foam] is significantly better in barrier performance."

De Groot believes that soon this will become common knowledge for both builders and homeowners. "When people go to build a house now, it's one of the options that's on the table right away. You know, when it comes to insulation, what do you want to do? Fibreglass, cellulose or Icynene?"

"Icynene has become the name for the whole category, because we were the first," he concludes. 

“WE CALL IT
THE **EVOLUTION**
OF INSULATION”



Germany

Germany and Japan have enjoyed more than 150 years of diplomatic relations. Germany, by far, is Japan's main EU trading partner, according to Eurostat, the statistical office of the European Union. Among the EU's 28 member states, Germany was the largest exporter to Japan in 2013 (worth €17.3.0 billion, representing 32% of EU exports) and the biggest importer (worth €14.5 billion, representing 23% of EU imports). The German Research and Innovation Forum Tokyo (DWIH Tokyo), which acts as an umbrella for German scientific and research interests, serves to strengthen scientific and economic cooperation with Japanese partners.



**SONDERHOFF
EINSEL**

since 1910

Sonderhoff & Einsel

Email: info@se1910.com

www.se1910.com

Since 1910, Sonderhoff & Einsel has been among the first for European corporate clients seeking support in Japan regarding legal and intellectual property matters, as well as tax and audit services. The firm's professionals work with an in-house team of multi-lingual support staff, including paralegals, technical specialists and translators.

Its European roots are still evident under the leadership of Managing Partner and Patent Attorney Felix-Reinhard Einsel. Sonderhoff & Einsel's legal practice has recently been strengthened by the addition of a new Managing Partner, Attorney-at-Law Keiji Isaji, with 33 years of experience in advising international clients on litigation, finance and regulatory affairs.



Boehringer Ingelheim

www.boehringer-ingelheim.co.jp

Boehringer Ingelheim is a research-driven company dedicated to research, development, manufacturing and marketing of pharmaceuticals that help to improve health and quality of life of people, with R&D expenditure corresponding to over 20% of net sales. In Japan we have been developing our business for over 50 years in three business areas, including Nippon Boehringer Ingelheim in Prescription Medicine, SSP in Consumer Health Care, and Boehringer Ingelheim Vetmedica Japan in veterinary medicine with a total of approximately 3,000 employees.



Infineon Technologies Japan K.K.

www.infineon.com/jp

www.infineon.com

Automobiles, computer servers, wind turbines, rail transportation, printers, mobile phones, credit cards ... The most significant invention of the 20th century, the semiconductor, is embedded in all kinds of products that have become indispensable in our daily lives over the past 60 years. Infineon Technologies, the largest semiconductor maker in Germany, focuses on the three central challenges facing modern society - energy efficiency, mobility and security. Infineon Technologies offers semiconductors and system solutions for automotive and industrial electronics, as well as chip card and security applications.



great to work with

tesa tape KK

www.tesa.com

As a subsidiary of one of the world's leading manufacturers of self-adhesive product and system solutions, tesa SE, our strength lies in market and customer intimacy by qualified staff in providing best solutions. Our major markets include Automotive industry; Electronics (mobile phones, PC pads, LCD modules and electronics components); Print & Paper (leading brand for flying splice tapes, essential for printing Japanese newspapers); Building Supplies (including solar cells); and General Industry / Industrial Distribution business - Food Process, Agriculture, Fishery industries, signage, craftsman, contractors, etc.

Western focus

The German Chamber of Commerce and Industry in Japan's Kansai activities

www.japan.ahk.de/en/

Text **MIKE DE JONG**

Financed in part by the German government, the German Chamber of Commerce and Industry in Japan (GCCIJ) is, among other things, the official institution for business promotion between the two countries. Although based in Tokyo, the GCCIJ does not limit its activities to the capital. To cover all of Japan, the chamber works closely with the German Embassy, selecting its board members to represent important industries across the regions. These members act as local advisors to the GCCIJ on an honorary basis. One of them is chamber Vice-president Gerd Tellbuescher, who has lived and worked in Kansai for more than 20 years.

Mr Tellbuescher, what motivated you to get involved with the GCCIJ?

One reason was to represent the interests of GCCIJ members in west Japan, in line with the GCCIJ's efforts to consider regional differences in its decisions and activities. As much of Japan's business is focused on Tokyo and the Kanto region, companies in Western Japan could easily be overlooked. I have lived in the area for many years and thought I could offer a lot of experience, as well as the understanding of the Japanese business environment. Furthermore, as a representative of a smaller German subsidiary here, I can speak to the requirements and demands of small to medium-sized German enterprises on the GCCIJ board.

How strong is the German business presence in the Kansai region?

The German business presence in Kansai has generally decreased over the past 20 years, mainly due to the limited growth of the Japanese economy. In my early years in Japan, many of our companies had German representatives

in the top positions. Over the years, they have been replaced by local management, while some offices in Osaka-Kobe have been partly absorbed into the Tokyo headquarters. However, this trend has stopped, and the number of German companies has stabilized. Today, there are more than two dozen with offices in the region. Of course, many more do business here in one way or another. Kansai is the next most important area [for business] after Tokyo, and an economic centre that cannot be disregarded. The majority of German companies in Kansai are in the Osaka-Kobe area. They are mostly smaller firms or certain production-business units of bigger group companies settled in west Japan.

What advantages does Kansai have over Tokyo for foreign companies?

The corporate personnel costs and the cost of living are significantly lower compared with Kanto. It is difficult to pinpoint an exact number, because that depends on the requirements and location, but it is fair to say that it's in the range of 10-20%. This is particularly important for start-ups and smaller enterprises that are more cost-conscious. Businesses that require dedicated logistics and warehouse functions also find Osaka or Kobe preferable due to their geographically central location.

What do you see as emerging industries or sectors in the Kansai region?

Pharmaceuticals and life sciences are very strong in the area, especially in the med-tech/life-science cluster in Kobe. Major German companies from the sector are located there and value the proximity to a number of science and



research facilities. This also includes biotechnology. The same holds true for environmental technologies, new energies and technologies like lithium ion batteries for the fuel cell industry.

Is the business environment different in Kansai compared with Kanto?

It seems the business mentality in Osaka is more open, and not so formal as in Tokyo. However, doing business in Japan is still a very formal process. For financial businesses, Tokyo is clearly the first choice as the capital of the country. From the legal side I don't see any differences. However, due to technical requirements, we have to deal with the [country's] 50 and 60Hz zones that sometimes require two different product models.

Could you tell us about some German firms that are working successfully in Kansai?

As a success story, I could offer Wagner-Hosokawa Micron. This long-time joint venture, has been around for 12 years and is located in Hirakata between Osaka and Kyoto. The company designs, sells and services powder coating lines for surface treatment of various products, and has been profitable from the beginning. It also reached a leading market position with about 25-30% market share. It is a 50-50 joint venture in terms of capital structure – with Wagner providing key products and components, while Hosokawa Micron takes care of the daily operations, sales and services. 



Villeroy & Boch
1748

Enjoy the finest traditions that are fashionable and modern in design. From tableware, dinner settings to glassware and accessories — complete assortments by the leading tableware house still run by the founding family since 1748.



Great Corporate Gifts!

For promotions and company anniversaries, there are unique gift ideas to enhance your customer engagement and employee loyalty. For enquiries: 03-6862-5181



At the first Villeroy & Boch flagship store in Japan, you will find a complete set of products for your stylish everyday table scene, as well as great gift ideas.

Villeroy & Boch

Roppongi Hills, Keyakizaka Street.

Tel: 03-5775-6620. 11:00-21:00, daily.

Villeroy & Boch Tableware Japan K.K. www.villeroy-boch.co.jp



a.hartrodt Japan K.K. sends heartfelt appreciation and best wishes for a successful 2015 to all our customers and partners.

As your valued carrier, we remain committed to serve globally, comply with our legal obligations and strictly observe government rules and regulations throughout our network spanning the globe.

We are reinforcing our presence in the international freight-forwarding market in Japan and 2015 will be the year of the opening of our new air-freight office at Narita airport.

The final goal is to further increase our competitiveness in terms of service quality and rate to better match the demands and expectations of our valued customers.

**WORLDWIDE TRANSPORT AND LOGISTICS
MANAGEMENT IN MORE THAN 80 COUNTRIES**



a.hartrodt (Japan) Co. Ltd.
Mast Life Bldg. 8F 3-6-10
Nishi Shinbashi, Minato Ku
Tokyo 105-0003
Tel: 03-4500-9240
Fax: 03-5777-0255

a.hartrodt (Osaka Branch)
Orix Bldg 4F #4, 1-4-1
Nishi Honmachi, Nishi Ku
Osaka 550-0005
Tel: 06-6533-3623
Fax: 06-6533-3733

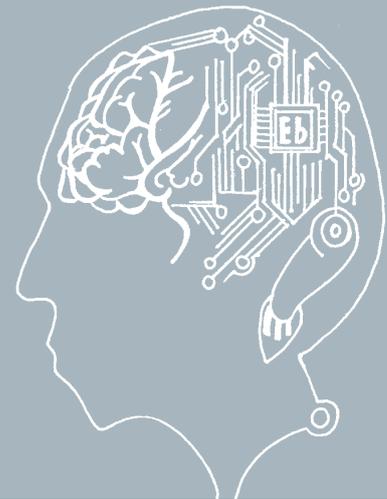
www.hartrodt.com



a. hartrodt
TRANSPORT IS OUR BUSINESS

Artificial intelligence

What remains of reality or truth?



“The Gulf War did not take place.”

These words were written by the French philosopher Jean Baudrillard in 1990, even as coalition tanks tracked across the deserts of Kuwait. He knew that it was happening, but still wrote them. What Baudrillard was challenging was the nature of reality. And that makes him the perfect person to quote when you are writing about robotics and artificial intelligence (AI).

The connection between robotics and reality is both evident and hidden. The evident aspect, as Hiroaki Kitano of Sony Computer Labs explained at a recent event, is defining the reality of robots. Indeed, the first problem of robotics is defining what a robot is. Most people would deny a dishwasher is a robot, even though it is automatic, labour-saving and autonomous in many ways. However, people associate robots with R2D2 and C3PO of *Star Wars*: humanoid creatures that are independent and self-learning – and even slightly emotional in C3PO’s case.

Kitano admitted that, despite Japanese manufacturers pouring billions of dollars into life-like robots, this concept of robots is obsolete. “Robots are now at the periphery. What is central is the network. The network of interconnected things is what enables the rise of intelligent machines, such as the Google car,” he said.

Some people argue that AI is overblown, because the nature of human intelligence is different: humans think; robots merely calculate probabilities. Machines may be good at chess, but they are essentially autistic, to use a

“MACHINES ARE NOW REPLACING INTELLIGENCE IN THE WAY THEY REPLACED LABOUR”

term generally applied only to humans. However, while that used to be true, machines can now also react to the unexpected because the range of their programming has become so much wider – thanks to Big Data. In the past, you could only programme chess moves. Programming was limited because data was “small”. But now you can stuff the machines with as much data as you can dream of – not just about the game of chess, but about picking up psychological/physical signals from the human opponent. Machines are now replacing intelligence in the way they replaced labour.

Milestone Asset Management CEO Alex Kinmont was adamant that Silicon Valley is wrong believing that technology will automatically make us richer. “Robots do not consume like people,” he pointed out. Yet, Kinmont believes, technology can reduce total wealth, depending on personal choice. For example, running a machine at half power to maximise leisure while maintaining the same income as doing manual work.

Nor does the best technology always win, as the Betamax versus VHS video war showed. He also said that whole societies (1930s Germany, Russia, Japan and China) can take wrong “turnings”, and that technology offers no protection.

An equally significant problem is control. Can we truly control machines if they are getting smarter than us in terms of human-like intelligence?

The relationship between robots and reality gets more acute when we consider that machines have already made our physical world so safe that we hardly need to worry about it any more (perhaps that is only true of Japan). If immediate needs like food and safety are guaranteed, it becomes easier to spend life online, rather than in the real world.

This brings us back to Baudrillard, who said that signs and symbols have been getting divorced from reality for years, partly due to the nature of mass media, which makes vicarious experience more frequent and “real” than actual reality. The problem is that the Internet has no internal reference point, such as the maths and sciences that underpin the physical world we live in.

Newtonian physics and Einstein – indeed, the last 2,000 years of human evolution are 100% irrelevant on the Net. What remains, then, of reality, or truth? 



DAN SLATER
is director of the
Delphi Network

TALENT TRENDS FOR 2015

Will your skills help close the talent gap?



In Japan there is a significant gap between the skills that businesses are looking for and the skills available in the labour market, which will fuel demand for highly skilled professionals in the year ahead. This is one of the trends that will impact Japan's talent market in 2015, and here Jonathan Sampson, Regional Director of Hays in Japan, shares his insights on what to look out for in the year ahead.

Japan's recruitment market will be an active one in 2015. Increasing awareness of the female workforce, working out how to implement cloud computing strategies, and employing the right skills to stay relevant in the rapidly changing world of digital marketing are among the trends that we expect will drive jobs growth in Japan in 2015.

What follows is a brief overview of the trends, and how your team may be impacted:

1. Continued awareness of the female workforce.

Despite new legislation being shelved prior to the dissolution of parliament for a snap election back in December, the increased awareness of issues surrounding women in the work place has become part of the national psyche. It is now imperative that employers promote the empowerment of women in 2015.

2. IT professionals sought in the IT services market.

With the business process outsourcing (BPO) market in IT expected to grow in the coming years, demand for skilled IT professionals undoubtedly will continue to rise. Companies struggling to hire and increase headcount will turn to BPO to fulfil their IT needs.

3. Active recruitment of overseas returnees.

Due to the shortage of local Japanese talent with international experience, we expect to see more employers turning their attention toward overseas-based Japanese citizens to attract them back.

4. Promotion of flexible working practices.

In order to expand the talent pool in Japan, employers are establishing innovative ways of evaluating employees based on productivity rather than the number of hours worked.

5. HR professionals in demand.

As Japan has the most severe talent mismatch of any country in the Asia-Pacific region, talent acquisition specialists will continue to play a key role in HR departments as well as organisations.

6. Mobile marketing is the new norm.

There will be a significant increase in demand for digital marketing professionals across all sectors. As the industry matures, it is separating out more into specific skill areas — such as content, SEO/SEM, analytics and social media — and, therefore, experts in these areas, rather than generalists, will be sought in 2015.

7. Mega cities won't be the only places where skilled jobs are available.

The Government is considering a new programme aimed at creating jobs in rural Japan in order to attract highly skilled workers from urban areas. Government subsidies are expected to help employees relocate, which aims to address a shrinking population in remote areas and create new business opportunities.

8. Demand for non-Japanese workers.

We anticipate that more companies will be willing to hire foreign talent in key areas, especially in the sector of manufacturing and operations. Demand will be particularly high at automotive-related companies.

9. Growth of mobile recruiting.

Job seekers and employers alike will increase their use of mobile recruiting in 2015. We'll continue to see employers invest in optimising their career websites and developing their mobile plans.

We expect these trends also to continue beyond 2015. Candidates with in-demand skills can be confident of securing their next career move. But for employers, there is a need to look at more innovative strategies to attract and retain top talent.

HAYS Recruiting experts worldwide

www.hays.co.jp
03 3560 1188 (Tokyo Head Office)
info@hays.co.jp

Finding common ground

EBC–EU update on FTA/EPA negotiations, 9 December 2014

Text and photo **MIKE DE JONG**

Top free trade negotiators for Japan and the European Union (EU) say the end of 2015 is a realistic target for completion of an economic partnership agreement (EPA) between the two economies. The negotiators made the comments at an event sponsored by the European Business Council in Japan (EBC) and the EU Delegation to Japan.

"We are working towards that objective [of this year]," says Antonio Parenti, deputy head of the Far East Unit for the European Union, and deputy chief negotiator for the EU. "It is difficult. It is complicated. It can only be difficult and complicated because we are two major economies, and we are looking to each other to eliminate barriers which are not necessarily easy to eliminate."

During meetings with European leaders in Brussels last spring, Prime Minister Shinzo Abe announced his intention to conclude talks by the end of this year. That coincided with the EU's one-year review of the process, which concentrated on areas such as non-tariff measures and access to public procurement. Japan's lead negotiator, Naoki Ito, says his team was initially "uncomfortable" with the review, but, afterwards, said they



“NOW WE HAVE CONFIDENCE IN THE PROCESS”

Naoki Ito

noticed a "clear, atmospheric change in the negotiations" from the EU side.

"Now we have confidence in the process", says Ito, who is deputy director-general of the Economic Affairs Bureau in Japan's Ministry of Foreign Affairs, and the deputy chief negotiator for Japan. "Now we have confidence between negotiators. So there's clear progress on that. This is very, very important to move us forward and conclude negotiations as scheduled."

Ito feels that, with this renewed confidence in the process, talks could gain significant momentum. "I am of the view that at this round [the eighth, conducted in mid-December], we could have opportunities to steer the course towards the end of [2015], in each one of the important areas, with some solid progress in negotiations."

EBC Chairman Danny Risberg says the EU side wants to reach specific goals in areas such as standardisation, reduction of bureaucratic impediments, and equal treatment of firms in industries such as insurance and airlines. He believes that, once concluded, a free trade agreement will benefit both sides.

"We greatly appreciate the effort, from a business perspective," says Risberg. "We know it's hard. We're trying to

support [it]. But it is a business, and we need to be fairly demanding. That's the world of business, and we have to deliver.

"We're hoping for some real traction. I think it's getting there. We just have a long way to go."

Risberg says the Japanese economy needs more foreign direct investment. Abe's so-called third arrow of structural reform is one area that would help the process.

"We did see a lot of positive aspects of Abenomics," he says. "It's the structural reform that got stuck. The Japanese government is clearly working on structural reform [to boost global competition]. We just wonder how fast, when we can do it, and how sincere and how detailed it will get."

"A lot of work has been accomplished through the first seven rounds, including the railways roadmap and the EU list of non-tariff measures," adds the EU Delegation's new ambassador to Japan, Viorel Isticioaia Budura. But, of course, the negotiations are far from being over, and a number of sticking points need to be addressed." [e](#)

Materials//

Reducing barriers to business

Text **GEOFF BOTTING**

As EBC committees go, Materials is one of the smallest. And its advocacy issues haven't changed much over the years. But that doesn't mean the committee is unimportant, according to chairman, Carl-Gustav Eklund.

"[The committee] offers benefits that go beyond just our businesses," says Eklund. "We do networking, best practices, etc. when we get together ... We don't just talk about our companies. We try to be holistic, and talk with a wider perspective."

This attitude reflects the fact that materials is not an industry unto itself. Rather, it encompasses a wide range of businesses, from automotive to food, and from construction to logistics. All are reliant on industrial materials, so have an interest in seeing that the products can be procured easily and at reasonable cost. Several other EBC committees share advocacy issues with

Materials Key advocacy points

→ **Tariffs** - Japan still retains tariffs on some materials. The duties should be lifted, especially since they penalise Japanese companies through higher costs.

→ **Chemical Substance Control Law** - Japan and the EU should harmonise their registration systems for chemical substances and recognise each other's documentation and test results to avoid duplication of procedures.

→ **Waste Management and Public Cleansing Law** - Restrictions on the import and export of waste products for recycling should be lifted, provided a framework is set up so the products are handled by businesses that conduct proper and internationally approved procedures.

Eklund's group, as a result.

The committee's meetings take place about four times a year, with about half a dozen people attending. "It's a good chance to meet other qualified people in our industries and have good sessions around business issues," says the chairman. "We do have a different level of activity than the committees with 20 or 30 members, who have lots of issues to deal with.

"Our issues haven't changed, but they're still valid," adds Eklund, who is also president of Hoganas Japan.

While other EBC groups might concentrate on tackling tricky and highly contentious non-tariff barriers, the Materials Committee's leading issue has long been tariffs. "We think tariffs are an easier objective, since both sides gain from their removal, and it's a move that can be done immediately," says Eklund.

Japan still slaps duties on processed nickel products, silicon carbide and several other materials, for example,

even though domestic production of these products is nearly non-existent and almost all must be imported. Tariffs were originally aimed at protecting a small number of domestic companies that do reprocessing and other value-added work. However, the higher costs created by the tariffs are also hurting Japanese industry as a whole, including the nation's highly strategic automotive, electronics and renewable energy industries. Access to competitively priced materials is key to them staying competitive globally.

"Tariffs should be reduced to zero," argues Eklund. "Their removal is basically a win-win situation. Japanese industry would benefit from a level playing field."

Customs clearance is part of this issue. The committee complains that Japan's regional customs offices often fail to apply tariff classification rules on materials in a consistent manner. An office in one part of the country might classify a product differently

from another office in a different area of Japan.

"Customs in Japan can be strange sometimes. There can be one decision in Osaka and a different decision in Tokyo," the chairman points out, adding, "Some new materials can be tricky because they don't automatically fit into [existing] classifications."

"In order to reduce costs for Japanese industries – for us to sell here – customs [processing] needs to be more efficient and transparent."

The committee is expecting to see the lifting of most – if not all – tariffs on materials once the FTA negotiations are concluded between the EU and Japan. "Hopefully 100%. But in the overall picture, there will be some tariffs left in other areas," he says.

Another advocacy point is recycling. Japan has been a world leader for recycling waste industrial materials. However, the Waste Management and Public Cleansing Law – which dates back to 1970 – restricts the import

and export of waste materials for such processing. The law's original intention was good – for instance, to prevent environmental damage from hazardous materials being handled by unscrupulous and unregulated businesses in developing countries. However, the committee says the overseas shipping of these waste materials should be permitted, under the condition that the authorities ensure the work is done according to international conventions and good practices.

"It has to be handled by the proper businesses, and Europe is quite far ahead in this area," he says. "You need a framework by which you can trace the movement of materials from here to Europe."

It's another case of a win-win situation. A framework would give Japanese companies access to the world-leading expertise and services of European recycling firms, while the Europeans would secure more business from Japan. 



As the evenings draw in and the sun becomes elusive, it can require a little extra effort to get out the front door. However, once the challenge is met, we are richly rewarded – as winter brings with it a whole new world of opportunity to explore.

Studies suggest that being outside in the wintertime boosts our immune system, making us less likely to fall ill. Also, the more time we spend outside during winter, in natural daylight, the happier we will feel. Lastly, and debatably the best reason of all to be outside in the winter, is the wonderful world of snow sports.

The Hakuba Valley, in the Northern Japan Alps, is a prime place to get

the absolute best out of this season. Whether it is enjoying the clean, fresh air as we take a leisurely stroll through the valley, or turning our skis through powdered snow, there is something for every age and ability level.

Skiing, of course, is one of the biggest draws to Hakuba – not surprising, as its nine ski resorts offer more terrain and vertical rise than anywhere else in Japan. The valley boasts over 200 trails – for beginners to experts, and everyone else in between. For the advanced skiers, there are fantastic opportunities for off-piste and backcountry tours.

A great alternative to skiing and snowboarding is snowshoeing. We can explore the mountains in a fun and safe

way, with no prior experience required. Whether as a family or on our own, we can enjoy this activity that takes us on a journey into the heart of Hakuba's majestic mountains.

With over a decade of guiding and instructing in the Hakuba Valley, Evergreen Outdoor Center is the perfect choice for getting outdoors this winter.

NADINE ROBB
Instructor/Guide,
Evergreen Outdoor Center
0261-72-5150
tours@evergreen-outdoors.com
www.evergreen-hakuba.com





Aoba-Japan

INTERNATIONAL SCHOOL

www.aobajapan.jp

Hikarigaoka Campus Tel. 03-6904-3102

Meguro Campus Tel. 03-5428-4488



Better bento



Thomas Bertrand's lunchbox dream

Text and photo **ROD WALTERS**



“
EUROPEANS
DON'T JUST
WANT A
JAPANESE
BENTO BOX;
THEY WANT A
FUNCTIONAL
LUNCHBOX
”



Frenchman Thomas Bertrand came to Japan in pursuit of what he called “the Japanese Dream”. He ended up finding it in Kyoto bento boxes.

“For my parents’ generation, it was the American Dream,” says Bertrand, originally from St Etienne, France. “But when I was growing up, all my friends and I watched nothing but *anime* on television, and we became fascinated with every aspect of Japanese culture.”

After graduating from Kyoto University, Bertrand briefly worked in design before coming to the realisation that bento boxes were his future. He believed that the finely crafted and individualistic lunch containers would be attractive to people around the world. “Bento boxes are so commonplace for Japanese people that they’d never think of opening a shop dedicated to selling them to foreigners in Kyoto,” says Bertrand, who did just that.

His shop, Bento&co, started online in 2008, with a small, select inventory of lunchboxes and chopsticks. The initial website was in French, with English and Japanese versions coming soon after. Today, 60% of the company’s sales are to Europe, 25% to North America, 3%

to South America, and 6% each to Asia and Australasia. Seventy per cent of the business is B2C, and 30% is B2B, including luxury hotels in Paris, Atlanta and St Martin in the Caribbean. Sophisticated black and red lacquerware stacking boxes have proved attractive for presenting room service of all kinds with a Japanese flair.

Requests from the hotels for boxes with white insides have required discussions with the craftspeople who make the boxes and an adaptive approach to the needs of customers overseas.

In 2012, Bento&co opened a bricks-and-mortar shop on three floors in the heart of Kyoto. The ground floor serves walk-in customers. The second floor is dedicated to warehousing, and the top floor is an office. The glass frontage creates an impression of Santa’s workshop, with lots of pretty things ready to go out to good boys and girls around the world.

Today, Bento&co sells lunchboxes from around the world; and, unsurprisingly, those from other countries are more capacious. The company also has a marketing edge. “Japanese makers focus almost exclusively on manufacturing to the detriment of marketing,” says Bertrand. “We sell lunchboxes from an English maker who uses very clever

packaging; and despite the higher ticket, it really sells well.

“Our unique *kokeshi* doll bento boxes are plastic, but they’re machine washable and microwave safe. And they’re painstakingly screen-printed by hand in several colours by craftspeople. I think they’re too cheap,” he adds. “They would still sell well at a significantly higher price, and both the maker and Bento&co would make a better [profit] margin on them.”

Although the Japanese factor is a powerful draw for consumers overseas, it’s not the only consideration. “Europeans don’t just want a Japanese bento box; they want a functional lunchbox,” says Bertrand. “That’s very important.”

The international staff at Bento&co is clearly a key factor in the success of the enterprise. They speak some French, Japanese and English at various levels, enabling them to serve customers from many countries around the world, while marketing through social media in their respective mother tongues. The company sponsors international bento contests and has proven an attractive employer for Kyoto locals, who wanted to use their French ability while remaining in Japan. 

PINK BALL 2015

FRIDAY, MARCH 20

THE WESTIN TOKYO HOTEL

¥35,000/SEAT, ¥350,000/TABLE

Pink Ball is a black-tie gala bringing together those in the community who share a commitment to fighting breast cancer as a life-threatening disease in Japan, and spearheading greater awareness, diagnosis and treatment among Japanese women of all ages – especially in medically underserved regions. The funds raised through Pink Ball go

a long way toward the Foundation's community outreach programs that include the Lemon Project seminars and publication of PINK magazine, one of our most vital media tools for bringing the latest information about breast cancer treatments and health-related topics on exercise, food, nutrition, and survivor beauty tips to women living in Japan.

www.runforthecure.org



Get involved

Some 300 of the over 2,500 affiliated local European companies and individuals participate directly in one or more of the EBC's 28 industry committees covering a wide variety of economic sectors.

COMMITTEES

- ▶ Aeronautics & Space, Defence & Security
- ▶ Airlines
- ▶ Animal Health
- ▶ Asset Management
- ▶ Automobiles
- ▶ Automotive Components
- ▶ Banking
- ▶ Business Continuity Management
- ▶ Construction
- ▶ Cosmetics & Quasi-drugs
- ▶ Energy
- ▶ Financial Reporting
- ▶ Food & Agriculture
- ▶ Human Resources
- ▶ Insurance
- ▶ Intellectual Property Rights
- ▶ Legal Services
- ▶ Liquor
- ▶ Logistics & Freight
- ▶ Materials
- ▶ Medical Diagnostics
- ▶ Medical Equipment
- ▶ Railways
- ▶ Retail & Wholesale
- ▶ Sustainable Development
- ▶ Tax
- ▶ Telecommunications Carriers
- ▶ Telecommunications Equipment

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

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



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



Lead your Industry with C-Parts provided by Würth 70 Years of Experience

Contact Würth Japan at:
0800-600-5550
support@wuerth.co.jp
www.wuerth.co.jp



Building a better
working world

Need to make better and more informed decisions about how to strategically manage capital and transactions in a changing world? Let us help.

The Capital Agenda puts your capital needs at the heart of our strategy and focuses on the issues that matter most to you:



Our Transaction Advisory Services professionals in Japan deliver tailored advice attuned to your needs – helping you drive competitive advantage and increased shareholder returns through improved decision-making, through services that include:

- ▶ Corporate Finance Strategy
- ▶ Lead Advisory
- ▶ Restructuring
- ▶ Operational Transaction Services
- ▶ Transaction Diligence
- ▶ Transaction Tax
- ▶ Valuation & Business Modeling

Ernst & Young Transaction Advisory Services Co., Ltd.,
Kasumigaseki Bldg., 27F, 3-2-5 Kasumigaseki, Chiyoda-ku, Tokyo 100-6027
Contact: Peter Wesp, Partner
peter.wesp@jp.ey.com, Direct: +81 (0)3-4582-6465
<http://www.eytas.co.jp/>

BEST CONTACTS FOR YOUR SUCCESS



20th anniversary

Telegärtner

JAPAN LIMITED

Japan Telegärtner Ltd.

We are growing with Japan's increasing demand for broadband networks, faster LAN connections, and sophisticated infrastructure. Our sales team deals with data and voice products, and fibre optic connection parts, as well as coaxial connectors for mobile communication base stations and wireless LAN systems.

We provide instant estimates and delivery by securing inventory stock areas and consolidating cooperative relationships with agencies.

We handle challenging requests — from specifications for special environments and next-generation industries, to OEM/ODM.

The new compact, installation-friendly 4.3-10 RF connectors have been specially developed to meet the ever-increasing demands of mobile radio communication applications.

The small size and low weight of these connectors do justice to the miniaturisation of mobile radio network components. The connectors guarantee low return loss and passive intermodulation (PIM) performance levels. The new connector series offers one universal cable jack suitable for mating with three different cable plug designs.

Our product and services are also available for overseas projects.

N-7F, N.E.S.Bldg., 22-14, Sakuragaoka-cho,
Shibuya-ku, Tokyo 150-0031

Contact: sales@telegaertner.co.jp
www.telegaertner.co.jp



Shin Iwamoto

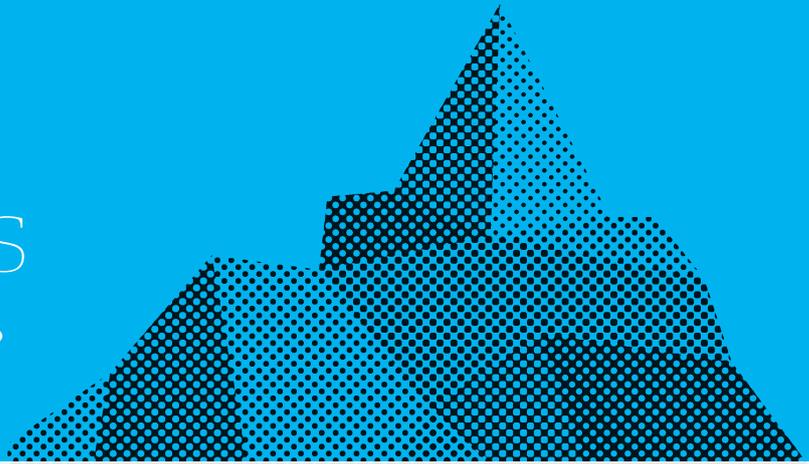
President
Japan Telegaertner Ltd.

reads

eURObiZ JAPAN

Hidden Champions

Does branding matter?



They are companies relatively

unknown to the public: number one in their market (US, Europe, Japan), and among the global leaders in their fields, with global sales of up to \$5 billion. They are “Hidden Champions”, according to German Professor Hermann Simon, who coined the term. And about 3,000 firms around the world fit this description.

Most of these Hidden Champions boast technologies that set them apart from their competitors. About 90% are manufacturers, most are B2B, and many are family-owned. Two-thirds are from Europe – with nearly half of the total from Germany alone.

Hidden Champions are also very relevant for this magazine. Many *EURObiz Japan* readers work for a Hidden Champion in Japan, or want their company to become one. But what does this mean for branding? Isn't the combination of Hidden Champions and branding a contradiction in terms?

At first sight – yes. In his book *Hidden Champions*, Simon writes that these firms tend to avoid drawing attention to themselves. He quotes one CEO who said, “Every unwanted public mention of our company counteracts our efforts to stay unknown.” But, at the same time, the author also notes that some companies use their world market leadership as an advertising message. And, more importantly, “more and more Hidden Champions are beginning to step out from behind the curtain.”

So what is the situation here in Japan? Does branding matter, or do these firms prefer to stay “hidden”?

Of course, branding matters. But, not surprisingly, Hidden Champions define branding in different ways.

Last month, our firm held an event to discuss this topic with the Japan leaders of an Austrian and a German Hidden Champion. Participants agreed that the term “reputation” comes down to four factors: technological leadership, quality of leadership, market awareness and breadth of product range.

They stressed that reputation-building is of eminent importance in Japan, albeit with some country-specific twists. For example, reliability is not just one success factor among many;

has several dedicated media, often daily papers, plus a mass of online media.

Japanese companies, especially the manufacturers, make very good use of these media opportunities. Most Japanese companies are not only present at industrial meetings and trade shows, but also actively reach out to industry-specific media. A simple comparison of the number of press releases issued by Japanese and German Hidden Champions shows that the Japanese firms send out twice as many.

In short, Japanese Hidden Champions make an extra effort to be “visible” in the cause of their reputation. And this

results in positive media coverage on important market leadership topics such as technology and quality. This media exposure provides Japanese companies with the brand reputation they need to build with industrial customers.

European firms, whether Hidden Champions or not, need to be aware of the reputation-building efforts of their Japanese competitors.

“ JAPANESE HIDDEN CHAMPIONS MAKE AN **EXTRA EFFORT** TO BE VISIBLE IN THE CAUSE OF THEIR REPUTATION ”

it is an absolute precondition to being accepted as a technology and quality leader in Japan.

Another key challenge for foreign firms – current and aspiring Hidden Champions alike – is to discard the notion that product and service competence matters less than existing relationships. And this is where strategic branding plays an important role.

Just think of the many trade shows and informal industrial meetings in Japan. Think of the business and trade media, which play a far more important role in Japan than anywhere else. Each industry

A pro-active and strategic branding approach is necessary – especially in Japan – to penetrate relationship-dominated networks and to establish a reputation for top quality and reliability. Modesty is rarely a recipe for success in Japan. ☺



DR JOCHEN LEGEWIE
is Managing Director of
CNC Japan.

RACK OF LAMB

The 450g of lamb, grilled in a full rack and served at the temperature you like, with a rich Cabernet sauce — and accompanied by mashed potatoes and fresh seasonal veggies. Served as chops upon request.



BLOOMIN' ONION®

A true Outback original. Our special onion is hand-carved, cooked until golden and ready to dip into our spicy signature bloom sauce.



CLASSIC CHEESECAKE

One of our many irresistible desserts, the New York-style cheesecake is served with a choice of raspberry or homemade chocolate sauce.

Roppongi
03-5413-4870

Shibuya
03-5459-7751

Minami-Machida
042-788-3360

Makuhari
043-213-3256

Osaka Umeda
06-6457-7121

Bar & Grill
Shinagawa Konan
03-6718-2761

Shinagawa Takanawa
03-5798-3501

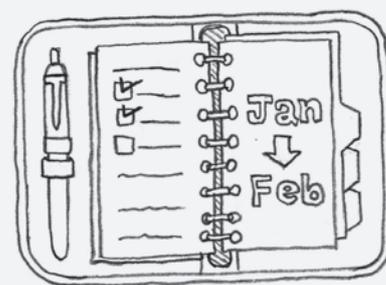
Ikebukuro
03-5928-1391

Ebina
046-292-4286

Nagoya Sakae
052-968-7800

WWW.OUTBACKSTEAKHOUSE.CO.JP/EN

Upcoming events



► **Belgian-Luxembourg Chamber of Commerce in Japan**
www.blccj.or.jp

New Year's Party *moules/frites*

15 January, Thursday, 19:00-22:00

Venue: Le Petit Tonneau, Toranomom
Fee: ¥8,000 (members), ¥10,000 (non-members)
Contact: info@blccj.or.jp

Monthly Beer Gathering

19 January, 16 February, 16 March,
Mondays, 19:00-23:00

Venue: Belgian beer café in Tokyo
Fee: Pay for what you drink
Contact: info@blccj.or.jp

► **French Chamber of Commerce and Industry in Japan**
www.ccifj.or.jp

Shinnenkai and French Business Awards ceremony

29 January 2015, Thursday, from 19:00

Venue: Hotel Grand Hyatt Tokyo
Fee: ¥8,000
Contact: a.calvet@ccifj.or.jp

► **Ireland Japan Chamber of Commerce**
www.ijcc.jp

Third Thursday Networking

15 January, Thursday

Fee: Free and non-members welcome!
Venue: To be confirmed
Contact: secretariat@ijcc.jp

IJCC Joint Networking Event with ACCJ*

29 January, Thursday

Venue: Irish Ambassador's Residence
Fee: ¥5,500 (members), ¥7,000 (non-members)
Contact: secretariat@ijcc.jp

* American Chamber of Commerce in Japan

St. Patrick's Day Parade

15 March, Sunday

Venue: Omotesando
Contact: secretariat@ijcc.jp

I Love Ireland Festival

15 March, Sunday

Venue: Yoyogi Park, Shibuya
Contact: secretariat@ijcc.jp

► **Netherlands Chamber of Commerce in Japan**
www.nccj.jp

NCCJ Shinnenkai with Holland Alumni Network Japan

21 January, Wednesday, 19:00-21:30

Venue: Va-tout, Roppongi
Fee: ¥5,000 (members), ¥6,500 (non-members)
Contact: nccj@nccj.jp

► **Swiss Chamber of Commerce and Industry in Japan**
www.sccij.jp

SCCIJ January luncheon

15 January, Thursday, 12:00-14:00

Speaker: Hiromichi Shirakawa, Chief Economist, Credit Suisse Securities (Japan) Ltd.
Venue: ANA InterContinental Tokyo, Akasaka
Fee: ¥6,500 (members and non-members)
Contact: info@sccij.jp

JAN

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

FEB

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

► **Finnish Chamber of Commerce in Japan**
www.fcc.or.jp

Club Evening

21 January, Wednesday, 18:30-20:30

Venue: Scandinavian Center/Moomin Kindergarten, Akasaka
Fee: ¥4,000 (members), ¥6,000 (non-members). Collected at the door, and includes buffet and free drinks
Contact: fccj@gol.com

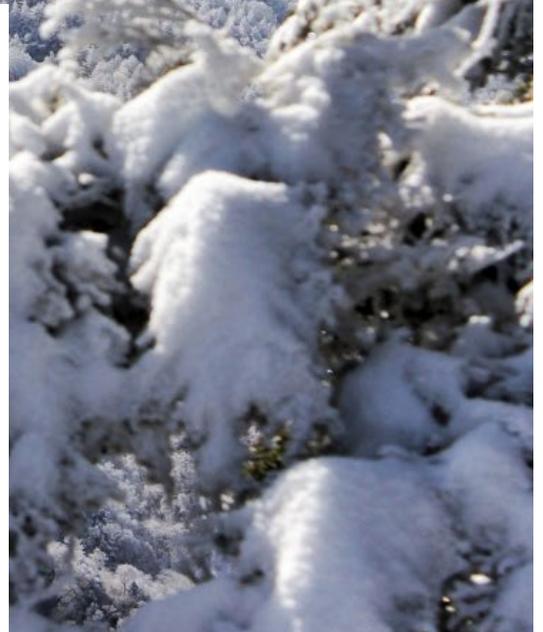


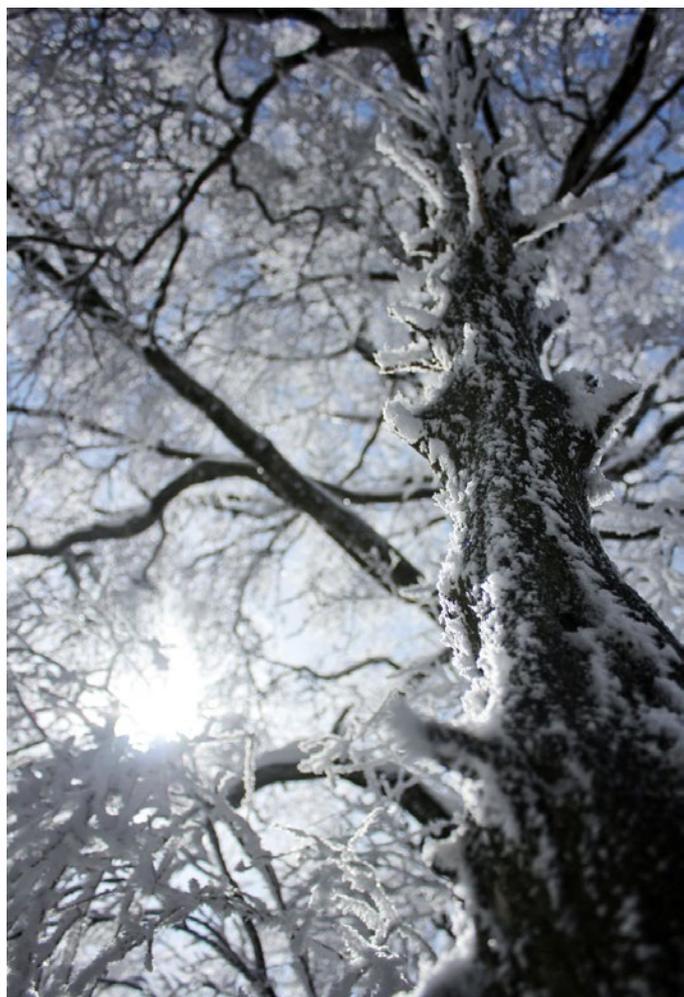
Mountain magic

Shikoku's Mt. Ishizuchi

Photos and text **ROD WALTERS**

It is the highest mountain in Western Japan, and both a landmark and object of veneration for sailors on the Seto Inland Sea. Mt. Ishizuchi in Shikoku prefecture, towers nearly 2,000 metres high, and is also a holy site for the local Shugendo sect, which combines Buddhism and Shintoism. The mountain's snowcapped peak resembles a stone hammer, while snow runoff bubbles up again in numerous attractive springs in the nearby city of Saijo. These waters feed Shikoku's largest sake-brewing district, as well as an Asahi beer factory and Coca-Cola plant. 





S.T. Dupont

PARIS

MAITRE ORFÈVRE, LAQUEUR & MALLETIER DEPUIS 1872



Alexandre James

President, S.T. Dupont Japon

With more than 140 years of history – and taking roots from creating custom-made travel cases and prestigious leather goods for the elite around the world – S.T. Dupont is constantly innovating. With a presence in Japan for almost 40 years, the French firm operates a flagship store in Ginza, as well as shops and corners in major department stores.

“We have built our success on the elegance of tradition in design and manufacturing with our leather goods, writing instruments, lighters and accessories,” says new president Alexandre James. “Our unequalled know-how and passion for creation have been passed down through generations, resulting in collections that are in line with the needs of our customers.”

Photo **GENEVIEVE SAWTELLE**

Long haul. Full stretch. Deep sleep.

One touch to lie flat: the new seats in Business Class

Nonstop
you

Wherever you are flying over, what matters is what is directly beneath you: a comfortable, flat bed. In our new Business Class, not only can you sit comfortably, but you can also lie down, completely stretched out. A touch pad brings your seat into the right position, letting you glide above everything, totally relaxed.



Lufthansa

Design for sparkling moments.



The new generation Miele “G 6000 dishwashers” debut.
www.miele.co.jp

Miele
IMMER BESSER