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Similar A roundtable with German companies

A positive image Q&A with Finnish Ambassador

**Rebuilding trust** The importance of staying ethical



# L'INSTANT CHANEL





# **6** Rebuilding trust

Lessons on the importance of staying ethical By Justin McCurry

# **10 Helping parents**

Are companies playing their part in helping the government reach its goals? By Nathalie Stucky

# **16 Similar values**

A roundtable with the heads of three German companies

**Moderator Gavin Blair** 

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# COLUMNS

5 From the Editor *P* By Andrew Howitt

**13 Executive Notes** Abenomics RIP By Kevin Rafferty

14 Business Spotlight Natural and Luxurious: Andaz Tokyo AO Spa & Club By Gavin Blair

20 EBC Personality Tomas Wittek Schunk Carbon Technology Japan KK By David Umeda

22 Focus Striving for a healthier economy with healthier women 24 Q&A 🔿 Finnish Ambassador to Japan – Manu Virtamo

27 Event Report French Business Awards 2016 Ceremony By Andrew Howitt

29 Chamber Voice Pekka Laitinen, Finnish Chamber of Commerce in Japan By Andrew Howitt

**30 In Committee** Insurance By Geoff Botting **40 Special Feature** Aoba-Japan International School By Andrew Howitt

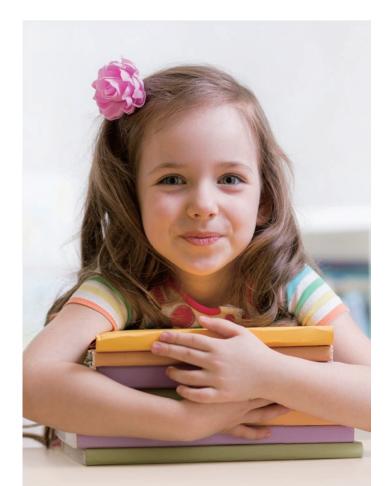
**43 Cellar Notes** ☐ German vines By Allison Bettin

44 Culture Shock 5 Can you tell me what's in this? By Steve McClure

**47 Upcoming Events** Events for the European Business community in Japan.

**48 Work Place** Lorenzo Scrimizzi, President, Carpigianni Japan Co., Ltd.

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



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# europiz

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A STAR ALLIANCE MEMBER

Contributors

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

"The dust had barely settled on the Olympus scandal when Toshiba and Takata inflicted yet more damage on corporate Japan's reputation. The response by the firms and the country's financial authorities



Nathalie Stucky finds out what companies in Japan are doing to help young parents, page 10.

Nathalie Stucky is a Swiss journalist who has been based in Tokyo since June 2011. She writes about a wide range of issues

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

different German business entities about their experiences in Japan and views on the similarities and differences between the two countries provided some interesting insights. I was also, not for the first time, left humbled by the eloquence and apparent ease with which non-native



Justin McCurry looks at how companies have cleaned up their acts following their involvement in scandals, page 6.

is being closely watched. There is cause for optimism, but the road to redemption could be long and bumpy."

happening in Japan. Prior to coming to Japan, Nathalie Stucky worked at the Geneva office of Jiji Press.

"It was fascinating to observe that without a strong system in place right now to support new parents, mothers and fathers are finding new ways of solving issues by themselves, such as by having fathers do more of what mothers used to do for the household compared to earlier generations of Japanese couples."

**Gavin Blair** moderates a discussion between three German business leaders, page 16.



speakers express themselves on complex topics in English. And left wondering if I will ever approach that kind of fluency in Japanese."

# The right way

Any seasoned parent knows that when disciplining a child, lectures, reminders, and the occasional sharply spoken "no!" are not always the most effective deterrents for bad behaviour. At times, there's no other way for them to learn the right way to act than to let them disobey and learn the lesson the hard way.

Some companies, sadly, have to go through the same thing.

Justin McCurry's story, Rebuilding Trust (page 6), presents companies who have had to suffer the consequences of bad decisions, but who have taken the responsible next step to strengthen corporate governance so similar mistakes are not repeated.

Many European companies, and a handful of Japanese ones, have also taken steps to do what's right for the young parents on their staff. In



Helping Parents (page 10), Nathalie Stucky looks inside some firms that should be set up as models for Japan, who provide sound maternity and paternity leave programmes, as well as in-house daycare services, to help keep great employees active in full-time employment. Our cover story this month features a roundtable discussion with representatives from three German companies in different industries (page 16). They discuss what it is to be German doing business in Japan, and some of the shared values between the two countries.

We were also very honoured to be given the chance to interview Finnish Ambassador to Japan, Manu Virtamo (pictured left). In our Q&A, he speaks about Finnish-Japan relations, and how he has accrued over 125,000 young Japanese followers on Twitter since coming to Tokyo. Clearly, he is doing something right.

Andrew Howitt Editor-in-chief andrew@paradigm.co.jp



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# Rebuilding trust

*Lessons on the importance of staying ethical* 

Text JUSTIN MCCURRY

The end of the financial year reveals the true depths of the self-inflicted wounds at Toshiba, as it seeks to drag itself out of the quagmire created by one of several major accounting scandals to have hit the country's corporate sector in recent years.



### The global consumer electronics firm said it was forecasting full-year losses of \$6 billion, and would have to cut more than 10,000 jobs.

Like other Japanese companies currently embroiled in scandals – the optical equipment maker Olympus, the air bag-maker Takata and the construction materials firm Asahi Kasei – Toshiba is also counting the cost of the damage to its reputation, both at home and abroad.

Corporate scandals are not unique to Japan, of course. Some of the most significant overseas debacles of recent decades have involved US and European companies, from the US energy trader Enron and British Petroleum, to the German industrial conglomerate Siemens, and Industrivärden, a Swedish holding company that last year found itself at the centre of a scandal over corporate jets.

But there is little doubt that Japan's business reputation has taken a significant hit. As the firms involved attempt to weather media and public opprobrium – and protect their bottom line – now is the right time to ask if they have learned anything from their travails and, more to the point, if there is anything other firms can take away from their struggles, aside from a dose of schadenfreude.

Japan's experience is instructive, given that Prime Minister Shinzo Abe has made corporate governance a key part of his economic agenda. In addition, demonstrating more than lip service to ethical conduct has acquired new significance amid heightened interest in Japan among overseas investors. Perhaps most important of all, failure to overhaul its corporate culture will only do further damage to Japan's already tarnished image. On the plus side, there are signs that financial authorities, and listed companies themselves, have taken note of Abe's exhortation to improve corporate governance.

In 2014, Japan's Financial Services Agency (FSA) introduced a stewardship code that was supposed to restore trust among foreign investors and avoid a repeat of the Olympus and Toshiba accounting scandals. The code encourages hitherto supine institutional investors to adopt a more aggressive stance towards the management of the companies in which they have a financial interest.

Last year, the Tokyo Stock Exchange (TSE) followed the FSA's lead with the adoption of its own corporate governance code. One of the TSE code's key requirements is for listed companies to hire at least two independent external directors; at present, almost all of them already have one and have vowed to meet the code's target.

The new codes "are bound to have an impact on management over time, and there seem to have been some positive results already," said Howard Sherman,

66 NOW IS THE **RIGHT TIME** TO ASK IF THEY HAVE LEARNED ANYTHING FROM THEIR TRAVAILS

head of corporate governance business development at index provider MSCI.

But Michael Connors, an advisor at RWC, a UK investment fund, believes that regulation alone is unlikely to guarantee there will be no repeat of Toshiba's and Olympus' woes. "It is almost by definition impossible to legislate against malfeasance, particularly where more than one individual is involved and where, as so often is the case, one misfortune or miscalculation leads to another. And suddenly everyone is in over their heads," he said

When things go badly wrong, the response by Japanese firms tends to follow a well-trodden path: containment followed by grudging disclosure, then a public mea culpa and high-profile resignations. Legal action is rare.

Suntory president Takeshi Niinami is among those who have proposed more

aggressive measures to rein in wayward executives.

"This is not a problem with just Toshiba," Niinami said last December, in an interview with the *Nikkei Asian Review.* "We need

a framework that keeps retired corporate leaders out. If they get involved, current managers are pressured to continue what predecessors have done.

"We need to set an example, too," he added. "The US dealt with business crimes severely, as seen in the Enron case. We need to punish offenders in Japan by delisting them, for instance."

Critics have pointed to Japan's traditional reluctance to punish those responsible for the sins of their companies. A civil judiciary panel last year forced the indictment of three former executives at the Tokyo Electric Power Company for their alleged role in the meltdown at its Fukushima Daiichi Nuclear Power Plant. Yet, few observers expect a conviction, especially since public prosecutors had twice refused to bring charges.

But there are still opportunities for Japan to set an example that will be closely watched by companies in Europe and the US.

At Toshiba, which was found to have overstated profits by about \$1.2 billion, chief executive Hisao Tanaka resigned, along with eight board members; but it

is unclear whether prosecutions will follow. However, on 25 December, the FSA imposed a record ¥7.37 billion fine on Toshiba for falsifying financial reports and acting in violation of the Financial Instruments and Exchange Act.

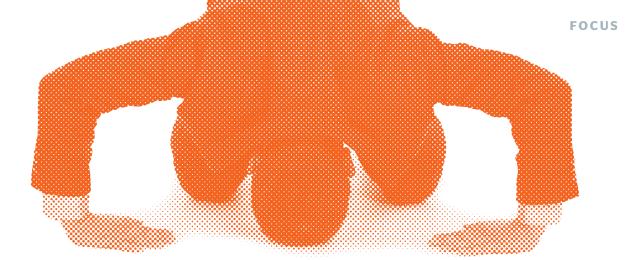
Toshiba did not respond to *EURObiZ Japan*'s request for comment.

Shigehisa Takada, chairman at Takata, the manufacturer of

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defective airbags that have been linked to at least 10 deaths as of December, has refused to resign. And on 9 February, it was reported in Japanese media that the president of Asahi Kasei, Toshio Asano, announced he would step down to take responsibility for a widespread falsification of piling data. Again, there is no indication at this stage of any legal action.

"The usual advice is to come clean straight away and minimise the costs," said Andrew DeWit, professor at Rikkyo University's School of Policy Studies.

DeWit cited Johnson & Johnson's handling of the 1982 Tylenol drug tampering case in Chicago as an example of how to handle a crisis. "That's the lesson from the Tylenol case, the lesson almost everyone forgets when they get into a scandal," he said. "The managers panic and try to hide the evidence and pass the buck."

Those in any doubt about the longterm costs of resisting full and immediate disclosure need look no further than Olympus.

In January, Michael Woodford, the former Olympus chief executive officer who blew the whistle on accounting fraud at the firm, filed a suit in the UK against his former employer for breach of contract, more than four years after he accused the firm of accounting fraud amounting to \$1.7 billion and a 13-year cover-up.

Olympus declined to comment on what European companies could learn from its accounting scandal, but said the scandal had forced it to reflect on its modus operandi.

"It was imperative that we rebuild our corporate governance to recover trust, so all of the board members were replaced and a new management team was engaged to undertake the task of strengthening governance," Olympus spokeswoman Mika Katsumata told *EURObiZ*.

Siemens, which was caught up in a 2004 bribery scandal that came to light during a US investigation two years later, said it has undertaken "enormous efforts" after being accused of paying bribes to public-sector officials to win a contract for the 2004 Olympics in

## **6** IT WAS **IMPERATIVE** THAT WE REBUILD OUR CORPORATE GOVERNANCE TO RECOVER TRUST **9**

he added. "A key element of integrity is compliance: adherence to the law and to our own internal regulations. We have zero tolerance for corruption and violations of the principles of fair competition – and where these do occur, we rigorously respond."

MSCI's Sherman said it would be unfair to single out Japan as structurally vulnerable to corporate malpractice.

Citing recent scandals in Europe, among them alleged accounting fraud

at the British retail giant Tesco, Sherman said: "I don't think there's anything particular to the Japanese market that makes it more prone to corporate governance or account-

Athens, including giving full cooperation to the authorities and mandating a law firm to conduct an independent and thorough investigation.

"In addition, Siemens implemented far-reaching changes in its corporate structure in the following period, including replacing almost the entire managing board and numerous managers – setting a clear tone from the top – centralising its payments, improving its risk management, and setting up a comprehensive compliance programme in the years that followed, which has been further developed into The Compliance System, as it is called today," Yashar Azad, a spokesperson for Siemens AG in Germany, told *EURObiZ*.

"For us at Siemens, integrity means acting in accordance with our values – being responsible, excellent and innovative – wherever we do business." ing scandals than other markets.

"I think they all point to the same conclusion," he continued. "Corporate governance really does matter, and shareholders need to be vigilant and engaged in order to ensure their investments are protected by a robust governance process and an attentive board of directors."

But RWC advisor Connors believes acceptance of good practice will be "patchy" as long as corporate Japan retains its apparent faith in the wisdom of management, which appears as unshakeable as US firms' belief in the power of market forces to solve their problems.

But, he added: "Japan has rightly been regarded as a laggard in corporate governance in the past. I would not be at all surprised to see the country being regarded as an exemplar of good practice in the relatively near future." **③** 

# Helping parents

# Are companies playing their part in helping the government reach its goals?

Text NATHALIE STUCKY

report released in early February by the Peterson Institute for International Economics, which looked at nearly 22,000 public firms in 91 countries, revealed that having more women on the board can increase a company's profitability. Nordic countries appeared to be the leaders in promoting gender equality, with Norway topping the list with the

most female directors. However, Japan landed at the bottom of the list: just 2% of firms with women on their boards, and a mere 2% in executive positions. The country's traditionally long working hours mean that many

women choose not to return to work after having children. Prime Minister Shinzo Abe had been committed to increasing the number of women in leadership positions to 30% by 2020,

MORE THAN HALF OF JAPANESE WOMEN LEAVE PERMANENT EMPLOYMENT AFTER HAVING CHILDREN

but that has since been reduced to what is said to be a more realistic 7%.

The truth is, more than half of Japanese women leave permanent employment after having children, due in part to a lack of available spaces for children in daycare facilities. And working hours that suit parents are still very rare; time spent in the office is valued more highly than output.

The unfortunate reality today is clearly illustrated by the experience of Izumi Sato, the single mother

of a two-year-old daughter, currently working as a saleswoman at a life insurance company. She said that when she was ready to return from maternity leave to her previous job, she was politely told that her position was no longer available. "Normally, in Japan, companies have to allow you to return to your old job when you come back from maternity leave," Sato explained. "But, in reality, that's not the case, especially in small and mid-sized enterprises."

One way that more women could remain employed – and as active as men on the workforce would be – is for fathers to become more involved in childcare within the family. But due to a strongly rooted pressure on men to continue performing

> the role of the family's main income earner, currently only 2.3% of Japanese men whose wives have given birth take their legally granted paternity leave.

> Experts say that Prime Minister Abe's push for more women in management roles by 2020 could encourage companies to invest more in female workers who marry and have children.

Japan's female participation

rate in the workforce is 64% – compared with 84% for men – one of the world's lowest among the leading nations of the Organisation for Economic Co-operation and Development (OECD). Increasing the number of childcare facilities to 400,000 nationwide by 2017 is also a government policy that is helping to create assistance for families raising children. Bloomberg reports that in April 2015, there were still 23,167 children on the waiting list to enter authorised childcare centres.



Women often have no choice but to leave their jobs because they can't get their children into day care. But a few years ago, the government announced it would subsidise in-house childcare centres operated by private companies starting in April 2015, on the condition that those who are not employees would also be eligible to send their children to the centres.

Even before the government started making strides to improve the situation for mothers, some Japanese companies proposed ways of assisting working mothers. Shiseido, a leading Japanese beauty product maker, proposed a fiveyear maternity leave system in 1990 and built an in-house daycare centre to accommodate employees' children who were not admitted to local nursery schools.

Nissan has had childcare support

centres since 2005 and opened its third in-house daycare centre at its Yokohama global headquarters in January 2013. Their ratio of women in management-level positions was 1.6% in 2004, and now stands at 8.2%, a solid improvement in terms of diversity management.

Chie Kobayashi, the

general manager of Nissan's Diversity Development Office, told *EURObiZ Japan* that for young women who want to have a career and raise children, Nissan offers a range of flexible working hours between 7:30 a.m. and 10:00 p.m., during which employees can decide when they want to leave their children at the nursery school. Additionally, 50% of mothers' working hours can be done from home.

IBM Japan is also proud of the service it provides for its employees through its in-house nursery school.

"We were aware that it was terrible for

mothers to travel around using public transportation with a baby to put in a local nursery school before starting their work," explains Megumi Umeda, Diversity Partner manager in IBM Japan's HR division. "By 2011, 50% of mothers at IBM moved closer to the work place to benefit from the in-house daycare centre."

Right now the IBM female workforce is 22%, with 14% women managers and 12% women executives. "I think it's good in comparison with Japan, but there is still a lot of progress we can make. It's a business imperative; if we don't do a better job of getting the most out of all our workforce, including the women in it, we are jeopardising our business," said Zane Zumbahlen, IBM Japan's vice-president of HR.

Another company that puts a high priority on retaining their female employees is IKEA Japan. President

JAPANESE WOMEN
HAVE SO MUCH
POTENTIAL, BUT THEIR
HOUSEHOLDS DEPEND
TOO MUCH ON THEIR
HUSBANDS' INCOME. ??

and CEO, Peter List, said that his firm sees gender diversity and inclusion as an investment in IKEA's employees and essential to the success of its business.

"We recognise that our co-workers' differences contribute to creativity, support our growth plans, and help to create a better IKEA," he wrote in an e-mail to *EURObiZ*.

At IKEA, female employees can take up to nine months of maternity leave. Male employees are granted up to 15 consecutive days of special paid paternity leave when their spouse gives birth. "We have a flexible approach for employees returning to work. We want to be able to meet our co-workers' needs so they can stay and grow at all stages of their life," List said. "We review the hours and schedules to fit with mothers or fathers integrating back into work."

"Now 47% of management-level employees are female, and our goal for gender rate is 50% female and 50% male. We are now very close to our goal as we reach 10 years of history in Japan. And our in-house daycare facility is obviously a support to mothers as they reintegrate into work at IKEA after giving birth," he concluded.

French national Yu Martinez is a 34-year-old senior executive working for a large French company in Tokyo, and is also the mother of three children aged two to five. "In my company, women who have children are young, competent and active workers, most of them are trilingual and bear important tasks," she observed. "I think it would be a huge loss for a company to lose its young, capable workers. My company values women and their contribution; I am not sure that's the case in most Japanese companies, though."

Martinez continues: "Japanese women have so much potential, but their households depend too much on their husbands' income. Japanese women have to fit around their husbands' career, especially women who choose to get married and have children. I think if women's salaries were raised, they would have more power in their households."

Prime Minister Abe is trying to find ways for more corporate positions to be offered to Japanese women, but with the average salaries of men and women being so different, equal treatment still seems a long way off. Currently, women earn 70% of a man's salary for the same work, placing Japan 104th out of 142 countries in the World Economic Forum's 2014 global Gender Gap Index. <sup>(2)</sup>

# Abenomics RIP

### Critical failures of Japan Inc.

Leading newspapers and news media, from the *Financial Times* to Bloomberg, have been writing the obituary of Abenomics, the special economic policies designed and named after Japan's Prime Minister Shinzo Abe to lift his country from gloom and restore it as an economic great power.

But if you look carefully, Abenomics is about to be laid to rest because of a lack of care and attention from its progenitor. A contributing factor has been the failure of the Japanese establishment – in which I include banks and big companies, academia and media – to do a proper job in challenging politicians to articulate and shape policies properly.

From the start, Abenomics was controversial. Critics, including Professor Noriko Hama of Doshisha University, mocked it as "*aho*-nomics" (silly or idiotic economics) and "*awa*-nomics" (bubble economics). I was surprised that Abenomics was not laughed out of existence for its claim that the firing of three arrows would solve Japan's problems.

Bows and arrows? — what game are we talking about to pretend problems of a sophisticated but troubled economy can be sorted out by using instruments of warfare that were outdated five centuries ago?

Abenomics supposedly consisted of three arrows: monetary policy, fiscal policy and structural reform. Except that Abe did not fire three arrows: he left Bank of Japan governor Haruhiko Kuroda alone shooting the monetary arrow of quantitative easing (QE), relatively more massive than that of the US Federal Reserve.

QE is like pushing on a piece of string. In the better global economic times when he started, Kuroda managed to weaken the yen to ¥120-¥125 against the US dollar, boosting the stock market and improving earnings of Japanese companies. But Japanese companies have not played their part. They have salted away a record ¥247 trillion in cash reserves, resisting the pleas of Prime Minister Abe to increase wages or invest, which might kick-start the economy, besides raising those animal spirits that could encourage Japan to believe in its economic future.

an/

66 IN REALITY, NO **SIGNIFICANT** STRUCTURAL REFORMS WERE EXECUTED **?** 

Now, as the global economy is weakening, the Bank of Japan's (BoJ's) QE won't be as effective. As proof, the BoJ's desperate resort to negative interest rates succeeded in weakening the yen for a few days before a nervous world sent a flood of money into the yen as a "safe haven" currency; and the yen went to ¥112-113 against the dollar, where it has stayed, enough to pinch exports. As another sign of global headwinds, Japan's exports fell in January for a fourth consecutive month.

Japan is caught in a vicious circle, with prospects for exports declining, as companies shift production abroad, the global economy slows, and the yen strengthens.

Takuji Okubo, chief economist at Japan Macro Advisors, asserts: "The

idea behind Abenomics was sound, but it was badly executed. In theory, the policy package aimed to implement painful structural reforms, while expansionary fiscal and monetary policies played the role of painkillers. In reality, no significant structural reforms were executed."

 $\frown$ 

Kuroda might deepen negative interest rates. Rates could go to minus 0.5% or even minus 1%, and be applied broadly, with banks charging ordinary Japanese for keeping money in the bank. But this would be the nuclear option, and might lead to the dangerous denouement of Japanese taking their money out of banks. Would foreigners still see the yen as a safe haven then?

Abe might fire another stimulus arrow via more money for boondoggle construction projects, leading to easy pickings for the big companies that fund the politicians and the deeper debts for Japan. But any beneficial effects would be short lived.

The mystery is in how Japan's leading politicians are seeing the situation. Nobutero Ishihara, who succeeded the disgraced Akira Amari as economic and fiscal policy minister, confidently declared faith in Japan's economic recovery: "There have been no major changes in economic fundamentals. No doubt the virtuous cycle of the economy is working."

Abe himself has forgotten Abenomics in his quest for Japan to be a "normal" nation with a constitution to his liking. You have to ask what is the price of being normal with an economy in such a neglected mess. ③

**KEVIN RAFFERTY** is a journalist and commentator, and quondam professor at Osaka University

# Natural and luxurious

### Andaz Tokyo AO Spa & Club

Text **GAVIN BLAIR** Photos **KAGEAKI SMITH** 

Located 37 floors above Tokyo is a little oasis of tranquillity and relaxation called AO Spa & Club, part of Andaz Tokyo that has its reception up on the 51st floor of the Toranomon Hills tower. Opening along with the hotel in 2014, the spa matches the laidback boutique lifestyle of Andaz, a separate and distinct brand in the Hyatt Group.

"We wanted to create something truly unique that didn't exist in the Japanese market, and something that was deeply rooted in the Andaz philosophy of personal style," says Rachael McCrory, Director of Spa, Andaz Tokyo and Regional Wellness Specialist -Hyatt ASPAC. She is someone with an obvious passion for everything related to spas.

The road to launching a new concept is rarely a smooth one, and McCrory soon found her vision bumping against the reality of Japan's notoriously complex and restrictive regulations on the ingredients in cosmetics.

"When I arrived here in October 2013," recalls McCrory, "we had a different concept in mind, and then worked hard over the next few months to figure out how we could modify it to create an experience that was highly personalised, while navigating through the language barrier, the cosmetic regulations and all the other dynamics you have to consider when running a business in Japan."

The solution was to create what AO Spa & Club has dubbed the Blend Bar, which functions as both an interactive reception for the spa, and a place where guests can build their fully tailor-made treatment programmes, down to selecting the individual ingredients from the purest elements of Japan.

Even the most natural ingredients at the Blend Bar caused regulatory issues, recalls

McCrory: "I was told 'no' about a hundred times before we got a 'yes'. We had to have a back-up plan because nothing like this had ever been done before in Japan."

What is on offer at the Blend Bar changes regularly, with the herbs, fruit and other ingredients shifting with the seasons.

"We try not to waste anything, so when the citrus fruit starts to soften, for example, we dehydrate the zest and it can then be combined with a little sugar and oil for a great scrub. We even recycle coffee from the Tavern," says McCrory, referring to the hotel's main dining space, also on the 51st floor.

Following a career that has taken McCrory to Chicago, Kauai and Maui in Hawaii and Sanya in China – all at Hyatt properties – she says that she is determined to take customisation to a new level in Tokyo, allowing customers to choose every possible element of their spa experience.







"I believe that the 'made for me' concept in spa wellness will become more important than ever before and that your wellness journey should be a personal one. I want to ensure that we are able to create fully customised experiences to support indivisual needs and goals. With the next phase which begins in April, we will take that customisation into skincare, whereas before it was solely focused on the body," McCrory reveals. "We found a great French line, Biologique Recherche, which is like a Blend Bar for your skin in a way, with over a hundred products and a very original methodology. The therapist performs a very detailed analysis at the beginning of the treatment and then creates a custom solution for you, based on the health of your skin when you come in."

According to McCrory, the results from the new line will be immediate and long-lasting, with a focus on promoting the health of the skin versus just the superficial appearance. "The other side of the new direction is that we will become even more natural, which is hugely important to me. Some of the ingredients found in our previous skincare products were high in chemicals. With Biologique Recherche, they do not add any chemicals or fragrances; they are very raw, but highly active products."

The spa is also adding two more cosmetic lines. The first is Elemental Herbology from the UK, which has a natural ingredient base. It works with certified organic farmers in sourcing the materials, and is based on the five-element theory of Chinese philosophy. The other is Kotoshina, an organic line that uses green tea leaves from the famous Uji tea-growing region of Kyoto as its core ingredient.

"AO Spa & Club is based on the concept of the flowing energy of a wave," explains McCrory. The Technogym fitness room is at one end, coming to the pool in the middle – a wave-like slate sculpture stands in front of it and serves as the centrepiece of the spa – and along to the treatment rooms at the other end. Most of the facility, including four of the five treatment rooms, offers spectacular views of Tokyo.

With 164 guestrooms offering stunning views of Tokyo, Andaz Tavern serves the best in European Provincial cuisine and offers guests a host of complimentary services. Hyatt's Andaz brand has brought an unprecedented hospitality experience to Tokyo. Near Toranomon station, Andaz Tokyo is centrally located, allowing for easy access to world-class shopping in Ginza and Omotesando, the business centres of Marunouchi and Shimbashi, the entertainment areas of Akasaka and Roppongi, and the historic districts of Toranomon and Nihonbashi. Whether for business or pleasure, Andaz Tokyo is the perfect choice. 🥹



# Similar values

### A roundtable with heads of three German companies

Moderated by GAVIN BLAIR Photos BENJAMIN PARKS

Japan and Germany have business ties that are long and deep, as well as significant cross-border investment. Many also see cultural similarities between the two economic powerhouses, in attributes such as efficiency, punctuality and attention to detail. Three executives from disparate fields – Herbert Wilhelm from logistics, Rijkert Kettelhake from tourism and Georg Löer from regional economic development and investment – sat down to discuss the two countries' common traits and differences, as well as how they can learn to interact in business together.

(L-R) Herbert Wilhelm, Rijkert Kettelhake, Georg Löer





#### *EURObiZ*: Would you briefly introduce your companies and what you do?

*Georg Löer:* I represent the Economic Development Agency of the German state of North Rhine-Westphalia, and our entity here is NRW Japan KK. My mission is to promote the region in Japan, as well as to promote investment into North Rhine-Westphalia.

*Rijkert Kettelhake*: I'm director of the German National Tourist Office, Japan, and in Tokyo we cover Japan and South Korea to promote Germany as a destination for both leisure and business tourism. As a regional manager for Asia and Australia, I also coordinate for our offices in Beijing, Hong Kong, New Delhi, Dubai and Sydney. Herbert Wilhelm: I'm President and CEO of Schenker-Seino [global logistics services]. We are a joint venture, as our name suggests, which is an exception in the Schenker organisation. Typically, where we operate we are a 100% subsidiary of Schenker AG. The joint venture is quite new, beginning in 2002, but Schenker's history in Japan is over 50 years long.

### What impression do you think Japanese people have of German companies, products and services?

*Löer:* The first thing you have to know is that German-Japanese relations go back more than 150 years, and Germany has contributed to the development of Japan in many fields, especially during the era of the

modernisation of Japan in the 19th century. After World War II, obviously both Japan and Germany had to rebuild their countries and economies, so this is a common experience we share. This very close relationship is also reflected in a strong recognition of Germany as a brand, and our companies, products and services, as well as the quality that Germany stands for. Germany is also one of the top investment locations in Europe for Japanese companies. There are more than 1,630 Japanese companies that have invested in Germany, of which a little less than 600 are in our region, mainly Düsseldorf, but also Cologne, the Ruhr area and other locations.

*Kettelhake:* In terms of outbound tourism from Japan, it's not in a good



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Tel.: 03-5769-7300 Fax: 03-5769-7301 Email: info.corporate@schenker-seino.co.jp position because of the economic situation here, that has been going on for years. And then, in the last couple of years, [there have been] the security issues in Europe. Japanese tourists are very sensitive to safety and the refugee issue, and the terrorist attacks that have occurred in Europe have affected the situation. Germany still stands as a valuable travel destination for Japanese, and the quality of what we offer is very high.

*Wilhelm:* Even though our ultimate shareholder is a very traditional and

prominent German company, Deutsche Bahn, we don't see ourselves or promote ourselves as a German company in Japan. The way we introduce our company is to say that we combine European influence with a Japanese mentality and American spirit that has come about through our joint venture and mergers. That makes

up the culture of the company. In our business dealings, although Germany is an important destination and source of our shipments, it is only one of the countries we deal with. I think German products are looked at very favourably by Japanese customers, and Germany has a very good reputation, both in terms of products and services.

### People point to cultural similarities between Germany and Japan, particularly the approach to doing business. Do you find that's true and that Japanese feel some affinity?

*Wilhelm:* I think there are some important features that both countries value: quality, reliability, safety and infrastructure. I think this is something that people from both countries hold very dear.

*Kettelhake*: I haven't been in Japan that long, only a year and nine months, but I think we can learn a lot from Japanese quality, reliability, service and respect for each other. I think these are points that, in Europe and other countries in the world, we can really, really use to improve ourselves. I have the feeling that Japan doesn't have the reputation overseas it deserves. I think a lot of Europeans have a feeling that Japan is a difficult place to travel to and deal with, and not just the language, but also the habits and mentality.

*Löer:* As someone who has been involved with Japan on and off for around 60 years – I was born in Tokyo, was here in my childhood, and have lived here for some time in

# Germany–Japan facts

Amount of trade between Japan and Germany (for 2014)Japan imports\$24.2 billion in goods from GermanyJapan exports\$19.2 billion in goods to JapanTotal trade:\$43.4 billion



GDP

Germany: \$3.874 trillion Japan: \$4.602 trillion



 Population

 Germany:
 82,029,000

 Japan:
 127,053,000

every decade since the '50s - I think the German perception of Japan has changed drastically. In the '80s you had the "Japan as No. 1" phenomenon, and the expansive, fast-growing economy that created not only admiration but also fear. For example, that it was becoming a menace to the German auto industry. You had pictures in German magazines of chopsticks being used to eat German cars. Since the late 1990s. I've witnessed a much more relaxed attitude toward Japan in Germany. Nowadays, people are much more familiar with Japan's culture than they were 20 or 30 years ago, especially young people, who have a huge interest in the country.

#### Has your opinion on the issue of similarities changed since you've been in Japan?

*Wilhelm:* The degree of the expectations of quality was something of a surprise. The Japanese consumers are, in a positive way, spoiled with the quality of the products they buy and services they receive. For a company like ours, in the service industry, where we have to compete with Japanese companies in Japan, on the quality and service level, these expectations tell us where we need to be. When I travel and have meetings with colleagues around the world, I tell them that, if they can consistently satisfy Japanese customers, they have reached the summit of what is possible.

Kettelhake: I was aware of almost nothing before I came – the biggest surprise for me was being sent to Japan. I lived in Milan for six years before coming here, and in Italy altogether for 17 years; and it became my country. There is a big gap between the way Germans and Italians do business and between the way Germans and Japanese do business. If you have done business and seen the differences even between European countries, the most important thing is give and take. In some countries you have to be harsher, to take, and, in some countries, to give. And with Japanese culture in general, not just in business, giving is very important; and that is what I'm willing to do. But, at the same time, Germans have a reputation in Japan as good business people, so why shouldn't we also stick to our own mentality? And I think the Japanese appreciate us both adopting some of their practices, but also sticking to our own mentality.

Löer: In dealing with both Germany and Japan, you have to initially bridge a large distance, not only in a geographic sense, but also in the mind. Even though we are living in this modern, global world, people are educated and socialised differently, although they may have the same basic needs. Covering this distance always takes an initial extra effort. To get partners to work together with Japanese companies takes time; you have to invest this time, to "give", to earn that initial trust. Japanese business partners are very trustworthy and usually stick to their word, even if nothing is written down. But when I identify potential partners for my Japanese clients in Germany, it does not always have to be the best in the field. It could be the number two or three, but they should have a propensity to deal, and match, with the Japanese and their ways. 🥹

# Thomas Wittek

# Reacting fast to change

Text **DAVID UMEDA** Photo **KAGEAKI SMITH** 

### 🙂 Do you like natto?

**Time spent working in Japan:** Since 2005. My whole professional life, except for six months in Austria when I started working for Schunk.

Career regret: Not yet. Favourite saying: "Nicht nachlassen zwingt." Conrad Freytag, German master builder, 1846 – 1921. (Hard to translate; roughly: "Not giving up will force success.")

**Favourite book:** Hard to give a favourite, but *Lord of the Rings* is the only novel I have read twice.

**Cannot live without:** Oxygen, food, clothing – and, close after that, my family.

**Lesson learned in Japan:** Still learning on a daily basis.

**Secret of success in business:** Ask me once again in 10 years.

**Favourite place to dine:** Tonkatsu Ozeki, a small family-run place in Fujisawa, near Tsuiido-Kainan

**Do you like natto?:** Got used to it. Tastes best when mixed with *kimchi.* 



#### r Thomas Wittek, managing director of Schunk **Carbon Technology** Japan KK, was born in Poland, and moved to Germany at age nine before the fall of the Berlin Wall in 1989.

"We moved a few times until my high school graduation," Dr Wittek recalls. He learned back then "to be flexible, not to be too surprised if things around you change faster than you might have imagined." He stressed that the main thing was to be able "to react fast to those changes."

After finishing his PhD in Japan in 2008, Dr Wittek happened to hear about Schunk by sheer coincidence.

"It was actually my first career step outside of academia," he recalls.

Yet, receiving a doctorate in engineering from a small private Japanese university proved to be invaluable to his leadership role in business today.

"It taught me how to achieve my aims with limited means," he states. "[Ironically] my education also taught me to stay away from an academic career, particularly as a foreigner in Japan."

Founded in 1913, the Schunk Group comprises four divisions and 13 business units across 29 countries with more than 60 companies. While consolidated sales

came to €988 million in 2014, the group achieved the €1 billion mark in 2015. Dr Wittek points out that this is "a huge topic among our top management in Germany."

Although mostly unseen, the billions of components that Schunk Carbon Technology produces and distributes worldwide are for everything from cars, ships and space shuttles, to electrical and medical equipment, production of LEDs, and even solar technology and wind power stations. Their products ensure reliable drive mechanisms, proven safety, and a high degree of comfort

The drive for innovation and cutting-edge technology has made Schunk's components and equipment irreplaceable in numerous processes, technologies and devices - in all the major industries. The group embraces the challenges of each sector by tackling problems in a unique way – always seeking to discover new solutions. The key to this approach is to gain the trust of its customers by cooperating closely with them.

The Japanese market is a significant case in point.

"The aim of our main activities in Japan, in particular regarding the automotive business, is not to sell our

products to Japan," explains the managing director. "Rather, we try to persuade our global Japanese customers to buy our products locally, where their production sites or projects are located outside of Japan."

Dr Wittek explains that Schunk Carbon Technology Japan is in the perfect position to suggest such a unique point-ofsale to its Japanese clients.

"Here, our strong global presence and effective network helps a lot," he adds. "The railway sector, for example, is the field where we are next aiming to sell our products to Japan."

He believes that the current negotiations for the EU-Japan free trade agreement will bode well for his company.

"We hope that the free trade agreements between Japan and the EU will tear down some hurdles which make it difficult to sell our products here." he says. "Our railway products provide an ideal fit in all markets, regardless if it's Japan or some other country."

That said, Dr Wittek offers the following advice: "A certain degree of stubbornness helps a lot in pursuing aims under difficult circumstances, as is mostly the case in Japan."

Such a business strategy aligns well with the insight Dr Wittek gained early in his life: to react fast to change. 🙂

**6** A CERTAIN DEGREE OF STUBBORNNESS HELPS A LOT IN PURSUING AIMS UNDER DIFFICULT CIRCUMSTANCES 99

# Striving for a healthier economy with healthier women

### An overview of the ACCJ-EBC Women's Health Primer

It is no secret that Japan trails far behind other advanced economies with regard to economic and career advancement opportunities for women. Prime Minister Shinzo Abe and the government of Japan (GOJ) formally recognised the need to correct the gender disparity in Japan's labour force in their Japan Revitalization Strategy published in June 2013.

To achieve its goals, the government has called for a number of reforms as part of its objective of "creating a women-friendly work environment and restoring vitality to society." However, one key area for reaching these goals that they have not adequately addressed is the importance of women's health.

Unlike many other developed countries, Japan does not provide a sufficiently comprehensive system for preventing and treating health risks that are specific to women. Ensuring that Japanese women are aware of these health risks and have convenient access to screening and treatment is essential to realising their increased economic participation. In other words, healthcare is critical to helping Japan succeed in attaining their gender equality and labour participation goals, and should go hand-in-hand with structural and social reforms.

In order to face the challenge of improving healthcare for women in Japan, the GOJ and the business community must work together. Aware of this need for collaboration, the American Chamber of Commerce in Japan (ACCJ) and the European Business Council (EBC) in Japan have released the women's health primer, Healthier Women, Healthier Economy: Building a stronger economy by empowering women through better health. The primer covers the importance of health literacy, comprehensive disease screening programmes, and reproductive health. Each section includes a list of practical recommendations for government and businesses that address how to effectively deal with issues related to women's healthcare.

These recommendations are based on the valuable insights that the member companies of the EBC and ACCJ have gained on the issue of women's health through their work in diverse contexts.

"At a time when the people and government of Japan are looking to empower women in the workplace, it's also a time we should be empowering women to take control of their health," observes EBC Chairman, Danny Risberg. "Protecting a woman's health is just as important to gender equality as increasing their representation in the workforce."

Today, we are living in a time where the paradigm of women's health is changing, but healthcare policy and practices are not keeping up. Even compared to just a few years ago, women are experiencing their first menstruation at a younger age, bearing children later in life, and having fewer children. Along with this societal change, there is, unfortunately, an increase in the occurrence of disease. The incidence of ovarian cancer in





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IT'S ALSO A TIME
WE SHOULD BE
EMPOWERING
WOMEN TO TAKE
CONTROL OF
THEIR HEALTH
??
Danny Risberg

Japanese women, for example, is two and a half times higher than it was just 35 years ago. The number of cases of cervical cancer is also rapidly increasing among women in their twenties and thirties, coinciding with their reproductive age.

"There are no laws or regulatory guidelines for comprehensive health checks and gynecological care for women in Japan," notes Yasuko Aitoku, Operating Officer, Head of Market Access at Bayer Yakuhin, Ltd. "This significantly increases the risk of otherwise treatable conditions remaining undiagnosed and, therefore, unmanaged, which leads to a possible increase in the risk of infertility and in the incidence of breast, ovarian and cervical cancers."

She insists that "proper disease screening, as well as access to regular gynecological care from an early age, is necessary to help combat these health risks."

Education is one of the most important factors in addressing reproductive health. Education policies in Japan have not kept up with the needs of modern society. Shockingly, Japanese women's comprehensive fertility knowledge is less that of women in some developing economies. A 2013 study showed Japan scoring below Russia, Mexico, and India. In many cases, primary and secondary school education does not place enough of a focus on health-related topics, especially women's health risks; and this is something the government needs to address.

Infertility treatment is another area that requires attention. Two main factors are affecting the treatment options available to women: Japan's reproductive technology-use guidelines, and cost. In contrast, a number of countries around the world, such as Belgium and France, offer very generous programmes that cover nearly all associated costs of assisted reproductive technology (ART). However, while subsidy programmes in Japan have improved, treatment programmes and the amount of coverage patients can receive remain highly dependent on where they live. And costs are too much of a burden for many couples.

"Clearly, there's still a lot more that both government and businesses can do to support women," says Leo Lee, president and representative director of Merck Serono Co., Ltd. "We are facing this issue together, so I believe the government should increase subsidies



Leo Lee

available to women, regardless of where they live; and we, as employers, need to provide greater support and flexibility in the work place."

By working together, businesses and the government can undoubtedly make a difference in the area of women's healthcare and, by doing so, contribute in a significant way to having a healthier economy. **②** 

### Key Women's Health Policy Recommendations

#### Health Literacy and Education

• Educational intervention to improve health literacy and support women's advancement

### **Health for Self**

- Increase comprehensive screening and access to gynecological care
- Reduce the spread of sexually transmitted infections
- Promote cervical cancer prevention and screening
- Improve the accuracy of breast cancer screening
- Prevent fractures due to osteoporosis

#### **Reproductive Health**

- Improve access to oral contraceptives
- Improve access to fertility treatment

# A positive image

Finnish Ambassador to Japan Manu Virtamo

With a long professional background in trade and more than the average number of postings to US cities as consul general, Finnish Ambassador Manu Virtamo has had a unique career with the Finnish foreign service. He spoke to *EURObiZ Japan* about his role as ambassador, Finnish-Japan relations, the collaborative working group called Team Finland, and his surprise at the embassy's large following on Twitter.

# **6** THE IMAGE OF FINLAND WE SEE HERE IS **REALLY POSITIVE 7**

in Washington, D.C. and then in Los Angeles as consul general. I have been here in Japan since the summer of 2013. Japan was high on my wish list for a long time, so I have been very happy to be here. And from here, I will head back to the US. I am going to become the consul general in New York on the 1st of September. So my career is not in any manner a typical one, to have so many postings in the same country.

### What do you hope to accomplish here before you leave for New York?

I've always seen my job as not just promoting Finland, but also promoting the host country back to Finland. For a long time, there wasn't much growth in Japan and people were saying that it seems to be in bad shape, but we saw a light of hope in Abenomics just after coming here, so we set high hopes on that and started promoting Japan's future back home. So I have seen lots of movement on the business side. And also in our official relations; there's now much more exchange on a high official level. That's what we wish to see this year - some more concrete results on what we have been doing here for the last couple of years.

## What do you see as Japan's attitude towards Finland?

The image of Finland we see here is really positive. It's amazing - we have a Twitter account with more than 125.000 followers, which can be attributed, in part, to the popularity of our Finn-tan character here. Connected to this is my own side account, with my photographs from Finland and Japan, and it has more than 1,700 followers. Even though my picture is of this "old gentleman" in a suit and tie, my followers are mainly young Japanese people; I think the average age is less than 25. On the embassy account, we write in Japanese about all kinds of nice things coming from Finland – usually about travel and design.

And it seems to be a mutual thing. Finnish youth also seem to be very interested in Japan and Japanese culture. They get excited first about manga, anime and Japanese pop music, and then they get interested in learning the language. That's what happened with my youngest son.

Another way to measure how people view another country is tourist flow, and for several years we have been number one among the Nordic countries as a destination for Japanese tourists. Our carrier, Finnair, is flying daily from Tokyo, Nagoya and Osaka. And starting in May, they'll have another route from Fukuoka for the summer period, until October.

### How is the embassy promoting Finnish culture in Japan?

I think Moomin, Marimekko, and also littala – which makes a variety of glass products and has just launched a new product line of tableware with the Issey Miyake Design Studio – are already well-established here in Japan. We participate in all of their promotional events. I go to speak and cut ribbons, and that's very enjoyable. We also try to promote newcomers, smaller Finnish design companies, for example.

### How closely are you working with the Finnish chamber of commerce to promote Finnish businesses here?

Actually, this brings me to a very special way we are promoting our country. A few years ago we started a collaborative working method that is called simply Team Finland. The head of the Finland trade office is on the team's staff. We also have representatives from the Finland Institute in Japan, which is more on the cultural and academic-exchange side, and the Finnish Agency for Technology. All of these groups are relatively small, so it's good for us to work together as one team. What Finland has done is to really spread this type of working style over all of our representation abroad. So at every embassy there's the Team Finland chairperson, who is usually the ambassador. and there is a coordinator who is the

### Could you tell us a little about yourself and your career?

I've been with the Finnish Foreign Service since 1980, so I'm toward the end of my career now. For most of my time in Helsinki, I was working with trade issues. I was a special advisor to two different trade ministers and four undersecretaries for trade. It was very interesting. My postings abroad have also been quite special. I started in Stockholm, Sweden. After that I was



first contact point for whoever wants to do something with us. That especially helps companies because the coordinator has become a kind of one-stop-shop for anyone who wants to know what kind of help we could offer. We have also included the head of the chamber of commerce on our team here.

#### Could you tell us a little more about Team Finland's global activities?

We have six focus areas for this year. One is food, health and wellbeing. And this wellbeing part has to do with the challenges of an ageing population that we are also experiencing in Finland. And, at the other end of the spectrum, we are also very interested in promoting the Finnish maternity and child-care system. The second main focus area is called Lifestyle Finland, which includes tourism and design. The third is ICT, digitisation, and the gaming industry. The fourth one is women-empowerment and work-life balance. The fifth focus area is energy and bioeconomy. And the sixth is Arctic cooperation and the marine industry. So there's quite a lot we're working to promote.

#### Have you been able to share with Japanese government representatives what Finland has done for women's empowerment?

We have lots of discussion, and we are happy to share our own experiences. But we always have to remember that with a population of only 5.5 million, it's much easier to organise different things and give services to our citizens. Where there's a population of more than one hundred million, it's a different challenge; but we can learn both ways.

### How much trade is there between Japan and Finland?

Checking last year's statistics, they're not fully finalised yet; but it looks like our exports will be €1 billion euros to Japan. Imports are one-third less, around €600 million. And Japan's share in our exports is a little less than 2%, and of our imports, a little less than 1%. That sounds quite small, and the truth is the real amount of exchange is much, much larger because, for instance, a major part of our paper products coming to Japan doesn't come from Finland directly, but from our plants elsewhere in Europe or in China. You really can't read the whole truth from just the official trade statistics, so the exchange is definitely much more. I've heard it could be more like exports of  $\in$ 3 billion.

## Do you have a very big forestry export industry in Finland?

Not in general, but to Japan it's amazing. Wood and wood products: the latest statistics I saw are 29% of the total to Japan, and another 11% are paper and paper board products. So wood and wood industry products altogether are 40%, which is quite high.

### What are some areas where you'd like to see more cooperation with Japan?

One thing that has been very positive during the last couple of years is there has been lots of great investments from Japan to Finland. By far the largest money-wise is the acquisition by SoftBank of the Finnish Supercell game development company. The original purchase of half of the company was for more than €1 billion euros. And later on, they bought another 25% of the company. There have been others, as well. Itochu Corporation, a big trading house, made some big investments in one of our forestry industry companies for developing a bioeconomy-related business. Murata from Kyoto has made a large investment in Finland, in a company making small, very sophisticated sensors that can be used for products in industries like automotive and telecom. All these investments seem to be very profitable both ways. Japanese companies acquire Finnish companies that are already on the international market to help themselves internationalise; they kind of step in and make these entities stronger. One of the most important things is that the companies and the labour stay in Finland. So, of course, we want to see more of that.

### What do you love most about Japan or Japanese culture?

The Japanese people. I found very quickly that we get along very well. Sometimes they show overwhelming politeness and friendliness. That's maybe what I'll miss most when we leave Tokyo. <sup>(2)</sup>

# The year of innovation

### French Business Awards 2016

Text and photo ANDREW HOWITT

his year is the French-Japanese Year of Innovation," announced Bernard Delmas, president of the French Chamber of Commerce and Industry in Japan, in his opening remarks. Many of the 19 nominees, across six categories, use phrases

like "cloud service", "data analysis", or "digital connections" to describe themselves — a clear reflection of the chamber's emphasis on technology.

The ceremony was held at the Grand Hyatt Tokyo in Roppongi, with over 150 people in attendance, including French Ambassador Thierry Dana. This was the fifth year for the awards.

"We thought that it was very important to show what successful companies are doing," Mr Delmas told *EURObiZ Japan* in an interview following the ceremony, explaining why the awards are held. "And also to observe the small ones, the SMEs [small and medium-sized enterprises], to give them something that will help them continue to develop. They can use their award as a kind of advertisement to help promote themselves better. It is also for our promotion because we show that we can help new corporations developing in Japan. So it's win-win."

When asked how the jury chooses winners, Mr Delmas said: "It's simple. We judge in each category [based on] the tangible results. And another important criterion for us is if the company is doing something specific in Japan, if they have a global approach."

In honour of the Year of Innovation, the chamber introduced the French Tech Tokyo Award.

Locarise, recipient of this award, provides behaviour analytics services for retail outlets. Using sensors to collect Wi-Fi signals from customers' smartphones, they can measure traffic, length of time in a store, and other factors. On winning the award, Sébastien Béal, co-founder and CEO, said: "It's a great opportunity. We're getting a bit of recognition. It was the first time they were doing this award for start-ups. And I think it will help us tremendously – especially in this ecosystem, but also outside of it."

The winner of the Best SME-Entrepreneur Award, Laurent Safa, CEO of Alldonet, also spoke of how the award would help his company. Thierry Maincent, COO, speaking about the rise in tourism in Japan, said that "France can bring so much to Japan today. I think Japan is looking closely at what France is doing. As well, of course, Japan can also bring a lot to France in terms of service quality."

The business matching service Linkers was winner of the Jury's Special Award.

"We have a unique network with 1,300 coordinators who are working at municipal or governmental organ-



"Positively," he said. "In the industry, customers really want to know, can I trust this partner, because I'm going to work with him for 10 years? So, to have this recognition from the French Chamber of Commerce is a big point."

Alldonet is a technology company that helps manufacturers, especially SMEs, connect their systems to the cloud. They are also working to develop new IoT products.

"I think we get contracts because we show something that's working," Safa added. "And that's the same in France, the same in Japan, and the same everywhere."

Best Product/Service of the Year went to Vivre le Japon (Japan Experience), a travel operator offering everything from house and car rentals to arranging JR rail passes and pocket Wi-Fi for travellers. isations all over Japan," says Lisa Sakashita, managing executive officer. "Some of our main clients, Toyota, Panasonic and Olympus, have already used Linkers to find their best technological partner."

Sakashita spoke of her admiration of French tech firms: "I'm always impressed by the technology of France. So Linkers' mission is to be able to act as a bridge between French and Japanese companies. And we'd like to assist French innovation through Japan's great technology."

Other winners were AXA Life Insurance, who received the Corporate Social Responsibility Award for its efforts in promoting work opportunities for people with different abilities; and Horiba Ltd., an instruments and systems manufacturer, who was awarded Company of the Year. <sup>(2)</sup>

# Finland

According to the Embassy of Finland in Tokyo, one of the very first Finns in Japan was lieutenant Adam Laxman, who came here toward the end of the 1700s. He was sent to learn about trading possibilities. Later, in 1879, Adolf Erik Nordenskiöld sailed to the port of Yokohama. Diplomatic relations were established between Finland and Japan in 1919, just 18 months after the Finns had gained their independence. For Finland, Japan remains among its major trading partners outside Europe.

Major cities: Helsinki (capital), Espoo, Tampere, Vantaa, Turku, Oulu, and Lahti
 Population: 5,476,922 (July 2015, estimate). Urban population: 84.2% (2015). 38.03% 25-54 years.
 Area: 338,145km<sup>2</sup>. Coastline: 1,250km. More than 60,000 lakes.
 Climate: Cold temperate, potentially subarctic, but comparatively mild.
 Natural resources: Timber, iron ore, copper, lead, zinc, chromite, nickel, gold, silver and limestone.







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My practice areas include M&A, finance, corporate governance, domestic and international business transactions, and litigation.

I have acted as Representative Director, Outside Director and Statutory Auditor for listed companies. These experiences have enabled me to give clear legal advice to clients on the importance of enhancing compliance. They have also taught me the significance of quick decision-making and of providing business consulting services backed by legal theory and technique.

I place a high priority on relationships and building trust with clients, valuing their wishes, and thinking and acting together with them for the best outcome. I truly hope that I can contribute to the promotion of cooperation and exchange between European countries, and especially between Finland and Japan.



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# Focused on building community

An interview with Pekka Laitinen, President of the Finnish Chamber of Commerce in Japan

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#### Text and photo ANDREW HOWITT

Pekka Laitinen, president of the Finnish Chamber of Commerce, speaks to *EURObiZ Japan* about the importance of community to his chamber, new kinds of Finnish companies breaking into the Japanese market, and his take on the current climate of doing business here.

#### What do you see as essential to running the chamber successfully?

I think it's to create and maintain the feeling of a society, a community that sticks together. There are so many events everywhere, you can't really always compete with the quality of them. It's rather that people should feel welcome, and that we try to hear what they really want to do. You know there are a lot of people here who are interested in Finland – Japanese companies and even private individuals. We need to reach out to get more of these business friends of Finland together, and grow the community from the core.

### Do you have strategies for building your membership?

We are trying to make sure that all of the new Finnish companies and Finnishrelated companies know of this option of becoming a member. And, of course, the challenge is how to find relevant Japanese companies who benefit from the membership. Here, especially the board members are essential in this – and their connections and networks – and getting connected that way.

### Is there an industry that you are looking to push more in 2016?

I think that what we as a chamber are

ing is young entrepreneurship: the IoT companies and the new software design companies. There is also an international food exhibition coming up, and – can you guess where the best gin in the world is produced? – the Kyro distillery is participating. Finland is not traditionally a gin producer, but if you have a good recipe and if you are active, even Finland can be the best producer of gin in the world.

#### What is a challenge that you face?

I think it's kind of a big challenge to do marketing for Japan in Finland. I think the bubble bursting had such a dramatic impact on the minds of people that they don't realise what the potential and the possibilities are here. In order to strengthen our functions here, I think we have to go back to Finland more and raise our voice over there and try to change the image that Japan has in Finland.

#### How do you think an EU-Japan free trade agreement will help Finnish companies?

When the agreement comes into place, it will really help the food exports to Japan. Most of our producers are very small, so they are not as well-organised as wine-makers in France, for example. But if this agreement comes into place, it will offer a nice framework for all of our producers.

#### Are you still involved with the Foreign Chambers Business Confidence Survey?

The Finnish chamber is the organiser of that as a service for all the chambers. Clas Bysted

[Executive Director of the FCCJ] is really practically doing it. I think it's very much appreciated by the stakeholders of the country: like the embassy, of course, the chamber organisation in Finland. It shows the mood – in a concise format – of what's happening here.

### In the summer and the winter surveys last year, the figures were generally optimistic. Do you share the same attitude?

Yes, of course. If you look out of the window, the world looks pretty unpredictable and gloomy at the moment. In that respect, I think it's a privilege to work in a country where the companies are really still in very good shape. And we have in Prime Minister Abe someone who is very much committed to promoting Japan. I think the mood here, in comparison with most of the other parts of the world, is still pretty good. As you know, the Japanese have much more self-confidence than over the past few years. Record amounts of tourists are coming here, record amounts of corporate profits. So it would take a series of really bad news to make the mood very bad. 🙂

# Insurance//

### Persisting concerns over Japan Post Insurance

Text GEOFF BOTTING

apan Post going public last year was big news. Really big news. The move in November was the world's biggest initial public offering (IPO) of 2015, and it was expected to mark a turning point for the behemoth institution, as well as the various private-sector businesses it affects.

The enthusiasm and expectations, however, quickly dissipated, especially after plunging equity and oil prices started to inflict carnage on financial markets, including those in Japan, early this year. Investors have since lost their appetite for stocks, a blow to the IPO plan that was hoped to give households better investment opportunities.

The EBC Insurance Committee is now carefully watching how Japan Post Insurance (JPI), one of the three newly listed companies (the other two being Japan Post Bank and Japan Post), confronts its brave new world. The EBC has long pointed to a slanted playing field in JPI's favour, due to its

### **Insurance** Key advocacy points

Japan Post - The government should disclose a roadmap detailing its plans to privatise the three companies.

 Mutual Aid Associations (Kyosai)

 Kyosai should be brought under the same regulatory framework as that used for private insurers.

**Product approvals -** The Financial Services Agency should continue its efforts to improve and clarify the ways it approves new insurance products.

close and long-established ties with the government.

The privatisation move is theoretically supposed to turn JPI, also known as Kampo, into a regular public company. But no one believes that nearly 150 years of being entwined with the central government can be unravelled anytime soon. As it stands, only about 11% of the Japan Post Group companies are owned by investors, although the plan is to put more shares on the market in the years ahead.

"The government ownership of the Japan Post business is still influential," says Insurance Committee chairman Kazutaka Matsuda. What is more, it doesn't seem likely the government, like any other investor, is going to be willing to put new stock on a bear market.

"The equity markets aren't going well, and that may make the government think more conservatively about selling their additional stakes," Matsuda says. "This could have a negative effect on the progress of privatisation."

However, according to the committee, the process of privatisation should be speedy and smooth, and it should also be fully transparent. It wants the government to provide a clear plan of the divestment in the Japan Post group of companies, spelling out how many shares it intends •• THE EBC HAS LONG POINTED TO A **SLANTED** PLAYING FIELD IN JPI'S FAVOUR

to let go and a timetable detailing when sales are supposed to happen.

In the meantime, the committee is worried that JPI will continue to enjoy government connections and support, while expanding its product line-up and thus sharpening its competitive advantage. The EBC says that JPI should be barred from offering new products until all its shares are in the hands of private investors.

Private-sector insurers fear JPI could become a direct competitor to their products. "If JPI can offer more attractive products, then that would work against the private sector," the committee chairman says.

"The Kampo products are currently simple and easy, and the private sector doesn't have much of an appetite in this area," he explains. "The products have small protection needs with low-priced premiums."

The concern is that JPI may make aggressive moves with sophisticated products, such as cancer insurance. In that regard, one trend doesn't augur well for the private industry. Many government officials are supporting a proposal to raise the cap for pay-outs on Kampo products, from the current ¥13 million to ¥20 million. A higher limit could mean higher premiums, giving JPI access to a wealthy customer segment – in other words, the same clients the private sector is presently catering to.

The EBC committee also wants the government to clarify the areas the Japan Post companies work in and how they select their business partners.

Japan Post privatisation has, for many years, topped the committee's list of advocacy points. Another issue, which is shared by many other EBC committees, is the delay in product approval.

In a common refrain, the Insurance Committee complains that the approval process often takes too long, hurting both the companies and their customers.

Matsuda notes that the Financial Services Agency (FSA), the government body that approves new insurance products, recognises many of the problems, and it has indicated a willingness to go ahead with improvements.

"They are quite supportive to have the [approval] process accelerated. So the issue for them is whether to expand their capacity, or lighten their processes," he says.

In its 2015 white paper, the EBC lauds the FSA's "initiatives to improve the product approval process." In recent years, the agency has publically provided details of the process.

Matsuda says: "The current senior management of the FSA are quite understanding about new products that are attractive for consumers and are good for the economy."

After all, Japan has a rapidly ageing society and a state social insurance system groaning under financial strains. Increasingly, private insurance products are a way for Japanese people to deal with the financial and health challenges of the future. <sup>(2)</sup>

# What you study



## Curriculum at the core of learning

Text DAVID UMEDA

Faculty-student ratios, diverse demographics, accreditations, and facilities for fine arts and athletics may help narrow down your choice of schools. But what happens inside the classroom defines the quality of an education. Schools are embracing the challenge to provide the best.

### **Current and future needs**

"Whether your child enjoys playing on the equipment during our play classes, moving to various musical styles in our music classes, or using paint and play dough in our art classes, you will enjoy watching them learn and grow at Gymboree," explains Nicole Yamada, Vice-President, Gymboree Play & Music Japan of the Kids Learning Network Company.

"At Tokyo International Kindercare, we believe that children's education should prepare them to successfully create their own path in life, rather than simply following the paths of those that came before them," says Dr. Allen A. Dubolino, Director.

"At Nishimachi International School, our students learn to be communicators, collaborators, thinkers, responsible learners, developers of quality work, and global ambassadors," asserts Mihoko Chida, Elementary School Principal.



These skills are developed throughout their time at Nishimachi, preparing them for the future.

"Students engage in learning that is rich in context, relevant and meaningful in today's world," continues Chida. "Our curriculum is rigorous, coherent and focused. We facilitate the cumulative and social nature of learning, through which children grow and develop into committed and productive global citizens."

Yamada explains that Gymboree's age-appropriate activities, designed by experts, "aim to develop the cognitive, physical and social skills children will need for school and life, in a fun and comfortable environment."

"At Tokyo International Kindercare, we adopt a 'whole-child' educational approach that aims at creating morally and socially upright, creative global leaders," says Dubolino. "It is with these attributes that children will be able to actualise their own dreams, and carry on the hope we all have for a brighter tomorrow."

According to Dr. Greg Story, President of Dale Carnegie Training Japan, "The unique benefit of Dale Carnegie Training is the practical focus. The things you learn in class are immediately able to be applied to your business, rather than theoretical constructs which take time to introduce." Dale Carnegie Training pioneered Action Learning 104 years ago.

"Because we are in 97 countries around the world, we are constantly reacting to the needs of global business; and this, combined with having our own university, means our curriculum always reflects the needs of businesses," points out Story.

#### **Mission statements**

"The Osaka YMCA International School mission statement highlights our priority of offering a 'well-rounded curriculum emphasising global awareness', where students are 'active participants'," explains John Murphy, M.Ed., Principal.

"Seisen, a Catholic international school, educates future world citizens to become men and women for others and with others, in the spirit of Jesus Christ," says Colette Rogers, School Head.

Seisen's mission is to empower each student – through shared responsibility, creativity and human interdependence – "to develop their unique talents and to become competent and compassionate players" in a global society.

"They are capable of empowering others and of bringing hope and peace to our troubled world," adds Rogers.

Principal Murphy talks about his school being both a YMCA and an International Baccalaureate World School.

"We develop a set of values in our students – through our curriculum – that is in line with our core beliefs," Murphy continues. "Our curriculum





# www.aobajapan.jp



is inquiry-based and focused on developing internationally minded, well-balanced individuals who will contribute significantly to the society of tomorrow."

According to the Constitution of the Tokyo Association of International Preschools, the mission of TAIP is "to support the collective interests of the many international preschools in the greater Tokyo area in terms of networking, staff development, parent education and publicity for the ultimate benefit of the preschoolers."

TAIP does not endorse any particular programme, and offers "equal support and opportunities for its members, regardless of the size of the school."

According to Paul-Emile Leray, President of the Paul-Emile's School of English, French, Philosophy: "The teaching is comprehensive, covering all aspects necessary for language acquisition. Tailormade programmes suited to specific needs are also available. Quality is guaranteed! I have worked in North America, Europe and Asia. I am also very familiar with French culture. The 'Open Forum Discussions', covering a wide range of topics, are also very popular and helpful at no extra cost!"

#### **Humanities**

Prime Minister Shinzo Abe has called for dropping Humanities from the curriculum of public universities in favour of courses that focus on practical, technical skill development instead.

"I think that is a mistake," says Greg Culos, Director of External Programming at Aoba-Japan International School. "A university education must address societal needs where professional and liberal understandings of the world are inseparable."

Aoba-Japan cautions that one without the other may well lead to "brilliance in practice, but ineptitude in terms of understanding social need and impact."

Culos stresses that, "while professional training provides the tools to execute and accomplish, the humanities remains critical in helping individuals foster the social awareness they require to function effectively – and for the betterment of the human condition."

#### **Diversity**

"Children are all different, and that has never changed," says Steven Parr, Founding Director and Head of School

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at New International School of Japan.

He goes on to point out, however,

that the object of traditional education

is, essentially, the "elimination of diver-

sity via standardisation through a fixed

monolingual curriculum, age-grade

At New International School, "we

"where diversity is what is wanted in

teachers and a three-year age range

the classroom. Every class has two

of students who interactively and

offer a Vygotskian style of multilingual

and multi-age education," Parr explains,

groupings and textbooks."

creatively develop their proficiencies and identities."

Dr. Alan Brender, Associate Dean at Lakeland College Japan, is also a proponent of diversity on the campus.

"In this complex. disparate world, schools need to expose students to diversity in their curriculum, in the student body and faculty makeup," he says, "and in ideas that include a variety of religious, ethnic and philosophical views."

According to Brender, a diverse curriculum should include "writing, public speaking, history, science, mathematics, art, sociology, religious traditions, international relations and information technology."

> He concludes that "colleges are obligated to raise students' consciousness of the differences in religion, ways of life and philosophies in other countries."

Since their inception, international schools have existed "to value and empower the diversity inherent in our world." explains Matthew Parr, President of the Japan Council of International Schools. "JCIS schools epitomise that diversity by including institutions that are co-educational, single-sex, religious, nationally affiliated, boarding and day – among many other differences."

He goes on to point out that "all our schools maintain a commitment to helping our students value a diversity of perspectives and understand that it is possible for two individuals to look at the same thing and see something quite different – and yet both be right."

The JCIS president concludes: "And this, above everything else, is the key skill to navigating the world of today and solving the problems of tomorrow."

From pre-school, elementary, middle and high school, up to undergraduate and post-graduate studies, the curriculum continues to be what shapes students' satisfaction. <sup>(2)</sup>

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At Osaka YMCA International School, we believe in setting the foundation for life-long learning. This is accomplished through a well-rounded inquiry-based curriculum that celebrates human richness, diversity and curiosity.

From preschool to Grade 5, students follow the International Baccalaureate Primary Years Programme (IB PYP). This is a world-renowned, inquiry-based curriculum which puts the student at the centre of all learning and teaching. Through this programme, students are immersed in the Learner Profile and encouraged to grow as internationally-minded global citizens. In Grades 6 to 8, students continue to develop international-mindedness and focus on a more interdisciplinary approach to all the major subject areas by using a curriculum based on the Province of Ontario, Canada, and the US Common Core Standards in Language Arts.

Students learn across the disciplinary spectrum, cultivating a broad and deep knowledge of the world and its complex relationships. Field trips, both domestic and international, along with a rich variety of after-school clubs, help the students in developing this knowledge.

At OYIS, we believe it is important for students to be aware of their own cultural background, while understanding and appreciating other cultures. The school recognises and values the life









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# Home for inquiring minds

Interview with Ken Sell, Head of School at Aoba-Japan International School

Text ANDREW HOWITT Photo KAGEAKI SMITH

Couched in residential Hikarigaoka in suburban Tokyo, next to a large wooded park, is a school with a reputation for excellence. It is an environment that feels relaxed and safe, perfectly suited to learning.

Aoba-Japan International School (A-JIS) started in 1976 as a kindergarten to help Japanese children learn English. Today, it is a thriving international school taking in students from pre-kindergarten up to grade 12. With five kindergartens in and around Tokyo that feed students into the main campus in Hikarigaoka – and 600 students across all of their locations – the school continues to expand and grow.

However, this level of success is quite new for A-JIS. As with other international schools in Tokyo, enrollment fell following the global financial crisis in 2008 and then again after the Great East Japan Earthquake in 2011. But change came in 2013 when A-JIS was bought by Business Breakthrough Inc. (BBT), one of Japan's largest on-line universities.

"Their vision is to have life-long learning for the school, whereby you could come to this school and move on to further education," says Ken Sell, Head of School at A-JIS. "[BBT] is a publicly listed company, which gives it quite a lot of stability, actually. It's a very healthy place to work because of that."

Their purchase of A-JIS also coincided with the

government's push for the country to increase the number of International Baccalaureate (IB) accredited schools in Japan, so BBT set about putting A-JIS on track to earn this qualification.

"The IB is a conceptual-based curriculum driven through inquiry pedagogy," explains Sell. Students at A-JIS are encouraged to pose their own questions within a framework, and then are shown how to find answers for themselves and make sense of those facts.

With 30 years of experience in education — including positions as Head of School in China and Norway, as well as jobs in the Queensland government in his native Australia and at Central Queensland University — and 18 months as Head of School at A-JIS, Sell stands by the importance of having an inquiring mind.

"If you're inquiring, you're learning something deeply," he adds. "And as you start to really focus in on it, you gain more and more knowledge."

The IB curriculum has been applied at each of the levels of the school, and A-JIS has already been officially authorised as an IB World School for their Diploma Programme at the senior level (grades 11 and 12) and their Primary Years Programme (kindergarten to grade 5). The school is currently a candidate for authorisation for its Middle Years Programme.

"To teach this particular way, you need to have a high level of content-knowledge itself, but you don't deliver it up front," Sell explains. "You need to be able to anticipate the learner's needs and automate your teaching in response".

"If you ask me what I was most proud of," says Sell with evident admiration, "I'd say it's the capacity of teachers in this school to embrace change and really take it on."

He highlighted three special subjects, over and above the traditional academic subjects, that all students in the Senior Years Programme need to complete in order to receive their diploma. One is called the Theory of Knowledge, which gets students to critique where knowledge comes from and reflect on why people hold certain positions, so they can acquire a deeper understanding of cultures worldwide. The second is called Community, Action and Service (CAS), which requires that students do 40

#### **6 I** WOULD SAY THAT WE ARE A SCHOOL THAT DELIVERS AN INTERNATIONAL EDUCATION.

hours of volunteer work. "We believe in well-roundedness, and we have a responsibility [to our community]," he says.

"And the third one is what's called the Extended Essay," he continues. "And without a doubt, that Extended Essay is, for most kids who finish the IB, at a first-year university level. The end result is that those kids, when they go to university – and we know, the research tells us – are more likely to finish their first degree than kids from any other systems."

In a city where there are a lot of international schools, A-JIS is finding ways to distinguish itself.

"A lot of international schools call themselves international schools because they are located away from home – a school where expat kids can go, spend three years, and go back home. So that's what we would call the international school that delivers an expat curriculum. I would say that we are a school that delivers an international education."

Another way A-JIS distinguishes itself is by placing a heavy emphasis on incorporating the local culture. "We are very much attuned to the local Japanese community as well as expats," Sell insists. "What we would say here is, 'Come to us. You'll have an international education, you'll learn Japanese, you'll learn what it is to be in a different culture, and have a deep understanding of that as well as your own'; and we'll do that as best as we can."



Sell spoke specifically about entrepreneurship and why it is part of A-JIS's core values. "Entrepreneurs, when you look at the research, have a high level of social responsibility. They work within a really strong moral framework. They learn from others. They are prepared to take risks with things, but they are calculated risks. They have a high capacity for analysis – it could be in any domain. They know how to plan really well and look through to an end point. They persevere to get it done. So you look at those attributes in a person, and you can teach these attributes."

Through teaching such attributes, Sell believes that these two values of global

leadership, and entrepreneurship and innovation will become embedded at every level of the school.

Regarding the future for A-JIS and what he hopes to accomplish in the next 18 months, Sell explains: "We will have completely been authorised in the IB. All three programmes. And that's a big task to have achieved in such a short time. Then the next step, I think, would be to help [students] engage their learning in the new world of technology and digital learning."

Additionally, A-JIS is continuing to look into how it can make its system of teaching even more effective. "We're exploring a partnership with a university to design a blended learning programme from kindergarten through to grade 12," says Sell. "I think that would set us apart, once we finish it."

The last goal mentioned for A-JIS by Sells is, without question, the most important one: "To continue to make it a good place for kids to learn." **9** 



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### Michael Mroczek

Attorney-at-law (Switzerland), Okuno & Partners

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# German vines

A taste of the land and value of Germany's fine wines



Compared to its Mediterranean neighbours, Germany's wine industry is little more than a drop in the global wine-market's bucket. While Italy produced almost 4.9 billion litres of wine in 2015 – making it this past year's top producer – Germany barely eked out a sixth of that, and almost all of which was white wine. It's no surprise, therefore, that German wines still remain a mystery to most consumers, despite the fact that the country has some of the most interesting terrain and the most elegant, value-friendly wines around.

#### Terroir

There are 13 designated wine-producing regions in Germany; among the most important are Mosel-Saar-Ruwer, the Rheingau, and Baden. Mosel, recognised the world over for its crisp and mineral-driven Rieslings, has some of the most unconventional geography of any wine region. Picturesque vineyards line the banks of the Mosel River, most of which reach inclines of over 30°, with the soil dominated by slate and shale. The slate reflects the sun's rays back up the vines, allowing grapes to ripen in the area's chilly climate. With little fertile soil, the roots of the vines bury themselves deep in the earth, yielding less quantity but better quality fruit as a result. The steep slopes of the vineyards make the use of any machinery impossible, resulting in a gently handpicked harvest that means the less desirable bunches are inevitably weeded out.

The Rheingau is similarly famed for its Rieslings, with vineyards spanning a small stretch of the Rhine River. Terroir, combined with the moderating influence of the river system, makes for similar grape-growing conditions as those along the Mosel. However, Rieslings from the Rheingau are known to be of a more masculine quality than that of its more famed neighbour, resulting in a fuller body, lush peach notes and honeyed character.

If it's German reds you're searching for, then look southwest to Baden.



Protected by the Vosges mountains on one side and the Black Forest on the other, Baden remains Germany's warmest grape-growing region. Its trademark grape is the Spätburgunder, or what the French call Pinot Noir. With various soils enriching the region, the Pinots reflect their individual terroir, so there is no overarching style.

#### Value

Though most white-wine collectors have always been drawn to the Chardonnays of France's Burgundy region, German Rieslings present equal ageing potential, but with a far lower price tag. The high-end dry German Rieslings, even from the most premier producers, usually top out at \$50 to \$70 per bottle, according to an August 2015 article in Wine Spectator. With a winemaking history dating back to Roman times, steep vineyards that require painstaking manual labour, and a small production, German wines should be at the top of any white-wine collector's list. It may still be too early to start touting this as your new wine mantra, though. Most observers believe the complicated labels and lack of exposure are what's keeping German wines from skyrocketing to Bordeaux-like status. 🙂

Every month, ALLISON BETTIN takes EURObiZ Japan readers on a trip through the world of wine.



# Can you tell me what's in this? >

#### Vegetarian dining options increasing in Japan

Text STEVE MCCLURE

ot too long ago, dining choices for vegetarians in Japan were few and far between. If your brand of vegetarianism allowed you to eat fish, you could get by. But it was a lot tougher for those who eschewed meat *and* fish – not to mention for hardcore vegans.

Even humble and seemingly vegetarian-friendly soba noodles presented a dilemma for purists because they are made with *dashi* stock; and one of the ingredients of *dashi* is dried bonito flakes.

But in the last few years, there has been a huge increase in dining options for vegetarians in Japan. From high-end traditional Japanese fare to humble curry joints, there's something for just about every taste. And more and more restaurants that aren't exclusively vegetarian now offer a wider range of menu items for vegetarians.

If you don't mind a dash of *dashi* in your dishes, then Yasai Kaiseki Nagamine (*http://r.gnavi.co.jp/ cOOzdadeOOOO/*) in Tokyo's Ginza district is a good place to get a taste of some beautifully prepared Japanese vegetarian cuisine. *Kaiseki* is Japan's traditional haute cuisine, and menus always reflect the seasons. Nagamine is operated by a vegetable wholesaler, and its menu features interesting local products from all over Japan, such as tonburi seeds from Akita in the north. The seeds look like caviar, and are featured in Nagamine's highly original vegetable sushi platter.

Macrobiotics, which holds that a healthy diet should balance the yin and yang elements of food, has long had many adherents in Japan. So it's no surprise that major cities offer various macrobiotic dining choices. One of the most popular in Tokyo is Chaya Macrobiotics (*www.chayam.co.jp/restaurant/*), which has four locations in the metropolitan area. Although some dishes include meat, there are several vegan options. A typical set menu consists of a pomegranate, smoked nut, and kale salad, vegan soup and



**66** MORE AND MORE RESTAURANTS ... NOW OFFER A WIDER RANGE OF MENU ITEMS FOR VEGETARIANS **7** 

organic brown rice. Or how about a hot vegetable sandwich? Dessert options include strawberry short cake, baked soy cheesecake and vegan sesame ice cream.

Health-conscious fashionistas are the core clientele at Elle Café (*http://ellecafe. jp*) in Tokyo's Roppongi Hills retail complex. A part of French fashion magazine Elle's brand family, the café's leitmotifs are "cleanse, ingredients, prevention and delight" to achieve health and beauty. In keeping with that philosophy, Elle Café offers "cleanse programs" designed to purify the body with intriguingly named juices, such as "greens," "youth carrot" and "super berry". Also on offer are cleansing soups, including "rice

pumpkin," *"kombu* (kelp) broth" and "roots ginger".

"We always discover new healthy trends by travelling around the world," says an Elle Café spokesperson. She explains how menu items are then developed using fresh, organic Japanese ingredients. Women in their thirties make up close to 90% of the café's customers. They have a delivery service for customers in central Tokyo, and an online store.

Indian restaurants have always been a reliable standby for vegetarians in Japan. While many dishes on their menus are vegetarian-friendly, few Indian restaurants have catered exclusively to those who do not eat meat and fish. One that does is Nirvanam, which has three branches in Tokyo. Nirvanam specialises in South Indian cuisine, in which vegetable dishes feature more prominently than other regional Indian cuisines. "Japanese people are becoming more interested in vegetarian food," says a representative of Nirvanam. "Many of our customers have been to India, or want to visit there." He says most of the restaurant's lunchtime customers are women, with more men in the evening.

Women also make up the bulk of the clientele at Shamaim (www.shamaimtokyo.com), an Israeli restaurant in a western Tokyo suburb. "They're more into healthy food, like vegetables you can't get in regular Japanese restaurants," says a spokesperson for Shamaim, citing the various bean-based Middle Eastern dishes the restaurant offers. "We don't see a lot of men here – unless they're coming on a date," he says with a laugh. Shamaim isn't a purely vegetarian restaurant – the menu features regional favourites such as lamb and chicken shish kabobs. But dishes like humus and falafel make vegetarians feel right at home.

You can see this trend growing all across Japan, as more people become aware of healthy dining options.

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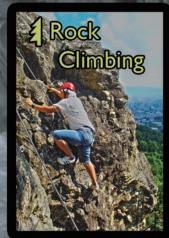
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# Upcoming events

#### » Belgian-Luxembourg Chamber of Commerce in Japan www.blccj.or.jp

#### Monthly beer gathering

#### 22 March, Tuesday; 18 April and 16 May, Monday, 19:00-22:00

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

#### Belgian shop @ Belgian Beer Weekend Yokohama

#### 19-22 May, Thursday-Sunday, 16:00-21:00 (Thu-Fri), 11:00-21:00 (Sat-Sun)

Venue: Yamashita Park, Motomachi-Chukagai station Fee: Pay for what you buy Contact: info@blccj.or.jp

#### » British Chamber of Commerce in Japan www.bccjapan.com

#### Luncheon – 2020 vision: open for business

#### 29 March, Tuesday, 11:00 to 13:00

Speaker: Tokyo Governor Yoichi Masuzoe Venue: Hilton Tokyo, 4F, Kiku Room Fee: ¥8,000 (members), ¥10,000 (non-members) Contact: info@bccjapan.com

#### » French Chamber of Commerce and Industry in Japan www.ccifj.or.jp

#### **CCIFJ Marketing Committee**

#### 28 March, Monday, 12:30-14:00

Speaker: Guillaume Desurmont, Arkema Venue: CCIFJ, Yotsuya/Kojimachi stations Fee: ¥3,000 (open to non-members) Contact: c.queval@ccifj.or.jp

#### Bonjour France – French Week at Isetan

#### 13-19 April, Wednesday-Tuesday, 10:30-20:00

Venue: Isetan Shinjuku Fee: free (open to non-members) Contact: s.beharel@ccifj.or.jp

#### Bonjour France – Exhibition Party: Nelly Saunier and Francois Azembourg, from the Kujoyama Villa to Andaz Salon

#### 14 April, Thursday, 19:00-21:00

Venue: Andaz Tokyo, Toranomon Fee: to be confirmed (open to non-members) Contact: s.beharel@ccifj.or.jp

#### Bonjour France – Champagne Night with Taittinger

#### 20-21 April, Wednesday-Thursday, from 16:00

Venue: Baccarat B bar Marunouchi, Yurakucho station; and Baccarat B bar Roppongi Fee: free (open to non-members) Contact: s.beharel@ccifj.or.jp

#### Bonjour France – Wine Tasting: Wine and food pairing

#### 15 April, Friday, 19:00-21:00

Venue: Trunk Lounge Shibuya Fee: to be confirmed (open to non-members) Contact: s.beharel@ccifj.or.jp

» Ireland Japan Chamber of Commerce www.ijcc.jp

#### Emerald Ball 2016

#### 18 March, Friday, 18:30-midnight

Venue: Tokyo American Club Fee: ¥27,000 Contact: secretariat@ijcc.jp

#### I Love Ireland Festival 2016\*

#### 20 March, Sunday, 10:00-18:00

Venue: Yoyogi Park, Shibuya Fee: Pay for what you purchase Contact: secretariat@ijcc.jp \* Live Irish music and dancing, food, drink and culture

#### St. Patrick's Day Parade

20 March, Sunday, from 13:00 Venue: Omotesando 

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» Swiss Chamber of Commerce and Industry in Japan www.sccijjp

#### SCCIJ March Luncheon

#### 24 March, Thursday, 12:00-14:00

Speaker: Prof. Patrick Ziltener, University of Zurich
Venue: ANA InterContinental Tokyo, Glory Room
Fee: ¥6,500 (members & non-members)
Contact: info@sccij.jp

#### » Multi-chamber Event

#### Stora Enso Cup — Sweden-Finland Golf Challenge

#### Venue: Taiheiyo Club, Gotemba West Fee: ¥18,000 Contact: fccj@gol.com or office@sccj.org

### Lorenzo Scrimizzi

#### President, Carpigiani Japan Co., Ltd.

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Photo KAGEAKI SMITH

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