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**Hired guns**  
Japan's weapons-makers  
now open for business

**Corporate governance**  
Is the landscape changing  
under Abe?

**Going Dutch**  
Ambassador Radinck  
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## Contributors



**David McNeill** writes that Japan is now back in the weapons business, page 8.

David writes for *The Economist*, *The Irish Times* and other international publications. His acclaimed co-authored book, *Strong in the Rain*, was released in 2012. He has been in Tokyo since 2000.

"However you feel about Japan's decision to relax its ban on weapons sales – and some of us think it is a mistake – there is no question that it represents, from a business point of view, a major opportunity. Some of the world's biggest arms contractors are based in Europe. Surprisingly, though, there has been no bonanza. All sides are taking baby steps, restrained by strict government regulations and the remnants of Japan's long-standing pacifism – at least for now."

Writing in and about Japan since 2000, Gavin contributes articles to magazines, websites and newspapers in Asia, Europe and the US on a wide range of topics, many of them business-related.

"I have to confess that corporate governance didn't initially sound like the most exciting topic I'd ever been given. However, listening to people speak passionately about it, and realising that it may be crucial to both Japan's economic recovery



**Gavin Blair** examines corporate governance in Japan, page 12.

and trying to prevent multi-billion-dollar Olympus-type scandals, made me see the issue in a very different light."



**Allison Bettin** covered the WAW Tokyo 2014 event, page 30.

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

degree in journalism and geography. "It was interesting to hear that decades ago, Christine Lagarde was told she would never be a law firm partner because of her gender. Today she's head of the IMF. Things are changing and it's good to see that, in Japan, adding more women to the workforce is now a priority."

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# Woodford, weapons and eco-friendly parking

Back in June 2012, when former Olympus CEO Michael Woodford was awarded a £10 million settlement from his former employer, many thought the case would spark a new era in Japan: one of open governance and transparency. The government of Prime Minister Shinzo Abe did follow with a new corporate governance code, designed to require stronger independent oversight of corporate boards. The Tokyo Stock Exchange also introduced a new index [JPX-Nikkei 400] comprising of firms that, in part, must meet global corporate governance standards.

But has the corporate landscape really changed for the better? There remains opposition from powerful business interests such as Keidanren, Japan's main business lobby, which is against a move to require firms to have more outside directors, and plans its own governance guidelines.



This month, Gavin Blair takes a look at the situation (page 12) and talks to Woodford, to see if he believes Japan is moving in the right direction.

National defence is an area where Japan is changing quickly, under Abe. Along with reinterpreting Article 9 of the constitution, the government also

recently boosted defence spending and, quietly, opened the doors for Japanese companies to sell weapons overseas. David McNeill examines the ramifications (page 8) and gauges the interest of European enterprises.

Also this month, we have a real estate roundtable featuring three of the top executives in the industry; an interview with Dutch Ambassador Radinck van Vollenhoven; and a Green Biz feature (page 27) about a new, eco-friendly way to park bicycles in the megalopolis.

Once again, thanks for reading Japan's finest English business magazine. [e](#)

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# Hired guns

*Japan's weapons-makers now open for business*

Text **DAVID MCNEILL**

## **Often dubbed a hawkish nationalist, Prime Minister**

Shinzo Abe has lived up to his billing. Since he returned to power in late 2012, Japan has seen two consecutive rises in defense spending, as well as a record third request for ¥5.5 trillion, currently under deliberation.



In July, he pushed through a controversial reinterpretation of the nation's constitution, allowing Japan to come to the aid of its US military ally. Earlier this year, Abe relaxed Japan's four-decade de-facto ban on arms sales abroad.

The decision to relax the arms export rules caught many in the European defence industries by surprise, according to Michel Theoval, EBC senior vice-chair and president of aerospace and defence firm GHT. "They were not at all prepared," he says. "They thought it would take much more time; that it would be much more controversial."

But Theoval says the Japanese side

“ JAPAN SEEMS TO BE SAYING, ‘OK, LET’S TRY A **SMALL STEP**, THEN WE’LL TRY ANOTHER ONE’ ”

**Robin Wilson**

— especially the politicians — now want to move quickly.

To put the changes in context, Japan’s defence budget still takes up only about 1% of Japan’s gross domestic product (GDP), lower than China (1.3%) and a quarter of US defence spending, according to Japan’s Ministry of Defense. By comparison, NATO’s minimum budget requirement is 2% of GDP. Still, whether Abe’s changes are viewed as dangerous sabre rattling or — as his supporters insist — a necessary recalibration of Japan’s dysfunctional defence posture, few analysts have been left with any doubt that a new sheriff is in town.

The impact on Japan’s biggest

military contractors has been striking. Shares in 20 of the largest — including Mitsubishi Heavy Industries (MHI), Mitsubishi Electronics and Kawasaki Heavy Industries — are up over 70% since Abe came to power, according to Goldman Sachs. The decision to loosen Japan’s rules on collaborating with European and American companies, meanwhile, has created “interesting possibilities”, in the words of Lance Gatling, a leading Tokyo-based military analyst and broker. He predicts a string of small-scale tie-ups.

So far, however, the emphasis has been on “small”. One of the first collaborative projects announced is between Japan’s main military research lab, the

Technical Research and Development Institute, and Britain’s Defence Science and Technology Laboratory, to develop chemical and biological protective suits for the battlefield. A steady stream of executives from the big European defence contractors has made its way to Japan since the guidelines were relaxed, but nobody has landed a big fish yet.

In business terms this is “disappointing”, accepts Bjorn Kongstad, policy director at the European Business Council in Japan. “Everyone is looking into it because there could be business opportunities,” he says. “The government was hoping there would be cooperation between Japanese and

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European countries, but it is fair to say that those projects have not taken off in the way some people had hoped."

One reason is that Japan is carefully negotiating a series of bilateral agreements to prepare the groundwork. A key concern is potential sales of weapons or components to third world countries. That's a stumbling block in drawn-out negotiations with India, for instance, over nuclear technology with potential dual applications (energy and military).

"Japan seems to be saying, 'OK, let's try a small step, then we'll try another one,' says Robin Wilson, former chairman of the EBC Defence Committee.

Japan's top business lobby, Keidanren, says the government will continue to tread carefully before giving a green light to export or collaborative agreements with overseas partners. "Still, the fact that we can cooperate with foreign companies is important," adds Satoshi Tsuzukibashi, head of the lobby's Defence Production Committee. He says the relaxed defense guidelines will create "a change in mindset" in the domestic defence industry.

MHI and a delegation of contractors – including Mitsubishi Electronics, Kawasaki Steel, Hitachi, Fujitsu, Toshiba and NEC – dipped their toes in these new waters in June, when they booked their places at the Paris-based biennial Eurosatory, one of the world's biggest defence and security industry trade shows. On their first appearance at the event, they brought with them tank engines, radars, missile technology and other high-tech goodies.

Japan's decision to tour abroad for military contracts has raised eyebrows, yet Japan is hardly the only ostensibly pacifist country with a large defence industry. Peace-loving Sweden is the

world's third-largest weapons exporter per capita, after Israel and Russia. Sweden's anti-tank missiles and other items have ended up in Saudi Arabia, Pakistan and other countries with spotty human-rights records, say critics. Germany sells more weapons than any other country besides the United States and Russia, according to *The Economist*.

Domestic contractors here have been insulated from this global arms market because for years they had a single

and Kawasaki Heavy Industries – which together make the Soryu-class submarine, the world's largest diesel-electric submarine – have been shopping the technology abroad. MHI also builds the guidance system and rocket motor for the Patriot air and missile defence system developed by Raytheon, one of the world's largest military contractors. "The new rules pave the way for shipments of both prototypes and mass-produced items," says the *Asian Nikkei Review*.

Led by Abe and bureaucrats at METI (Ministry of Economy, Trade and Industry) and the Ministry of Defense, Japan is slowly laying the groundwork for an industry that can punch its weight abroad. In July, Japan signed a deal with France that paves the way for joint development of military equipment.

Germany and Italy are also knocking on Japan's door. Outside Europe, Japan has forged an agreement with Australia to collaborate in developing submarine technology, which involves the possible purchase of up to 10 Japanese-made submarines.

Will Japan be a big player in the global arms industry? Probably not, at least for now. For one thing, 70 years of pacifism means its weaponry is not battle tested – a major selling point for US and Russian military contractors, says Robert Dujarric, head director, Institute of Contemporary Asian Studies, at Temple University, Japan Campus.

For another, Japan has little experience in the global military marketplace and cannot offer the same sales support as its competitors. "When the US sells arms to Japan or [South] Korea, it's implicitly part of the bigger package of American military support," Dujarric points out. "Japan can't offer protection."

Still, it is clear that Prime Minister Abe has changed the game, even if it isn't quite clear yet what the rules are. **e**

## Japan's 10 munitions manufacturers



customer – Japan's Self-Defense Forces (Air, Ground and Maritime). That has left a lot of domestic weaponry overpriced and noncompetitive, says Narushige Michishita, a security specialist at the National Graduate Institute for Policy Studies in Tokyo. The government wants to modernise Japan's arsenal and have a bigger say in global defence contracts, such as missile defence and the F-35 series of fighter planes [from Lockheed Martin, chosen by the Ministry of Defense], he says.

Some of the strongest contractors are also keen to spread their wings. MHI

# Corporate governance

## *Is the landscape changing under Abe?*

Text **GAVIN BLAIR**

### **The 2011 Olympus scandal laid**

bare many of the shortcomings of corporate governance in Japan, along with some of the worst aspects of a deferential, opaque and even dysfunctional business culture.

While the multi-billion-dollar fraud exposed by former Olympus president

and CEO Michael Woodford was a rare case, the closing of ranks, prolonged denials, silent institutional shareholders and a passive domestic media were all too familiar.

Identifying the cure for such institutional ills is no simple task, but many see better corporate governance as a start. The government of Prime Minister Shinzo Abe has put unprecedented focus on the issue in this year's growth strategy and initiated plans for a corporate governance code. Meanwhile, the

Tokyo Stock Exchange also launched at the end of 2013 a new index – JPX-Nikkei Index 400 – designed to promote better governance. However, some doubt these measures can counteract underlying cultural tendencies that hinder effective management in Japan.

Perhaps unsurprisingly, Woodford is not optimistic that the new measures will be effective in preventing another scandal like that at Olympus, which saw him summarily dismissed by the rest of the board for investigating fraudulent payments and accounting.

"I think [the new measures are] well-intentioned and certainly can't do any harm, but I think it's dangerous to overstate the impact they will have,"

says Woodford, in an exclusive interview with *EURObiz Japan*. "They are trying to encourage institutional shareholders to speak out when things go wrong; take their responsibility as shareholders."

There was "not one word of criticism" by major domestic Olympus shareholders during the Woodford affair, despite global media attention. Even then-Prime Minister Yoshihiko Noda weighed in on the scandal to reassure the world that it wasn't representative of corporate Japan.

"That is what is so uniquely different in Japan; in the West, it would have become toxic for those institutional shareholders if they hadn't shouted from the rooftops about it," says Woodford.

"It seemed as if they were more concerned about me making a noise and speaking out than a billion-dollar fraud," he adds. "The code in Japan, the unwritten code, is that you don't do that."

Woodford's book, *Exposure: Inside the Olympus Scandal: How I Went from CEO to Whistleblower* (2012), recounts the events of the scandal, elements of which wouldn't be out of place in a thriller. The book also demonstrates the closing of ranks on someone who has violated the code, particularly as an outsider.

"It's not just bringing in realistic management practises based on ability and performance from overseas; it's also allowing Japanese who've got those skills to thrive in an organisation. I think people who are direct and forceful are still not welcomed," says Woodford. "That's an intractable problem with the DNA of Japanese management, and there's no simple solution to that."

There are glimmers of hope, though, according to Woodford, who cites the appointment of Christophe Weber as president, representative director and chief operating officer of Takeda Pharmaceutical, in spite of protests from certain former executives and founding family members that a foreigner couldn't manage the company.

Takeda's former president and current

“I THINK  
PEOPLE  
WHO ARE  
**DIRECT AND  
FORCEFUL**  
ARE STILL NOT  
WELCOMED”

**Michael Woodford**

chairman and CEO Yasuchika Hasegawa – current chairman of the Japan Association of Corporate Executives (Keizai Doyukai) – was outspoken in his view that nationality shouldn't be a consideration in choosing candidates.

"If I hadn't heard someone like Hasegawa speak out in such simple terms – you need the best people

for the job – my view would be even darker than it is," Woodford adds.

Someone who has a more positive outlook is Nicholas Benes, head of the Board Director Training Institute of Japan (BDTI), a non-profit, public-interest association dedicated to improving corporate governance in Japan.

"The sea change that has occurred



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## “CORPORATE GOVERNANCE IS NO LONGER SEEN AS SOMETHING THAT ONLY THE FOREIGNERS WANT”

Nicholas Benes



here in the last two years, especially the last eight months, has been that Japan has reached a tipping point where corporate governance is no longer seen as something that only the foreigners want – but not really consistent with our values. [It's now] something which the growth strategy and the national policy of Japan itself says is vitally necessary to improve productivity and the earnings power of Japanese companies,” says Benes, who has been consulting closely with policy makers on the new governance proposals.

“Now it's OK to talk about corporate governance as something that needs to be improved in order to confront the debt crisis and create more profitable companies and employment,” he adds.

Convincing key lawmakers of the value of having a corporate governance code – and that the Financial Services Agency (FSA) rather than the Ministry of Economy, Trade and Industry (METI) take responsibility for it – are two achievements of which Benes is particularly proud.

“Within a year, the FSA and TSE will have to come up with something substantial for a corporate governance code. It won't be perfect, but we're now going to have a very meaningful debate for the first time here between domestic institutions, foreign investors, Japanese companies and the government about how to make the code better,” says Benes. “There will be something to throw darts at.”

Many countries have a corporate governance code close to what the UK has with “comply or explain”. Rather than hard-and-fast compelling rules, if a company does not follow guidelines, it has to provide an explanation.

“A lot of Japanese people think that if you set that in print, and it's in the TSE listing rules, most Japanese companies will absolutely follow it, because this is a shame-based society,” he adds.

Benes' mission is now to get directors trained properly so they understand governance and their responsibilities. He regards this as particularly vital, “in a country where 85% of the directors are promoted by a boss to whom they feel loyalty, and to whom they cannot say ‘no.’”

He adds: “You have to teach the fact that, if you don't speak out at a board meeting, later in a court of law that will be deemed to be acquiescence and in agreement with whatever was decided.

“And I don't think most of the guys on the Olympus board really understood this,” says Benes. “Maybe some of them knew it in an abstract sense, but nobody had explained to them that you should be very afraid, because when you are sued as a director you are often looking at personal bankruptcy.”

Though there may still be a long way to go, the wheels of change have been set in motion, he believes.

“The changes underway are going enough sacred cows that you can no longer go back,” he continues. “You

can't now go back and say that it's no longer national policy to reduce cross-shareholdings, or it's no longer policy that outside directors are a good thing.”

The issue of external directors is in some ways a microcosm of the whole problem. The Keidanren business lobby has stalwartly and successfully opposed even one compulsory outside director, while many of those advocating their introduction don't believe they would make much significant difference anyway.

“You need independent directors who are financially literate, can actually challenge management, and are prepared to be painful – and in Japan it's often difficult culturally to be painful,” suggests James Lawden, partner at Freshfields Bruckhaus Deringer in Tokyo.

“Olympus had three outside directors, who frankly were no help,” Lawden adds. “One was a doctor and he said something like, ‘How do you expect me to know about financial stuff?’ To which the answer is, ‘Well what are you doing on the board of a listed company then?’ Outside directors just on their own will not solve the problems.”

Indeed, Lawden, along with many others, have doubts whether a new code of governance or the other initiatives will really change corporate Japan.

“These measures are useful, but will they stop another Olympus? Maybe not.” 

# Going Dutch

*Mike de Jong talks with Ambassador  
Radinck van Vollenhoven of the Netherlands*

Photos **BENJAMIN PARKS**



**The Kingdom of the Netherlands has one of the oldest trading relationships with Japan.** In fact, the Dutch were the first to set up a permanent post here, after the initial Portuguese and Spanish explorers had been sent home.

They were also the only Westerners allowed to stay during the Edo period. Today, as an independent, progressive and free-thinking nation, the Netherlands is a role model in areas such as gender and ethnic diversity – issues important to Ambassador Radinck van Vollenhoven.

**With postings in Afghanistan, Iran, Egypt and even South Korea, your background is interesting. How does Tokyo compare with your previous appointments?**

It is a very great pleasure to live and work in Japan because it's a fascinating country with which we share a unique history. I think the Dutch history with Japan is important. But if I take a look at what I've seen in Japan since

being here, I think I've never been in a country where the attention to detail is so well developed. I mean, every detail counts in Japan, and I think that's a great strength.

**How do you feel your background and experience informs your current posting?**

I think what is brought into focus, maybe, are the postings I've had, how lucky I've been also in Europe. Because I think that the European project of integration has been a remarkable success. I think it is also clear that the euro, the economy, is in trouble at the moment. But if you look at 60 or 70 years of European integration, we have done extremely well. And, in a sense, without telling other people what to do,

we can be an example of how you can overcome historical differences.

I think, in Europe, what came together after 1945 were a few factors that helped us overcome the past – because we had been slaughtering each other for many centuries. There was a feeling of exhaustion with war.

Secondly, I think a very important factor was that there was a vision for a shared better future between former bitter adversaries. And I think that is crucial. You need, among antagonists, a shared vision of a better future.

Thirdly, there was strong leadership, in particular President Charles de Gaulle [France] and Chancellor Konrad Adenauer [West Germany] to implement and sell that vision to the peoples of Europe.





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### Could Asia grow in the same way?

Well, it's not for me to say what the Japanese and others should do. But it is certainly, I think, a message from Europe. And I think

Europeans like myself should not be ashamed to put this message out that, hopefully, in the example we offer and what we have achieved – a borderless space, the single biggest market in the world, peace among former antagonists – we hope it is inspiration for others. Not to necessarily do the same that we have done, but to come to a shared vision for a future that is a peaceful and prosperous one.

### You have also been a strong supporter of diversity. Why is diversity important for a country like Japan?

Well, that's our experience. The Netherlands and Japanese culture and history are, of course, completely different. But we would argue that gender diversity and ethnic diversity are strengths, and it has worked for Europe and the Netherlands in the sense that diversity – gender or ethnic – creates innovation and helps creativity. I mean, if you put in the same room people in an R&D department who all have the same backgrounds, who share the same views, and who do the same thing, you will have less creative energy than if you have 50 nationalities.

I think no single culture is superior to any other, and you can learn from each other. And there are complementarities to be had – from co-operating in a diverse environment – and synergies to be gotten. That's our view; that's the way it works for us. And I think, therefore, that makes eminent economic sense to go for gender diversity and ethnic diversity because there are plenty of studies which show that diversity is good for economic development and profitability.

### Can you tell us why you think benchmarks – or even quotas – are essential to making diversity work?

Well, I think being of good will, all things voluntary and showing goodwill is often not good enough. So if the stakeholders can come up with benchmarks, they give you a goal and an objective to strive for. And you, therefore, increase accountability – because without benchmarks, how are you going to hold anyone accountable? I mean, if you have benchmarks like Prime Minister

“  
YOU NEED, AMONG  
ANTAGONISTS,  
A **SHARED VISION**  
OF A BETTER  
FUTURE  
”

[Shinzo] Abe I think rightly has done – 30% women in managerial jobs by 2020 – people can hold him accountable. I think accountability is a crucial factor in any democracy. If it's just good intentions, no one is accountable; and if no one is accountable, nothing happens – and no one is responsible.

### What about quotas?

Quotas are the strongest way of doing it, especially if you have quotas that you try to enforce by law. I'm not sure that's

the best way. I'm not sure that's the way we would do it in the Netherlands because you're much better off if you can get the stakeholders together who can agree on

a benchmark and achieve it together – and hold each other accountable. Accountability [that is] enforceable by law... [But] I don't think that is the best way to make incentives. Incentives on a voluntary basis – which people really believe in and will achieve – I think, in the end, the results will be better.

### What do you feel the Netherlands can learn from Japan?

I think we can learn a great deal from Japan. I started out by mentioning the attention to detail. We are often careless, sloppy – I mean, compared to [the] Japanese. It's amazing how they wrap up a package, the way they clean a shinkansen, the way they take their rubbish home – they don't just throw it around. Safety, cleanliness and politeness. If you go into a shop, people are extremely polite. And if you leave after half an hour without buying anything, they will be as polite to you as when you came in. And these are huge strengths.

So I think that homogeneity and continuity are strengths in Japan, [as is] predictability. At the same time, I would argue our societies are individualistic and adaptive – we adapt very quickly because that is our strength. So on the one side you have Japan – continuity and homogeneity. We have adaptability and individualism. They both have strengths in a sense, but possibly with weaknesses with which we can learn from each other. That's why the Japanese and the Dutch have over more than four centuries grown to appreciate and trust each other – and actually co-operate so well in many areas. 🇳🇱

# Tokyo real estate

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## *What does the future hold?*

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Text **CHRISTOPHER S THOMAS**  
Photos **GENEVIEVE SAWTELLE**

**Japan's real estate market has seen some** dramatic changes over the past few years, with many Japanese firms moving their operations offshore. A declining population has also forced shifts in how developments proceed.

**H**owever, after a few decades in the doldrums, the industry has returned to strong growth over the past year, helped along by government spending on infrastructure and the devalued yen. But what does the future hold? To get some insights, *EURObiZ* convened a roundtable with three senior executives in Tokyo's real estate market – Christian Mancini, CEO and director of Savills Japan; Koichiro Maeda, managing director of Real Estate Japan at Deutsche Securities; and Gordon Hatton, vice president of Pembroke Real Estate Japan.

**How are Japan's current economic conditions affecting the commercial real estate sector?**

**Maeda:** Well it's clear that capital is coming back to Japan. Encouraged by the Abe administration, more multi-national investors are coming in. It's also getting very competitive, and bringing



in more capable and experienced professionals. Still, it's an appealing market.

**Hatton:** Japan in general, but Tokyo more specifically, is obviously one of the most important markets in the world today. It has been for quite some time and will continue to be. It's also a very sophisticated market. That means there are certain opportunities where, if you're willing to make the commitment and deliver the quality, there are certainly opportunities in this market.

**Mancini:** Sure. Regardless of strategy, there are always investment opportunities here. And it's a safe market; it's got a very developed financial system; it's got a very developed judicial system. In contrast to other flavour-of-the-month investment destinations in Asia, as a

“ I THINK WE'RE ABOUT TO ENTER A **NEW PHASE** AGAIN ”

**Gordon Hatton**



“ SOME ELEMENT OF REFORMING THE **IMMIGRATION LAWS** IS CRITICAL ”

**Christian Mancini**



“ IT'S CLEAR THAT CAPITAL IS **COMING BACK** TO JAPAN ”

**Koichiro Maeda**



foreigner, you will be treated equally under law here. Which is to say, you will be accorded the same rights as you would be if you were Mitsubishi.

**What areas in the real estate industry are growing?**

**Mancini:** In commercial properties, other than office space, we're seeing a lot of growth in industrial and logistics



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applications – data centres, for example. Also mid-market residential – historically this has been one of the most attractive asset classes in this market. There's very little rental volatility, and that's ultimately all we use to measure an investment – long-term fundamentals, plus volatility, that informs your strategy. There is virtually no volatility in mid-market residential.

**Hatton:** In terms of property development here, there's a far more diverse product being developed. I think we're about to enter a new phase again – not simply another cycle of building boom, but rather a new level of planning addressing urban design that will introduce buildings that provide even better quality work and living environ-

The quality of development is continually improving, both in terms of the quality of properties, and the financial infrastructure supporting them – the securitisation laws, regulations, licensing. These have significantly improved.

**What other structural barriers do we need to tackle to make this market truly open?**

**Mancini:** There is one immutable fact, which is that the demographics of this country – outside Tokyo – are worsening. Tokyo is actually picking up; we've seen a net population increase, and that's forecast to continue until 2030 or so. And that's great – it means there are going to be, maybe, 11 people not living in urban Japan in 50 years. The

**People used to say that corporate Japan had an irrationally emotional attachment to real estate. Is that still true?**

**Maeda:** Yes, in some areas, it probably is. But it's improved a lot. In the past, it was certainly an obstacle to development, as we've seen with some of these very large projects, where it took decades to assemble the property. There were obviously some legal and regulatory perspectives behind that, as well as cultural and financial issues.

**Hatton:** I think we're about to enter another phase in which the community context is going to become more and more important. As these developments become larger and larger, their impact on the urban context increases,



ments. Around 2000, there was a shift in what was being built, such as very large, multi-use developments. That reflected not just technical capacity, but also regulatory changes, better access to financing – that sort of thing. Plus the fact that business became more flexible and saw their needs in a different way.

**Maeda:** I agree. But it's not just the capital markets; it's also about good design. It's not cookie-cutter stuff anymore – there's recognition of differences in taste; and if you can deliver a better product, you can get better performance in terms of occupancy and rents.

point is, it's too late now to reverse that demographic trend. So some element of reforming the immigration laws is critical to the long-term survival of this country.

**Maeda:** The main obstacle might be in our own mindset influenced by the structural issues Japan faces. When you think about how much cash is sitting on corporate balance sheets right now, you can take that as a clear sign of an unwillingness to take risks. I think, relatively speaking, this mindset might be more of a problem than negative structural or regulatory issues. However, I do think the sentiment has started to change.

and developers have to become more responsive. But they've discovered a real key to success is to build in factors like sustainability, community amenities, cooperating with the neighbourhood in doing developments – that sort of thing.

I remember people also used to say, "Tokyo is quietly redesigning itself." I look out the window, and I can see at least 40 new buildings – a perfect example of what they were saying. There's great opportunity here for broad-scale design, and for Tokyo to become an even greater city. 

# Guy Henriques

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## *From Sanskrit to Schroders*

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Text **MIKE DE JONG** Photo **GENEVIEVE SAWTELLE**

**Of all the subjects one can study in university,** Sanskrit might be the most difficult. Yet Guy Henriques is not one to back down from a challenge.

"The hardest language in the world," laughs Henriques, president and representative director of Schroders Japan, of his major at London University. "I think it is [the hardest language]. It's the grammar. I mean, other languages are kind of easy [by comparison]."

And it all came about due to a childhood holiday. As an 11 year old, Henriques and his family embarked on an ambitious overland trip from the UK to Australia. They spent six months visiting such countries as Turkey, Iran, Afghanistan, Pakistan, Singapore and Malaysia, eventually stopping in India for three months.

"We'd go to all these temples, and I'd point and remember asking my mother, 'What's that writing on the wall?' She said, 'Oh, that's Sanskrit; that's the hardest language in the world'.

"And I thought, okay. When I was at school, they asked what are you going to do at university, and I said, 'Oh, I decided that already when I was 11. I'm going to do Sanskrit'."

After studying the Indian language intensively for four years, Henriques left with a degree in hand – and never used Sanskrit again.

"I certainly worked harder than my colleagues at university ... four years,

only Sanskrit. That's it, nothing else. And so you really get deep down and dirty. As a result, when you finish, you either want to do that forever, or you've had enough and you don't want to do anything in relation to Sanskrit again.

"So that's why I went into finance. I loved it, but four years of intensity was actually [a lot]," adds Henriques.

So finance was it.

Beginning as a foreign exchange trader at Barings, Henriques moved on four years later to the Bank for International Settlements (BIS), where he spent the next 15 years, with stops in Switzerland and Hong Kong. In 2006, he joined Schroders in London, later jumping at the chance to return to Asia, first to Hong Kong and then to Japan.

The various moves were natural for Henriques, who describes his background as "hybrid", due to his Australian mother, British father and American wife.

"It's not that I'm addicted to moving," he says. "I thought when I moved back to the UK from Switzerland that I was going back to stay. It was Schroders that then said, 'Oh, you've been in Asia, would you go back?' And I think once you've moved around a few times, I wouldn't say it's easy ... but you're much

more open to it. And I think I got that from being from a hybrid family and not minding moving."

For Henriques, it now appears he's found a home with the iconic British firm. Founded in 1804 as a merchant bank, Schroders today focuses exclusively on asset management. The company's relationship with Japan dates back more than a century, with Schroders having financed construction of Japan's first railway in 1870. The firm's Japan office dates back 40 years.

Henriques has now been here two years, and is impressed with Japanese culture and its attention to detail. He also thinks it is an exciting time to be in Japan, where consumers may be on the edge of a changing paradigm.

"At the moment, in Japan, the market is on the cusp of something quite interesting," he says. "The big question is, will Japanese savers start to believe in the possibility of long-term growth?"

Historically, the Japanese tended to be big savers, putting their money "under the mattress or futon" as he calls it, seeing it worth more six months later as prices fall. But now, people might be on the verge of real investing rather than cash hoarding.

**Do you like natto?****Time spent working in Japan:**

Two years and lots of visits over 20 years

**Career regret (if any):** Not being a drummer in a reggae band or a barrister

**Favourite saying:** "...as good as any and better than most"

**Favourite book:** *A Confederacy of Dunces* by John Kennedy Toole

**Cannot live without:** Family, music, red wine

**Lesson learned in Japan:** Slow down to speed up

**Secret of success in business:** Hire people who are smarter than you and be mobile

**Favourite place to dine out:** Right now: Two Rooms in Aoyama

**Do you like natto?** I enjoy eating almost everything

"I think that as the market moves, people will start to believe that they can actually make money from their savings.

"In Europe we were always taught that when you're young, you should be buying long-term, risky assets because you can afford the time and the risk; when you're older, you should buy less risky assets... In Japan right now it's completely the other way around.

"So it's a very unusual situation. [But] I think it's changing."

As for his own future, Henriques says he won't go back to Sanskrit, although he believes studying such a non job-related subject served him well.

"Actually, when I interview people, if they've done something non-vocational [in university], I actually pay more attention. Not that I would penalise someone for doing economics or accounting, or finance or business studies. That's great. Or maths or engineering.

"But if someone's done something really weird, they actually get a little bit more attention from me," he laughs. "But I'm biased." 





# Japanese politics

## Foreign executives beware



**I normally find Japanese politics** quite dull. The parties change names, but it always seems to be the same gang of politicians sharing the spoils.

However, recent interactions with senior Japanese in business and politics showed me that engaging with politics is necessary – but also quite dangerous.

I recently spoke to members of the opposition parties, Ishinokai and Your Party. On economic issues, they said that they would win further support if Abenomics failed, but not if it succeeded. This struck me as strange. Abenomics clearly has winners and losers. But no one talked about redistribution, as a European left-leaning party might.

It was the political issues we discussed that grabbed my attention. The Ishinokai representative talked about how his party wanted to revisit a government apology for WWII (the Kono statement). The Your Party representative claimed that Japan doesn't have classes and, therefore, is not faced with class warfare and left-right divisions. My sense was that the first speaker was trying to be even more revisionist than the government. The second speaker was spouting an obvious untruth. Wealth inequality is high and rising in Japan.

The Ishinokai statement was especially striking. The last time this party had made a similar comment about a year ago, its popularity plummeted. If they are raising the subject again as a vote winner, does that mean Japan's centre has moved to the right? This is what some observers are saying. I tend to agree.

Ironically, the Liberal Democratic Party politician I spoke to was frank, responsible and articulate. Foreign executives need to beware. If you are in the public eye and you associate with politicians and businessmen making ever more revisionist statements, you run the risk of being seen as an apologist for war crimes. But if you speak out,

you run the risk of being excluded from some important relationships with elite Japanese – being seen as anti-Japan.

How do you balance that? You could take the historical approach, but do you really have time to read through the thousands of books on the Nanjing Massacre, for example?

The stakes are high: one agenda-setting Western journalist told me that he believes denial of the comfort women issue is akin to Holocaust denial. Ouch! For most Western executives, the issues are hardly even comparable. Many Asian historical issues fail to make a visceral impression on foreign executives.

Executives will try to excuse themselves from the debate altogether. Always chasing increased profitability, they often tell themselves that politics is of no concern.

But in Japan, relationships count. Your corporate affiliation is key, but even more important is your own nature and quality. So your stance on something like the Nanjing massacre could actually impact your business. However much you may groan at being dragged into that ghastly, time-consuming and utterly bogged-down debate, you need to confront the fact that your statements on the topic will be taken as a powerful sign of whether you are "in" or "out".

The problem is that pressure to speak out is rising. Even those business people reluctant to get engaged must have noticed that politics over the past 12 months has been a succession of anti-democratic blows to Japan's body politic.

This more difficult political environment means senior foreign executives

have to think all the harder about how they plan to engage with their elite Japanese peers.

But another issue comes to mind, namely, the low quality of the debate in Japan today. If foreign executives accept many of the statements emanating from right-wing circles to show their support for Japan, they are deluding themselves.

The problem is that there is no political party and intellectual opposition in Japan to counter the government's

claims. For example, nobody confronts Abe's frequent assertion that he is the "pneumatic drill boring into the bedrock of vested interests".

Abe, as a third-generation politico, is part of the vested

interests himself. Abenomics is good for the elites and is based on ideas of "trickle down" wealth. GDP growth will be interpreted as success, just as it was in the West, pre-2008 (Lehman Shock).

Under those mental conditions, it's hard to discuss the prejudice, rigidity, snobbishness and elitism in so many parts of Japanese society. That means clearly that the frequently professed aim of promoting entrepreneurialism and growth will miss its target by a long way.

One Japanese leader told me several months ago: "The age of the warrior has replaced the age of the merchant".

Foreign executives are not warriors. They should not give the impression they are. ☺

“YOUR STANCE ON SOMETHING LIKE THE **NANJING MASSACRE** COULD ACTUALLY IMPACT YOUR BUSINESS”



**DAN SLATER**  
is director of the  
Delphi Network

# Bicycle parking, re-invented

## *Giken goes underground*

Text **ALLISON BETTIN**

Forgot where you parked your bike? Check underground.

In an effort to reduce the amount of land used for bicycle parking, Japanese construction company Giken has developed a way to park bicycles underground, automatically. They are collected at street level, stored in cylindrical units below ground, and then returned to their owners at street level in a fully automated process.

As one of the best ways of reducing carbon emissions, cycling does have one drawback: parking. In a major metropolis like Tokyo, a sizable amount of land is needed to accommodate bicycles. Enter Giken with a way to use land more efficiently.

"In particularly busy areas in cities, bicycles can create 'parking pollution'. Some of them are even derelict," says Tsunenobu Nozaki of Giken's International Business Department. "The pollution ruins not only city scenery, but also public activities. We think there should be a better way of using land, and it should be achieved by providing parking space underground."

Hence ECO Cycle, a mechanical underground parking lot which promotes Giken's design concept of "culture aboveground, function underground". The process is incredibly simple: collection units are set at ground level, where a sensor reads a bike and attaches its wheels to a loading slip. After the loading button is pressed, the doors open and the bike disappears underground in a matter of seconds. To collect their wheels, cycle owners scan their ECO Cycle card. The transporting tray then picks up the bike and returns it above ground – all in about 8 seconds.

ECO Cycle has numerous perks: it protects cycles from weather damage and theft, though Giken remains resolute that its primary concern is ECO Cycle's ability to save land. "We developed the ECO Cycle not for bicycles, but more efficient use of land for public activities," says Nozaki.

And they've got the numbers to prove it.

"The foot print of ECO Cycle is approximately 52m<sup>2</sup>," says Nozaki. "Since the parking capacity of the ECO Cycle is 204, the average parking space is just 0.255m<sup>2</sup> per bicycle. In contrast, horizontal parking facilities need to allow approximately 1.0m x 2.0m (2m<sup>2</sup>) parking space per bicycle." That means that



An artist's concept of Giken's underground bicycle parking system

a standard bicycle parking lot uses almost eight times more land than an ECO Cycle unit.

There are currently 41 ECO Cycle parking facilities in Tokyo and Osaka, most located in densely populated areas and near train stations. Giken is essentially commissioned to build an ECO Cycle unit by the landowner, who then purchases the rights to the parking set up.

"In most cases, the projects are non-profitable as a part of city planning by authorities," says Nozaki.

Parking spots cost between just ¥1,500 and ¥2,500 per month.

Nozaki says that the goal of ECO Cycle is "to eliminate or minimise bicycle pollution over the world."

But Giken hasn't limited itself to bicycle parking. Another project, called ECO Park, applies the same underground storage concept to cars. Drivers pull their vehicles into loading units, turn off the engine, exit the vehicle, and the car is then sent underground. In order to avoid malfunctions, ECO Park has a set-up it claims is fool-proof, which stops the system if a car has been improperly parked.

Despite these provisions, there are only three ECO Park units in Japan. Nozaki says that authorities tend to be more concerned about traffic jams than parking. However, high construction costs (almost \$3.5 million US per unit) also likely discourage widespread installation.

However, whether it's parking bikes or cars, Giken is implementing solutions that save land for more efficient use.

"From our point of view," Nozaki says, "bicycles are increasing in major cities and being treated as nuisances."

"Culture aboveground, function underground" indeed. 



# Norway

*Besides the Royal Norwegian Embassy in Tokyo, there are Norway consulates in Kobe, Nagano, Sapporo and Fukuoka. Japan and Norway signed an agreement on cooperation in science and technology back in 2003. Throughout the centuries, cultural influences — from ornaments and tapestries to manga literature and Japanese cuisine — have travelled the 12,000km between the two countries. The petroleum industry is Norway's largest sector, and the country is the world's second-biggest exporter of natural gas and the fifth-largest exporter of oil. Unlike other nations, Norwegian maritime industries cover a vast area of services and expertise.*



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# Keita Koido

## *President, Norwegian Chamber of Commerce in Japan*

[www.nccj.or.jp](http://www.nccj.or.jp)

Text **MIKE DE JONG**



*The Norwegian Chamber of Commerce in Japan recently celebrated its 10th anniversary in Japan. Boasting 41 corporate members, the NCCJ is unique in that its current president, Keita Koido, is Japanese. He talks with EURObiZ about the NCCJ's history and outlook for the future.*

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

Becoming a board director for the NCCJ in 2010, I served one year as vice-president (2011-2012) and was elected president in 2013. I am president of Leroy Japan after previously working as marketing manager for Cargill, overseeing all marketing activities in the Asia-Pacific. I have also been on the EBC Board of Governors since 2013.

### **As the NCCJ recently celebrated its 10th anniversary, can you tell us how the chamber has grown in the last decade?**

The past few years have been a period of change and consolidation for our chamber. In 2010, an executive director was hired to work with the board, implementing a strategic plan named NCCJ 2.0. The result was an increased activity level in terms of events, communication, visibility and collaboration with other chambers.

Just as important, we have grown more in synch with activities of the extended Norway/Japan-related networks, also informally referred to as Team Norway. This awareness has helped us to better allocate resources and be able to take a complementary approach in the way we work with the Royal Norwegian Embassy, its Trade and Technology Office, the Norwegian Seafood Council, and our corporate members.

### **Can you tell us two or three success stories – Norwegian companies that have benefited from your chamber's activities in Japan?**

We are proactive in the way we develop and present new events and services, and we are responsive to any members that come to us with any specific need. All active members are especially rewarded, and we encourage this activeness. The membership base is slowly being consolidated into an active category. This benefits all active members, as experience is shared amongst members and eventually through the organisations – with regard to ideas around topics of work-life balance, internal communication, communication with HQ, diversity in the work place, etc. We have noticed more attention and participation by trade-related Japanese governmental institutions and organisations at our business events, which we call Norwegian Industry Forums.

### **What areas do you feel Norwegian firms lead in Japan and worldwide?**

Norwegian companies expanding abroad are not only the traditional shipping, E&P [exploration & production], offshore and fisheries-related firms. We are seeing more IT and software, solar power and lifestyle-related companies here in Japan. And that is very welcome. Whereas the characteristics of the Norwegian companies operating in Japan with their products and services have traditionally been B2B-heavy, I am confident that we will see Norwegian companies unlocking their potential in the coming years – making design, lifestyle and fashion-oriented products more visible in Japan. The reality is that Norwegian brands and company names are underrepresented when Japanese end-consumers are asked to list Scandinavian brands. We see this as a great opportunity.

### **Do Norwegian companies still consider Japan the top Asian market, or are they looking more to China and other centres?**

Norwegian companies consider Japan a top Asian market. The Japanese market is – and will be – rewarding for long-term commitment. Japanese and Norwegian trade is highly complementary. I believe this consideration to be mutual. With change come opportunities. I believe there are opportunities for Norwegian experience and expertise to be part of the Japanese solution – taking the right approach. For many Norwegian companies, Japan as a market is more than a receiver of goods and services; it also represents a quality-aware, technologically advanced partner for cooperation and joint projects to develop new solutions and mutual competitiveness. 

# WAW! Tokyo 2014

*World Assembly for Women Tokyo, 12 September 2014*

Text and photos **ALLISON BETTIN**



Prime Minister Shinzo Abe showcased Japan's growing commitment to women's economic empowerment at "WAW! Tokyo 2014", Japan's first-ever World Assembly for Women. Some of the world's most powerful women – including IMF managing director Christine Lagarde, Cherie Blair, United States Ambassador to Japan Caroline Kennedy, and former US senator and Secretary of State Hillary Clinton – spoke passionately about the crucial role women play in economic growth. They also shared their own personal journeys in overcoming traditional gender barriers.

The conference marked a pivotal time in Japan's economy, where stagnant growth and an ageing population have prompted the country to look towards least-tapped demographics to expand a dwindling workforce.

"We have been working to stimulate economic growth, while also making various efforts to support the dynamic engagement of women," said Abe in

his opening address. "As a result, the number of working women in Japan has increased by some 530,000 over this past year."

Keynote speaker Christine Lagarde praised the prime minister for making Womenomics part of Japan's national policy, urging the need for such reforms worldwide. "Given these [global] challenges, we will need all the economic growth, the dynamism, and the ingenuity that we can get, from all corners," she said. "And thankfully, one source of such dynamism is just in front of us. It's the power of women."

This is not merely a sentiment, said Lagarde, but a fact. A recent study by the International Monetary Fund found that raising Japan's female workforce to the average level of that of the other G7 countries could raise per capita income 4%. If female workforce participation was to reach levels of Northern Europe, Japan's GDP per capita could be raised 8%.

"The benefits of greater inclusion are clear for all of us," added Lagarde.

And that's evident in Japan, where women's workforce participation is

exceptionally low compared with that of leading global economies. Statistics show that the Japanese female employment rate is only 60%, and women earn almost 30% less than men. Japanese cultural norms such as demanding work hours and traditional parental roles have resulted in around 60% of women never returning to the workforce after giving birth.

Although political reform and modernising laws are necessary for increasing women's participation in the workforce, Lagarde suggests that it is essentially the duty of private businesses to do a better job of attracting and promoting female workers. Flexible hours, sufficient parental leave and equal pay for equal work are also key considerations. "A new business culture will require a new mentality, a new outlook for both women and men alike, bringing men and women together," said Lagarde. "Because it's not just women's affairs; it's everybody's business. And it's everybody's economy."

Prime Minister Abe noted a similar opportunity for positive change

in Japan's notoriously grinding work culture. "I believe that there remain a large number of men who take pride in how little they sleep, and have misconstrued being 'exceedingly busy' as being 'extremely productive';" he said. "As the number of women in the work place increases and they come to have responsibility for important decisions, the rules for working will change and productivity will increase."

For this change to happen, Abe plans to instate his controversial quota system, which aims for women are to occupy 30% of senior positions by 2020. Asked about her thoughts on the matter, Lagarde firmly agreed with Abe's plan.

"When I got out of college and [was] full of expectation, I felt that there should not be any quotas," said Lagarde. "Well, I've changed my mind ... I changed my mind when ... having been told by a prior firm that of course I would make a great associate, of course I would be a good lawyer; but there was no way I would become a partner,

because I was female.

"And I very strongly and very firmly believe that quotas or targets are a necessity," Legarde continued. "Not forever, but for a sufficiently long enough period of time so that the gap that exists between men and women ... is actually reduced to the point that we can just let the passing of time and the expression of talents actually finish the job."

Following Lagarde's key speech, Cherie Blair, wife of former British Prime Minister Tony Blair, and Abe's spouse, Akie Abe, shared their thoughts about their roles as wives of powerful politicians.

"As you well know," Cherie said, "your time isn't entirely your own, because there are lots of things you have to do to support your husband, as well as things you want to do yourself."

But, Blair explained, the future of these traditional gender roles is rapidly changing. "Now that the domain for both men and women is both being a parent and being in the household and working, then you have to negotiate

between the two of you the best way to ensure that both of you shine. And that's not always easy. And that involves both partners sometimes being prepared to make sacrifices for the other," she said.

In a special video message, Hillary Clinton reminded attendees how far there is to go before equality becomes widespread. The former US secretary of state noted that more than 100 countries still have laws limiting women's roles in society. Yet closing the participation gap in Japan could result in a 19.1% increase in GDP over 20 years.

"Today, Prime Minister Abe has made this evidence-based case for Womenomics a key component of his entire economic reform agenda," Clinton said. "The prime minister understands the world cannot make lasting progress if women and girls are denied their rights and left behind. But when we liberate the economic potential of women, we elevate the economic performance of communities, nations and, indeed, the world." 

“THE BENEFITS OF  
**GREATER INCLUSION** ARE  
CLEAR FOR ALL OF US”

**Christine Lagarde**





# Energy//

## Looking to the future

Text **GEOFF BOTTING**

Japan's energy industries are being propelled into a brave new world. The nation's nuclear plants, now sitting idle, are expected to come back online in the coming years, if not months. And in the not-too-distant future, we consumers can expect to have a choice of energy retailers catering to our needs. More and more of the electricity in our homes will probably be generated by solar panels and wind turbines.

The sweeping changes have been forced by the Fukushima nuclear disaster of 2011. The triple meltdown revealed a number of structural problems in the way Japan had created, managed and distributed power.

The unfolding situation is giving the EBC Energy Committee a busy agenda.

Two bills that would overhaul Japan's electricity industry sectors are now in the Diet. The main objectives are to separate transmission from distribution by the "EPCOs" (electric power companies) in several years' time and create competition in the retail market.

"I think this will create more transparency, and part of this means more competition," says Energy Committee Chairman Frenk Withoos. "One of our issues has been transparency and procurement."

### Energy Key advocacy points

- **Stability of supply versus cost** - Japan's utilities should accept international standard products and solutions. Nuclear power should remain a core constituent of the country's energy mix.
- **Separation of generation, transmission and distribution** - Separate the ownership of generation from transmission and provide transparency and efficiency in terms of cost.
- **Solar energy** - Streamline the process to re-classify special permitted lands for renewable power generation.

Withoos, vice-president at ABB K.K, notes that only about 15% of public utilities in Japan engage in open public bidding. "That means 85% are not doing so, using single vendors and having no competition.

"As EBC members, we think we can support utilities to learn the lessons that were learned in Europe," he adds.

Nuclear power will still figure in Japan's future. The LDP administration of Shinzo Abe overturned the policy

of phasing out nuclear generation espoused by its predecessor, the opposing Democratic Party of Japan. Several plants are now expected to resume operations.

The committee backs this policy. "We are eager for Japan to keep its nuclear option in its energy mix," says committee member Bastien de Lazzari, manager of marketing and strategy at Areva Japan, which is involved in nuclear and renewable energy development. "Our stance is that Japan should keep a diversified mix, as much as possible, and not put all its eggs in the same basket."

Recent years of heavy reliance on imported fossil fuels has impacted both the environment and the economy of Japan. The country has been forced to cut its greenhouse gas emission targets from 2005 Kyoto Protocol levels, while the trade deficit has widened – resulting in users shouldering higher utility costs, putting a further drag on the economy.

Even so, the industry and the government still have a tough task ahead in convincing a highly sceptical public of the merits of switching the reactors back on.

Withoos says the government needs to respond by making safety priority No. 1 and ensuring that all the proper safeguard measures are followed

## “I HAD NEVER SEEN **SUCH ENTHUSIASM** FOR RENEWABLES AND THE ENERGY MARKET”

**Steven Thomas**

thoroughly, all of the time. “There should be no compromise on safety, regardless of the economics,” he says. “They need to cooperate with international bodies, learn the lessons from other countries and gain an international perspective.”

The task involves no less than a change in mindset, so the bad habits that permeated Japan’s insular “atomic village” leading up to the 2011 disaster are completely stamped out.

“One example is the traditional Japanese way of avoiding arguments with your boss,” the committee chairman says.

Another aspect of the industry that has fanned opposition from civic groups and others has been Japan’s continued tribulations over its “closed fuel processing”. This refers to the reprocessing of spent fuel – a critical factor in land-starved Japan.

Japan Nuclear Fuel Limited (JNFL) owns and operates Rokkasho, Japan’s first commercial reprocessing plant, which was supposed to have started operations in 2008, but has been plagued by technical problems. The 10 domestic power companies own most of JNFL’s shares. Located in northern Aomori prefecture, the Rokkasho plant found itself a target of anti-nuclear power groups even before the 2011 disaster.

The plant’s problems have been with vitrification, a process whereby dry waste is mixed with molten glass and then put inside steel canisters for disposal. However, its operator, Japan Nuclear Fuel Ltd., recently managed to successfully test a redesigned vitrification furnace.

“Eventually, we believe the JNFL will be able to start up the Rokkasho plant, as soon as the Nuclear Regulatory Authority inspections are cleared. But the thing with energy, and particularly with nuclear power in Japan right now, is that you always have to have the trust of the people,” says De Lazzari.

As for renewable energies, the big news has been feed-in tariffs introduced in 2012. For the solar industry, the commercial tariff started out at a generous ¥42 per kilowatt-hour, triggering a surge in applications for permits. It has since been cut to ¥32.

“In all my time in Japan, I had never seen such enthusiasm for renewables and the energy market,” says committee member Steven Thomas. “It was like a gold rush.”

Thomas, an energy consultant at Stepping Stone, points out that while obtaining the original permit to set up a solar plant is easy, final implementation is an onerous – and often confusing – task. As projects progress, more rules

and other complications tend to crop up.

“There could be water issues, agricultural issues, archaeological issues,” he says.

Basically, 37 laws are involved – all managed by different bureaucracies. “You’ve got agriculture, environment and industry as three of the major fields; and even at the national level they fall under three different categories. Then at the local level, there are different groups as well,” he says.

To top it off, coordination between all the agencies is lacking, according to Thomas. “That is probably the biggest frustration for foreigners here,” says Thomas. “They don’t understand certain things, such as that not everything is documented, but instead done based on consensus.”

Thomas would like to see the government create a degree of bureaucratic coordination – as well as streamline some of the processes – so that more of the pending projects can become fully permitted.

Despite the complex nature of such challenges, the committee chairman is upbeat on what lies ahead for Japan’s energy industries. “In general, there have been some positive steps,” says Withoos. “There are still a lot of things to do but, step by step, we feel there has been progress.” 

# A company's greatest asset

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## *Human resources and recruitment is key*

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Text **DAVID UMEDA**

**A** benomics may be focused on reviving the Japanese economy and encouraging companies based here to become more competitive in a globalising marketplace. Yet, the drive towards a healthier economy is counting on a talented workforce. So how are HR and recruitment specialists helping companies operate in such a business climate?

"Tokyo is our hometown," states Joe Peters, Managing Director at I Search Worldwide K.K. "With our 50-plus years of combined recruiter experience in Japan, we know how to navigate the challenges of recruiting and job change in this highly complex and traditional market."

I Search Worldwide explains that they ask the questions a company has not even thought of yet. "We want to ensure that the candidates we select specifically for your organisation have the technical knowledge – and desire for growth – your company needs," adds Peters. "Our matching success rate is over 95%."

### **Women on the job**

With the Japanese prime minister's push for more opportunities for women in the work place, there is the challenge of how to have highly qualified female staff remain loyal to one company after childbirth. According to Spring Professional Japan, the female workforce starts to decline from age 30 when many women choose to raise a family.

"For those returning to work, it may be about practicality rather than loyalty," observes Lanis Yarzab, Managing Director at Spring Professional Japan. She suggests that the security of a familiar company is a safer option when coupled with the extra responsibilities of a young one.

"A new job becomes more attractive only when push factors start to arise," Yarzab adds. "Work becomes boring, or the company is not family-friendly."

### **Where experience matters**

Intelligence Global Search considers overseas experience to be absolutely essential to ensure any organisation's continuous growth.

"While society regularly and readily rejects change, it is the truly innovative organisations that embrace



new ideas and new concepts that are able to separate themselves from the average," explains James Perachio, Operations Manager. "This influx of ideas almost always comes from the adventure of travelling outside the comfortable bubble of one's daily life — and there is no better place to do this than overseas."

### **The value of outsourcing**

Robert Walters sees competition in the recruitment industry as being really fierce, and increasingly so. "Many new entrants are coming into the Japan market," points out David Swan, Managing Director, Japan & Korea. "The prevailing buoyant economic conditions are giving top candidates the ability to choose from multiple offers when they make a job change."

Swan sees the population of quality, bilingual professionals now to be limited for a number of reasons — and slowly shrinking. "The bar, therefore, is being raised in mid-career recruiting," he adds.

As AdMark Asia Group advises, if you use a quality-focused recruitment firm, it can be seen as an extension of your HR team. "A good firm will provide you with more qualified talent than just networking or job boards, as 85% of the top talent are not active jobseekers," explains Gaurav Glen More, President.

Many companies talk about cost of hire. "But in reality," More continues, "using an add-value search firm ends up costing less if you consider the true costs of time and effort spent by HR and hiring managers evaluating unqualified professionals."

Recently, Randstad Japan has

many clients, both Japanese and global, wanting more holistic human resource services.

"It's a tailor-made combination of recruiting, temporary staffing, outplacement and outsourcing of our clients' work process," explains Paul Dupuis, Managing Director of Professionals, at Randstad Japan.

Hiring and retaining top talent is a key challenge in this fast-changing candidate market, he observes, "so they wish to outsource this difficult, time-consuming task to experts like us."

For Randstad Japan, this means corporate leadership is then able to focus more on its core strategic role — "hiring, training and retaining talent."

Outsourcing HR functions and recruitment processes enables companies in Japan to work with the best. [e](#)

# Competition heating up

## *Drawing from an elite pool*

As a global specialist in professional recruitment consultancy, Robert Walters has been operating in Japan for 14 years. Focusing on placement of professionals into permanent, contract and temporary positions at all levels of seniority, Robert Walters established its first Japan office in Tokyo back in 2000, followed by another in Osaka in 2007.

“Japan is one of our most important markets globally,” states David Swan, Managing Director, Japan & Korea. “It is the most profitable business in the Asia-Pacific for Robert Walters. This region comprises 42% of global sales revenue.”

### Seeking the best

Japan is an extremely candidate-shortage market. With a limited supply of bilingual specialists — and an increase in the number of open roles — there is more competition amongst companies.

“Good bilingual candidates with strong professional skill sets receive multiple offers,” explains Swan. “There are also opportunities for salary increases.”

The reasons why demand is so strong here are clear-cut.

“There has been a rapid rise in hiring activity across various industries in Japan due to a greatly improved domestic economic environment, more Japanese companies globalising and expanding their business overseas — and foreign companies entering the Japan market,” he points out.

### But will it continue?

Robert Walters has seen a particularly strong demand for exceptionally qualified bilingual candidates in the IT, medical, retail and engineering sectors in Japan.

“We expect to see the continuation of the current positive business sentiment across most industries,” emphasises Swan. “Population decline, amongst other factors — and the requirement for English-language ability for most roles — mean that the on-going candidate shortage is only going to become more acute over time.”

So how does Robert Walters stand out from the competition?

“We will celebrate our 15th year in the Japan market next year. We have amassed an unrivalled knowledge of Japanese/English bi-lingual recruitment in Japan,” explains Swan. “We also possess the most comprehensive database of mid-career Japanese/English bilingual professionals available.”

“Our consultants specialise by industry and skill set, and therefore get to know their industry, companies, jobs and candidates deeply.”

“Our candidate sourcing activity is based around headhunting and referrals — giving us access to candidates other firms often don’t have,” he adds. “And they are mostly the kind of job-focussed candidates that hiring companies prefer.”

Robert Walters’ brand is arguably the most recognised in the global mid-career recruitment sector in Japan. According to Swan, “This attracts high-quality, active candidates that we can’t reach through headhunting and referral activity.”

The senior management team at Robert Walters has been developed from within the Japan business.

“They have mostly come to Japan for reasons other than just to work in recruitment, and they have, therefore, developed strong cultural understanding and Japanese-lan-



“[Our consultants] get to know their industry, companies, jobs and candidates deeply”

David Swan,  
Managing Director, Japan & Korea

guage skills,” he points out. “This makes a very big difference when operating in what can be a very unique and intuitive business environment.”

### Up ahead

The biggest issue Robert Walters in Japan sees is how competition for quality, bilingual professional candidates is increasing.

“This trend is contributing to both Japanese and non-Japanese firms giving more attention to areas such as engagement and retention of women and elderly people in their workforces,” Swan concludes.

**ROBERT WALTERS**

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# Bodrum, Turkey

## *Expect the unexpected*

Text **DAVID UMEDA**

**Bodrum, 270km south of Izmir on the** Aegean coast of Turkey, is not a destination to pin down with expectations. Yet, whether you are looking for unabashed thrills or quiet solitude, a beautiful natural seascape, excellent climate and splendid nightlife – a fascinating mix of tradition and surprise are sure to please. For Bodrum remains one of the most important centres of trade, art and entertainment – a reputation nurtured for centuries.

The beaches of Ortakent (20 minutes away), Yalikavak (35 minutes), Gumusluk (35 minutes) and Bagla (25 minutes) are easily accessible using either the bus or, alternatively, the *doimus* minibus that leaves from the

bus station. Yalikavak is home to the brand new, sophisticated and stylish Port Palmarina, where hundreds of yachts – including mega yachts – berth. There are numerous chic eateries and cafés, such as the world famous Italian Cipriani steak house and the Sait Fish Restaurant serving unique seafood specialties. A variety of shopping brands line the streets inside the port, along with wonderful diversions such as the infinity-edge pool at the Loft Beach Bar. For the ultimate in adventurous sea activities, the Palmarina Bodrum hosts boating events and racing cups.

The Turks rank Bodrum after Istanbul as number one for nightlife, filled with nightclubs, cafés and restaurants – and hearty partygoers. Bar Street is a one-mile-long avenue running parallel with the coast, so every establishment offers a sitting area to take in the beach and scenic views of the illuminated castle. One of the oldest watering holes in town is the Veli Bar, frequently offering live music. Among the many discos is Halikarnas, which natives say is a must-see experience.

From pensions to 5-star accommodations, Bodrum hosts millions of guests in hundreds of hotels. Turkish Airlines makes getting there convenient and easy with 14 flights out of Istanbul between 06:15 and 23:40. Returning to Istanbul are 16 flights out of Bodrum between 03:45 and 23:55.



# Join + support

EBC members can not only learn about important changes taking place in Japan, but also play a critical role in influencing change themselves.

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



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## Stanley Tan

Director of Sales & Marketing  
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# Autumnal hiking

## **Eighteenth-century writer Samuel**

Johnson once said: "Deviation from nature is deviation from happiness." While there are advantages to today's hyper-connected culture, it is important to strike a balance with nature. Studies show that being outside improves health, happiness and wellbeing.

Hiking is a fabulous way to "get outside", and is also an easy sport to take up. It does not require a huge amount of specialist equipment or a particularly athletic background; it can be taken up at any age. Hakuba's trails in the Northern Japan Alps are the quintessential location to hike. The mountains are bursting with colour and life, giving you forests ablaze with every hue between gorgeous gold and superb scarlet. The alpine rocks are rugged and impressive. The typically anti-cyclonic weather of October consists of brilliant blue sky and crisp, cool air. With hundreds of hiking trails – and a notable network of mountain huts taking you from peak to peak, prefecture to prefecture – Hakuba has it all.

Tsugaike's Shizen-yen area is a hiker's hot spot – boasting vibrant forests and well-maintained boardwalks that weave

over natural spring waters – offering a choice of trails through forests and marshlands. The views are fantastic! Another exhilarating trip is the journey up Mt Karamatsu – there and back in a day. It is a splendid trek taking you past Happo Ike, a mirror-like pond that not only exhibits its own palette of colours, but reflects those of the magnificent mountains forming a backdrop. For those seeking an extended adventure, Mt Shirouma is a must-do hike with its permanent snowy field and high mountain passes. Camping opportunities and mountain huts along the rugged ridgeline – and sunrise at 2,932m – will not fail to make you feel alive!

Our over a decade of guiding experience in the Northern Japan Alps makes Evergreen Outdoor Center your ideal partner for an unforgettable hiking adventure this fall!



Frustrated by what he felt was a limited beer-drinking culture and the lack of good-quality craft beer in Japan, James Williams decided to brew and sell his own.

Williams' interest in beer – and not just the consumption of it – started with home brewing at university in his native UK. After one year teaching English on the JET programme and another three at a Tokyo-based consultancy, the 33 year old put into motion his desire to see more craft beers in the Japan market.

"The big beer makers in Japan push the very light lager drinks – ice cold,

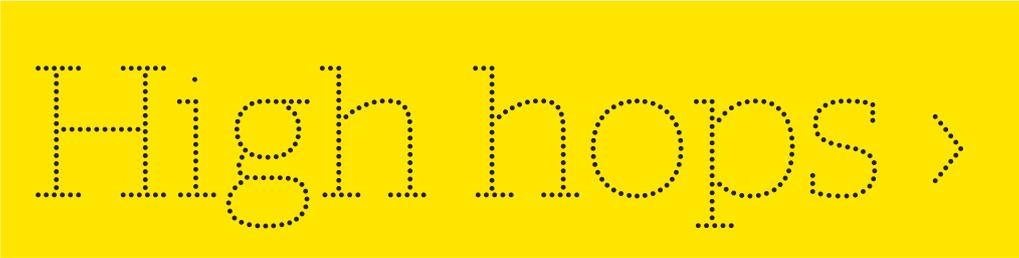
a crazy idea because you need a lot of space," he admits. However, Williams manages to brew one beer per week in the tiny area behind the bar. The fresh beer, made using English hops and malt, is transferred to the serving tanks where it is poured out to thirsty beer lovers. In addition, customers can get their fill of classic British food in a traditional pub setting – the furniture was even imported from the UK.

Williams has made 12 beers to date at his pub since opening, including a variety of light and dark beers, but he experiments within the chosen style and constantly tweaks his recipes. With five beers on tap, the Bitter and Porter are Champion Ale's regulars. Relatively

price. With an alcohol tax of ¥220 per litre, craft beer can be expensive and thus appeals more to those in their thirties and forties, who have a greater disposable income.

"Ji-biru [regional beer] was introduced to Japan in the 1990s as craft beer, when the amount required to brew to get a license dropped to something that was more feasible for start-up companies," he explains. "But there was more focus on the novelty of a local product than making great beers."

According to Williams, there is now more emphasis on making an interesting range of good-quality products that are influenced by US-style craft beers, as well as the German and Belgian styles.



High hops >

Text **MEGAN WATERS**  
Photo **GENEVIEVE SAWTELLE**

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## *Brit brewer hopes to change beer perceptions*

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easy to drink, very fizzy, and marketed as a summer beverage. Most people are not even aware that anything else exists," says Williams.

And so he enrolled in an intensive three-month brewing course at Sunderland's Brewlab to learn more about the craft – in the hope of changing people's perceptions about the drink. After a series of theoretical lessons, brewing practicals, recipe making, and visits to nearby breweries, bottling plants and maltsters, Williams was armed with the know-how to open his own British-style brewpub. He was ready to introduce British-style ales to his adopted country.

Champion Ale – the only Tokyo-based brewpub run by a foreigner – opened in December last year on a quiet backstreet in Asakusa. "Brewing in Tokyo is really

easy drinking with an alcohol content of 4-5%, they have proven a hit with customers.

"British-style beers have a hop and malt balance. The Bitter, a very traditional English beer, is within the class of a pale ale. It has a little bit of bitterness from the hops," he explains. Meanwhile, the Porter – a classic beer originally from London – uses lots of chocolate malt to give a "bitter chocolate and roasted, slightly coffee-like flavour". To create a completely new beer, Williams references one he has previously made, or works out what would fit the particular style.

Although the craft beer scene in Japan is growing, Williams believes it is mostly based around specialist beer bars in the busy salaryman areas, or in hangouts of the younger set, such as Shibuya and Shinjuku. Another issue is

"Craft beer drinkers here like experimenting and trying all the different styles. A lot of people love IPA, which usually has quite a strong bitter and hop flavour, but it stands out because it is so different to what people have been drinking," he says.

Although a limited range of craft beer is starting to appear in supermarkets and restaurants across the country, the education process has been slow.

"To change the beer scene here, people need to be aware that a range of beers do exist. Most *izakaya* only serve one type of beer, but I want people to have a choice. If people keep asking for a different beer, restaurants will hopefully start stocking it," he emphasises.

"My mission is to let people know that beer is a much wider category than what is available in your supermarket." 



“ MOST PEOPLE ARE NOT  
**EVEN AWARE** THAT  
ANYTHING ELSE EXISTS ”

# Successful post-hiring induction

Yumiko Kawanishi, Head of EAP Research Institute, Randstad K.K.

Many Japanese companies have started hiring more mid- to senior-level candidates who are experienced, battle-ready and talented — who can drive growth in this fast-changing global business environment. Furthermore, we have started to see game-changing appointments of top executives. Suntory, for example, is a traditional Japanese company that selected a well-known business leader in the retail industry to accelerate the international business.

For all kinds of organisations, welcoming a new boss or colleague is a stressful moment. Also for the newly arrived talent, having performance exceed expectations with an unfamiliar team is a challenging task. Unfortunately, there is little attention paid by human resources to the post-hiring induction process.

As a clinical psychology specialist, I have opportunities to meet with employees at several Japanese companies. Not surprisingly, they are struggling to perform and bring about results despite their — and the company's — expectations. I have witnessed several cases of so-called “quick loss” of talent. Two common examples involve the “superstar type” and “mole type”.

Superstar mid-hires are usually a senior- or executive-class talent, joining the company with high expectations. They have successful track records in previous careers, confidence in their own skills and ability, and are hungry for more success in new positions. They tend to try changing “everything” from day one. Ignoring



“ Staff begin feeling they are part of the changes ”

the past, holding multiple meetings, and skipping corporate protocols and procedures are meant to achieve the mission and win over the trust of top management asap. Initially, the energy and high level of motivation are welcomed by executive members. Unfortunately, existing staff are often unable to keep up with the pace or buy into the work process unless they share the same interests or targets. They feel ig-

nored and disrespected. Consequently, the organisation loses its traction; in a worst-case scenario, the superstar and disgruntled staff leave.

Mole mid-hires are hands-on specialists, often recruited in a hurry to replace someone who has left. They lack understanding of what's expected of them — moreover what they have to do. Their colleagues expect these hires simply to carry on their predecessor's role. They feel lost and less confident in their ability. Suffering from the silent pressure around them, the mole mid-hires fail to perform and leave in the short term.

The solution is not simple, yet there are effective ways to facilitate a successful induction. Human resources should inform newly hired talents about the challenges and what is expected of them. Being objectively frank about their strengths and weaknesses is also important. The same process is equally necessary for existing staff. They need to know why the company is hiring, what is expected of the new talent, and in what way the company wishes them to cooperate.

At the team-building phase, overcoming differences and reaching mutual understanding overnight is almost impossible, while asking for a common goal of where they wish to become as a team a relatively easy task. Human resources can facilitate discussion. With a common goal, the team starts running. Staff begin noticing progress and results — and feeling they are part of the changes.

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# Japan from the outside

*Not easy, but not that different. And listening again.*

## The question I am asked most often

when talking to an executive coming to Japan for the first time is, "Can you give me some tips on what I shouldn't do? What do I do when I meet someone? I don't want to make any cultural mistakes."

Usually, this question is posed rather nervously and at the end of a conference call, after our team has dealt with what we think really matters. We've carefully explained the situation they are dealing with in Japan. We've proposed what we regard as a smart, culturally sensitive media relations strategy, or a comprehensive bilingual programme to integrate Japan into their global communications strategy.

The nervous questioner could come from Poland, the UK or Spain. But more often it seems to be a North American who is deeply concerned that if they hand over their *meishi* backwards, make their bow wrong or stick a fork in their sushi, they will have to scuttle back home having gotten Japan irredeemably wrong in some subtle, unfathomable way.

Now, these are successful people working for leading companies. They have done megadeals and handled crises around the world, and they are sophisticated communicators. So why is it that the thought of committing a minor cultural faux pas in Japan sets their knees trembling?

I usually tell them that it's best to assume that Japan and the West are about 95% the same. Mothers scold their children, big sisters torment their little brothers, kids make a lot of noise

and don't want to do their homework. And wherever you are, businesses grow, mature and then restructure or fade away. The big companies tend to face similar challenges – making rapid decisions, getting staff pulling towards a common goal, and growing their presence in the market.

In my experience there is a much greater gulf between a group of farmers in a pub in North Yorkshire and a senior journalist on the FT in London, than that between a Nikkei journalist and the CEO of, say, General Electric.

“

**DON'T WORRY  
ABOUT THE 5%.  
GET **THE 95%**  
RIGHT!**

”

This is an important point. I see so many foreign companies failing to engage their Japanese stakeholders properly. And I think the reason for that is that they are spending too much time worrying about Japan's supposedly alien way of thinking, at a time when Japan is increasingly looking outside for new ideas.

So don't worry about the 5%. Get the 95% right!

It is much more important that our foreign clients tell their corporate story to Japan in the right way, to the right

audience, than that they bow at the right angle (which they will get wrong, and, anyway, many Japanese want them to act like foreigners).

Most of our visitors these days have been here a few times and survived to tell the tale of how they wore the toilet slippers on the tatami matting. Indeed, as Tokyo has become internationalised, the potential to make a cultural gaffe has declined. But still the idea that Japan is so different remains; while, at the same time, it seems that Japan is entering one of those 'learn from overseas' phases – as seen after WWII, in the Meiji era, and back when the language was imported from China. It is very unlike the "Japan can do nothing wrong" attitude that I remember in Tokyo towards the end of the bubble era (early 1990s).

Japan's businesses and consumers are facing outwards and ready to embrace the foreign vacuum cleaner, financial service, cheese or, in my firm's case, advice. It is what is new and better value, or just simply better that they are looking for in the 95%. So we and other firms must concentrate on communicating effectively what we are and what we do to the audience we address in Japan, while only worrying about the 5% if it gets in the way of our main goal. ☺

**JOHN SUNLEY** founded Ashton Consulting in 2000, Japan's leading independent corporate communications agency.





# Shikoku's sumo kids

Photos and text **ROD WALTERS**

Sumo is often said to be Japan's national sport, but it isn't legally established as such, nor is it the most popular. Some would even deny that it's a sport at all, stressing its origins as a Shinto ritual. In April around Shikoku, elementary school boys go to the local Shinto shrine to take part in a sumo tournament. Until recently, the boys wore only the

*mawashi* loincloth, and consequently they hated sumo. Now that they can wear their sports shorts, it's more fun. Their female school colleagues come to watch and yell encouragement. Some girls also do sumo and are good at it. Not all the bouts are equal, but sometimes an obvious loser wins. [E](#)



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日比谷公園噴水広場

#### Course

Around the Imperial Palace  
皇居周回

#### Event

10:00am – 12:00pm

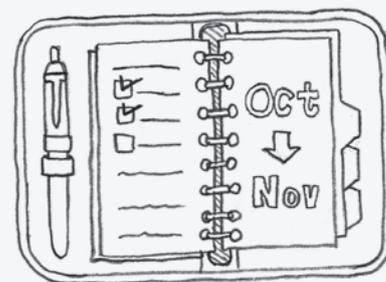
#### Fee

大人/Adult: ¥5,000  
12歳以下/ 6-12 year olds: ¥2,500  
5歳以下/5 year olds and under: Free



登録/Registration  
[www.runforthe cure.org](http://www.runforthe cure.org)

# Upcoming events



► **Belgian-Luxembourg Chamber of Commerce in Japan**

[www.blccj.or.jp](http://www.blccj.or.jp)

## Monthly Beer Gathering

20 October, 17 November, Monday, 19:00-23:00

**Venue:** Belgian beer café in Tokyo

**Fee:** Pay for what you drink

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

## BLCCJ Annual Gala Ball

20 November, Thursday, 18:30-23:00

**Venue:** Conrad Tokyo, Shiodome

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

► **British Chamber of Commerce in Japan**

[www.bccjapan.com](http://www.bccjapan.com)

## 2014 British Business Awards

14 November, Friday, 18:30-22:30

**Venue:** Hilton Tokyo, Kiku Room, Nishi-Shinjuku

**Fee:** ¥27,000 (members), ¥27,000 (non-members)

**Contact:** [info@bccjapan.com](mailto:info@bccjapan.com)

► **French Chamber of Commerce and Industry in Japan**

[www.ccfj.or.jp](http://www.ccfj.or.jp)

## CCIFJ Annual Gala Party 2014

4 November, Tuesday, from 18:00

**Venue:** ANA InterContinental Tokyo

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

## Lunch & Conference\*

21 November, Friday, 12:00-14:00

**Speaker:** Toshiaki Kurokawa, president of Porsche Japan

**Venue:** Hotel Hyatt Regency, Shinjuku

**Fee:** ¥6,000

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

\* In collaboration with the American Chamber of Commerce in Japan, German Chamber of Commerce in Japan and Swiss Chamber of Commerce in Japan.

► **Ireland Japan Chamber of Commerce**

[www.ijcc.jp](http://www.ijcc.jp)

## Ireland Japan Golf Challenge

25 October, Saturday, from 09:00

**Venue:** Haruna no Mori Country Club, Gunma

**Fee:** ¥19,000 (IJCC member), ¥21,000 (non-member)

**Contact:** [secretariat@ijcc.jp](mailto:secretariat@ijcc.jp)

## Business Awards Dinner

20 November, Thursday

**Venue:** Conrad Tokyo

**Contact:** [secretariat@ijcc.jp](mailto:secretariat@ijcc.jp)

## IJCC Family Christmas Party

7 December, Sunday

**Contact:** [secretariat@ijcc.jp](mailto:secretariat@ijcc.jp)

► **Italian Chamber of Commerce in Japan**

[www.iccj.or.jp](http://www.iccj.or.jp)

## Gran Concorso di Cucina – Italian Cuisine Contest

10 November, Monday, from 13:30

**Venue:** Tokyo Gas Studio +G Ginza

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

## ICCJ Gala Dinner & Concert 2014

5 December, Friday, from 19:00

**Venue:** The Westin Tokyo, Ebisu

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

► **Swedish Chamber of Commerce and Industry in Japan**

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

## Crayfish Party

10 October, Friday, 19:00-22:00

**Venue:** Garden, The Embassy of Sweden

**Fee:** ¥6,000

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

► **Multi-chamber Events**

## Mercedes-Benz Japan Cup

## The North America-Europe Golf Challenge in Japan

10 October, Friday, 08:00-17:30

**Venue:** Atsugi Kokusai C.C., Kanagawa

**Fee:** ¥24,700 (all-inclusive)

**Contact:** [www.dccgolf-japan.com](http://www.dccgolf-japan.com)

## OCT

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12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

## NOV

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16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

Compiled by DAVID UMEDA

## Stora Enso Cup – Sweden-Finland Golf Challenge in Japan

28 November, Friday, 08:00-17:00

**Venue:** Taiheiyō Club Gotemba West, Shizuoka Prefecture

**Fee:** ¥18,000

**Contact:** [fccj@gol.com](mailto:fccj@gol.com) and [office@sccj.org](mailto:office@sccj.org)

## Joint Scandinavian Christmas Ball\*

12 December, Friday, 18:30-24:00

**Venue:** The Westin Tokyo, Ebisu

**Fee:** ¥19,000

**Contact:** *respective chambers*

\* The Danish Chamber of Commerce in Japan, Finnish Chamber of Commerce in Japan, Icelandic Chamber of Commerce in Japan, Norwegian Chamber of Commerce in Japan, and Swedish Chamber of Commerce in Japan.

# Herbert A. J. Wilhelm

## *Schenker-Seino president and CEO*

This year marks the 50th anniversary of DB Schenker in Japan. Mergers with Seino's international division in 2002 and with BAX Global in 2007 resulted in the new firm becoming a major player in Japan's transport and logistics market.

"By integrating DB Schenker's global network and Seino's domestic infrastructure, we are in a unique position to meeting the requirements of all industrial sectors," says Herbert A. J. Wilhelm, Schenker-Seino president and CEO. "Our company celebrates not only the successful merging of businesses, but also the synthesis of cultures as we combine the European influence with the Japanese mentality and the American spirit."



Photo **BENJAMIN PARKS**

## 乳がんを減らすために、ニューバランスができること。

ニューバランスは、乳がんの早期発見を啓発する「ピンクリボン活動」をサポート。  
毎年秋に東京・日比谷公園で行われるラン&ウォークイベント「Run for the Cure®/Walk for Life」に協力するほか、ピンクリボン対象シューズを発売して売上の一部をNPO法人Run for the Cure Foundationに提供しています。  
乳がんの正しい知識を広め、早期発見・早期診断・早期治療をアピールすること。皆さまの健康を願うスポーツブランドとして誇りをもって「ピンクリボン活動」を応援しています。

※2013年度は、NPO法人Run for the Cure Foundationに3,798,591円の寄付を行いました。



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