U.S. Department of Justice
Washington, DC 20530

Amendment to Registration Statement
Pursuant to the Foreign Agents Registration Act of 1938, as amended

OMB No. 1105-0004
Approval Expires Oct. 31, 1986

1. Name of Registrant	2. Registration No.
International Public Relations Co., Ltd. (California)	2190

3. This amendment is filed to accomplish the following indicated purpose or purposes:

☐ To correct a deficiency in

☐ Initial Statement

☒ Supplemental Statement for 24 FEB 1985

☐ To give notice of change in an exhibit previously filed.

☐ To give a 10-day notice of a change in information as required by Section 2(b) of the Act.

☐ Other purpose *(specify)*

4. If this amendment requires the filing of a document or documents, please list-

Please see attached list

5. Each item checked above must be explained below in full detail together with, where appropriate, specific reference to and identity of the item in the registration statement to which it pertains. If more space is needed, full size insert sheets may be used.

Reference on attached list

The undersigned swear(s) or affirm(s) that he has *(they have)* read the information set forth in this amendment and that he is *(they are)* familiar with the contents thereof and that such contents are in their entirety true and accurate to the best of his *(their)* knowledge and belief.

Jack P. Whitehouse

JACK P. WHITEHOUSE

(Both copies of this amendment shall be signed and sworn to before a notary public or other person authorized to administer oaths by the agent, if the registrant is an individual, or by a majority of those partners, officers, directors or persons performing similar functions who are in the United States, if the registrant is an organization.)

Subscribed and sworn to before me at Los Angeles, Calif

this 7th day of October, 19 86 Christine Sonnenberg

(Notary or other officer)

My commission expires

OFFICIAL SEAL
CHRISTINE SONNENBERG
NOTARY PUBLIC - CALIFORNIA
LOS ANGELES COUNTY
My comm. expires SEP 29, 1989

ATTACHMENT TO SUPPLEMENTAL STATEMENT FOR SIX-MONTH PERIOD FROM 24 FEB 1985

Registration No. **2190**

Listing of documents attached and identity of items in registration statement:

1. Direct mail. Printed speech of Mr. Taisuke Usami, executive VP, Kawasaki Steel Corp., Tokyo, to Assn. of Steel Distributors, Puerto Rico (Speech prepared at Japan Steel Information Center, New York) Mailed 3-11-85 to 425 persons in steel and related industries, opinion leaders, and news media in western U.S.

2. News release. "Japanese Steel Statement on U.S.-Japan Steel Quota Arrangement" Distributed 3-14-85 via Business Wire* to western U.S. news media. Hand-delivered to five selected news media.

3. News release. "Japanese Steelmakers Will Cooperate with President's Program" Distributed 3-14-85 via Business Wire to western U.S. news media. Hand-delivered to five selected news media.

4. News release. "Japanese Steel Imports Drop 38%" Distributed 8-30-85 via Business Wire to western U.S. news media. Hand-delivered to five selected news media.

* Business Wire is a national commercial news distribution network based in San Francisco which distributes public relations news releases to many daily newspapers, business and trade publications and electronic media.

THE JAPAN STEEL INDUSTRY
Present and Future

by
Taisuke Usami, Executive Vice President
KAWASAKI STEEL CORPORATION

Before the 42nd Annual Meeting of the Association of Steel Distributors–Dorado Beach, Puerto Rico, March 11, 1985

I would like to express my sincere thanks to you for your kind invitation to this 42nd Annual ASD Conference in such a beautiful spot. It is indeed an honor to be able to speak to you as the representative of the Japanese steel industry.

As you know, since Bethlehem Steel and the USW filed their 201 complaints the position constantly maintained by the Japanese steel industry is this: If U.S. steel mills actually have suffered damage from imports, it is because of the sharp rise in shipments from steelmaking nations among the newly industrializing countries. Japanese imports to the United States have always been on a fair and prudent basis and were not the cause of injury.

This view was endorsed even by the 201 plaintiffs, who said that they were not seeking relief measures in the case of Japanese imports because Japan had not been engaged in any unfair trade practices.

Our prudent export posture was to closely follow demand trends in the United States, based on a firm recognition that the stable growth of the American market is essential to Japan's future as a long-term supplier of steels to the United States. Though not our biggest market, the U.S. is nonetheless our most important export destination. The Japanese posture is backed by the spirit of cooperation long maintained with the U.S. government to avoid harmful disruptions of the American steel market. Our willingness to cooperate is very clear when one looks back on the past 10 years' history of Japanese steel exports to the United States.

Voluntary restraint was effected for the first time between 1969 and 1974. With the enactment of the Trigger Price Mechanism in 1977, Japanese steel mills agreed to submit necessary data through the Japanese government, and faithfully complied with this system.

Since February 1983, U.S.-Japan steel consultations have been held, based on the joint announcement issued by then-Minister of International Trade and Industry, Mr. Yamanaka, and Mr. Brock, the United States Trade Representative. Based on information coming out of these consultations, Japanese steelmakers have continued to take a prudent posture which attempted to meet American market needs.

In short, Japanese policy has been such that supply is centered on sectors of the market where domestic supply was relatively short, in an effort to co-exist with U.S. steelmakers. In the early part of the 1980s, when high-grade OCTG demand was strong and demand for automotive steel sheets low, Japan's tubular product exports to the States went up, and sheet exports declined. Subsequently, when tubular product demand fell and the automotive market firmed up, Japanese sheet exports increased and OCTG exports dropped sharply. Accordingly, Japanese exports can be said to have supplemented, rather than damaged, American steelmakers.

Further, Japanese steelmakers have been active in technical cooperation with American steel mills, in order to assist in the revitalization of the American industry. All these actions indicate the cooperative attitude taken by Japan towards the health of the American steel industry and the sound development of the American steel market.

Its efforts at cooperation notwithstanding, Japan today is counted among the countries subject to import restriction measures, being considered an export-surge nation, based on the Presidential decision made public last September on the Section 201 issue. This, we think, is an exceedingly inappropriate measure when viewed against the background of Japan's conscientiously responsible export policy.

In spite of its disappointment with the Presidential decision, the Japanese steel industry, on further consideration, concluded that these restrictions, fairly applied, would, in principle, lead to the stabilization of the U.S. market and help in the restructuring of the American steel industry. Based on this conclusion, the Japanese steelmakers agreed to abide by the bilateral governmental steel agreement of last December, to undertake voluntary restraints by reducing the ratio of their steel exports to 5.8% of American apparent consumption, from their historical market share of 6.3%.

Problems with Quota Plan

Recently, some enforcement details have become finalized, but I still have some apprehension about the following points:

1) The U.S. government, in an effort to forestall a possible shift in imports toward higher value-added products, is seeking to further subdivide the list of controlled products, for purposes of regulation. It is unavoidable, however, that the greater the number of these classifications, the larger the error will be in product-by-product apparent-consumption forecasts. From these errors, various supply-demand imbalances can be expected to result, in spite of subsequent corrections. Furthermore, quotas based on subdivisions using out-dated market share figures will hinder development of both new products and higher grade steels urgently needed to meet the rapidly diversifying customer requirements of an increasingly sophisticated industrial structure.

2) The efforts to control imports by fixing product market shares over a long, 5 year, term, are likely to create difficulties arising from shifts in the demand structure. In other words, such a rigid policy would prevent us from meeting smoothly the changing demands of long-established customers. This would harm the interests not only of suppliers, but also of users, and would be likely to upset long-standing commercial relationships. Therefore, for the good of all concerned, we would like to ask for reasonable flexibility in the application of restrictions, especially with respect to short-supply products.

3) Japan, the EC, and Canada are all traditional suppliers against whom import restrictions have been imposed. Yet, we cannot help noting differences from country to country, not to mention major differences in the duration of measures. I hope we can expect that sufficient consideration will be exercised so that the program will not discriminate against Japan.

The entire issue has not yet been settled. Our government has already agreed to a five-year term, six broad categories

Published by Charles E. Butler & Associates, 60 East 42nd St., New York, N.Y. 10165; and International Public Relations Co., Ltd., 523 W. Sixth St., Los Angeles, CA 90014, both doing business as JAPAN STEEL INFORMATION CENTER. The CENTER is registered with the U.S. Department of Justice under the provision of 22 U.S.C. 611 et. seq. as an agent of the Japan Iron & Steel Exporters' Association, 3-2-10 Nihonbashi-Kayabacho, Chuo-ku, Tokyo, PC-103, Japan, a privately financed trade organization. Copies of the CENTER's registration statement are available for public inspection in Department of Justice files. Such registration does not indicate approval of material by the United States Government.

covering all steel mill products, and seven special subcatagories. I believe, however, the most controversial issue in the negotiation, and one preventing a final agreement, was a set of fresh demands introduced by the U.S. government during last month's meetings in Washington. These demands included new categories covering certain fabricated steel products and steel structures.

In any case, when the agreement is at last finalized, Japanese steelmakers are determined to give it their full respect. I, for my part, sincerely hope for a strong recovery by the American steel industry during the period of import restrictions, so that we may look forward to full, equal participation in a strong, stable American market place.

U.S. Investment

Next, I would like to touch upon Japanese investment in the United States. Last year saw a series of moves by Japanese steelmakers into capital participation in American steel mills. The purpose of these investment efforts, I think, is the same as with earlier moves by Japanese electric machinery and automobile manufacturers.

Here, a brief retrospective on Japanese industries' overseas investment might be of some interest. Overseas investment started with raw materials resources, followed by investment aimed at trade expansion. This, however, soon gave way to efforts to resolve trade disputes.

With a growing gap in Japan's trade balance with the United States, a new phenomenon came into being. Exporting efforts were replaced by what is known as the "knock-down" system of local production. Beginning about 1980, Japan's investment in the United States sharply increased. One-third of Japan's total overseas industrial investment is now being channeled into the United States.

I must point out that this marked increase was something more than a reaction to trade friction. It is a clear acknowledgement that the United States is the safest country in the world for investment, and the most favorable country for establishing and developing industrial activities. The same conviction underlies the actions of the Japanese steel industry.

President Kanao, of Nippon Kokan, has said that overseas production is an absolute necessity if a company is to realize the full extent of its capacities in times of slack demand and serious international trade friction. The United States, of course, still has vast potential steel demand, making it a most stable investment location economically, as well as politically. Accordingly, NKK acquired management participation in National Steel by purchasing 50% of its stock.

As you may also be aware, Kawaski Steel, last year, also entered into capital participation in an American steel concern, California Steel Industries. This investment helped CSI re-open its Fontana Works, which took place on schedule in November. One purpose of our capital participation, I should say, was to help Brazil export slab from the Tubarao Works, where we have an interest.

But this was not our only reason. After a thorough study of the West Coast steel market, we realized that it was a potentially profitable one, and that the supply-and-demand equation justified the re-opening of the Fontana plant. In addition, we foresaw the chance to make an important contribution to the local economy through new jobs created by the re-opening, and we judged that the project lay well within our capabilities, and presented an opportunity to capitalize on our technical strength.

So far, I have focused on recent problems involving the United States. Now, I would like to move on to the Japanese steel industry, and its recent condition.

Situation in Japan

Last year, for the first time in three years, Japanese raw steel output exceeded 100 million tons. The return to even this production level was made possible by firmer domestic demand in the automotive and home appliance sectors, and a healthy pickup in exports to China. This year, however, promises no further expansion in domestic demand. Nor does the export side permit any optimism, with imposition of voluntary export restraints to the U.S. on the one hand, and increasing world-wide competition for markets, on the other.

In order to survive in this adverse economic climate and achieve the same prosperity as companies in other fields, Kawasaki Steel, like other producers, has laid out plans for the following two crucial tasks: Improving competitiveness in steel, and entering new areas of business.

Our first task, then, is to improve the international competitiveness of our steel operations. To this end, greater productivity is required from both manpower and investment. The steel industry is well-known to be equipment-intensive. To earn the same revenue as other manufacturing industries, steel must make double the investment in equipment. Maintaining competitiveness requires constant improvement in equipment, of course. But, at the same time, equipment investment must open up new dimensions. Simply repeating conventional concepts is not adequate, if the steel industry, as a profit-making endeavor, is to compete with other industries.

In the area of technology, accordingly, we are undertaking development of some revolutionary manufacturing processes. Among these, Kawasaki is looking at strip casting, a technology for producing steel strip directly from molten steel; and direct reduction of steel. These two head the list of next-generation technology development projects. These new technologies will be simple and inexpensive, and the steelworks of the future will be quite different from the vast, costly mass-production facility of the past.

Now, let us turn to another important subject connected with competitiveness – product strategy. In our opinion, product strategy boils down to timely delivery of products well-suited to diversifying customer needs, and, where possible, introduction of products a step ahead of customers' requirements. To raise the level of products available to customers, concerted efforts are underway in our sales and technology departments to develop and market higher-grade and higher-value-added products. I might add here again that the U.S. quota system will inhibit us from giving U.S. customers the best service in this area. At the same time, commercial grade products – which make up the majority of steels used, after all – cannot be neglected, since competitive strength in this area forms the secure earnings foundation for all other activities.

Diversification

Our second crucial task is diversification, that is, taking on the challenge presented by new areas of business. The Engineering Division and the Chemicals Division of Kawasaki are both already well developed, but we aim to reinforce their capabilities and expand their range of activities. Ultimately, these Divisions will join our steel operations as second and third pillars of the company.

Beyond this lies another challenge, that of non-steel-related products and technologies. Steel technology itself has been called a treasure-chest of know-how for high-technology. As steelmakers we are indeed fortunate to have at our disposal this ready-made basis for entry into high-tech ventures.

The field of new materials, emerging as a market of unlimited potential in the high-tech age, is accessible to us: We have the necessary accumulated technology, manpower, and, with our steel operations remaining profitable, financial resources. It is a field, therefore, which we will aetively exploit.

Recently, we have heard a great deal of talk about the Age of New Materials, the so-called New Stone Age. We, too, are already at work in this area. Nonetheless, when projecting the market scale of these materials in Japan in the year 2000, we foresee a sales value amounting to less than 10% of that for steel and other conventional materials.

Thus, it seems possible to say that the Steel Age will be with us yet a little longer. Steel is an indispensable material valued for its workability, its low cost, and its suitability to mass-production methods. It has further roles, both obvious and yet unsuspected, to play in human society. We, as steelmen, can be proud of our involvement in the development, production, and supply of steel.

Japan Steel Information Center
523 WEST SIXTH STREET, SUITE 804, LOS ANGELES, CALIFORNIA 90014
Phone (213) 627-4188

Contact: Jack Whitehouse, Ron Eagar

March 14, 1985

JAPANESE STEEL STATEMENT ON U.S.-JAPAN STEEL QUOTA ARRANGEMENT

by Haruki Kamiya, Chairman, Overseas Relations Committee
Japan Iron & Steel Exporters' Association, Tokyo

On March 14, 1985, the Japanese steel industry was informed by our government that a final agreement had been reached with the U.S. on steel export restraints.

The Japanese steel industry has long expressed concern about U.S. import relief, for the following reasons.

1. Imports from Japan have been following U.S. steel demand and have not surged.

2. The Japanese steel industry has aided the U.S. steel industry in improving its international competitiveness.

3. Japan has traditionally traded fairly in the U.S. market.

4. The Japanese market is not closed to imports.

The Japanese steel industry, however, was strongly requested by our government to cooperate with the Presidential decision of September 18, 1984. This aimed at giving breathing time to the U.S. steel industry to recover its international competitiveness by voluntary restraint agreements to maintain free trade. The industry acceded to export restraints in the spirit of cooperation and in the wider interests of friendly trade relations between the two countries.

Since then, we have watched the negotiations carefully, with special attention to the following points:

1. If the controls are too precise and strict, the Japanese industry would be heavily burdened in cooperating in the rebuilding of the U.S. industry, and could not comply to the needs of U.S. steel users.

2. The controls should be workable in Japan and conform to the current status of the Japanese steel industry and various regulations under which it is operating.

3. The controls should be kept in balance with those imposed on other major suppliers, especially the EC.

We are somewhat unsatisfied and fearful that the five-year duration of the controls, retroactive to last October, could cause a mess in the marketplace over what product quotas can be increased.

We hope that the smoothest system of steel trade to the U.S. can be implemented, along with an agreement that will not unnecessarily burden the industry. Also, we want to request that the U.S. government monitor, to make sure that no other major supplier undermines the Japanese position in the U.S. market.

MORE

Published by the JAPAN STEEL INFORMATION CENTER, 523 West Sixth Street, Los Angeles, CA 90014 and 60 East 42nd Street, New York, NY 10165, operated by International Public Relations Co., Ltd. (California) and Charles E. Butler & Associates. The CENTER is registered with the U.S. Dept. of Justice under the provisions of 22 U.S.C. 611 et. seq. as an agent of *the Japan Iron & Steel Exporters' Association, 3-2-10, Nihonbashi-Kayabacho, Chuo-ku, Tokyo PC-103, Japan*, a privately-financed trade organization. Copies of the CENTER's registration statement are available for public inspection in Dept. of Justice files. Such registration does not indicate approval of material by the United States Government.

On the other hand, we request that the U.S. steel industry take continued and vigorous steps in their own efforts at revitalization through rationalization and modernization, the reduction in labor costs, and other means to recover its international competiveness.

Consequently, we would like the U.S. government to take all possible measures to achieve the initial purpose of import relief to prevent our VRA from having no significance.

# # #

Japan Steel Information Center
523 WEST SIXTH STREET, SUITE 804, LOS ANGELES, CALIFORNIA 90014
Phone (213) 627-4188

(Ed.: Similar story moved on Business Wire, 15:20, 3-14-85)
Contact: Jack Whitehouse, Ron Eagar (213) 627-4188 — Release: IMMEDIATE

JAPANESE STEELMAKERS WILL COOPERATE WITH PRESIDENT'S PROGRAM, AS INDUSTRY SPOKESMAN CALLS FOR EQUALITY IN ENFORCEMENT

A top Japanese steel executive said in Tokyo Thursday (Mar. 14) that the Japanese steel industry is urging the U.S. government to watch the American market closely during the new five-year "import relief" period to assure that the Japanese position is not undermined by other foreign steel producers selling in the U.S. His reactions were released by the Japan Steel Information Center in Los Angeles.

Haruki Kamiya, chairman of the overseas relations committee, Japan Iron & Steel Exporters' Association, acknowledged that a final agreement on steel export restraints had been reached on Thursday between U.S. and Japanese government negotiators. Noting that the restraints will place a "burden" on Japanese steel producers, he said that "the industry acceded to them in a spirit of cooperation and in the wider interests of friendly trade relations (between the two countries)."

Mr. Kamiya, who is also executive vice president of Nippon Kokan (NKK), cautioned, however, that if the controls required by the agreement are "too precise and strict," the Japanese industry would be unable to comply with the needs of U.S. steel users.

He urged that control of Japanese steel imports "should be kept in balance with those imposed on other major suppliers, especially the European Community." He stressed that Japan has consistently traded fairly in the U.S. market, and that its exports have traditionally followed the pattern of U.S. steel demand.

Mr. Kamiya expressed concern that the five-year duration of the new arrangement could cause confusion in the marketplace by creating uncertainties over which product quotas could be increased.

MORE

"We assume the U.S. steel industry will take continued steps in its efforts to revitalize through rationalization and modernization, which was the original premise of the President's decision (to call for voluntary quotas)," he said.

"In short, we expect the U.S. government to take all necessary measures to achieve the goal of this import relief, so that our own voluntary restraint agreement will be meaningful."

# # #

JSIC-701-031485

Japan Steel Information Center
523 WEST SIXTH STREET, SUITE 804, LOS ANGELES, CALIFORNIA 90014
Phone (213) 627-4188

Contact: Jack Whitehouse
Ron Eagar

Release: IMMEDIATE

JAPANESE STEEL IMPORTS DROP 38%;
CONFORMING TO QUOTA ARRANGEMENT

July steel imports from Japan declined a dramatic 38.1% from June, reflecting Japanese steel exporters' restraints in response to the new U.S. steel quota arrangement, the Japan Steel Information Center in Los Angeles reported (8-30-85).

The July steel imports registered 389,000 tons, compared to June's 629,000 tons.

An analysis of Japanese steel exports by the Japan Iron & Steel Exporters' Assn. reveals a long-term downward trend, a JSIC spokesman said. During the first seven months of 1985 steel shipments to the U.S. from Japan were down 16.4% from the same 1984 period. Export licensing machinery in Japan to bring exports into accord with the arrangement started up in June, causing an immediate 20% drop in tonnage shipped to the U.S. and another 5% drop in July exports. The normal shipping and Customs clearance time of one to two months will thus show further import declines in coming months, he said.

In Tokyo, Haruki Kamiya, chairman of the JISEA Overseas Relations Committee and executive vice president of Nippon Kokan K.K., a major Japanese steelmaker, emphasized that "the Japanese are observing the spirit and the letter of the export restraint arrangement with the U.S., as the data itself shows."

U.S. STEEL IMPORTS (tons):	July/85	June/85	%Change
Japan	388,797	629,000	- 38.1
Canada	233,550	320,000	- 27.2
EEC	448,493	666,000	- 32.7
Other	486,175	747,000	- 35.0
TOTAL	1,577,020	2,362,000	- 33.2

Source: U.S. Dept. of Commerce

# # #

(For further information in New York contact: Charles Butler, Don McGill at 212-687-2480.)

Published by the JAPAN STEEL INFORMATION CENTER, 523 West Sixth Street, Los Angeles, CA 90014 and 60 East 42nd Street, New York, NY 10165, operated by International Public Relations Co., Ltd. (California) and Charles E. Butler & Associates. The CENTER is registered with the U.S. Dept. of Justice under the provisions of 22 U.S.C. 611 et. seq. as an agent of the Japan Iron & Steel Exporters' Association, 3-2-10, Nihonbashi-Kayabacho, Chuo-ku, Tokyo PC-103, Japan, a privately-financed trade organization. Copies of the CENTER's registration statement are available for public inspection in Dept. of Justice files. Such registration does not indicate approval of material by the United States Government.