

FEB 26 1994

For Six Month Period Ending _____
(Insert date)

Name of Registrant **TransPacific Communications Registration No. 4173**
and Research Company

Business Address of Registrant
582 Market St., Suite 516
San Francisco, CA 94104
I-REGISTRANT

1. Has there been a change in the information previously furnished in connection with the following:

(a) If an individual:

- (1) Residence address Yes No
- (2) Citizenship Yes No
- (3) Occupation Yes No

(b) If an organization:

- (1) Name Yes No
- (2) Ownership or control Yes No
- (3) Branch offices Yes No

2. Explain fully all changes, if any, indicated in item 1.

IF THE REGISTRANT IS AN INDIVIDUAL, OMIT RESPONSE TO ITEMS 3, 4, and 5.

3. Have any persons ceased acting as partners, officers, directors or similar officials of the registrant during this 6 month reporting period? Yes No

If yes, furnish the following information:

Name

Position

RECEIVED
 DEPT. OF JUSTICE
 CRIMINAL DIVISION
 MAR 23 AM 10:00
 INTERNAL SECURITY
 SECTION
 REGISTRATION UNIT
 Date Connection Ended

4. Have any persons become partners, officers, directors or similar officials during this 6 month reporting period?
Yes No

If yes, furnish the following information:

<i>Name</i>	<i>Residence Address</i>	<i>Citizenship</i>	<i>Position</i>	<i>Date Assumed</i>
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5. Has any person named in Item 4 rendered services directly in furtherance of the interests of any foreign principal?
Yes No

If yes, identify each such person and describe his services.

6. Have any employees or individuals other than officials, who have filed a short form registration statement, terminated their employment or connection with the registrant during this 6 month reporting period? Yes No

If yes, furnish the following information:

<i>Name</i>	<i>Position or connection</i>	<i>Date terminated</i>
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7. During this 6 month reporting period, have any persons been hired as employees or in any other capacity by the registrant who rendered services to the registrant directly in furtherance of the interests of any foreign principal in other than a clerical or secretarial, or in a related or similar capacity? Yes No

If yes, furnish the following information:

<i>Name</i>	<i>Residence Address</i>	<i>Position or connection</i>	<i>Date connection began</i>
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II—FOREIGN PRINCIPAL

(PAGE 3)

8. Has your connection with any foreign principal ended during this 6 month reporting period?

Yes

No

If yes, furnish the following information:

Name of foreign principal

Date of Termination

9. Have you acquired any new foreign principal¹ during this 6 month reporting period?

Yes

No

If yes, furnish following information:

Name and address of foreign principal

Date acquired

10. In addition to those named in Items 8 and 9, if any, list the foreign principals¹ whom you continued to represent during the 6 month reporting period.

JETRO San Francisco

III—ACTIVITIES

11. During this 6 month reporting period, have you engaged in any activities for or rendered any services to any foreign principal named in Items 8, 9, and 10 of this statement? Yes No

If yes, identify each such foreign principal and describe in full detail your activities and services:

During the past 6 month period, I Robert Hamilton, as the sole owner and employee of TransPacific Communications and Research Company in San Francisco have provided JETRO San Francisco with public relations support. This assistance is on a retainer basis and includes offering advice on matters related to U.S. public opinion, attained primarily through various media sources and well as basic public relations support. In addition, assistance may be provided in such matters as employee relations and issues involving American social and business customs. During this 6 month period, I continued is providing employee training. For these services, I have received approximately \$48 - \$90 per month (which is later reimbursed for a monthly press clipping service.)

I receive a fixed montly retainer fee of \$2,750 for my services.

I have attached a listing of activities performed on behalf of JETRO San Francisco for public relations services. Also, the monthly invoices covering this period is attached. Copies of speeches edited and assisted on are also attached.

¹The term "foreign principal" includes, in addition to those defined in section 1(b) of the Act, an individual or organization any of whose activities are directly or indirectly supervised, directed, controlled, financed, or subsidized in whole or in major part by a foreign government, foreign political party, foreign organization or foreign individual. (See Rule 100(a)(9)).

A registrant who represents more than one foreign principal is required to list in the statements he files under the Act only those foreign principals for whom he is not entitled to claim exemption under Section 3 of the Act. (See Rule 208.)

12. During this 6 month reporting period, have you on behalf of any foreign principal engaged in political activity² as defined below?
Yes No

If yes, identify each such foreign principal and describe in full detail all such political activity, indicating, among other things, the relations, interests and policies sought to be influenced and the means employed to achieve this purpose. If the registrant arranged, sponsored or delivered speeches, lectures or radio and TV broadcasts, give details as to dates, places of delivery, names of speakers and subject matter.

Note: Copies of speeches are attached.

Eleven (11) speeches were either edited or reviewed by TransPacific Communications and Research Co. during this reporting period. None of these public appearances were arranged, sponsored or delivered by the firm. No radio or television broadcasts or participation was arranged.

All remarks involved JETRO trade promotion activities (import promotion) and the role and function of JETRO. In addition, all remarks were presented within the JETRO SAN Francisco territory which includes the seven (7) Western states.

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13. In addition to the above described activities, if any, have you engaged in activity on your own behalf which benefits any or all of your foreign principals? Yes No

Note: see attached public relations activities sheet.

If yes, describe fully.

²The term "political activities" means the dissemination of political propaganda and any other activity which the person engaging therein believes will, or which he intends to, prevail upon, indoctrinate, convert, induce, persuade, or in any other way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

IV—FINANCIAL INFORMATION

14. (a) RECEIPTS—MONIES

During this 6 month reporting period, have you received from any foreign principal named in Items 8, 9 and 10 of this statement, or from any other source, for or in the interests of any such foreign principal, any contributions, income or money either as compensation or otherwise? Yes No

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies.³

<i>Date</i>	<i>From Whom</i>	<i>Purpose</i>	<i>Amount</i>
Oct. 1, 1993	JETRO San Francisco	Public Relations Retainer	\$2,816.56
Nov. 1, 1993	JETRO San Francisco	Public Relations Retainer	\$2,817.20
Dec. 1, 1993	JETRO San Francisco	Public Relations Retainer	\$2,824.56
Dec. 19, 1993	JETRO San Francisco	Public Relations Retainer	\$2,839.60
Jan. 31, 1994	JETRO San Francisco	Public Relations Retainer	\$2,824.24
March 1, 1994	JETRO San Francisco	Public Relations Retainer	\$2,821.04
TOTAL			\$
			\$16,943.20
			Total

(b) RECEIPTS—THINGS OF VALUE

During this 6 month reporting period, have you received any thing of value⁴ other than money from any foreign principal named in Items 8, 9 and 10 of this statement, or from any other source, for or in the interests of any such foreign principal? Yes No

If yes, furnish the following information:

<i>Name of foreign principal</i>	<i>Date received</i>	<i>Description of thing of value</i>	<i>Purpose</i>
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³A registrant is required to file an Exhibit D if he collects or receives contributions, loans, money, or other things of value for a foreign principal, as part of a fund raising campaign. See Rule 201(e).
⁴Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks," and the like.

15. (a) **DISBURSEMENTS—MONIES**

During this 6 month reporting period, have you

(1) disbursed or expended monies in connection with activity on behalf of any foreign principal named in Items 8, 9 and 10 of this statement? Yes No

(2) transmitted monies to any such foreign principal? Yes No

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies, including monies transmitted, if any, to each foreign principal.

<i>Date</i>	<i>To Whom</i>	<i>Purpose</i>	<i>Amount</i>
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Total

15. (b) DISBURSEMENTS—THINGS OF VALUE

During this 6 month reporting period, have you disposed of anything of value⁵ other than money in furtherance of or in connection with activities on behalf of any foreign principal named in items 8, 9 and 10 of this statement?

Yes No

If yes, furnish the following information:

<i>Date disposed</i>	<i>Name of person to whom given</i>	<i>On behalf of what foreign principal</i>	<i>Description of thing of value</i>	<i>Purpose</i>
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(c) DISBURSEMENTS—POLITICAL CONTRIBUTIONS

During this 6 month reporting period, have you from your own funds and on your own behalf either directly or through any other person, made any contributions of money or other things of value⁵ in connection with an election to any political office, or in connection with any primary election, convention, or caucus held to select candidates for political office?

Yes No

If yes, furnish the following information:

<i>Date</i>	<i>Amount or thing of value</i>	<i>Name of political organization</i>	<i>Name of candidate</i>
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V—POLITICAL PROPAGANDA

(Section 1(j) of the Act defines "political propaganda" as including any oral, visual, graphic, written, pictorial, or other communication or expression by any person (1) which is reasonably adapted to, or which the person disseminating the same believes will, or which he intends to, prevail upon, indoctrinate, convert, induce, or in any other way influence a recipient or any section of the public within the United States with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party or with reference to the foreign policies of the United States or promote in the United States racial, religious, or social dissensions, or (2) which advocates, advises, instigates, or promotes any racial, social, political, or religious disorder, civil riot, or other conflict involving the use of force or violence in any other American republic or the overthrow of any government or political subdivision of any other American republic by any means involving the use of force or violence.)

16. During this 6 month reporting period, did you prepare, disseminate or cause to be disseminated any political propaganda as defined above? Yes No

IF YES, RESPOND TO THE REMAINING ITEMS IN THIS SECTION V.

NOTE: Such materials that have been distributed by JETRO San Francisco should be in accordance with appropriate FARA requirements.

17. Identify each such foreign principal.

⁵Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks," and the like.

18. During this 6 month reporting period, has any foreign principal established a budget or allocated a specified sum of money to finance your activities in preparing or disseminating political propaganda? Yes No

If yes, identify each such foreign principal, specify amount, and indicate for what period of time.

19. During this 6 month reporting period, did your activities in preparing, disseminating or causing the dissemination of political propaganda include the use of any of the following:

- Radio or TV broadcasts
- Magazine or newspaper articles
- Motion picture films
- Letters or telegrams
- Advertising campaigns
- Press releases
- Pamphlets or other publications
- Lectures or speeches (see attached)
- Other (specify) _____

20. During this 6 month reporting period, did you disseminate or cause to be disseminated political propaganda among any of the following groups:

- Public Officials
- Newspapers
- Libraries
- Legislators
- Editors
- Educational institutions
- Government agencies
- Civic groups or associations
- Nationality groups
- Other (specify) _____

21. What language was used in this political propaganda:

- English
- Other (specify) _____

22. Did you file with the Registration Section, U.S. Department of Justice, two copies of each item of political propaganda material disseminated or caused to be disseminated during this 6 month reporting period? Yes No

23. Did you label each item of such political propaganda material with the statement required by Section 4(b) of the Act? Yes No

24. Did you file with the Registration Section, U.S. Department of Justice, a Dissemination Report for each item of such political propaganda material as required by Rule 401 under the Act? Yes No

VI—EXHIBITS AND ATTACHMENTS

25. EXHIBITS A AND B

(a) Have you filed for each of the newly acquired foreign principals in Item 9 the following:

- Exhibit A⁶ Yes No
 - Exhibit B⁷ Yes No
- * No newly acquired foreign principals

If no, please attach the required exhibit.

(b) Have there been any changes in the Exhibits A and B previously filed for any foreign principal whom you represented during this six month period? Yes No

If yes, have you filed an amendment to these exhibits? Yes No

If no, please attach the required amendment.

⁶The Exhibit A, which is filed on Form CRM-157 (Formerly OBD-67) sets forth the information required to be disclosed concerning each foreign principal.

⁷The Exhibit B, which is filed on Form CRM-155 (Formerly OBD-65) sets forth the information concerning the agreement or understanding between the registrant and the foreign principal.

26. EXHIBIT C

If you have previously filed an Exhibit C⁸, state whether any changes therein have occurred during this 6 month reporting period. Yes No

If yes, have you filed an amendment to the Exhibit C? Yes No

If no, please attach the required amendment.

27. SHORT FORM REGISTRATION STATEMENT

Have short form registration statements been filed by all of the persons named in Items 5 and / of the supplemental statement?

Yes No

Note: This is a solely-owned and operated firm with no

If no, list names of persons who have not filed the required statement. employees other than Robert Hamilton

The undersigned swear(s) or affirm(s) that he has (they have) read the information set forth in this registration statement and the attached exhibits 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, except that the undersigned make(s) no representation as to the truth or accuracy of the information contained in attached Short Form Registration Statement, if any, insofar as such information is not within his (their) personal knowledge.

(Type or print name under each signature)

Robert Hamilton

Robert Hamilton

(Both copies of this statement 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 San Francisco, California

this 16th day of March, 19 94



Mary A. Culwell
(Signature of notary or other officer)

⁸The Exhibit C, for which no printed form is provided, consists of a true copy of the charter, articles of incorporation, association, constitution, and bylaws of a registrant that is an organization. (A waiver of the requirement to file an Exhibit C may be obtained for good cause upon written application to the Assistant Attorney General, Criminal Division, Internal Security Section, U.S. Department of Justice, Washington, D.C. 20530.)

UNITED STATES DEPARTMENT OF JUSTICE
REGISTRATION UNIT
CRIMINAL DIVISION
WASHINGTON, D.C. 20530

NOTICE

Please answer the following questions and return this sheet in triplicate with your supplemental statement:

1. Is your answer to Item 16 of Section V (Political Propaganda - page 7 of Form CRM-154, formerly Form OBD-64 - Supplemental Statement):

Yes _____ or No _____

(If your answer to question 1 is "yes" do not answer question 2 of this form.)

2. Do you disseminate any material in connection with your registration:

Yes _____ or No X _____

(If your answer to question 2 is "yes" please forward for our review copies of all such material including: films, film catalogs, posters, brochures, press releases, etc. which you have disseminated during the past six months.)

Robert Hamilton
Signature

March 15, 1994
Date

Robert Hamilton
Please type or print name of signatory on the line above

Managing Director
Title

RECEIVED
DEPT. OF JUSTICE
CRIMINAL DIVISION
94 MAR 23 AM 10:00
INTERNAL SECURITY
SECTION
REGISTRATION UNIT

ADDITIONAL MATERIALS

REPORTING PERIOD - SEPTEMBER - FEBRUARY 1994

by

TransPacific Communications & Research Company (4173)

1. **Public Relations Activities for JETRO San Francisco
September 1993 - February 1994**
2. **Invoices for activities performed by TPCRC for JETRO San Francisco**
3. **Speeches prepared by TPCRC for JETRO San Francisco (11)**

RECEIVED
DEPT. OF JUSTICE
CRIMINAL DIVISION
94 MAR 23 AM 10:00
INTERNAL SECURITY
SECTION
REGISTRATION UNIT

PUBLIC RELATIONS ACTIVITIES

(MONTHLY REPORTING)

FOR

JETRO SAN FRANCISCO

BY

**TRANSPACIFIC COMMUNICATIONS
AND
RESEARCH COMPANY**

SEPTEMBER 1993 - FEBRUARY 1994

Oct. 1, 1993

To: Mr. Sakai
Director, Public Relations
JETRO San Francisco

From: Robert Hamilton
Managing Director
TransPacific Communications & Research Co.

RE: PUBLIC RELATIONS ACTIVITIES UNDERTAKEN FOR JETRO
SAN FRANCISCO BY TRANSPACIFIC COMMUNICATIONS & RESEARCH CO.
FOR THE MONTH OF SEPTEMBER 1993

- Prepared speech remarks for Director-General Noguchi at the International Trade Seminar held in Alaska. Note: This seminar was cancelled at the last moment and Mr. Noguchi did not travel to Alaska.
- Contacted Mr. Al Gianinni, Executive Director of the Sacramento Area Commerce and Trade Organization regarding details of the visit by the Matsuyama Chamber to various business sites in the Sacramento area.
- Continuous follow-up and visits with the Business Division of the Diablo Valley College in Pleasant Hill, California concerning the seminar entitled, "Successfully Entering the Japanese Market".
- Reviewed letter to the state of Oregon concerning the Senior Trade Advisor position and offered suggesting as to both content and direction of such correspondence.
- Assisted in the Liesure & Recreation '94 recruitment efforts by introducing the JETRO San Francisco-sponsored seminar to selected individuals. Also, cooperated in the seminar presentation held in San Francisco.
- Attended a breakfast briefing by the Japan Society of Northern California in honor of former Congresswoman and Vice President candidate, Geraldine Ferraro. Comments were directed at the appointment and expectations of U.S. Ambassador to Japan, Walter Mondale.
- Regular meetings with JETRO staff, including consultations with the Director-General, Deputy Director-General and the Director of Public Relations throughout the month to discuss the public relations activities of JETRO San Francisco.

Nov. 1, 1993

To: **Mr. Sakai**
Director, Public Relations
JETRO San Francisco

From: **Robert Hamilton**
Managing Director
TransPacific Communications & Research Co.

RE: **PUBLIC RELATIONS ACTIVITIES UNDERTAKEN FOR JETRO
SAN FRANCISCO BY TRANSPACIFIC COMMUNICATIONS & RESEARCH CO.
FOR THE MONTH OF OCTOBER 1993**

- Travelled with JETRO staff to San Jose and Monterey to visit selected individuals for future JETRO programs. In San Jose meet with the regional office of the U.S. Department of Commerce, Mr. Jim Kennedy, Director, as well as the director of the City of San Jose, international trade department, Mr. Joseph Hedges.
- Prepared welcome remarks for Deputy Director-General Miyahara for the "Successfully Entering the Japanese Market" seminar, held at the Diablo Valley College on Oct. 12.
- Attended the farewell reception for the former Executive Director of the California State World Trade Commission, Mr. Gregory Mignano. Offered appropriate introductions to JETRO staff and introduced JETRO programs to various individuals.
- Reviewed and edited the speech remarks for the Director of Public Relations, Mr. Sakai at the JETRO seminar at Diablo Valley College on Oct. 19.
- Attended a seminar hosted by the Center for International Trade Development in Sacramento in order to pursue future JETRO activities with the various CITD offices throughout California.
- Meet with the Director of Research for Stanford University Asia/Pacific Center concerning appropriate business functions at Stanford University for special JETRO-sponsored lecturers.
- Regular meetings with JETRO staff, including consultations with the Director-General, Deputy Director-General and the Director of Public Relations throughout the month to discuss the public relations activities of JETRO San Francisco.

Dec. 1, 1993

To: Mr. Sakai
Director, Public Relations
JETRO San Francisco

From: Robert Hamilton
Managing Director
TransPacific Communications & Research Co.

RE: PUBLIC RELATIONS ACTIVITIES UNDERTAKEN FOR JETRO
SAN FRANCISCO BY TRANSPACIFIC COMMUNICATIONS & RESEARCH CO.
FOR THE MONTH OF NOVEMBER 1993

- Speech remarks prepared for Director-General Noguchi for the World Affairs Council of San Francisco morning panel discussion held in Palo Alto. Mr. Noguchi's comments including a brief introduction into current economic issues in Japan. He joined a panel of academic and business leaders for this event.
- Meet with the co-chairman, Mr. Edan Lee of the Asia Forum at the Graduate School of Business, Stanford University concerning a planned visit by Mr. Atarashi and Mr. Kang.
- Responded to a request by the California State Office of Foreign Investment, assistant director, Ms. Wendy Arzuga on background information concerning the Ministry of Agriculture and MITI. Information provided for the California governor's trip to Japan,
- Prepared welcome remarks for Deputy Director-General Miyahara for the JETRO-sponsored seminar held in Santa Clara on November 18 as part of the Export-to-Japan Study program.
- Contacted the Sacramento Convention and Travel Bureau regarding information on Sacramento's interest in hosting an international exposition in 2005.
- Contacted U.C. Berkeley's CAL Adventure program concerning possible participation by the Director of that program for the JETRO Recreation & Leisure Show.
- Regular meetings with JETRO staff, including consultations with the Director-General, Deputy Director-General and the Director of Public Relations throughout the month to discuss the public relations activities of JETRO San Francisco.

Jan. 3, 1994

To: Mr. Sakai
Director, Public Relations
JETRO San Francisco

From: Robert Hamilton
Managing Director
TransPacific Communications & Research Co.

**RE: PUBLIC RELATIONS ACTIVITIES UNDERTAKEN FOR JETRO
SAN FRANCISCO BY TRANSPACIFIC COMMUNICATIONS & RESEARCH CO.
FOR THE MONTH OF DECEMBER 1993**

- **Collection of materials for San Francisco Bay Area "think tanks". These included Stanford University's, Asia/Pacific Research Center, U.C. Berkeley, Institute of East Asian Studies, University of San Francisco, Center for Pacific Studies and San Francisco State University's U.S. - Japan Institute.**
- **Meet with California State University, Sacramento chairman of Japanese Studies, Prof. Hayashigatani, regarding future JETRO activities in Sacramento and the cooperation of the University and local business community.**
- **Coordinated the activities surrounding the production of the JETRO San Francisco newsletter. Involvement included basic layout along with assistant on article presentation and editing.**
- **Contacted the Sacramento Convention and Travel Bureau regarding information on Sacramento's interest in hosting an international exposition in 2005.**
- **Regular meetings with JETRO staff, including consultations with the Director-General, Deputy Director-General and the Director of Public Relations throughout the month to discuss the public relations activities of JETRO San Francisco.**

Feb. 1, 1994

To: Mr. Sakai
Director, Public Relations
JETRO San Francisco

From: Robert Hamilton
Managing Director
TransPacific Communications & Research Co.

RE: PUBLIC RELATIONS ACTIVITIES UNDERTAKEN FOR JETRO
SAN FRANCISCO BY TRANSPACIFIC COMMUNICATIONS & RESEARCH CO.
FOR THE MONTH OF JANUARY 1994

- Review and edit of opening remarks by JETRO President, Mr. Suzuki. The remarks were included as part of the JETRO sponsored seminar on Feb. 1, 1994, entitled, "Establishing Operations in Japan", cosponsored by the Japan Society and the Center for Pacific Rim Studies.
- Prepared introductory comments for Director-General Noguchi for the JETRO seminar, "Establishing Operations in Japan" for Feb. 1, 1994.
- Edited speech remarks for JETRO Investment Department Director, Mr. Nishino for the Feb. 1 seminar in San Francisco.
- Travelled to Sacramento to meet with the Director of the Center for International Trade Development, Mr. Dale Wright and California State University, Sacramento chairman of Japanese Studies, Prof. Hayashigatani, regarding the JETRO series of seminars on exporting to Japan.
- Continued in the production of the inaugural JETRO San Francisco newsletter. All aspects of its production were coordinated by TPCRC.
- Meet with Japan Society representatives concerning future programs for the months of February and March, 1994.
- Edited speech for Director of Public Relations for the Housing Buying Mission from Kumamoto Prefecture in Seattle Washington on Jan. 26.
- Regular meetings with JETRO staff, including consultations with the Director-General, Deputy Director-General and the Director of Public Relations throughout the month to discuss the public relations activities of JETRO San Francisco.

March 1, 1994

**To: Mr. Sakai
Director, Public Relations
JETRO San Francisco**

**From: Robert Hamilton
Managing Director
TransPacific Communications & Research Co.**

**RE: PUBLIC RELATIONS ACTIVITIES UNDERTAKEN FOR JETRO
SAN FRANCISCO BY TRANSPACIFIC COMMUNICATIONS & RESEARCH CO.
FOR THE MONTH OF FEBRUARY 1994**

- Coordinated activities and registration for the JETRO sponsored seminar on Feb. 1.



INVOICES

PUBLIC RELATIONS ACTIVITIES

FOR

JETRO SAN FRANCISCO

BY

**TRANSPACIFIC COMMUNICATIONS
AND
RESEARCH COMPANY**

SEPTEMBER 1993 - FEBRUARY 1994

Oct. 1, 1993

INVOICE

MONTHLY PUBLIC RELATIONS FEES

SEPTEMBER, 1993

\$2,750.00

ALLEN'S PRESS CLIPPING SERVICE

66.56

\$2,816.56

PLEASE MAKE CHECK PAYABLE TO:

**TRANSPACIFIC COMMUNICATIONS AND
RESEARCH COMPANY**

THANK YOU

Nov. 1, 1993

INVOICE

MONTHLY PUBLIC RELATIONS FEES

OCTOBER, 1993

\$2,750.00

ALLEN'S PRESS CLIPPING SERVICE

67.20

\$2,817.20

PLEASE MAKE CHECK PAYABLE TO:

**TRANSPACIFIC COMMUNICATIONS AND
RESEARCH COMPANY**

THANK YOU

Dec. 1, 1993

INVOICE

MONTHLY PUBLIC RELATIONS FEES

NOVEMBER, 1993

\$2,750.00

ALLEN'S PRESS CLIPPING SERVICE

74.56

\$2,824.56

PLEASE MAKE CHECK PAYABLE TO:

**TRANSPACIFIC COMMUNICATIONS AND
RESEARCH COMPANY**

THANK YOU

Dec. 29, 1993

INVOICE

MONTHLY PUBLIC RELATIONS FEES

DECEMBER, 1993

\$2,750.00

ALLEN'S PRESS CLIPPING SERVICE

89.60

\$2,839.60

PLEASE MAKE CHECK PAYABLE TO:

**TRANSPACIFIC COMMUNICATIONS AND
RESEARCH COMPANY**

THANK YOU

Jan. 31, 1994

INVOICE

MONTHLY PUBLIC RELATIONS FEES

JANUARY, 1994

\$2,750.00

ALLEN'S PRESS CLIPPING SERVICE

74.24

\$2,824.24

PLEASE MAKE CHECK PAYABLE TO:

**TRANSPACIFIC COMMUNICATIONS AND
RESEARCH COMPANY**

THANK YOU

March 1, 1994

INVOICE

MONTHLY PUBLIC RELATIONS FEES

FEBRUARY, 1994 **\$2,750.00**

ALLEN'S PRESS CLIPPING SERVICE **71.04**

\$2,821.04

PLEASE MAKE CHECK PAYABLE TO:

**TRANSPACIFIC COMMUNICATIONS AND
RESEARCH COMPANY**

THANK YOU

JETRO SPEECHES

(total 11)

FOR

JETRO SAN FRANCISCO

BY

**TRANSPACIFIC COMMUNICATIONS
AND
RESEARCH COMPANY**

SEPTEMBER 1993 - FEBRUARY 1994

DOING BUSINESS IN JAPAN

"THE ALASKA CONFERENCE"

by

Nobuya Noguchi
Director-General
JETRO San Francisco

September 27, 1993

INTRODUCTION

Thank you Mr. _____ for the kind introduction. It is a pleasure for me to be here this morning and to represent the Japan External Trade Organization (JETRO), in this discussion of doing business in the Pacific Rim. I believe that this is the first opportunity for JETRO and our San Francisco office to participate in such a conference and I would like to express our sincere appreciation.

Today, I would like to address my remarks more to the issue of Why One Should Do Business In Japan and leave the more technical matters of How to Do Business in Japan to those actively involved in the day-to-day transactions between our two countries. In addition, I would like to speak on the role of the Japanese government and more specifically JETRO and its role in encouraging greater imports to Japan. And finally, I would like to briefly touch upon the remarkable changes facing Japan today, both in terms of dramatic political changes as well as the current social climate for change and how it will impact anyone doing business in Japan.

Before I touch on these subjects, allow me a few moments to first state some personal views I have on our U.S. - Japan relationship. In my current position as the Director-General of JETRO San Francisco, I have had the opportunity to see first-hand the issues confronting both policy makers and business persons involved in international trade and investment. I believe that it of utmost importance that during such difficult economic times in our two countries, one does not lose sight of the overall positive aspects of our U.S. - Japan economic relationship. Furthermore, we should constantly strive toward increased economic opportunities between Japan, the United States and other important Pacific Rim countries. With this in mind, I have taken an active role in promoting the trade policies of both JETRO and the Japanese government and to look for ways to respond positively to trade obstacles and opportunities as they arise. I would like to also mention that I have been personally involved in trade related matters for many (more than ___) years, as a career official with the Ministry of International Trade and Industry, most commonly known as MITI.

Some may ask, why should the Japanese government expend time, money and effort to promote greater imports to Japan. The answer is quite simple: In order to export, a country must maintain a harmonious trade relationship with its trading partners. That requires a commitment to a steady and consistent flow of imports. This thought is also coupled with the commonly shared view in Japan today, that Japan should play a more active, global role, in keeping with the size of its economy. The large share Japan represents in terms of the world gross national product, the percentage of world trade, and that of global foreign direct investment requires Japan to be a full participant in world affairs.

It is equally important that Japan work with the United States and other nations to ensure the continued benefits of the free trade system. One should be reminded that overall, the U.S. economy is double that of Japan and when combined with Japan, this represents a staggering 40% of global output. Together, Japan and the United States have an enormous responsibility in showing direction and stability in the rapidly changing world economy. So while the headlines of the major newspapers report on the startling developments in the Middle East, Yugoslavia, Somalia and other politically sensitive areas, the importance of the Pacific Rim and international trade matters cannot be overlooked. I am confident that the administration in Washington understands the important role it must play and am encouraged by the appointment of former Vice President Mondale to become the next ambassador to Japan.

Now let me turn to the question of why one should look to Japan for business opportunities. While the sheer volume and diversity of our U.S. - Japan and Alaska - Japan trade is well known by all parties, there seems to remain a persistent frustration or misunderstanding of the exact nature of this trade. Furthermore, a general unease about what the future may hold in terms of trade and economic prosperity.

I feel quite fortunate that my position allows me to hear the comments of both Japanese and American business persons regarding trade and investments concerns. Therefore, one of my key responsibilities is to dispel any inaccuracies or misunderstandings that may arise concerning U.S.-Japan trade. I personally believe that there are certain myths and misunderstandings that effect the basic nature of doing business in Japan.

Perhaps the greatest myth is that Japan does not import U.S. products. In fact, Japan remains the second largest importer of U.S. products, second only to Canada. The latest U.S. Department of Commerce figures place the amount of American products sold to Japan to be more than \$ billion or about the total of the U.K., Germany and Italy combined. This myth is usually followed by: Japan does not import U.S. agricultural products. Of course there are certain areas where the market isn't completely open, however,

one should not forget that Japan imports more U.S. agricultural products than the entire E.C.12 combined, and is actually the largest buyer of U.S. agricultural products in the world. The case for Alaskan seafood products to Japan should be well known to everyone here today.

The basis for such myths or misconceptions were probably established more than 30 years ago. In recent years, however, Japan has greatly opened its markets. For example, in 1968 Japan had 122 import restrictions in place. By 1992 the Japanese government had reduced this number to 12, all of these in agricultural areas. Regarding other import restrictions, today Japan has the lowest average tariff rate amongst all industrialized nations. Japan's average tariff rate is actually a full 2 points lower than that of the U.S. or the E.C. In actuality, Japan has amongst the lowest formal barriers to trade in the world. And it is in the best interests of Japan to ensure that it constantly strive to reduce any and all barriers to free and open trade.

Now the question may be asked, what about American firms that are currently doing business in Japan? What are they saying about Japan and the Japanese market. To answer this, I would like to refer to a recent report by the American Chamber of Commerce in Japan. This landmark report entitled, Trade and Investment in Japan: The Current Environment, surveyed the opinions of American businesspersons who are involved daily in doing business with Japan.

The report concluded that many of the problems that we commonly attribute to our basic perception of Japan are in fact not appropriate to the great majority of foreign companies doing business in Japan today. When asked what are the major restrictions on market penetration, governmental restrictions on trade was listed as a major barrier by only 8% of the companies. This may be compared to the 22% of those same businesses surveyed that reported their own mistakes were the major restriction. Actually the number one restriction mentioned on penetrating the Japanese market was the high fixed costs of doing business in Japan. To this important issue, allow me to return later in my remarks to talk about specific areas where the Japanese government and JETRO can be of assistance.

What then should be our overall assessment of doing business in Japan? Are American firms prospering in the Japanese market or is doing business in Japan, an exercise in futility? Again, the ACCJ report mentioned that on the average, American companies in Japan consistently rank more profitable than their Japanese counterparts. In fact Japan ranks as a profit center for many American companies. Also, brand names such as IBM, Sun, Levi's, Mobil, Kentucky Fried, Nike dominate many aspects of the Japanese market. McDonald's for example, is the No.1 food retailer in Japan, and Coca Cola has over 90% of the cola and 60% of the total

beverage market in Japan. While I say this, I should also mention that no one says doing business in Japan is easy. In today's economy, it is not easy for even well established Japanese companies to guarantee success. However, those American firms that have remained committed to the market have survived and continue to reap the benefits of the Japanese market.

My advice to many firms looking at the Japanese market is whether a closer examination of the historic fears of entering that market are justified. These fears usually pertain to: the existence of large industrial groupings of companies that have fantastic resources at their service; or intense competition for market share that forgoes short term profits for long term gains; or relationships between suppliers that can span generations; or a status quo mentality that favors established business connections over newcomers. Indeed are the traditional "barriers" to entry into the Japanese market still valid?

At this point, I would like to say that Japan has changed and will continue to change. In fact the degree of change may be quite startling. To understand some of these changes, let me first comment on Japanese governmental directives:

JAPANESE GOVERNMENT DIRECTIVES

We can begin by looking at the current situation regarding Japan's international trade situation.

I believe that many here today realize that Japan's current account surplus, has shown consistent growth during the past few years. The fundamental cause of this rise is the leveling off of imports due to the downturn in the domestic economy, and not the result of a dramatic increase in Japanese exports. In fact, the most recent figures show that exports by volume has actually decreased.

In order to cope with this relatively stagnate level of imports and to expand the volume and diversity of imports, the Japanese government has enacted a fiscal stimulus package amounting to over 10 trillion Yen or more than 85 billion dollars. These so-called Comprehensive Economic Measures consist of additional public investment and the promotion of private equipment investment and other measures. In fact, this is the largest package of economic measures ever developed in Japan. The new government of Prime Minister Hosokawa has given import promotion a very high priority.

We understand that it will take time to increase imports through the expansion of domestic demand. Therefore, the Japanese government has in addition decided to implement specific measures to directly promote imports. Allow me to touch briefly on a few key aspects of this program.

Perhaps the most impressive and imaginative action taken by the new government deals with the development of import-related infrastructure in Japan.

As pointed out by the United States in the SII or Structural Impediments Initiative talks, Japan will address deficiencies in the import infrastructure. This will be implemented in two areas: First, the enhancement of functions at Japan's leading ports and airports, for example, foreign trade terminals at seaports. In allocating the 8.6 trillion Yen for public investment, we expect that the government will place greater emphasis on import infrastructure. Secondly, we will also promote the development of foreign access zones (FAZs). This will be done in the following manner. The prefectural governments will work out regional import promotion plans. On the basis of these plans, import expansion will be implemented by concentrating import-related facilities for storage and distribution of goods and wholesale, retail and other business dealing in imported goods in the vicinity of ports and airports. The law promoting imports and foreign direct investment in Japan was enacted in July.

For those wishing more details on these and other aspects of the economic measures, I will gladly provide materials following my remarks.

A second innovative program deals with the creation of a "Business Support Center" which has been set up within the Japan External Trade Organization (JETRO). The center supports the efforts of enterprising foreign businesses to export to Japan by providing a variety of services to assist with their activities. This is designed primarily to allow for successful distribution of foreign products in Japan. Again, in order to save time, I will make available details of the "Business Support Center".

The third component of the Comprehensive Economic Measures Concerning Import Promotion involves the lowering of interest rates for fiscal 1993. These loans are made available by the Japan Development Bank and the Export-Import Bank of Japan. Such loans are designed to enhance import capability and to finance the importation of manufactured products. The amount of financing was originally set at 110 billion Yen for fiscal 1992 and enlarged to 270 billion Yen for fiscal years 1992 and 1993. The current interest rates have repeatedly been lowered to accommodate these goals. Also, regarding loans of the Ex-Im Bank for importing manufactured goods, improvements will be made in implementation, such as the expansion and improvement of import promotion credit lines facility. The government will provide equity capital to the two banks in order to avoid deterioration of their finances.

Regarding government procurement, consideration will be given to importing about \$250 million worth of foreign products,

centering on testing, research and medical equipment, machinery and equipment.

It is our believe that through these efforts, domestic demand will expand as a result of the total implementation of the Comprehensive Economic Measures and will therefore lead to a substantial expansion of imports.

MTI

In addition to the structured programs designed for import promotion, the Japanese government wishes to remain receptive to other concerns by its trading partners. In this regard, a concerted effort is being made in the area of promoting international exchange of personnel, especially in the highly competitive manufacturing sector. The program entitled Manufacturing Technology Initiative is designed to offer Western technicians the opportunity to learn about Japanese manufacturing technology on a first-hand basis. Selected manufacturing engineers will be given the opportunity to share practical work experience with Japanese personnel in Japanese plants and factories. The Japan External Trade Organization (JETRO) will implement the program on the Japanese side and will be responsible for the coordination between the sponsoring and host companies. JETRO will also provide appropriate orientation prior to the start of the programs in the host companies. On the Western countries's side, each government will select an appropriate implementing body that will recruit and nominate qualified candidates.

The details of this initiative are just being finalized as I speak, but I strongly believe that when implemented it will offer an increased opportunity for Japan to respond to the requests of its leading trading partners. Furthermore, it will demonstrate the efforts by the Japanese government, through JETRO, in promoting greater awareness of our two societies.

At this time, allow me to make some brief comments regarding Japanese import promotion efforts and present some specific examples of how the Japanese government and JETRO are implementing a wide range of programs to assist foreign exporters and manufacturers.

JETRO PROGRAMS

In regards to JETRO, as the Director-General of JETRO San Francisco, I take personal responsibility for implementing a wide range of programs designed specifically to encourage increased exports to Japan, as well as investment and technological exchange between Japan and our West Coast region. For those of you familiar with JETRO, it comes as no surprise that we have been asked to take the lead in these important areas.

As a background, JETRO was founded in 1958 and currently

operates some 80 offices overseas and 30 offices throughout Japan. After more than 30 years of existence, JETRO remains active in promoting the stability of Japan's overseas trade. This is accomplished through the creation of various import promotion activities.

It is true that JETRO's objective was originally the promotion of exports of Japanese products. From an historical perspective, this action is quite understandable. As you have previously heard, JETRO is now given the task on behalf of the government and private sectors in Japan to promote imports of foreign goods. Everyone is fully aware that Japan must keep its markets open to imports of foreign manufactured goods in order to strike a balance in international trade. Therefore, it is in the area of manufactured imports and especially concentrating on small and medium-sized foreign firms, that JETRO has placed its greatest attention.

It is important, however, that whatever import measures are enacted, they are successfully promoted throughout Japan. In this regard, an effort to stimulate imports at the local level has been instituted by JETRO. Every prefecture in Japan has established a "Local Internationalization Center" in order to encourage an interest in imported products. In 49 major cities throughout Japan, an up-to-date computerized network provides import information, free of charge to Japanese importers. Information offered at these regional bases includes that on potential investors and importers, test markets, import product agents, mail order catalogs, import assistance, and after-sale service.

While these programs are important to stimulate demand in Japan, other programs are designed to assist overseas companies with products to sell in Japan. Trade experts are recruited from major Japanese corporations and industry organizations and are then sent abroad, under the guidance of JETRO, to look for items with strong import potential. These experts offer workshops and seminars to assist prospective exporters. In addition, more than 25 buying missions have been sent abroad during the past year to find and purchase suitable products.

One highly successful program that I have witnessed first-hand is the senior trade advisor program. There are currently 15 (?) such long-term trade advisors stationed throughout the United States, all at the expense of the Japanese government and under the guidance of JETRO. To date, the state of Oregon and now Washington state are recipients of this service. The assignment of the trade advisor is to identify American products that have potential in the Japanese market and to offer expert advice and consulting services to American companies. Of course, their services are free and we have received very positive reports from many American firms and states that have benefitted from their professional support.

To consumers and companies inside Japan, JETRO provides information on overseas companies and the products they produce. For example, we operate TOPS, the Trade Opportunity Service System. This is a Japan-accessed computer database in which foreign manufacturers may register information about their export products.

For private companies and trade officials abroad, JETRO provides a contact list of 20,000 importers, along with comprehensive data on agents and trading companies, as well as trade fair and exhibition information. This is in addition to our latest information regarding consumer trends in Japan.

Again, I would like to mention that these are but a few of the numerous and varied programs being promoted by the Japanese government and JETRO to encourage greater imports to Japan. The primary focus of JETRO remains to provide useful and timely information for business people around the world.

So as you can see, JETRO and its 30 offices in Japan as well as nearly 80 offices overseas remains deeply committed to promoting international trade, with a special emphasis placed on greater imports to Japan.

My attendance here today is an example of JETRO's desire to work in a supportive and complimentary manner with all state, federal and local organizations involved in the promotion of international trade. We all face the challenge of maintaining the vitality of the free trade system, as it offers our two countries mutual benefits. The Japanese government and JETRO realize the necessity for greater imports and our programs are designed for that purpose.

CURRENT POLITICAL COMMENTS AND HOW IT WILL AFFECT IMPORTS, ETC.

CONCLUSION

In conclusion, I would like to thank you for your kind attention. It is my hope that anyone considering business opportunities in Japan, will look favorably on the current situation in Japan and the wide range of efforts being made by the Japanese government and JETRO in the area of import promotion. Furthermore, I hope that you will look upon JETRO San Francisco and our other regional offices as a valuable resource in the area of assisting American firms in their exports efforts. Again, thank you for allowing me to attend this program and I welcome your questions.

Diablo Valley College

Welcome Remarks

by

Yutaka Miyahara

JETRO - DEPUTY DIRECTOR GENERAL

October 12, 1993

Thank Mr. Goldstein for the kind introduction. As you have heard, the goal of tonight's program is to assist East Bay companies in their export efforts, hopefully to Japan. Our JETRO San Francisco office has been active in this area for many years and is fortunate to work with the Diablo Valley College in this important effort. I wish to thank President Peterson and the Business Division of DVC for their kind cooperation. I know that everyone is here tonight to listen to our two keynote speakers and learn of their business experiences in Japan. Therefore, I would merely like to say thank you for your attendance here tonight and invite everyone here to visit our JETRO San Francisco office. WE look forward to working with you in your efforts to do business in Japan.

Thank you

DVC SPEECH

TAKUJI SAKAI
JETRO PUBLIC RELATIONS DEPARTMENT

OCTOBER, 1993

Thank you very much Mr. Goldstein for the kind introduction. As you have heard, I am the Director of Public Relations for JETRO San Francisco. In addition, I am also in charge of JETRO's programs for the promotion of exports from the United States to Japan. These 2 jobs have kept me quite busy during my past 2 and a half years in the U.S. During this period I have often heard the phrase, "Buy America". It may seem a bit strange but that is exactly my message to Japanese consumers - "Buy American". In fact, my wife and I must be very good Americans as we just had a new baby last month and everyday we "buy American". Seriously, these two jobs of promoting exports to Japan as well as creating a positive image for JETRO and its import programs has meant long hours. Although this is still much better than the typical salary life in Japan. In fact, I can now hold my baby every other day, which is a great improvement over most of my colleagues in Japan. So I can say with all honesty, it is a great pleasure to be here in America and at the Diablo Valley College.

In these 2 and half years, I have made numerous speeches and I have come to a basic understanding. That is: in the United States, it is important that a speaker present a speech that is both informative and entertaining. As you have heard from Mr. Takayama, we Japanese suffer from a lack of public speaking skills. Most Japanese speakers make a speech, which is often quite long, boring and humorless. As I was born and educated in Japan, it was my misfortune to hear such long and boring speeches. Therefore, I am accustomed to these type of speeches. I was advised, therefore, to give a short, inspiring speech with many jokes. Please accept my apology as I am afraid that I will make you the unintended victim of a typical Japanese speech.

As all of you know, Japan is currently suffering from a large trade surplus. According to trade statistics of Japan, between January and June in 1993, Japanese trade surplus reached 57 billion dollars. Between the United States and Japan, the trade surplus during the same time was over 21 billion dollars. Under these circumstances, Japanese Prime Minister, Mr. Hosokawa recently released the "New Import Promotion Plan" as part of the "Emergency Package of Economic Measures."

The use of statistics can often be misleading and confusing - not to mention sometime quite boring. In fact, an American friend once called them - sadistics - not statistics. Anyway, when we examine the figures on the economic relationship between the United States and Japan, we should not lose sight of the many positive economic figures that do exist. I recommend that you examine this

book: Handy Facts on U.S. - Japan Relations which was included in your binder. For example, as Mr. Takayama mentioned last week Japan remains the second largest export market for the United States, second only to Canada. Japan also accounts for almost eleven percent of all U.S. Exports. And regarding agricultural exports, Japan is the largest export market for US agricultural produce, accounting for about twenty percent of all US agricultural exports.

Again, as Mr. Takayama mentioned, the value of Japan's per-capita import of US goods is actually higher than the value of US per-capita import of Japanese goods. Of course, the U.S. is roughly twice the population of Japan, but we still represent a vital export market for American products. Compared with EC countries, the value of Japan's per-capita imports from the U.S. is quite high. Moreover, while Japan clearly has maintained a large trade surplus, exports as a percent of its GDP were less than 10%, a small number when compared with Germany at over 25%, Canada at nearly 22%, and England at over 18%. In this respect, I would like to say that Japan is a nation with a very large domestic market.

It has not always been so. The per capita GNP in Japan's market twenty or thirty years ago was not very high. Quite naturally American and European firms did not view Japan as an important consumer market. In addition, the market in the United States, has been of such size and strength for such long period of time, that there is no equivalent. Furthermore, European countries have been blessed with good markets in their neighboring countries. It is, therefore, not surprising that businesspersons did not invest much energy in selling in Japan's small market during these early days. On the other hand, Japanese firms worked hard during that period to succeed in foreign markets by even overcoming cultural differences. The current successes of Japanese firms in world markets are without a doubt the fruits of these early efforts.

However, today's circumstances are quite different. With the rapid growth in consumer buying power in Japan and the fact that Japan does not have an openly segmented market according to social class, numerous opportunities exist for foreign firms. The success of numerous name brand products attest to this lucrative market.

What is the current situation? As mentioned by Mr. Takayama, Japan experienced an unprecedented boom period, beginning in 1987, the so-called bubble economy. Unfortunately, this came to a close three years ago, and certain imports suffered. However, this was primarily in the luxury category, such as jewelry, luxury vehicles and art goods. On the whole, Japan's diversity of imports has not changed. In fact, there are many foreign companies succeeding in Japanese market, especially in the niche market. This would most definitely include the previous speakers and their products, Jelly Belly candies and Dreyer's Ice Cream, and others. Most of these companies started doing business in Japan after a long and cautious market research or through the assistance of a good Japanese

partner.

In quite general terms, Japanese consumers are pleased to buy import products, even though they may be more expensive than domestic products, as long as their quality is good. However, I should also point out that Japanese buyer's requirements are very strict and there is intense competition in virtually every market sector in Japan. Also, laws and regulations regarding consumer products are sometimes different between our two countries. And it is in these areas that more work needs to be done. For example, as Mr. Healy mentioned last week, some kinds of food additives which are allowed in the U.S. under the FDA are not permitted in Japan. Therefore, one must study the Japanese market carefully and gather as much information as possible before penetrating this lucrative market.

I believe that it is in these areas, and in cooperation with your state, local and federal agencies, that, JETRO can best offer you assistance.

Now I'd like to briefly comment about JETRO, an organization that I personally believe, has much to offer to improve our U.S. - Japan economic relationship. JETRO stands for the Japan External Trade Organization, a non-profit, Japanese government supported organization established in 1958. JETRO is headquartered in Tokyo and has a worldwide staff of over twelve hundred. JETRO has a network of thirty offices throughout Japan as well as seventy-seven overseas offices in fifty-five different countries. Its mission is to support trade between Japan and other nations, with the aim of encouraging balanced global trade. In the past two decades, as Japan experienced greater trade imbalance with developed countries, we have shifted our efforts to assisting companies in expanding their exports to Japan.

Allow me to now introduce some of our export promotion activities.

The newest measure is the Business Support Center. Although Japanese market is open to foreign exporters, it is still difficult for them to find partners or other potential importers in the marketplace. This is especially true when they are just starting out. Therefore JETRO established a Business Support Center which provides, free of charge, temporary office space, a Help Desk manned by full-time advisors for information and consultation, a Business Library stocked with reference books and other business-related publications. In addition, access to trade databases and facilities to hold business meetings are available. The Business Support Center will make arrangements for business appointments for those who wish to become partners with Japanese companies or find importers in Japan. Again, this service and facility is completely free to all qualified firms.

I believe that the business office and its services can be used to tremendous advantage as an ideal strategic base for

business development. If you represent a non-Japanese business with a strong desire to export to Japan and focused market development strategy, we strongly recommend the Business Support center for your use. A good example may be, Adaptec a manufacturer of parts for computers located in Milpitas which set up their representative office in Japan this past June following their research at the Business Support Center facilities. American Ergonomics, which is selling ergonomic chairs made a distributor agreement with a Japanese company after using the Business Support Center. If you are interested in the Business Support Center and have plans to go to Japan in the near future for your business development, please inform me later. I will provide more detailed information.

The second program I would like to explain is our senior trade advisor program. JETRO has seven offices in the United States located in New York, Chicago, Los Angeles Houston, Atlanta, Denver and San Francisco. Around 80 Japanese staff are working in these offices in addition to their American staff. However, since these offices are located in limited cities, we may not be sufficient to cover the entire area of the United States. Therefore, we initiated the senior trade advisor program in 1990. Under this program, JETRO posts senior trade advisors in various states to seek out promising products and give advice on Japanese market. Now, we are sending 19 Advisors to the United States. They are working with various state officials in charge of export promotion to Japan. So far, unfortunately, we have not been able to send an advisor to the state of California. On the West Coast, there are 3 Advisors in Oregon, Washington and New Mexico State.

The third program is our Import Products Specialist. The goal of this program is to find promising products that have yet to appear in Japan. To do this, product specialists are sent from Japan to the United States. They are given a budget to buy sample products, and a free hand in their selection. Selected products are then shipped to Japan for display at JETRO's special fairs "New Imports Showcase" held several times a year around the nation. At these fairs, specialists who gathered information and samples from the United States introduce those products they consider to have the greatest import potential to appropriate distributors. American suppliers are, of course, welcome to visit to Japan and attend these fairs, and we will offer assistance to those who wish to do so.

Last year, JETRO San Francisco received eight specialists. Those eight had different expertise such as furniture, processed food, building materials, gift items, apparel products, sporting goods and household articles. Samples they purchased last year have already been exhibited at our trade fair held in Tokyo and Osaka. Most of these American firms have received many inquiries from Japanese importers and wholesalers.

The fourth program I wish to discuss is the Export to Japan Study Program. Executives and senior managers of American

companies as well as top officials of business and trade promotion organizations are invited to Japan at JETRO's expense and given the opportunity to exchange ideas and information with leading Japanese officials and business persons. Also, JETRO will arrange introductions to Japanese companies for the invitee in order to discuss the potential of selling their products in Japan. Over 200 individuals from America, Europe and other developed countries are invited each year.

Though I said that only 200 individuals will be invited, please don't forget that one or two are invited each year from each state. Please see the 15th page of this brochure. We are introducing the success story of Angler's Expressions Inc. President of this company, Ms. Janett Downey participated in this program 3 years ago. She learned the necessity of long term strategy and importance of finding a good partner in Japan. With this help, her firm has experienced remarkable success in Japan.

Another JETRO service is the Export to Japan Opportunity Data Base program. We have a combination database service aimed at providing small and medium sized overseas exporters instant access to basic information on business and products. One such service is the Potential Importers Database. The names of Japanese companies interested in importing are stored in this database. This data may be freely accessed at our office to help American companies find Japanese importers capable of meeting their requirements. Now we are receiving diskettes of this database from our headquarters regularly and offer a printout from this database to all exporters in the United States, based on their request. When you need such information, please call our office. We are pleased to send this information to you.

Another service is the Potential Exporter Database. In order to give American companies further exposure in Japan, the names of American companies interested in exporting to Japan, including a description of their products, are stored in this database. Japanese importers may freely access this information from one of JETRO's 50 Local Internationalization Centers throughout Japan. If some of you are interested in promoting your products through this database, please contact me later and I will supply you with an application.

The final program that I will discuss today is our information services on the Japanese Market. For foreign companies planning to export to Japan, their most vital tool is information. Consumption trends, price trends, distribution channels, trading conditions, and demand for specific types of products are only some of the aspects which need to be examined. In response to such questions, JETRO is carrying out extensive market research. This research is aimed at giving Japanese market information in English for American companies. We also lend video tapes which introduce business styles in Japan, as well as Japanese consumers' preferences and so on. If some of you are interested, please contact me later and I will supply you with an list of our English publications.

Otherwise feel free to telephone to our office any time.

Finally, I would like to comment on what I believe to be vital aspects of doing business in Japan. It is important that your products are delivered by the day you promised. For example, in the products specialist program, we realize that these products must arrive in Japan in order to be presented at the trade fair. A late shipment means a lack of promotion. Furthermore, as Mr. Takayama mentioned last week, in Japan we have four distinct seasons and 4 other mini-seasons. Unless we send some specific products on time, these products will become dead stock. Moreover the cost to keep them in the storage is very expensive in Japan. Therefore, especially when you respond to a trial order from Japan, please try to send your products by the due date.

The other thing is information sharing in the office. In the United States each employee usually has a different room for his or her work. But in Japan several employees are sitting next to each other. Please see this office layout in Japan. Sometimes they are sharing even the same telephone. The advantage of this office layout is that it is very easy for each employee working there to share the information regarding their business at the same time. If one person who is in charge of the specific project is going out of the office and another person receives the phone from outside, that person can answer to some extent. However, in the U.S, if one person is out of the office, other person often can not (or will not) respond to questions from outside. In case that the person is taking a long vacation or long business trip, it will make matters worse.

I do not want to say which is better or worse. However, when you try to enter the Japanese market, an open view and perhaps an adjustment in your management style to include some Japanese practices may be appropriate.

I hope that my presentation gave you some understanding of the kinds of activities that JETRO is doing. JETRO is always open to those who are interested in trade or business with Japan. You can call, write or stop by our library if you wish to access any of these programs. I am waiting for your contact.

WELCOME REMARKS

by

**Mr. Miyahara
Deputy Director - General JETRO San Francisco**

**San Jose, CA
November 18, 1993**

Thank you Mr. Sakai. On behalf of JETRO, I would like to thank all of you for joining us in this early morning program. As many of you may know, we at JETRO are deeply involved in promoting U.S. exports to Japan and it is encouraging to see so many of you, also interested in Japan and the Japanese market. In this regard, the efforts of our co-sponsors, the Japan Society of Northern California, the World Forum of Silicon Valley and the City of San Jose should not be overlooked as they deserve our deepest appreciation. One of JETRO's primary goals is making available up-to-date information on Japan and the Japanese market. Our two speakers today, Mr. Atarashi and Mr. Kang, represent this on-going effort by JETRO. I hope that you will find their comments helpful in your business endeavors.

Again, thank you for your participation this morning and allow me to extend an open invitation to visit our JETRO San Francisco office.

OPENING REMARKS

SETTING UP OPERATIONS IN JAPAN

Feb. 1, 1994
by
Nobuya Noguchi

Ladies and gentlemen. As the Director-General of JETRO San Francisco, it gives me great pleasure to open this afternoon's seminar. I am gratified to see so many firms and individuals interested in Japan and its investment potential. As you can see, we have a very busy schedule and with the help of my good friend, Mr. Robert Brown as the moderator, we are confident that the time that the time spent with us today will be most valuable. In addition to the comments of today's speakers and the ample reference materials provided, I also encourage you to attend the hosted reception following the seminar and meet with our speakers in person.

Before I turn the podium over to Mr. Brown, I would like to make a few, very brief comments, the theme of which is the remarkable changes affecting Japan and the growing importance of transparency. By transparency I mean, a more open and easily understood set of circumstances. And perhaps no single issue characterizes this changing and "open" Japan than the political events currently developing in Japan. For many, this seemingly chaotic political environment was be a negative, implying a very "unstable" investment environment. However, I believe quite the contrary is true. If one looks deeper, one may sense 2 very important factors at work: namely an almost revolutionary call for political change and secondly the fact that Japanese institutions have never been so transparent or open for the whole world see.

My optimism about the investment future of Japan, therefore rests not so much in the current economic atmosphere but instead in the efforts being made by Japan to be more open in all facets of our political, social and economic lives. I believe that this desire for transparency is the only true way to reach a meaningful relationship with our trading partners.

Today's seminar on investment opportunities in Japan offers therefore a clear example of not only why but how we hope to accomplish this goal. I trust you will understand the spirit of this effort and work with us to make this event a meaningful success.

Thank you

Mission Leader Speech

Symposium for Promoting Foreign Direct Investment in Japan

JETRO President Suzuki

San Francisco - Feb. 1, 1994

Thank you Mr. Brown for the kind introduction. I am indeed honored to have this opportunity to say a few words before such an impressive gathering.

This symposium is designed to help American companies export to Japan and to promote direct U.S. investment. It has been organized under the joint auspices of JETRO, the Japan Regional Development Corporation, and the Japan Industrial Location Center, with the cooperation of the Ministry of International Trade and Industry, the Japan Development Bank and the newly established company, "FIND". Key assistance was also provided by our co-sponsoring organizations -the Japan Society of Northern California and the University of San Francisco's Center for the Pacific Rim. Furthermore, I would like to express my sincere appreciation to the Communication Intelligence Corporation, the Auspex Corporation and the many others that have made today's seminar a reality.

You probably don't know this, but from 1971 to 1974, I had the great pleasure to serve as a Japanese Consul here in San Francisco. My wife and I and our two sons all "left our hearts in San Francisco" some 20 years ago and so I welcomed this chance to revisit this beautiful city and see old friends.

I believe that most of you here today have a very good understanding of Japan, its economy and people. However, I would like to remind everyone that Japan's population of nearly 124 million lives in an area slightly less than that of California. In other words, Japan is about the same size as your great state but has about four times as many people, or in other words, four times as many consumers.

In terms of economic strength, Japanese GDP of approximately \$350 billion, is about 60 percent of that of the U.S. On this basis alone, it can be said that Japan's large market offers tremendous opportunities for business.

I should point out the fact that given the previous statements, over 3,000 foreign companies have already set up operations in Japan. Their activities involve not only sales, but extend to a wide variety of manufacturing operations as well.

Direct foreign investment in Japan has increased steadily in recent years, attracted by the huge market, excellent technical

capabilities, and the advantages offered by Japan as a base for entry into the rest of Asia, which is now in a phase of high economic growth. Cumulative U.S. investment in Japan during the past 40 years has totaled \$11.244 billion or nearly 42 percent of all foreign investment in Japan, making the U.S. the number one investor in Japan. There are already more than 1,200 American companies operating in Japan, from Kentucky Fried Chicken, McDonald's and Max Factor to Texas Instruments, IBM and GM. And there are many small and medium-sized investors too.

Unfortunately, in the first half of fiscal 1993, or from April to September of last year, investment in Japan from other countries fell more than 40 percent to \$1.2 billion. This was due to the sluggish state of business in advanced countries as well as the business recession in Japan, and the increase in investment costs due to the appreciation of the value of the Japanese yen.

After the start of our new coalition government, however, measures were taken to stimulate the economy. These included steps to increase domestic demand and ease regulatory restraints. In addition, some business persons foresee the Japanese economy revive from the fourth quarter of this year. Therefore, I hope that all of our participants today will look at the Japanese market on a long term basis.

There is a persistent belief, although less prevalent now than before, that the Japanese market is closed and that entry into it is extremely difficult.

In this regard, I should mention that before I became the president of JETRO, July last year, I served as a director of an automobile manufacturer. That company was exporting vehicles all over the world and assembling vehicles at local factories. It was pretty much understood that doing business overseas was not easy, but that if one had products of superior quality and worked hard enough at selling them, one could break into another market and make a profit there. The Japanese market is no exception.

Success require full preparation, starting with preliminary market research. Products that sell well in the U.S. may not necessarily do well in Japan. When investing in Japan, you have to know about not only the Japanese market, but also about Japanese-style business practices. As will be explained later by the other speakers, we are prepared to provide such necessary information or assistance and offer numerous incentives.

Some of the organizations, which speakers are represented today, do not have overseas offices, but you can contact JETRO and we will get in touch with these organizations to obtain their help on your behalf.

In closing, I would like to say that I hope that this symposium will help all of you understand Japan better and will encourage you to take your first step in approaching our market.

Thank you very much.

- Mr. Hiroshi Nishino - JETRO Investment Department Director
- Symposium for Promoting Foreign Direct Investment in Japan
- San Francisco - Feb. 1, 1994

Introduction: Thank you Mr. Brown for your introduction. As you can see, we have a very busy and so I would like to go directly into my remarks regarding JETRO.

JETRO has various kinds of services and projects for exporting to Japan or investing in Japan. Before I explain further on JETRO's services to you, I would like to urge you to begin your business with Japan by first knocking at the door of JETRO. What I mean is that please feel free to call or visit a JETRO office and ask whatever you want. I'm sure that you can get valuable and useful information and suggestions.

Now I would like to speak first on the subject of JETRO's main services or projects to promote imports from foreign countries.

No. 1: Information dissemination

We have a lot of publications, as you can see now from this overhead. (OHP)

For your information, I would like to show you an example of the "Your Market in Japan" series. (OHP)

As you can see from its contents, you can obtain specific market information from these publications. These and other publications are available upon request from any JETRO office.

No. 2: Dispatch of Senior Trade Advisers

One of JETRO most effective import promotion programs has been the dispatch of JETRO veteran business experts, or Senior Trade Advisers.

- The Senior Trade Advisers are responsible for helping to expand exports to Japan in a Joint Program between JETRO and the respective foreign governmental organizations. They help identify products with potential in the Japanese market and provide consulting services to local businesses seeking export opportunities in Japan.

- The Senior Trade Advisers, most of whom have over 20 years of experiences in international trade and business, have proved most effective in supporting local export efforts as well as locating suitable products for export to Japan. JETRO has so far sent 31 Senior Trade Advisers to foreign posts for a period of one to two

years.

No. 3: Import Product Specialist and New Import Showcase

Of all the various import promotion programs, the Import Product Specialist Program may have the most effective and immediate results. This program essentially allows Japanese wholesalers and retailers the opportunity to search for products with import potential for introduction among local business communities around Japan. They are sent by JETRO on one to three months assignments to locations such as the United States, Canada, Western Europe and elsewhere.

They purchase extensive product samples which are sent back to Japan for display at one of JETRO's "New Import Showcase" Trade Shows.

- We are going to hold an Import Showcase in Osaka from the 22nd to 24th of February of this year. In this showcase, about 5,000 products purchased from more than 300 foreign companies are to be displayed. About 1,800 products are purchased from about 200 U.S. companies and about 300 products from about 60 Canadian companies.

- After returning to Japan from their overseas assignment, the Import Product Specialist will participate in the showcases. The specialist will provide first-hand information on the products they chose, and help to introduce participants at the fair to realistic import business opportunities and also answer questions regarding samples being displayed.

No. 4: Export-to-Japan Study Program (EJSP)

It is very important and necessary for business persons to visit foreign markets with a view to seeing the market situation with their own eyes. Therefore, JETRO annually invites 200 foreign business persons to visit Japan for stays of 10 days during which they attend intensive briefing on the Japanese market.

- This is the itinerary of the latest EJSP program. (OHP)

Selections of invitees are conducted by JETRO overseas office. Foreign business persons interested in this program are advised to contact the nearest JETRO office.

No. 5: Assistance to inbound missions to Japan

In cooperation with other national governments and trade association, JETRO seeks to also help missions of overseas exporters, wholesalers, and retailers through visits to Japan to cultivate business contacts. Diverse assistance is offered to such missions so as to ensure that everything goes well and to help make

them more effective.

- JETRO undertakes the coordination of schedules to ensure that each mission proceeds smoothly. This is done by providing assistance in the arrangement of meetings with importers, offering intensive briefings on related Japanese products as well as holding seminars on the Japanese market itself. Factory and plant tours are also arranged.

- We annually host an average of 30 missions. You may understand that it is very difficult and hard to accept a number of missions at the same time. We therefore need enough time to prepare for such missions. So please let us know at least 2 months before if you are planning a mission to Japan.

No. 6: Business Support Center (BSC)

The JETRO BSC in Tokyo is yet another significant measure being added to the variety of activities that facilitate trade relations between Japan and foreign countries. The BSC provides comprehensive assistance to foreign business in the initial stages of export market development in Japan.

- Qualified applicants are each provided with a temporary office, free of charge. This office is equipped with a private phone and facsimile machine. Tenants will be charged for this equipment, only on a use basis. If you wish to apply to use the BSC, please contact the nearest JETRO office or a Senior Trade Adviser, at least 2 months before the dates you wish to utilize the center.

- We are going to open another two BSCs in Yokohama and Osaka during the next fiscal year. (OHP)

II. Investment Efforts by JETRO

With the further expansion of exports to to Japan, foreign manufacturers may wish to set up a representative office, enterprise, and even manufacturing plant as a final step.

JETRO now considers the promotion of investment in Japan to be one of its main goals and has been working toward this end.

- From now, I would like to focus on JETRO's programs of investment promotion in Japan.

In order to set up a business in Japan, there are many things to deal with. For example, the collection of information on the proper procedure for the establishment of a company, opening cost,

taxation, labor laws, employment conditions, site studies, and so forth.

- JETRO can supply information you may need in the form of publications, CD-ROM and audio-visuals. If these printed materials, as you can see now on the overhead, are not enough to solve your questions or problems, you can ask "investment advisers" stationed overseas. JETRO has 6 investment experts in North America to provide careful and detailed advice to potential investors.

- In addition to the above-mentioned consulting service, JETRO can also provide investigation service. Investment inquiries that cannot be handled by JETRO's overseas office are referred back to JETRO Tokyo. JETRO Tokyo then commissions a specialist to do a survey in relevant language. An expert prepares a report and submits it to the inquirer. This service is also free of charge.

- We have in addition a very useful program to encourage investment in Japan by foreign companies. The program offers presentation on Japanese market for investment, field trips to survey investment climate in Japan, business meetings with Japanese potential partners, etc.

This program, what we call IJSP, is carried out with the same idea as EJSP which I have already mentioned. We annually invite some 30 guests from private companies, journalists and representatives from chamber of commerce and industrial organizations.

This is the latest example of IJSP. (OHP)

- Holding a symposium overseas like today's is a most important project to make you understand what we can do for you in regard to investment promotion in Japan.

- Nowadays, each local prefectural government also is very keen to invite companies to each prefecture by preparing for various measures or incentives. Some local governments are ready to provide special incentives with foreign companies, as you have heard from Mr. Nanri, a representatives from Sago prefectural government.

JETRO Tokyo has collected information concerning investment from all of the local governments and keeps them in our library. So if you want to get them, we are always ready to supply them. Also, if you wish to get more detailed information, we can do by contacting the local government.

- Lastly before closing my speech, I would like to touch upon a few recent changes in the investment environment in Japan. As you know, the majority of Japanese companies accept the life-employment

system. But with the worsening of economic conditions in Japan, this life-employment system is gradually going to change.

Of course this traditional system still remains dominant. On the other hand, it has not been easy for a foreign company to acquire capable managers and young workers. This is primarily due to the fact that a foreign company is often not well known in Japan, Therefore, Japanese people may have an anxiety about a company itself and also have a concern of being easily fired if a company will be put in a tight corner or in a very severe situation.

As I mentioned, with the worsening of the Japanese economy, the unemployment rate has risen and many capable managers are now in a position to seek another job. I think the employment situation tends to work favorably for foreign companies desiring competent workers. Another positive change is regarding office rent. It is said that office rental fees in Japan is the highest in the world. Nowadays, average office vacancy rate increased from 4% to 8% in a year. Accordingly, office rental fees have tended to fall. In spite of this tendency, rental rates are still very high in comparison with other developed countries. Therefore about 30% of foreign companies having an office in downtown Tokyo have moved in the past 5 years, so as to reduce or cut costs.

Conclusion: Allow me to close my remarks by repeating a statement I made earlier in my speech. That is, please knock on the door of JETRO for any of your investment questions. Good Luck!

WELCOME REMARKS

by

Mr. Noguchi

Sacramento, CA
February 22, 1994

Thank you Mr. Wright for your kind introduction. I realize that you have a very busy agenda this evening and so my comments will be very brief.

On behalf of JETRO, I would like to thank all of you for joining with us in this series of informal talks on Japan and the Japanese market. As many of you may know, we at JETRO are deeply involved in promoting U.S. exports to Japan. In this light, it is encouraging to work with such local agencies as Mr. Wright's Center for International Trade Development, as well as Prof. Hayashigatani at CSU Sacramento and the Japan Society, Sacramento chapter in this important area of promoting better bilateral trade relations between our two countries.

We at JETRO believe that one of our primary goals is making available up-to-date information on Japan and the Japanese market. Our speakers tonight, represent this on-going effort by JETRO and our co-sponsors to make available first-hand knowledge on Japan and the challenges and opportunities that exist in this market. I hope that you will find their comments helpful in your business.

Of course, there are many difficult issues facing our current U.S. - Japan trade relationship. However, I believe that the goals of these seminars, while quite modest, still represent a very positive step in the area of exchanging current information on the Japanese market. I sincerely invite your active participation.

Again, thank you for joining us this evening and allow me to extend an open invitation to visit our JETRO San Francisco office.

"WELCOME REMARKS"

by
Nobuya Noguchi

February 24, 1994

Portland, Oregon

Thank you Mr. _____ for the kind introduction. On behalf of JETRO and our San Francisco office, I believe that a few words of appreciation are in order. First of all, I wish to thank Gov. Roberts for her participation in the signing ceremony and for all that she has done on behalf of the Senior Trade Representative. Also, our sincere appreciation to the Oregon Public Broadcasting for making this event a reality. And finally to all of you, kind enough to attend tonight's reception. It is a great pleasure for me to be here with you and to be a part of this very positive relationship that exists between JETRO and the state of Oregon.

During my tenure as the Director-General of JETRO San Francisco, I have looked to Oregon as a excellent example of how two entities can work together to produce truly positive results. Perhaps no program better illustrates this than the Senior Trade Advisor Program.

The appointment of Mr. Natsui, following the commendable work done by his predecessor, Mr. Yokokawa, I believe shows JETRO's commitment to make this program a long-term success. As one of 21 states currently participating in this program, I believe that the people in Oregon should be proud, knowing that this program is considered one of best in terms of consistently positive results. For this, we at JETRO owe our deepest gratitude to the Oregon state government and especially to the people of Oregon that have worked with us to make this program a success.

To date, we have seen tangible rewards from this program. Now with Mr. Natsui, as the new Senior Trade Advisor, I believe that the combined resources of the state and JETRO will be utilized to their fullest in assisting Oregon firms in their export efforts. Mr. Natsui's personal experience in trade matters, will allow him to begin immediately in the important job ahead of him. I should also mention that Mr. Natsui is quite familiar with the Shizuoka region in Japan, as he was formerly the director of the JETRO Shizuoka office.

Of course there is much work to be done and JETRO will continue in its goal of being an active promoter in the field of greater imports to the Japanese market. We feel confident that Mr. Natsui and the Senior Trade Advisor Program will be a great success and we look forward to this new era of cooperation.

Thank you