



# 2024 Survey Report on Japan-based Companies Operating in California

August, 14, 2024

**JETRO San Francisco**  
**JETRO Los Angeles**



在ロサンゼルス日本国総領事館  
CONSULATE GENERAL OF JAPAN  
LOS ANGELES



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# Survey Overview

- Survey period : January 30th to February 21st, 2024
- Survey targets: ①Locally incorporated companies that are more than 10% owned (including through indirect investments) by Japanese companies ②Branch offices or local offices of companies headquartered in Japan ③Companies founded and managed by Japanese citizens or Japanese-Americans
- Survey Method: Respondents were sent a link via e-mail to complete the questionnaire online.
- Number of Respondents : 379 companies
- Definition of “Northern and Southern California”

Northern California: Alameda, Amador, Calaveras, Colusa, Contra Costa, El Dorado, Fresno, Lake, Marin, Merced, Mendocino, Monterey, Napa, Placer, Sacramento, San Benito, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Solano, Sonoma, Stanislaus, Sutter, and Yolo counties

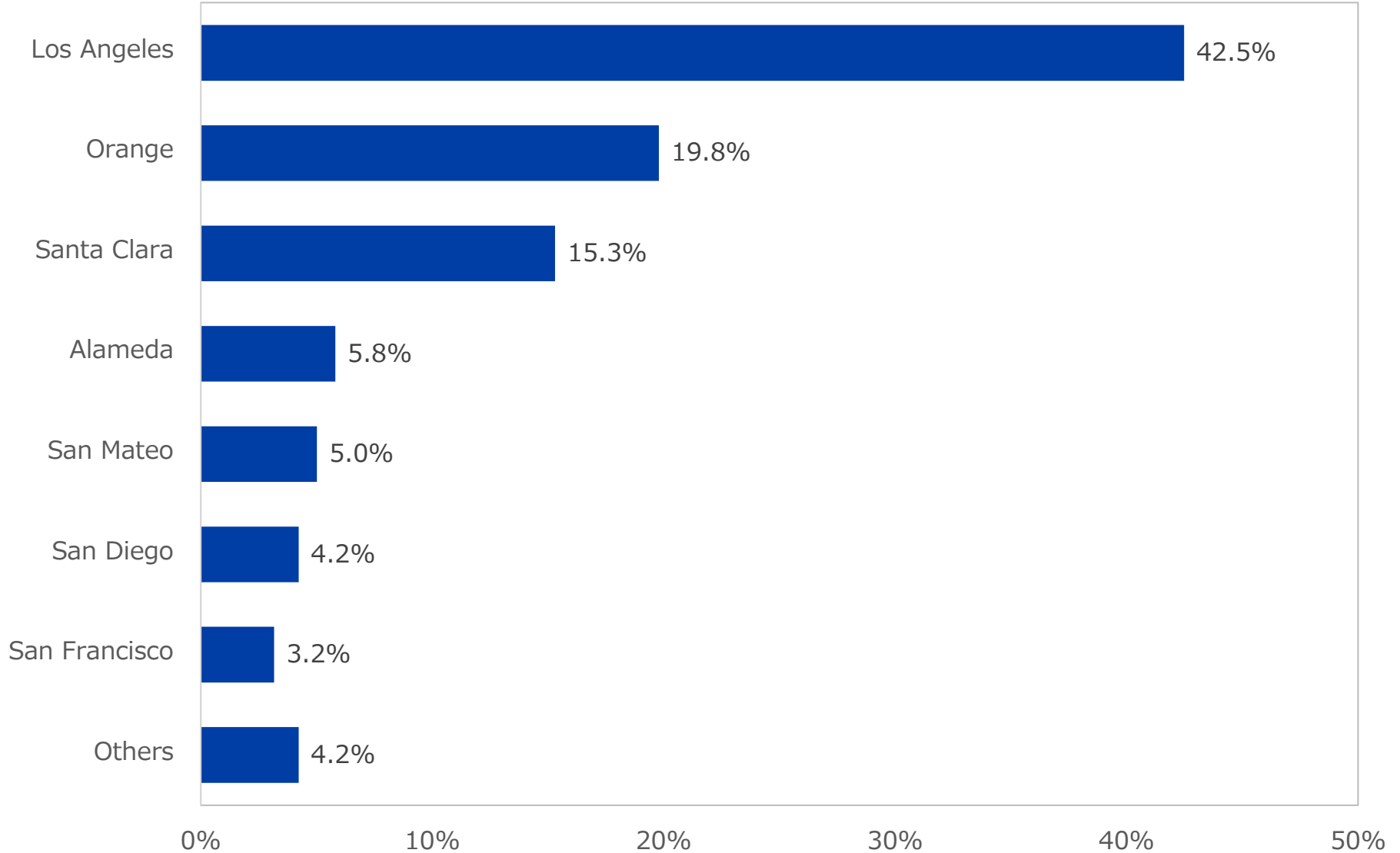
Southern California: Imperial, Kern, Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara and Ventura counties.

- Notes : Percentages for multiple responses to some questions may exceed 100%. Percentages have been rounded up or down, by one decimal place. If we received more than one response from the same office in California, only the most recent responses were used. If we received responses from multiple subsidiaries or affiliated companies in California, all responses were compiled.

# Key findings of the survey

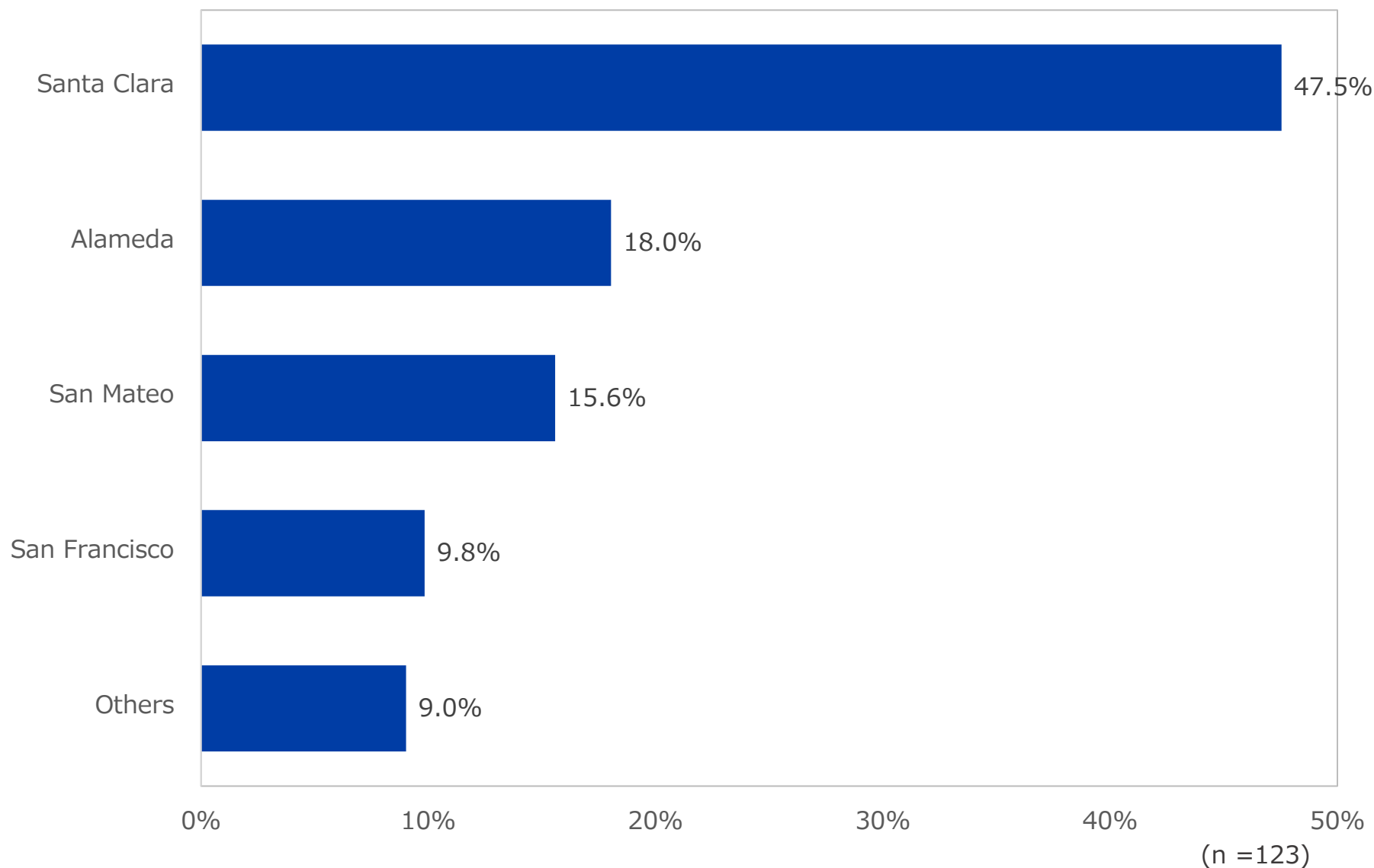
1. Responses from 379 Japanese companies in California were collected through an online survey. The top three counties where Japanese companies are operating: Los Angeles (42.5%), Orange (19.8%) and Santa Clara (15.3%). The top three cities in which Japanese companies have operations are Torrance (20.1%), Irvine (7.1%) and Los Angeles (6.1%).
2. Manufacturing (44.1%), Service/Others (9.5%), and Wholesale/Retail (9.2%) are the top three industries. In Northern California, information systems is the leading industry, while Southern California has a large number of trade related companies.
3. Regarding future investment and business plan, "To maintain the status quo" is high, while "To expand (including purchase of facilities) or add new facilities" remained low when compared to the results of the previous survey done in 2022.
4. Nearly 90% reported "Rising cost of living" as the main challenge of having a business in California, followed by "High tax rates including Corporate tax" and "Hiring and retaining employees". And nearly 30% of companies were concerned about "Public Safety".
5. As a way of business expansion and market development, "Referrals from existing customers" remained strong, followed by in person business matching opportunities. "Trade shows /Business meetings", "Word of mouth" and SNS "Linked In" are also tools. For hiring local employees, "Prioritizing not only qualifications, skills and experiences", but also an understanding of the "Japanese language and culture" are important criteria.

# 1 | COMPANY LOCATION - COUNTY

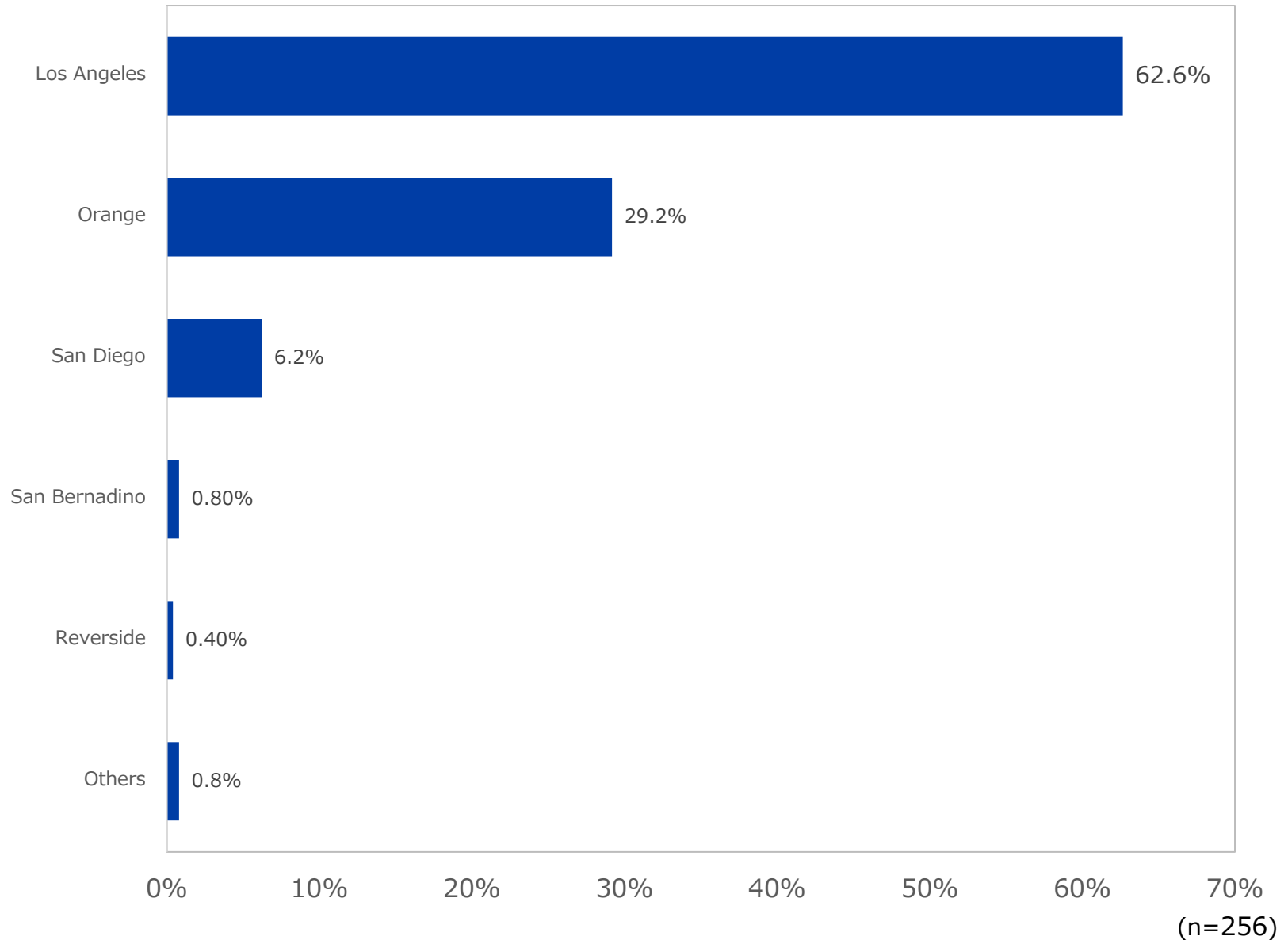


(n = 379)

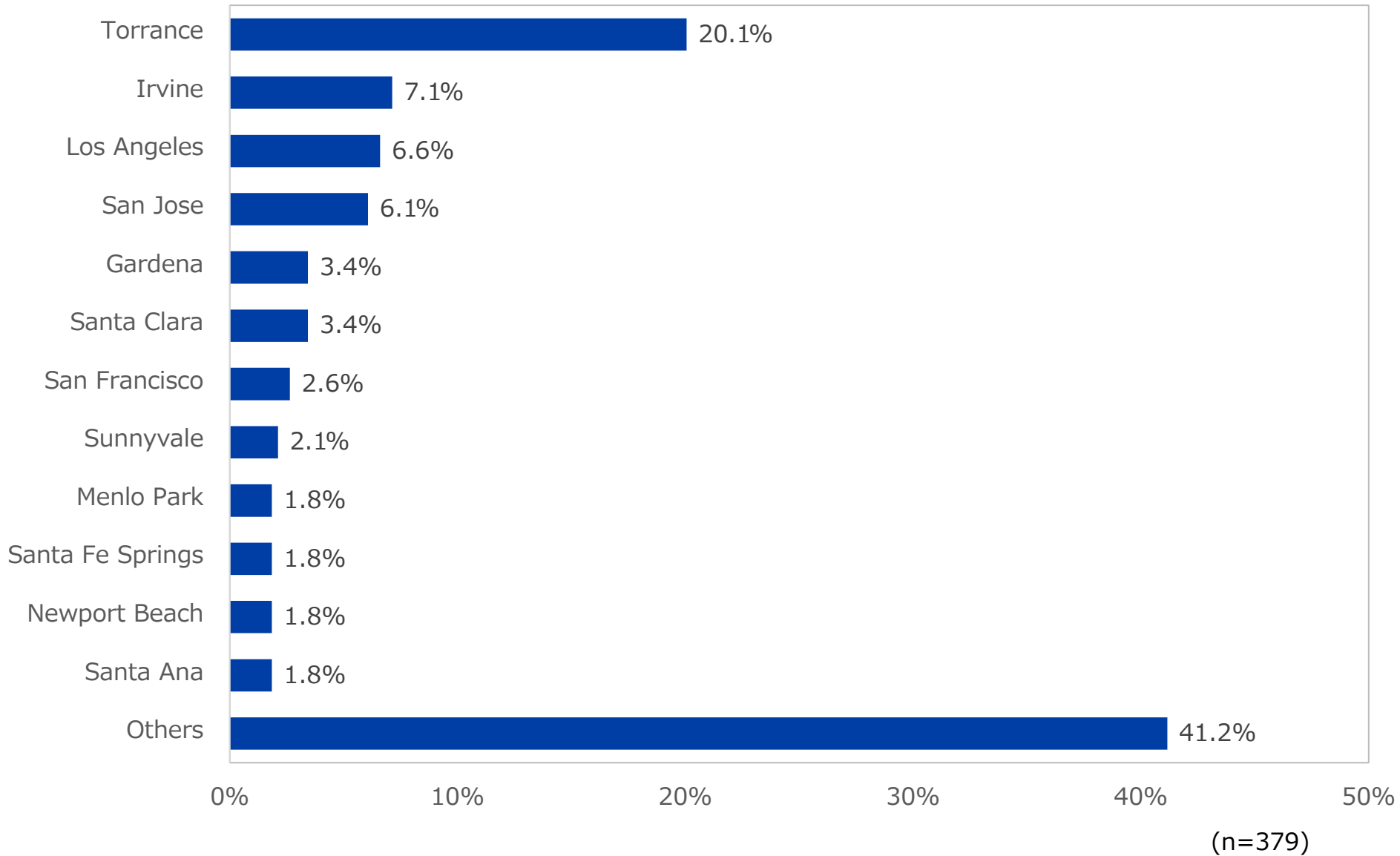
# 1 | COMPANY LOCATION - COUNTY



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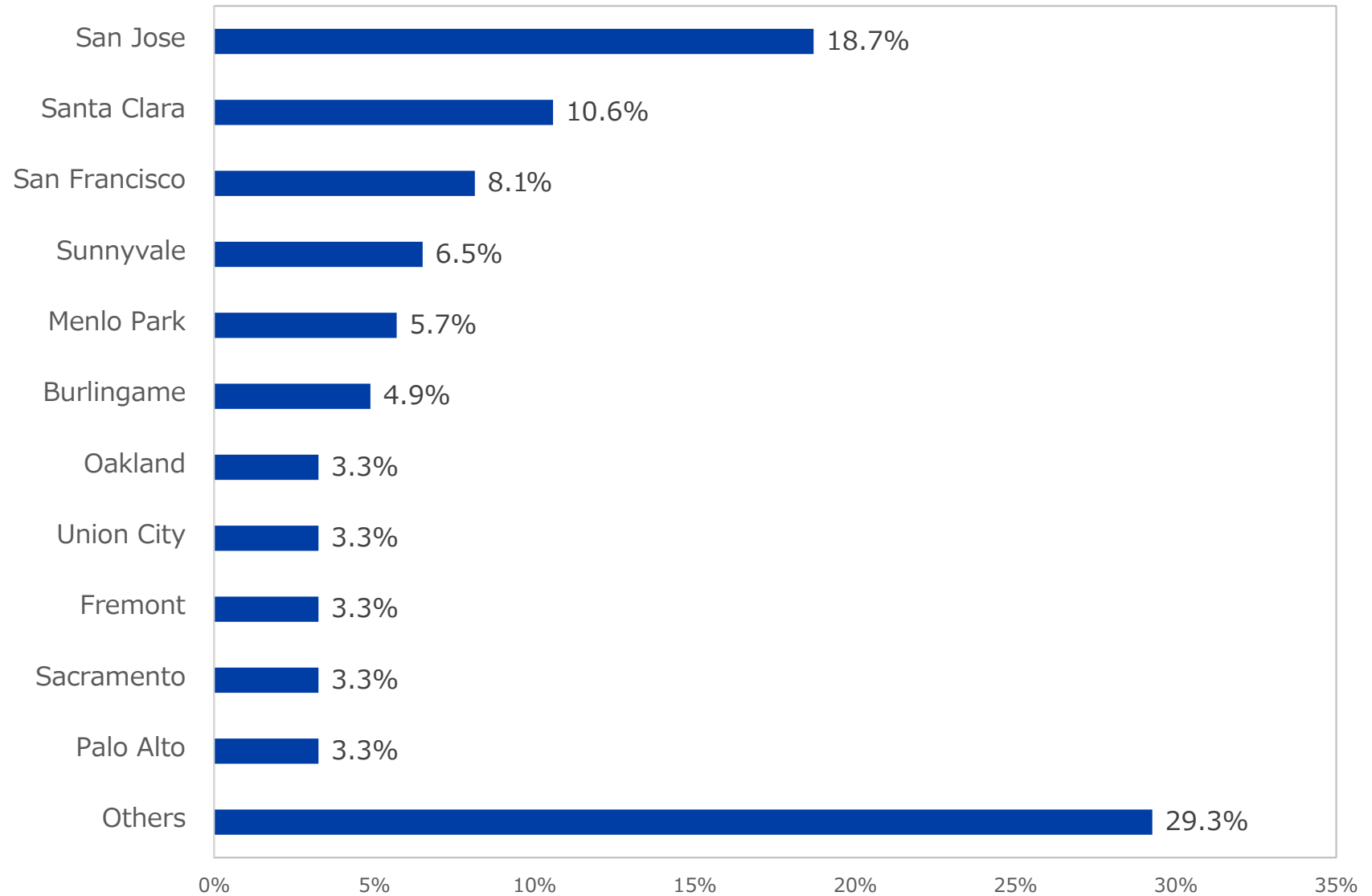


## 2 | COMPANY LOCATION - CITY



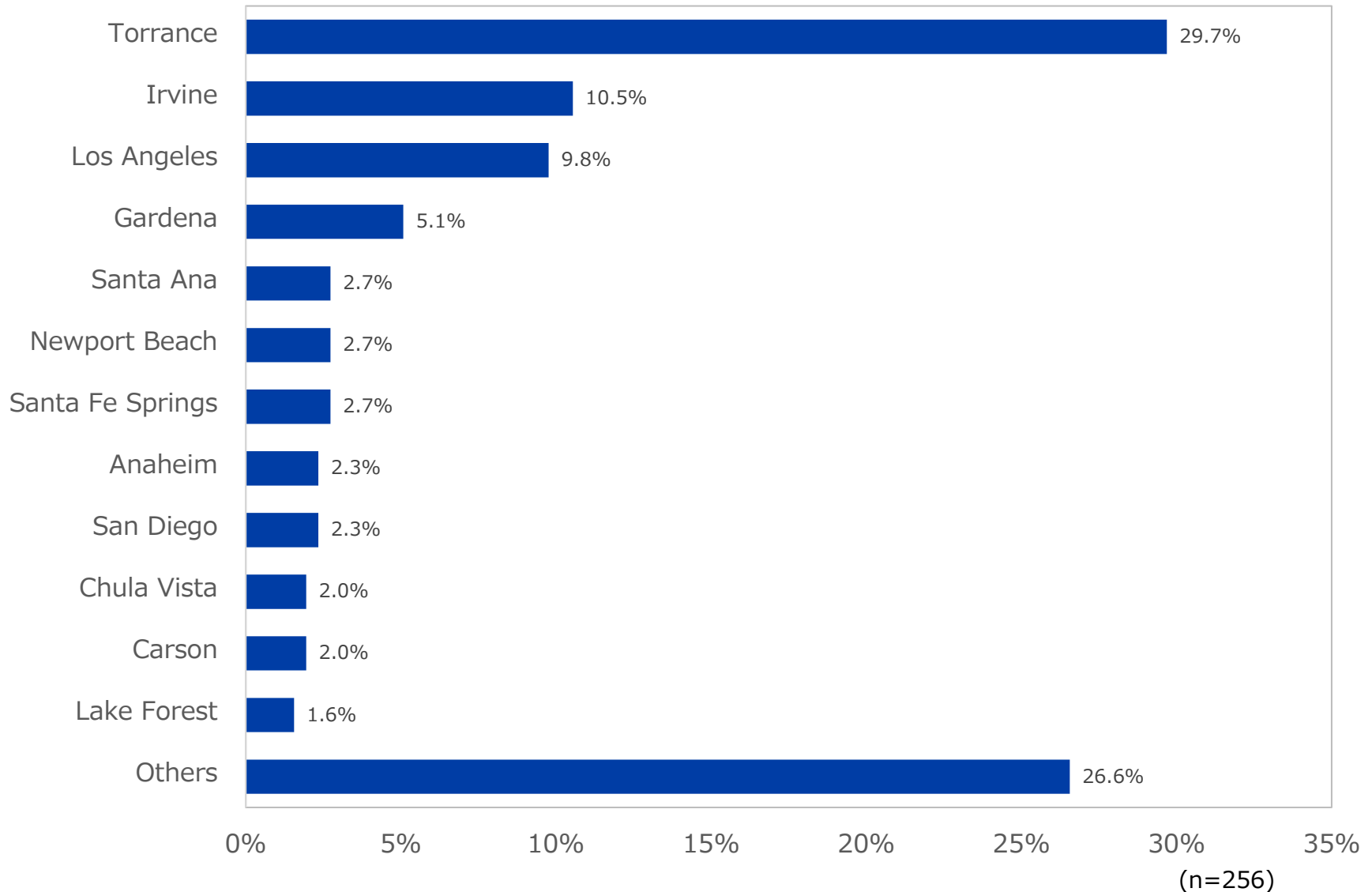


## 2 | COMPANY LOCATION - CITY

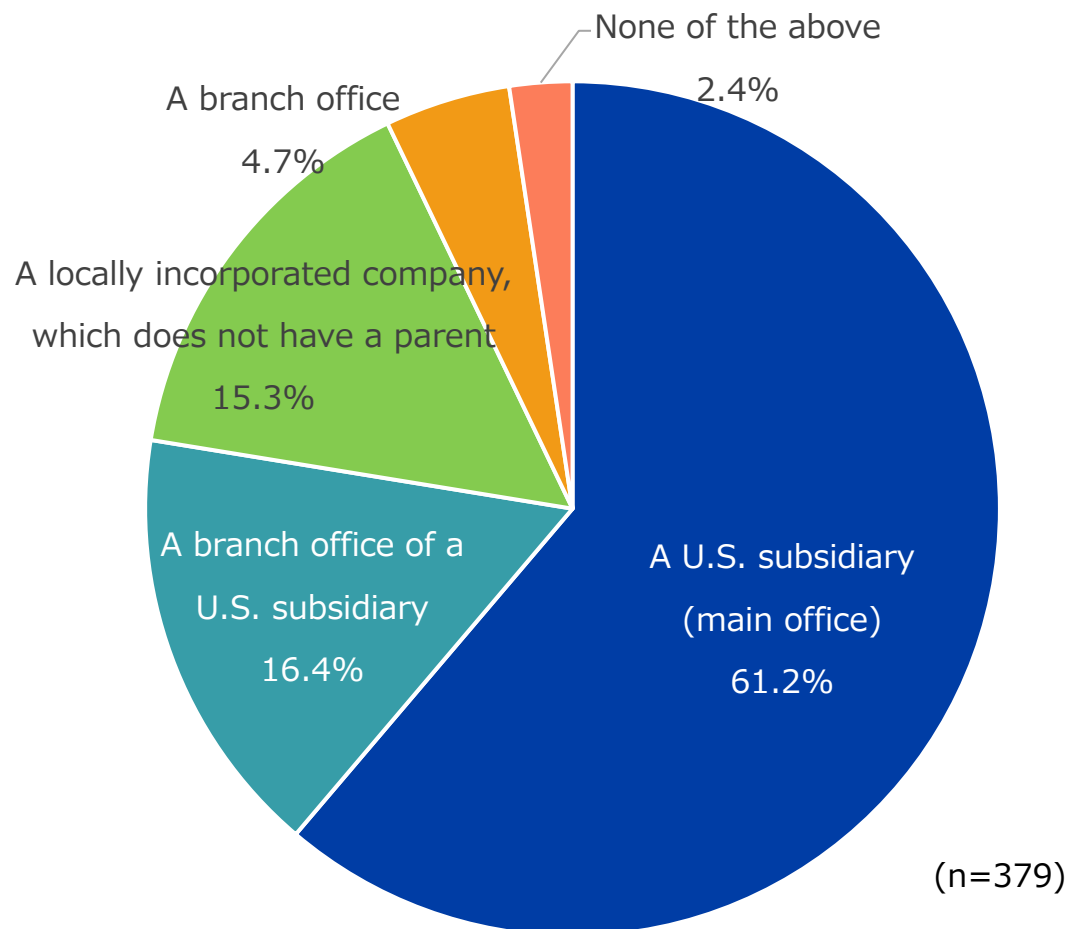


(n=123)

## 2 | COMPANY LOCATION - CITY



## PERCENTAGE OF INVESTMENT BY JAPAN BASED COMPANY



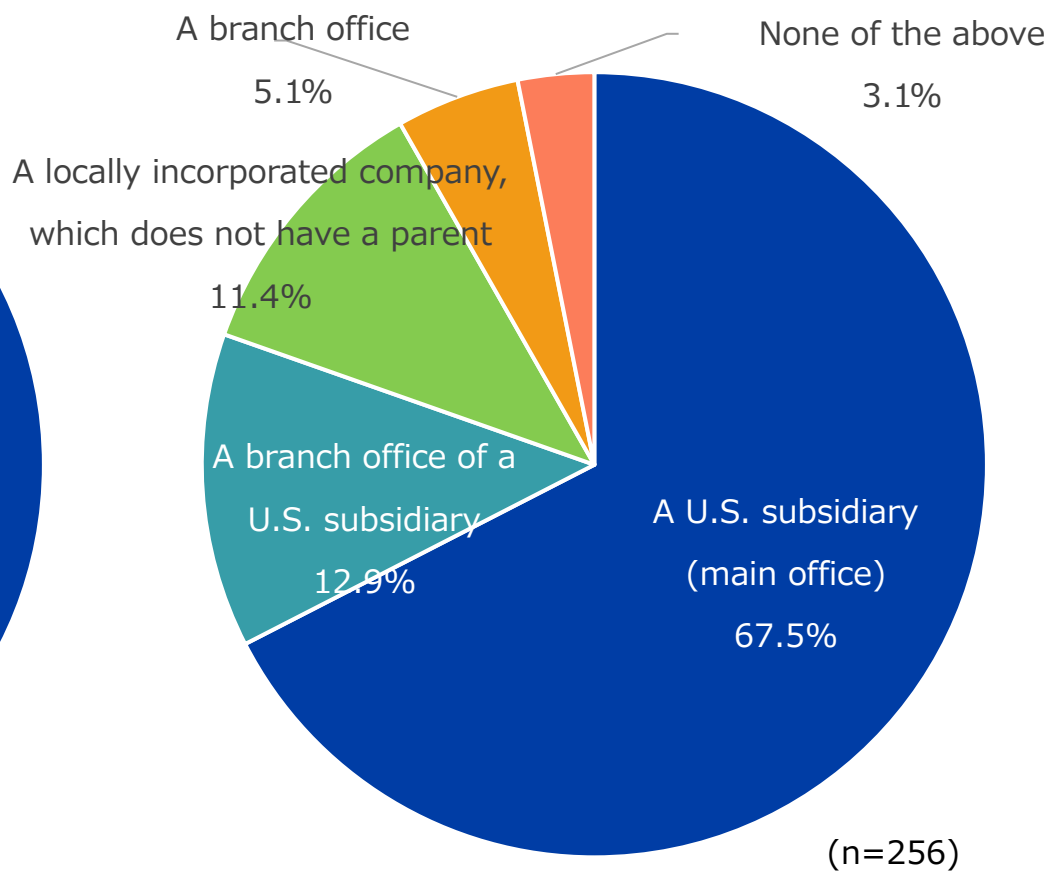
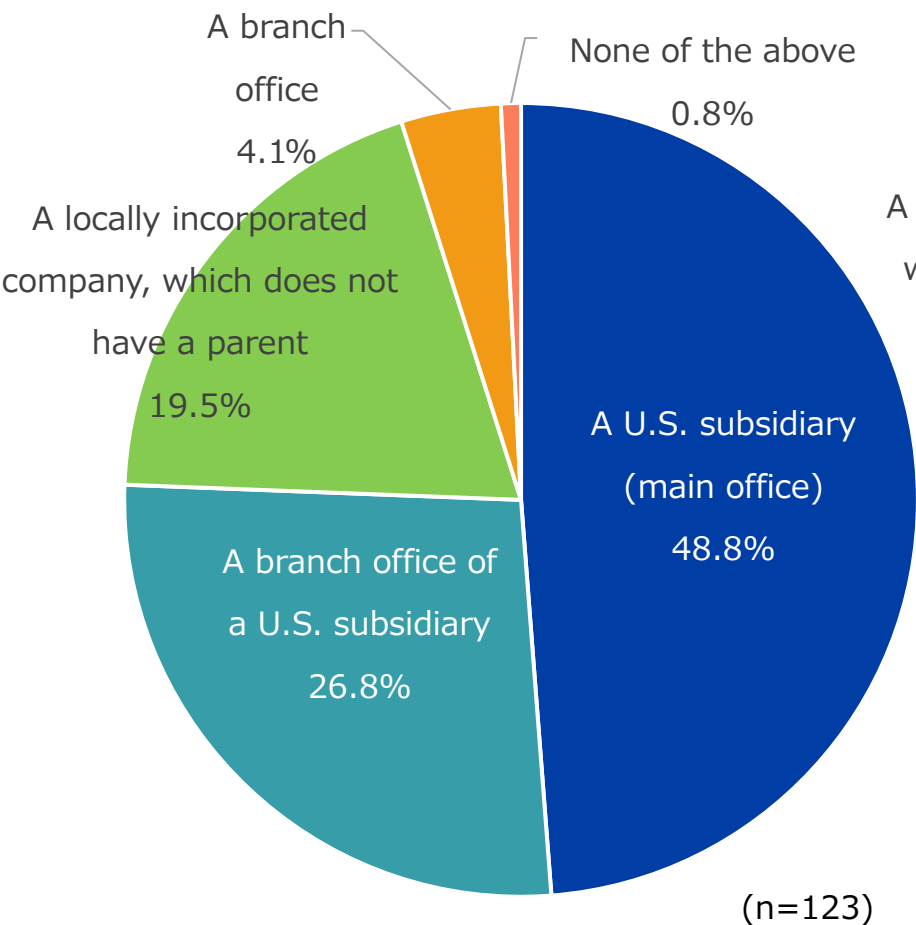
# 3

## TYPE OF CORPORATE MANAGEMENT AND METHODS OF INCORPORATION

Northern California

Southern California

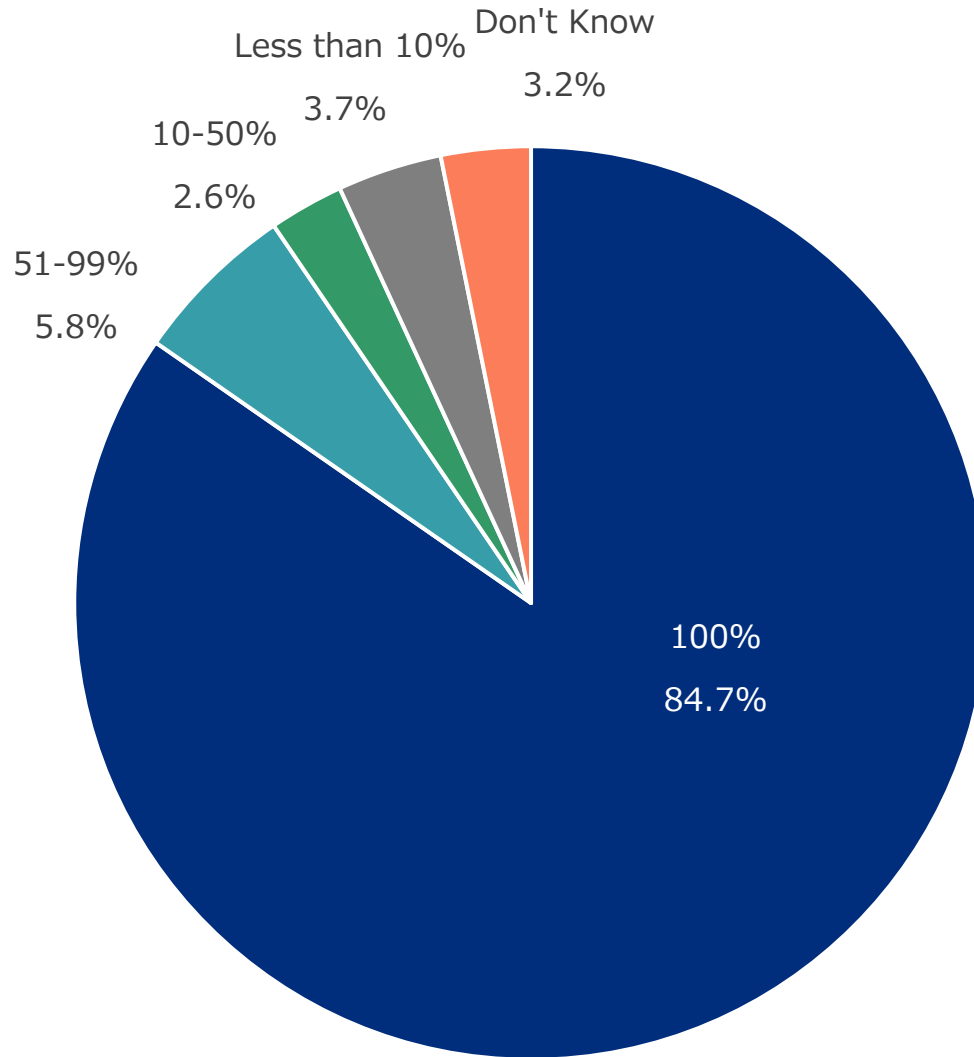
### INVESTMENT STRUCTURE BY JAPAN BASED COMPANY



## PERCENTAGE OF INVESTMENT BY PARENT COMPANIES IN JAPAN\*

\*if a company does not have a parent company in Japan, the percentage of investment by Japanese and/or Japanese-American citizens is shown

California



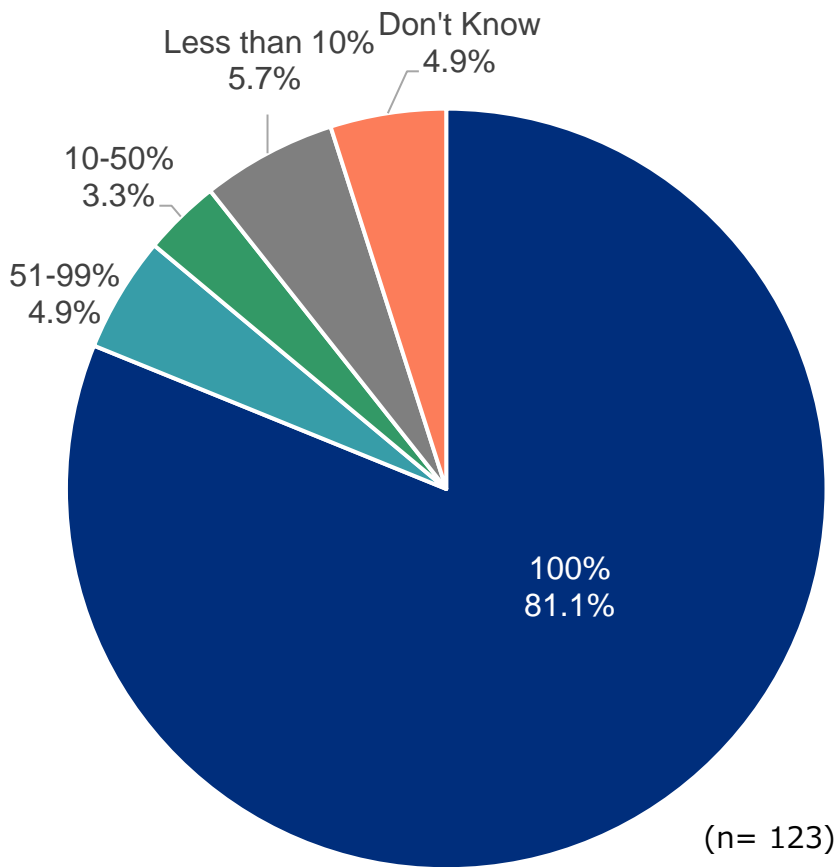
(n= 379)

# 4

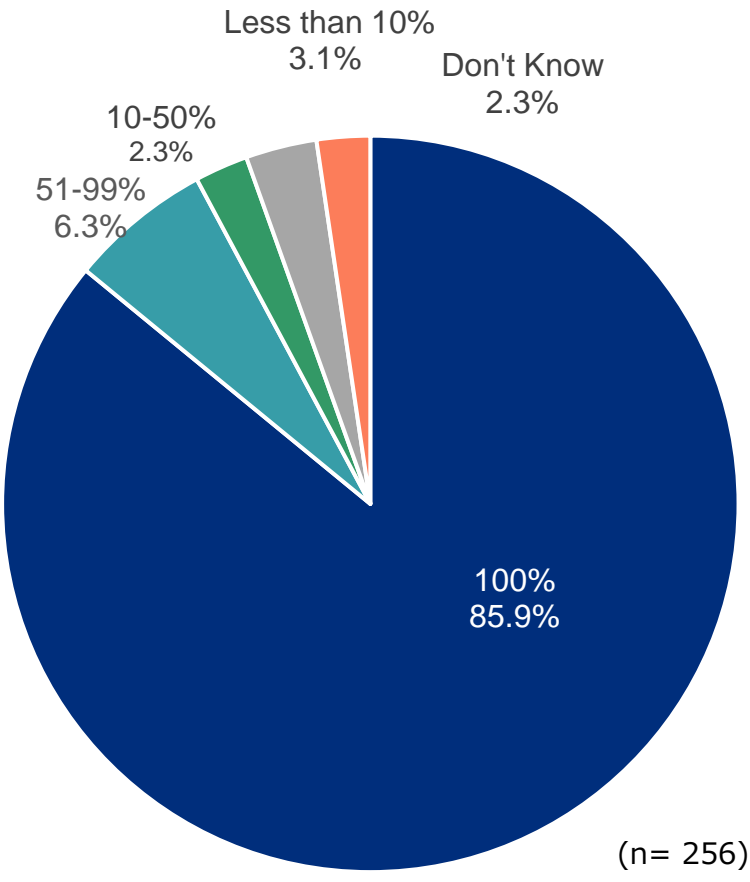
## PERCENTAGE OF INVESTMENT BY PARENT COMPANIES IN JAPAN\*

\*if a company does not have a parent company in Japan, the percentage of investment by Japanese and/or Japanese-American citizens is shown

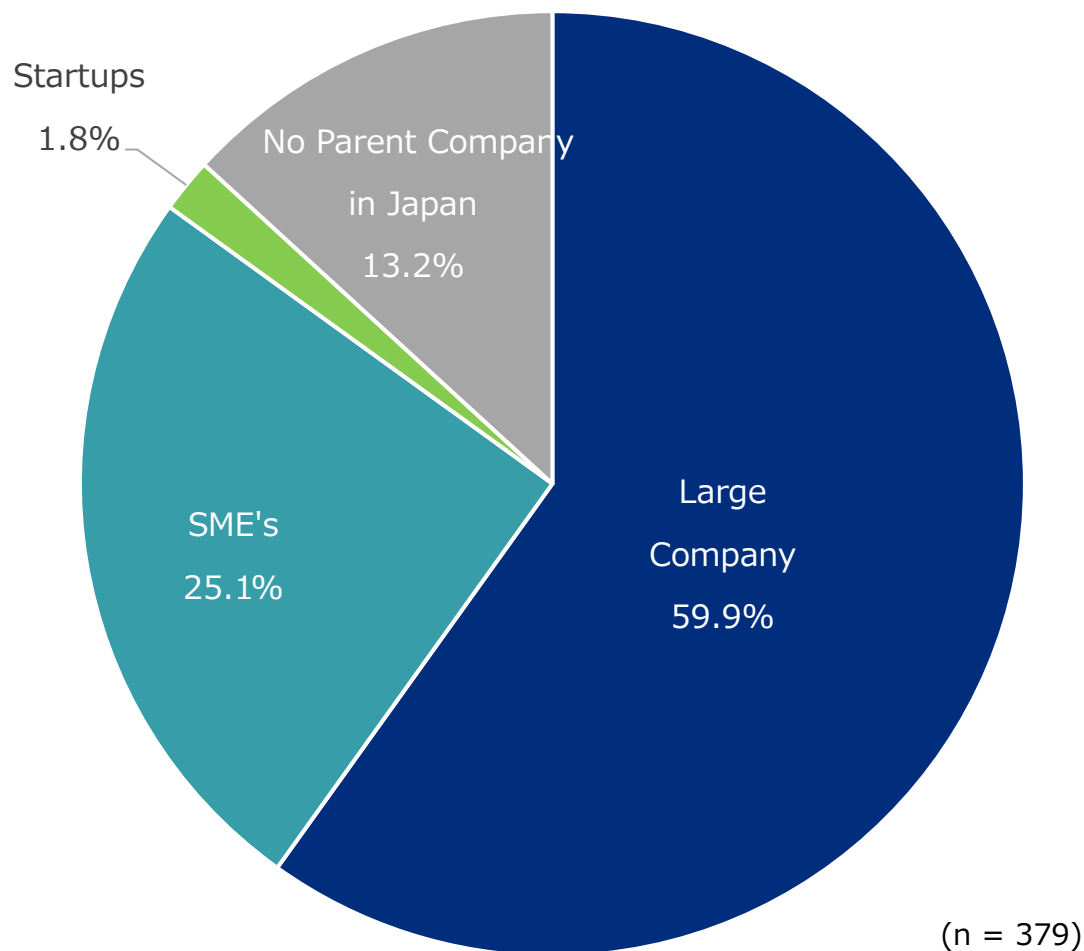
Northern California



Southern California



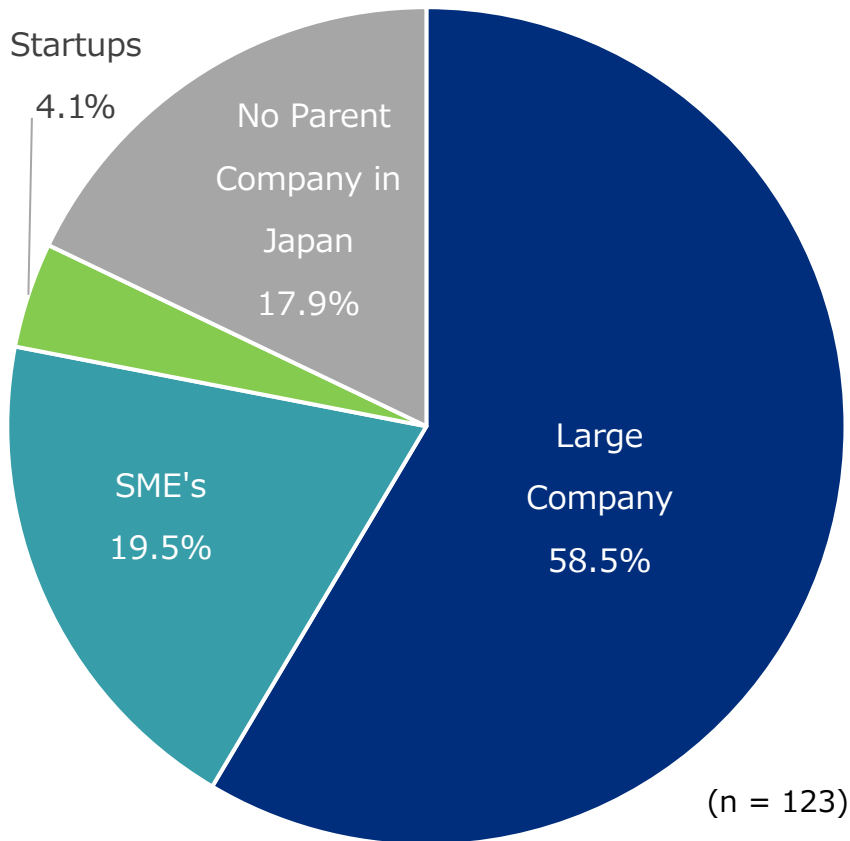
## 5 | SIZE OF PARENT COMPANIES IN JAPAN



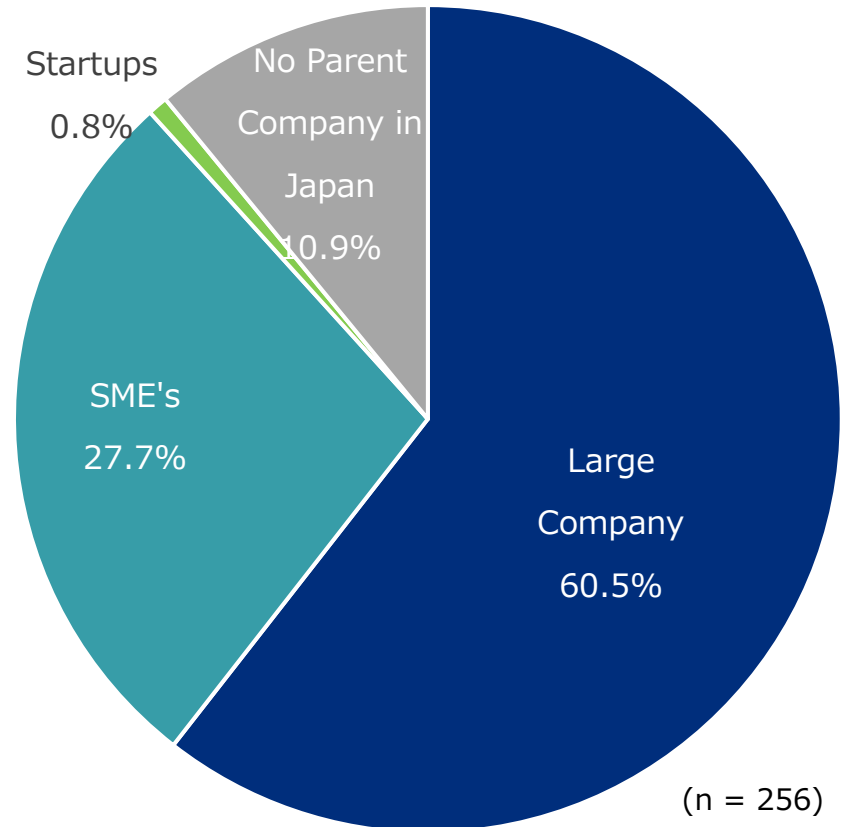
\* SME's: Small and Medium- Sized Companies

## 5 | SIZE OF PARENT COMPANIES IN JAPAN

**Northern California**



**Southern California**



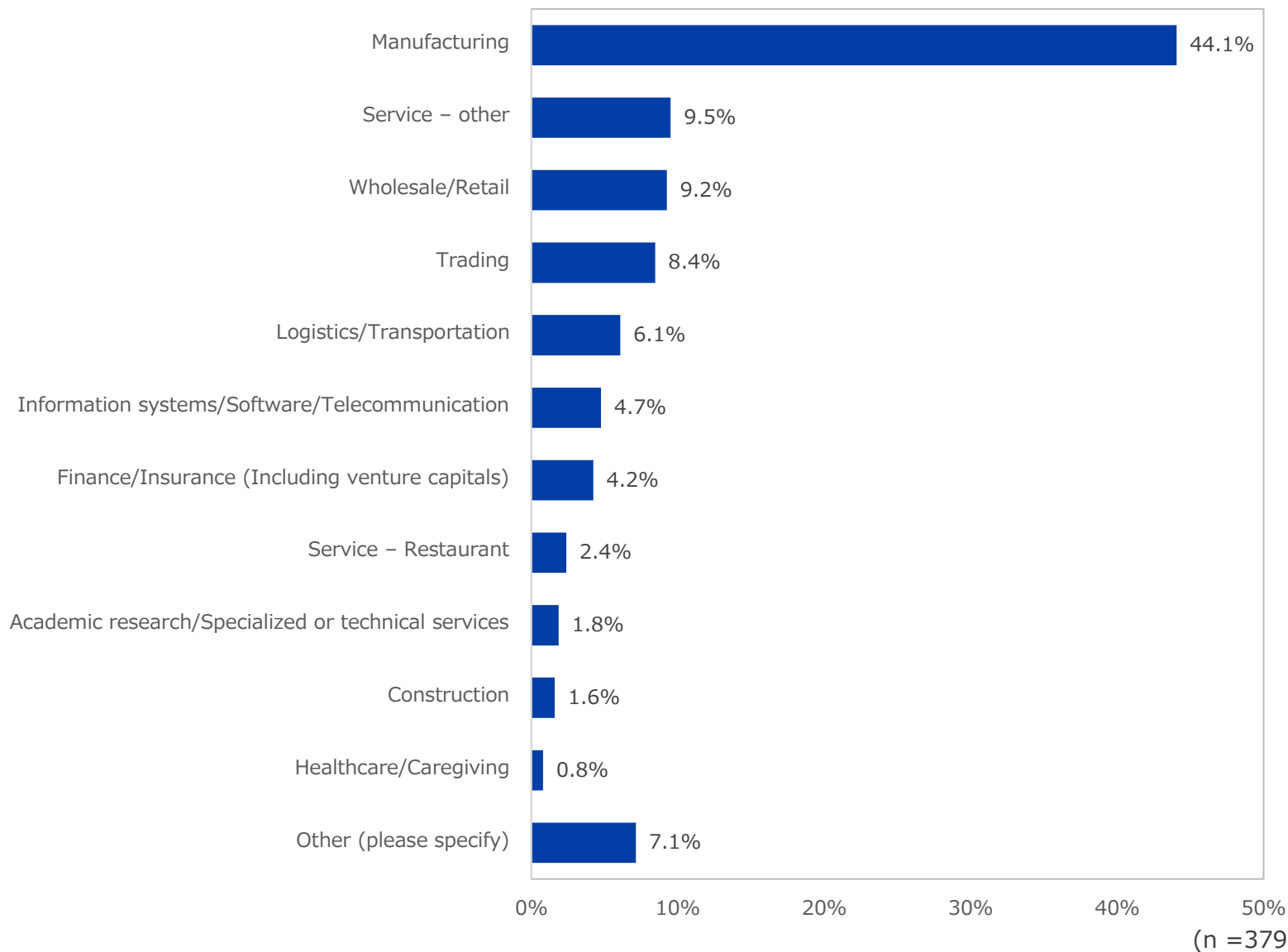
\* SME's: Small and Medium- Sized Companies



## INDUSTRY CLASSIFICATION OF PARENT COMPANIES\*

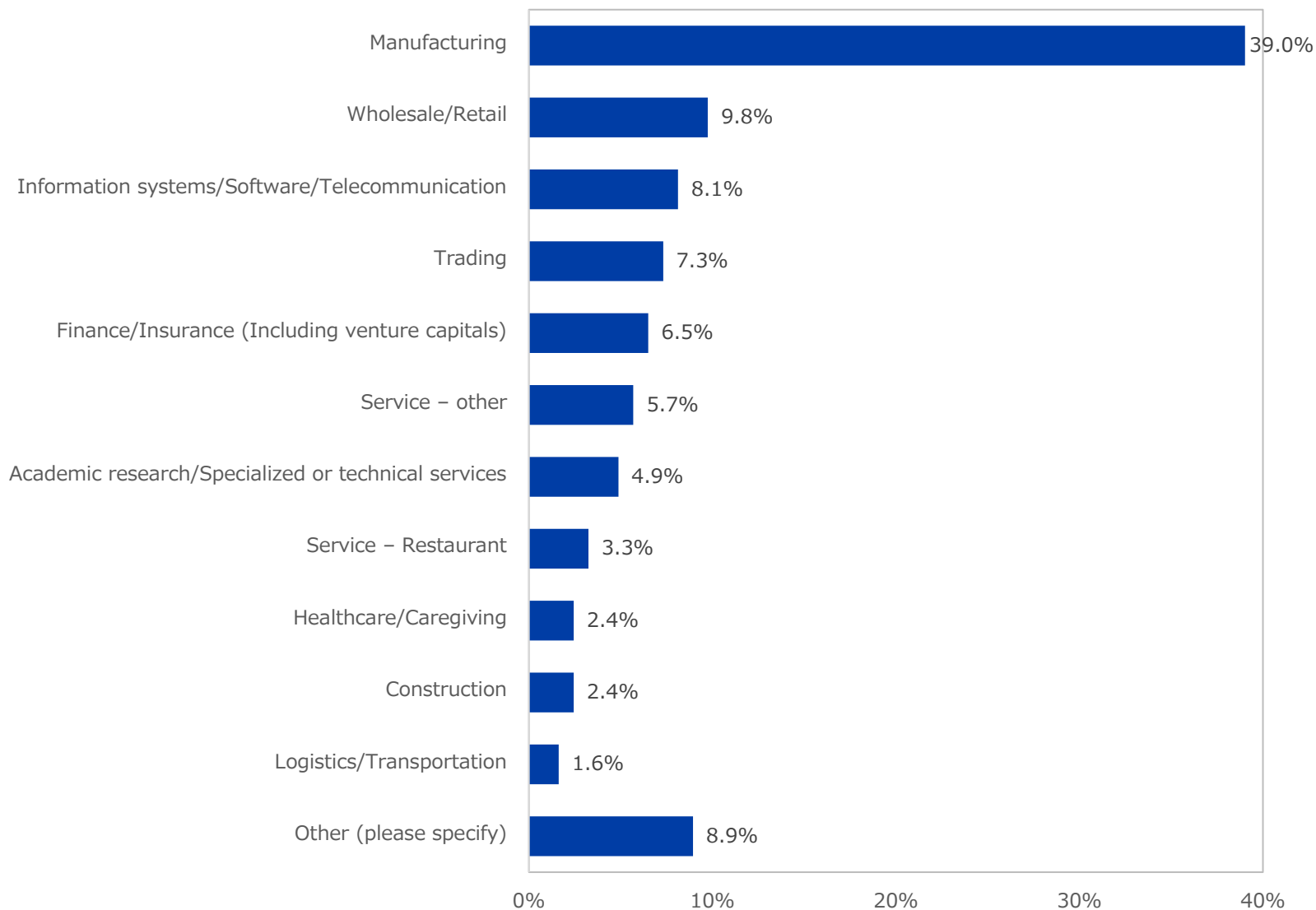
California

\*if a company does not have a parent company in Japan, the company's industry in California is shown



# INDUSTRY CLASSIFICATION OF PARENT COMPANIES\*

\*if a company does not have a parent company in Japan, the company's industry in California is shown

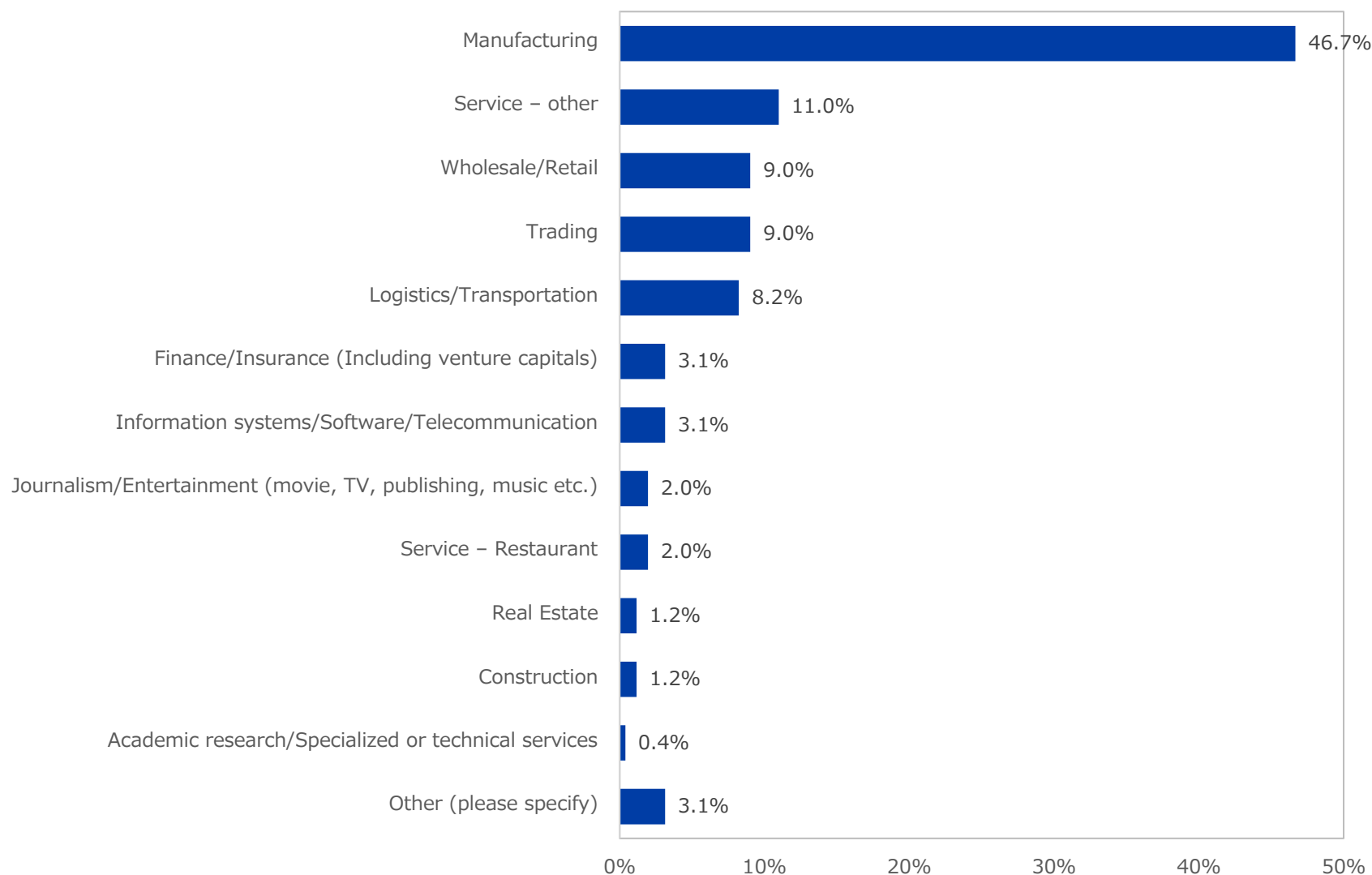


(n = 123)

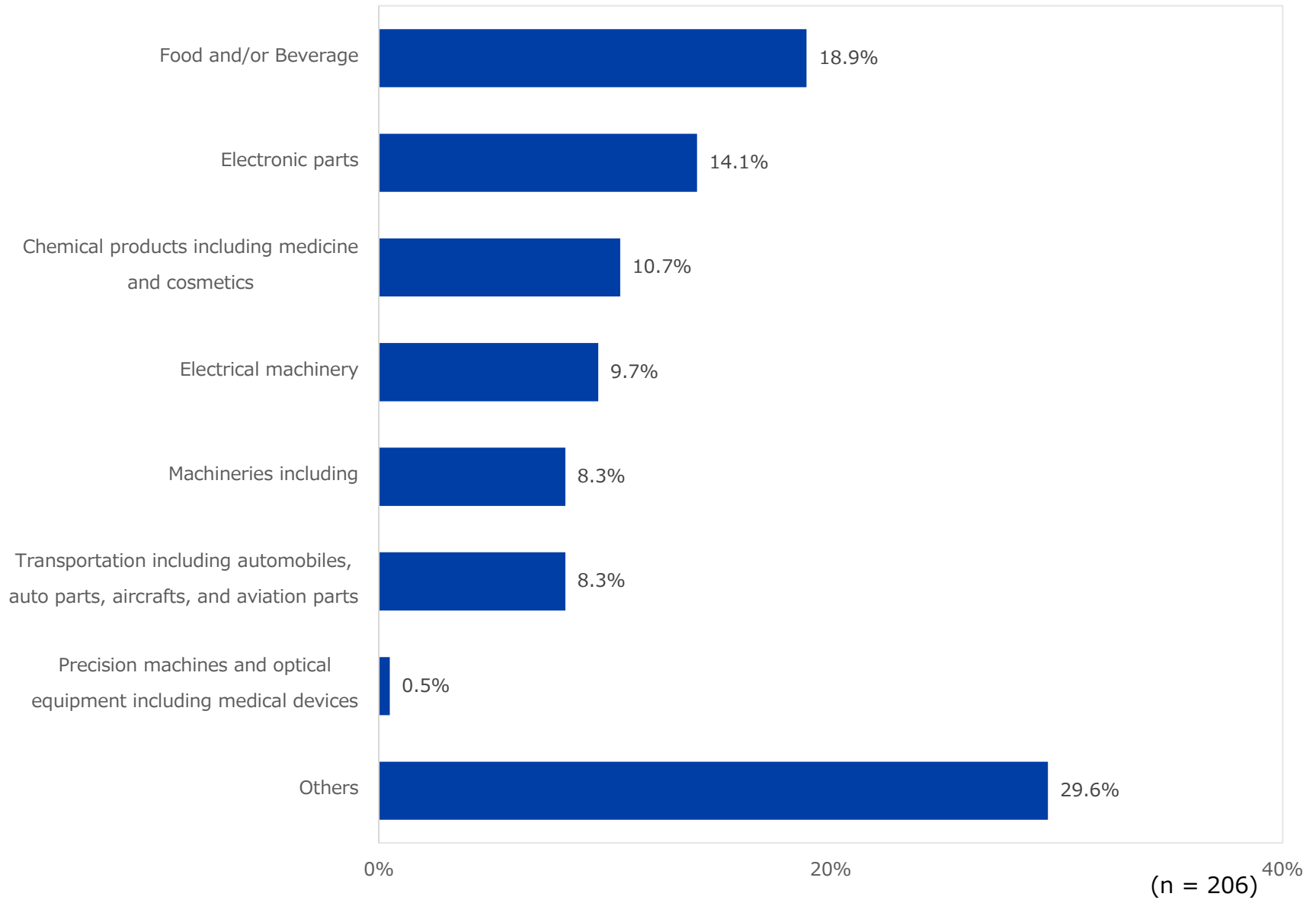
# INDUSTRY CLASSIFICATION OF PARENT COMPANIES\*

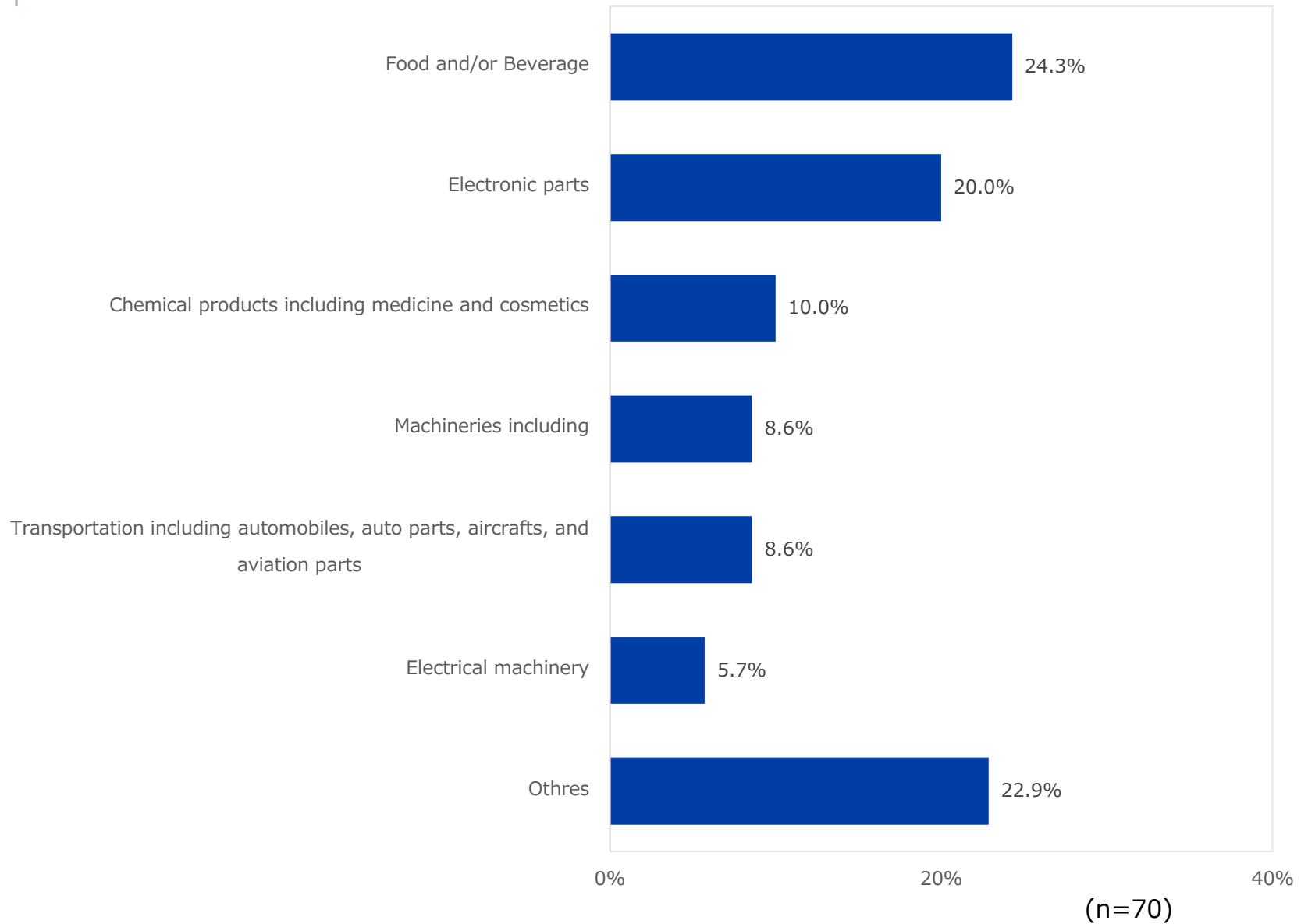
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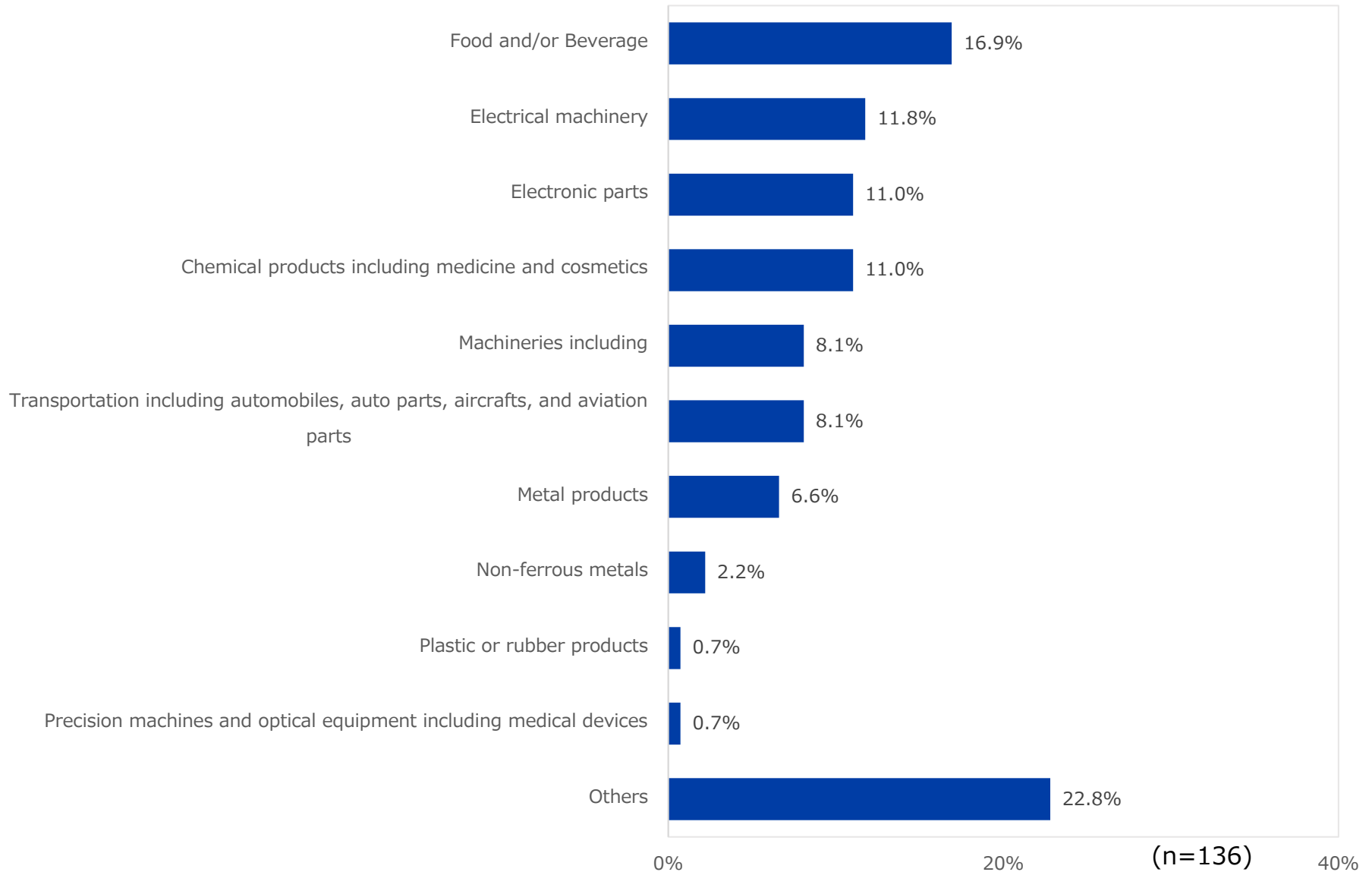
Southern California



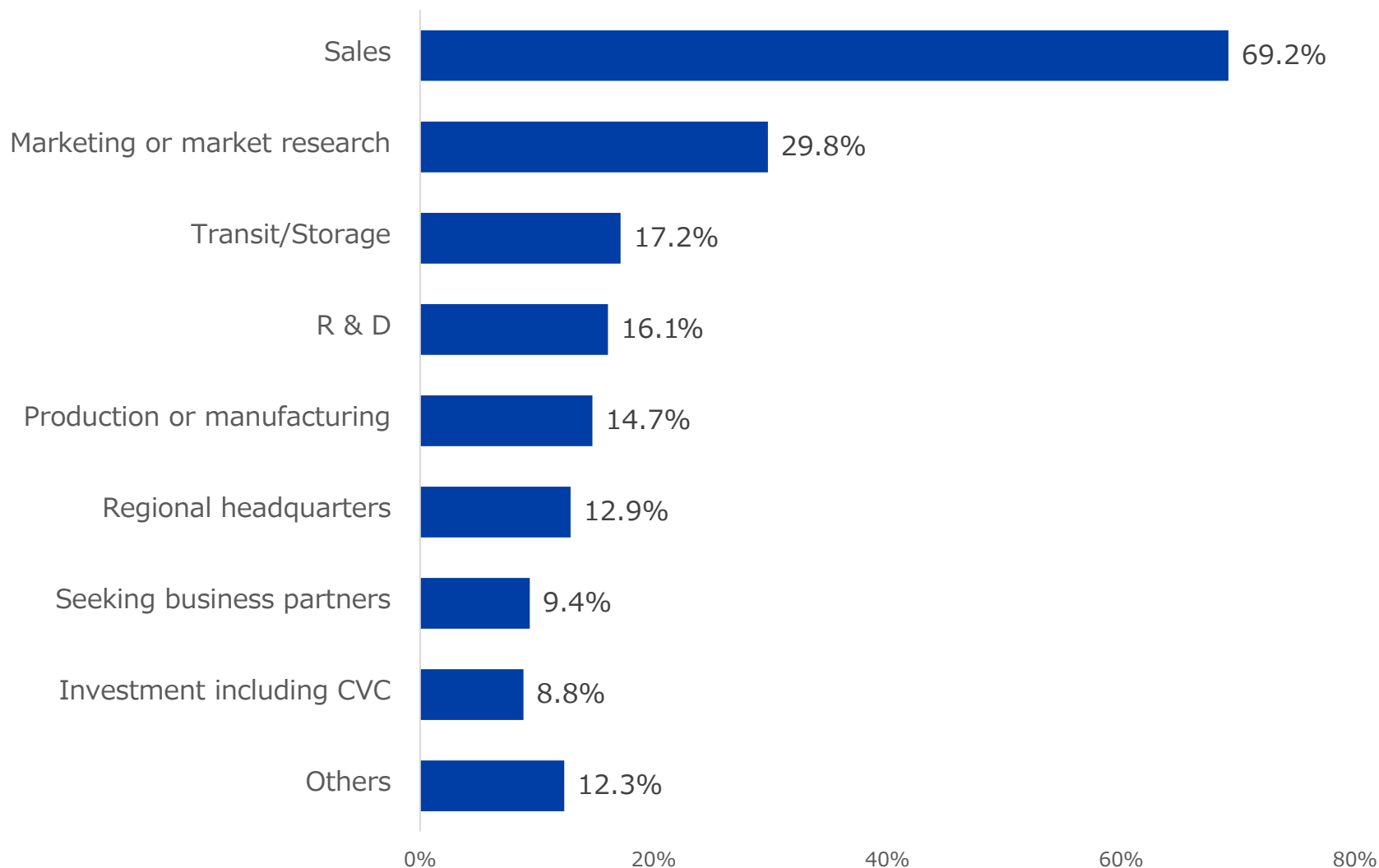
(n =256)





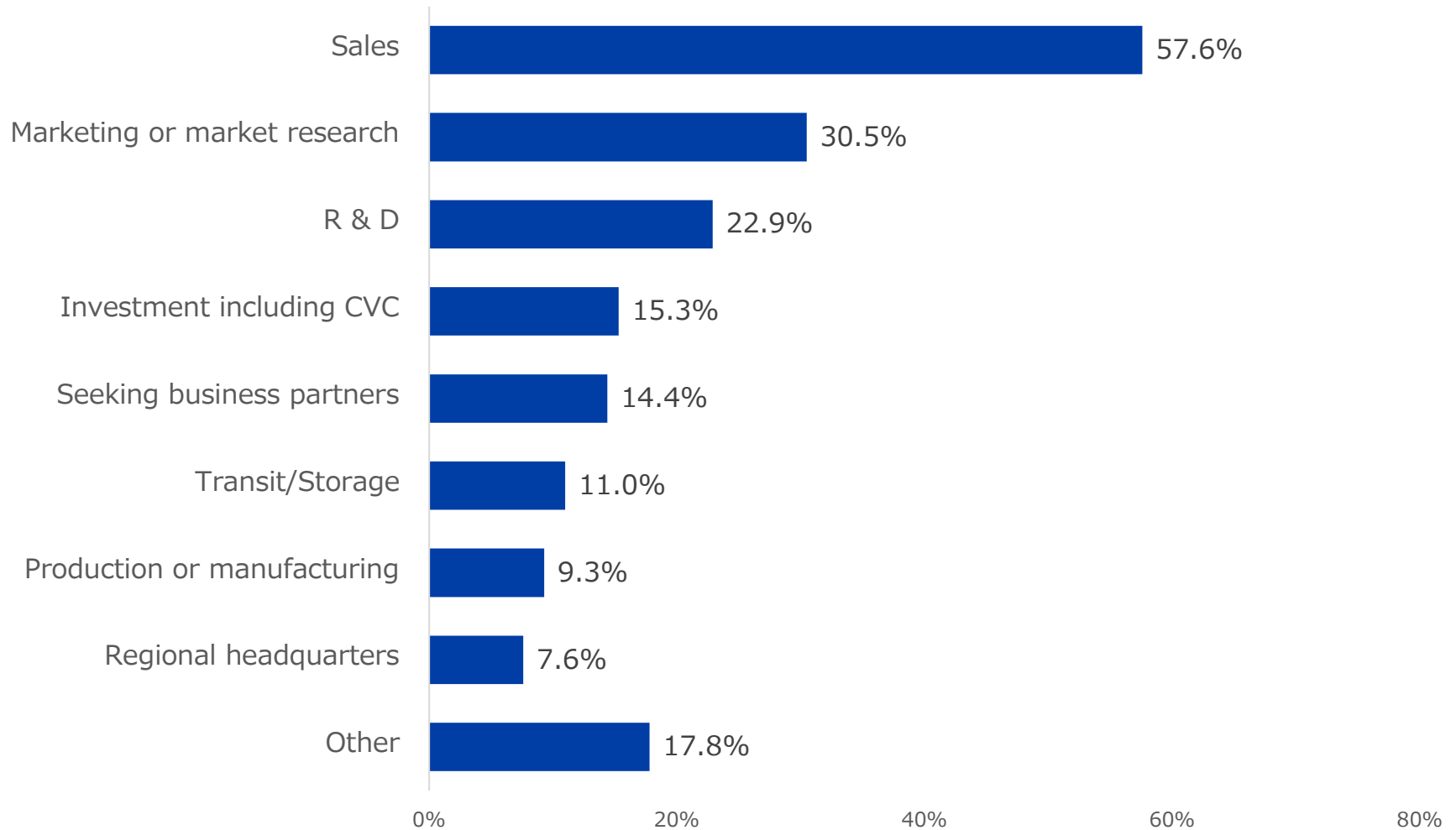


## 8 | FUNCTION OF CALIFORNIA OFFICES



(n=373, Multiple Answers Allowed)

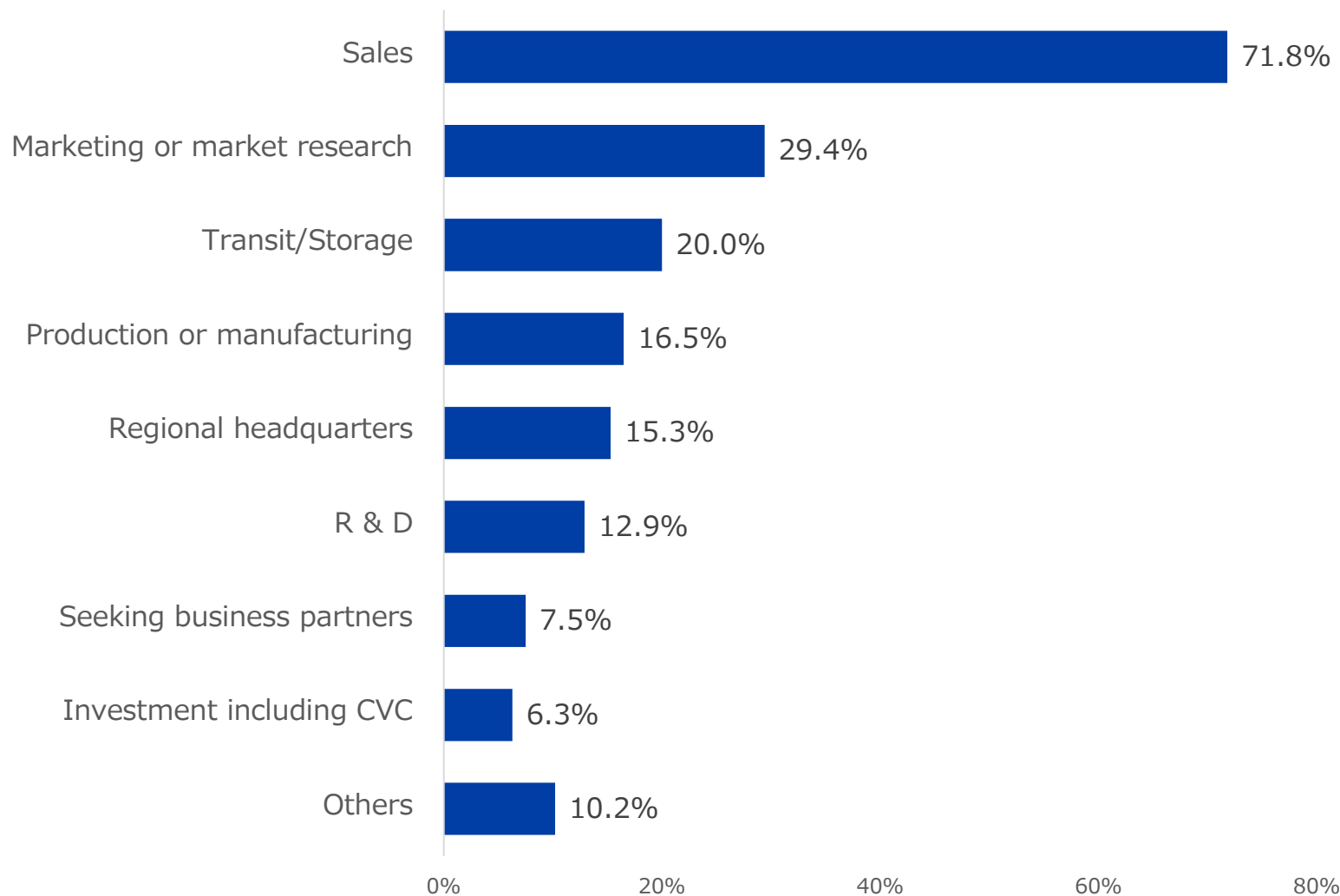
## 8 | FUNCTION OF CALIFORNIA OFFICES



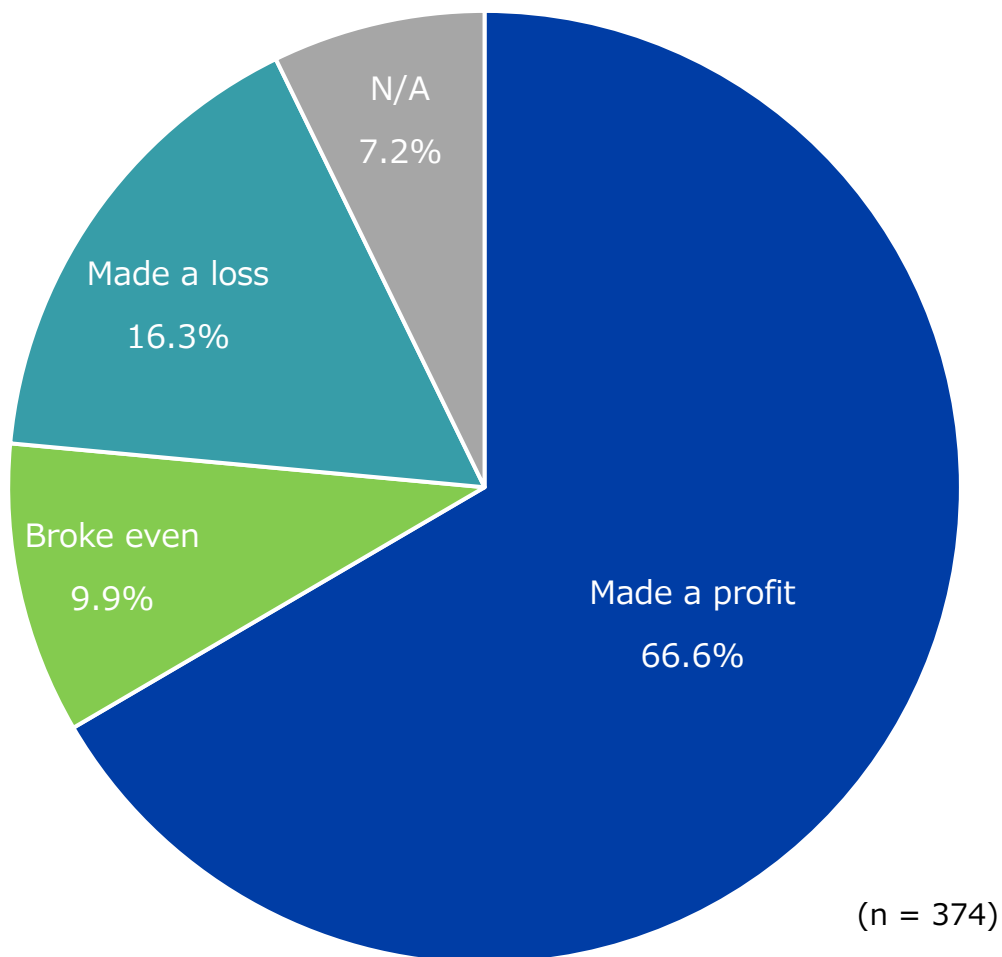
(n=118、複数回答可)

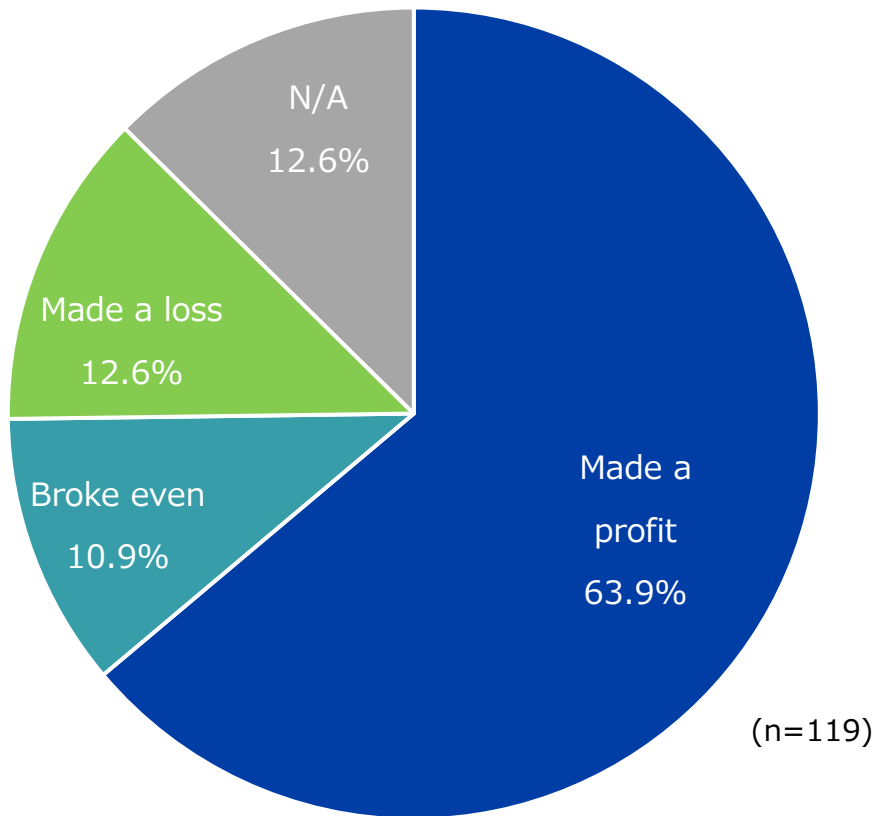
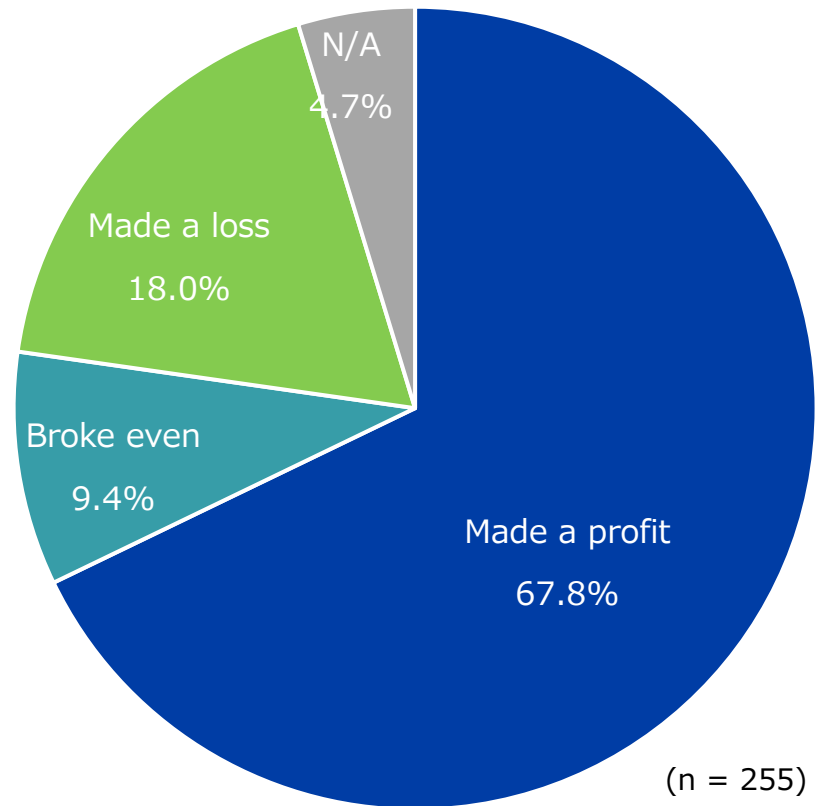


## 8 | FUNCTION OF CALIFORNIA OFFICES



(n=255, Multiple Answers Allowed)

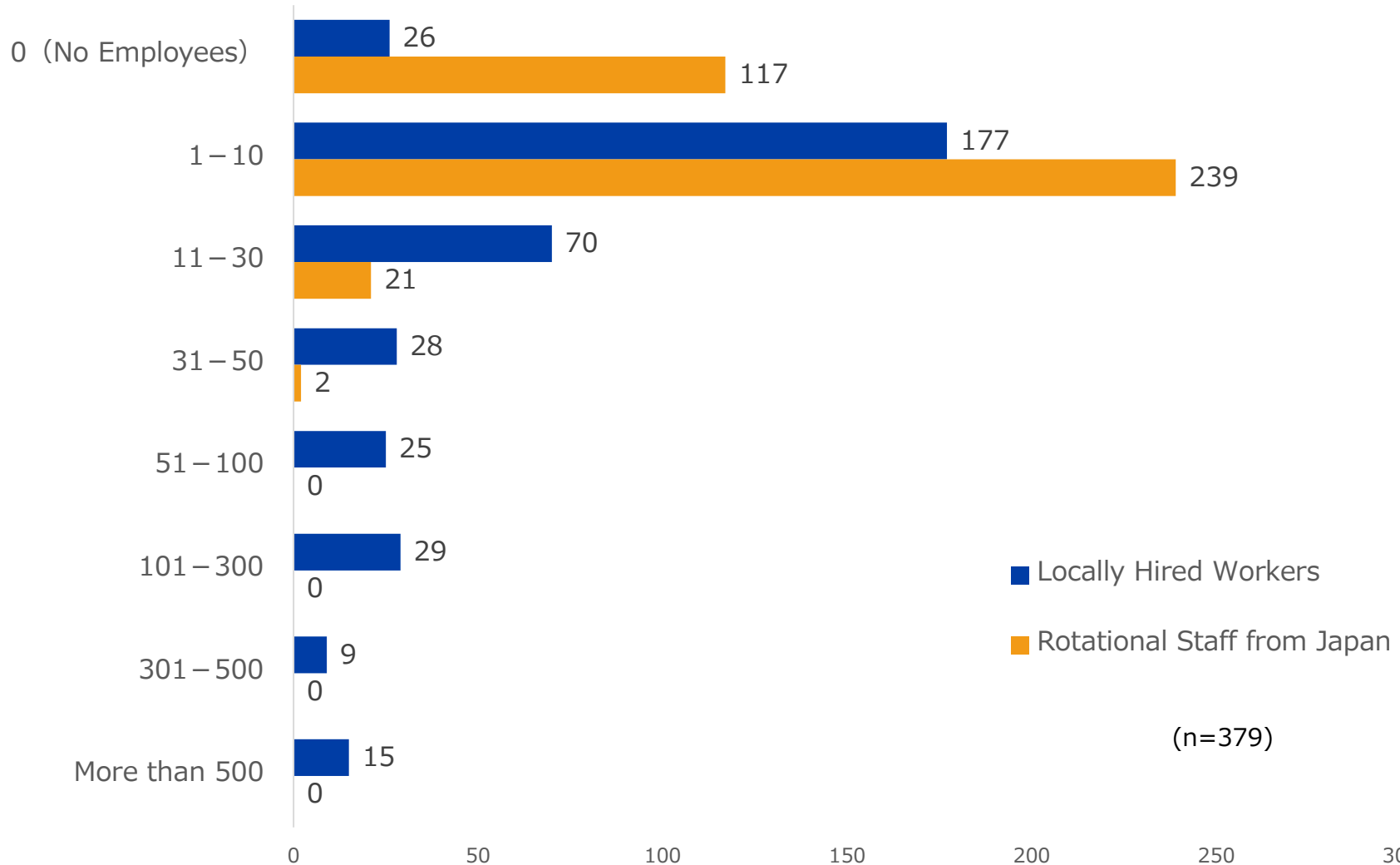


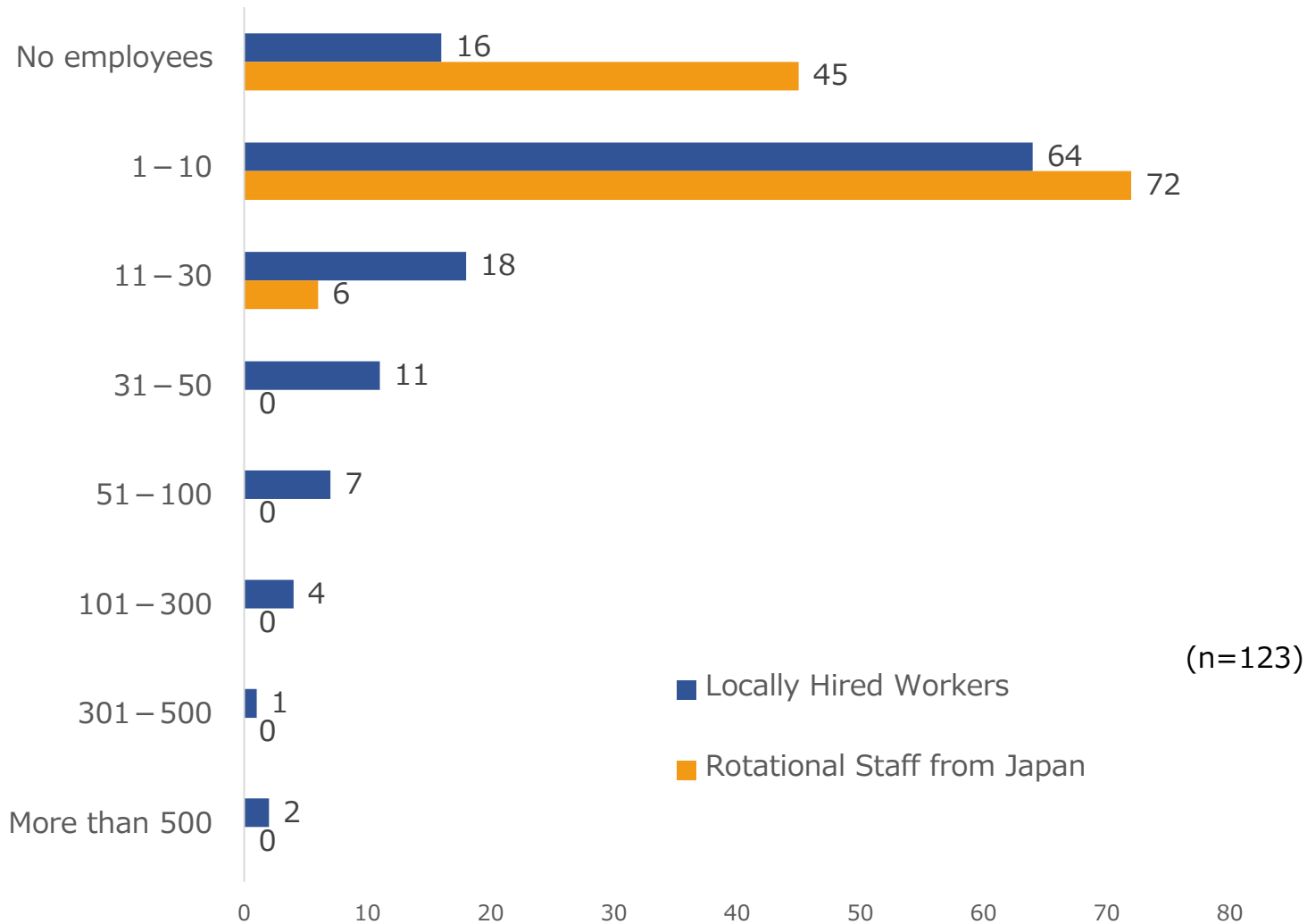
**Northern California****Southern California**

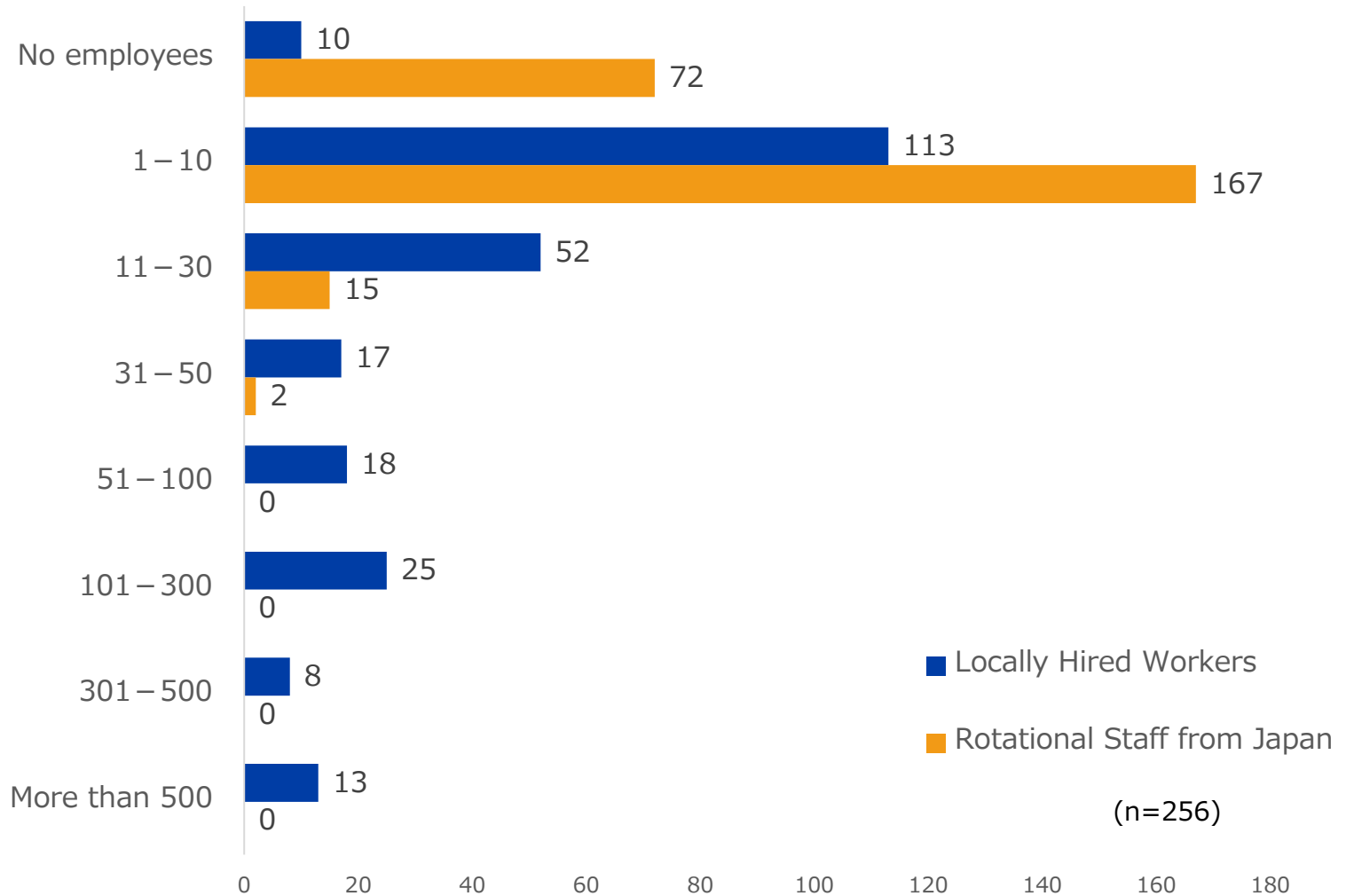
10

# NUMBER OF EMPLOYEES IN CALIFORNIA OFFICES

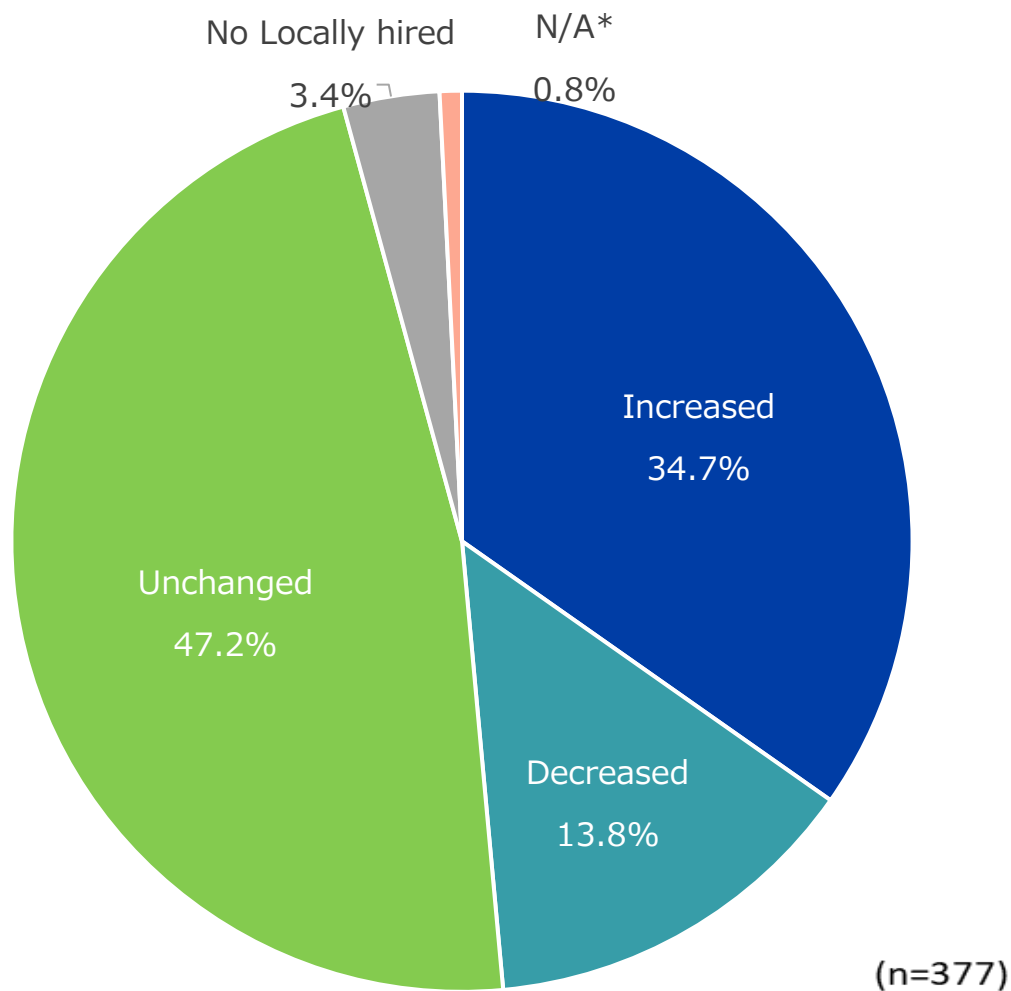
California





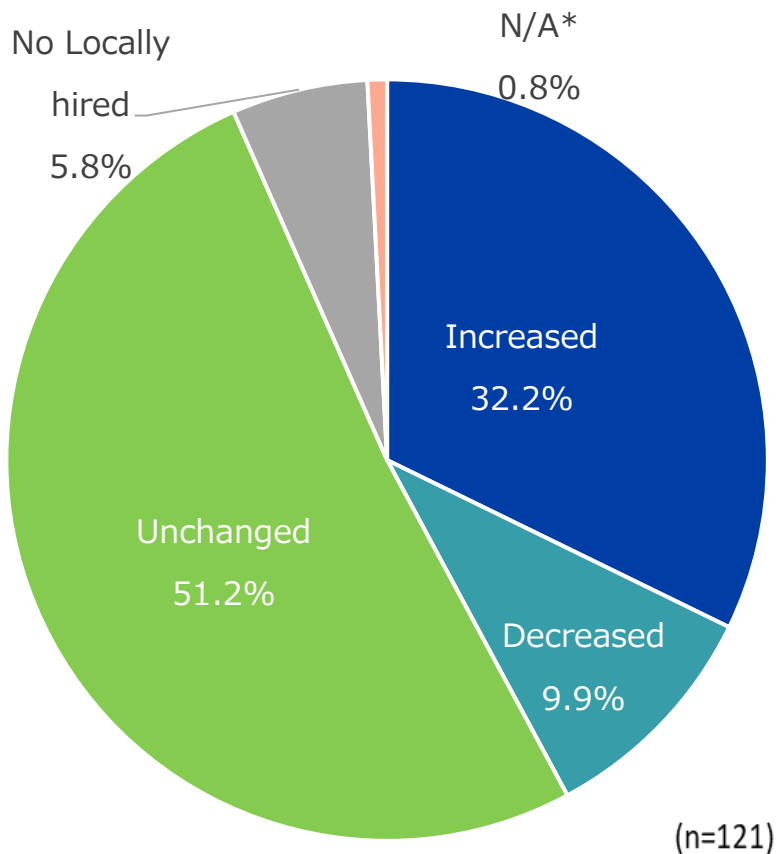


# 11 | CHANGES IN LOCAL EMPLOYMENT BETWEEN 2022 AND 2023

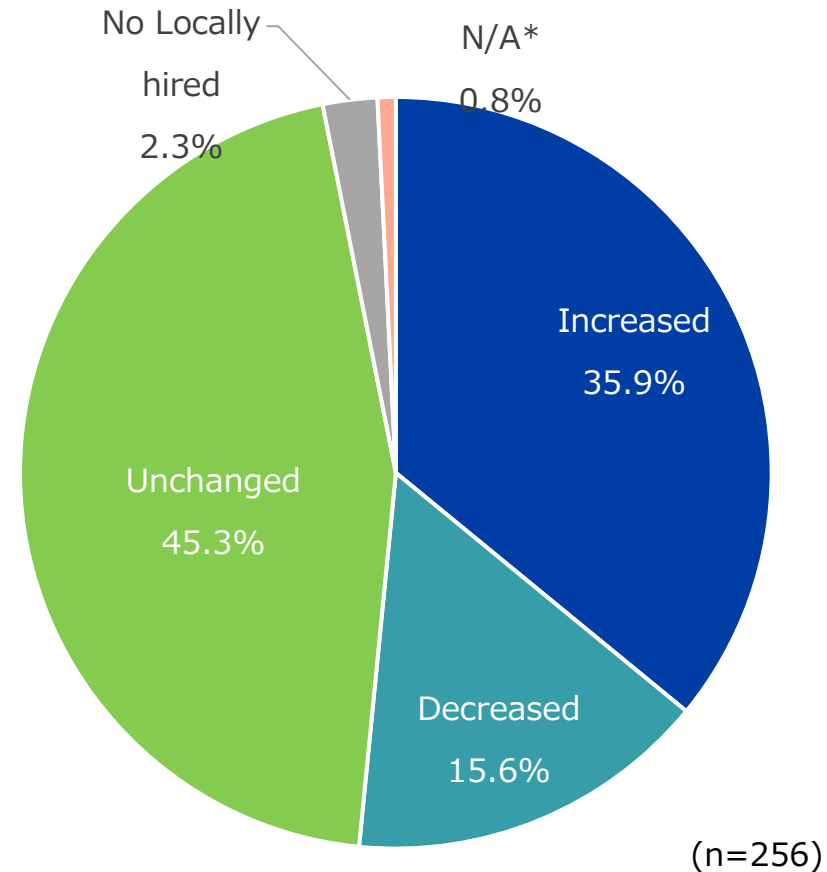


# 11 | CHANGES IN LOCAL EMPLOYMENT BETWEEN 2022 AND 2023

Northern California



Southern California





	Office Admin (n=310)	Manager (n=318)	IT engineer (n=242)	Others (n=182)
No Employees	18.4%	10.7%	53.3%	35.7%
Less than \$43,000	6.1%	0.6%	1.2%	9.9%
\$43,000~60,000	21.0%	4.1%	1.2%	15.9%
\$60,001~80,000	27.8%	15.4%	8.7%	11.5%
\$80,001~98,000	8.4%	16.0%	7.9%	11.0%
\$98,001~126,000	10.0%	23.6%	12.8%	5.5%
\$126,001~155,000	2.9%	10.4%	5.0%	3.8%
\$155,001~180,000	1.6%	7.9%	6.2%	2.2%
\$180,001~200,000	0.3%	4.1%	2.5%	2.2%
More than \$200,000	3.2%	7.2%	1.2%	2.2%

(Note) Top 3 percentages for each positions excluding “No Employees” are highlighted.

	Office Admin (n=98)	Manager (n=101)	IT engineer (n=83)	Others (n=66)
No Employees	25.5%	20.8%	60.2%	48.5%
Less than \$43,000	9.2%	0.0%	1.2%	7.6%
\$43,000~60,000	12.2%	3.0%	1.2%	12.1%
\$60,001~80,000	20.4%	7.9%	3.6%	7.6%
\$80,001~98,000	12.2%	8.9%	3.6%	9.1%
\$98,001~126,000	12.2%	17.8%	9.6%	3.0%
\$126,001~155,000	3.1%	11.9%	2.4%	4.5%
\$155,001~180,000	2.0%	8.9%	12.0%	1.5%
\$180,001~200,000	1.0%	5.0%	2.4%	3.0%
More than \$200,000	2.0%	15.8%	3.6%	3.0%

(Note) Top 3 percentages for each positions excluding “No Employees” are highlighted

	Office Admin (n=212)	Manager (n=217)	IT engineer (n=159)	Others (n=116)
No Employees	15.6%	6.0%	49.7%	28.4%
Less than \$43,000	4.7%	0.9%	1.3%	11.2%
\$43,000~60,000	25.0%	4.6%	1.3%	18.1%
\$60,001~80,000	31.1%	18.9%	11.3%	13.8%
\$80,001~98,000	6.6%	19.4%	10.1%	12.1%
\$98,001~126,000	9.0%	26.3%	14.5%	6.9%
\$126,001~155,000	2.8%	9.7%	6.3%	3.4%
\$155,001~180,000	1.4%	7.4%	3.1%	2.6%
\$180,001~200,000	0.0%	3.7%	2.5%	1.7%
More than \$200,000	3.8%	3.2%	0.0%	1.7%

(Note) Top 3 percentages for each positions excluding “No Employees” are highlighted.

# 13 | BENEFITS OFFERED TO LOCAL EMPLOYEES

	Offering	Not offering	Considering	n
Medical/Dental Insurance	89.8%	9.0%	1.1%	354
401K plan/ Cal Servers	77.4%	20.6%	2.1%	340
Staggered working hours	61.3%	37.7%	1.0%	310
Full remote work	60.3%	37.9%	1.9%	317
Flex time options	59.0%	39.1%	1.9%	317
Paid maternity / Paternity leave	58.4%	40.0%	1.6%	315
Life Insurance	55.5%	43.5%	0.9%	317
Additional paid sick leave	47.9%	49.8%	2.2%	315
Reimbursement for gas/parking	43.1%	54.9%	2.0%	306
Full/partial reimbursement for furnishing employees' home office	42.3%	54.5%	3.2%	310
Professional growth & class/tuition fee reimbursement	36.9%	59.2%	3.9%	306
Free meals and snacks	33.1%	65.3%	1.6%	308
Commute expenses reimbursement/ commuter allowance	23.3%	76.0%	0.7%	300
Housing Assistance	12.8%	86.8%	0.3%	296

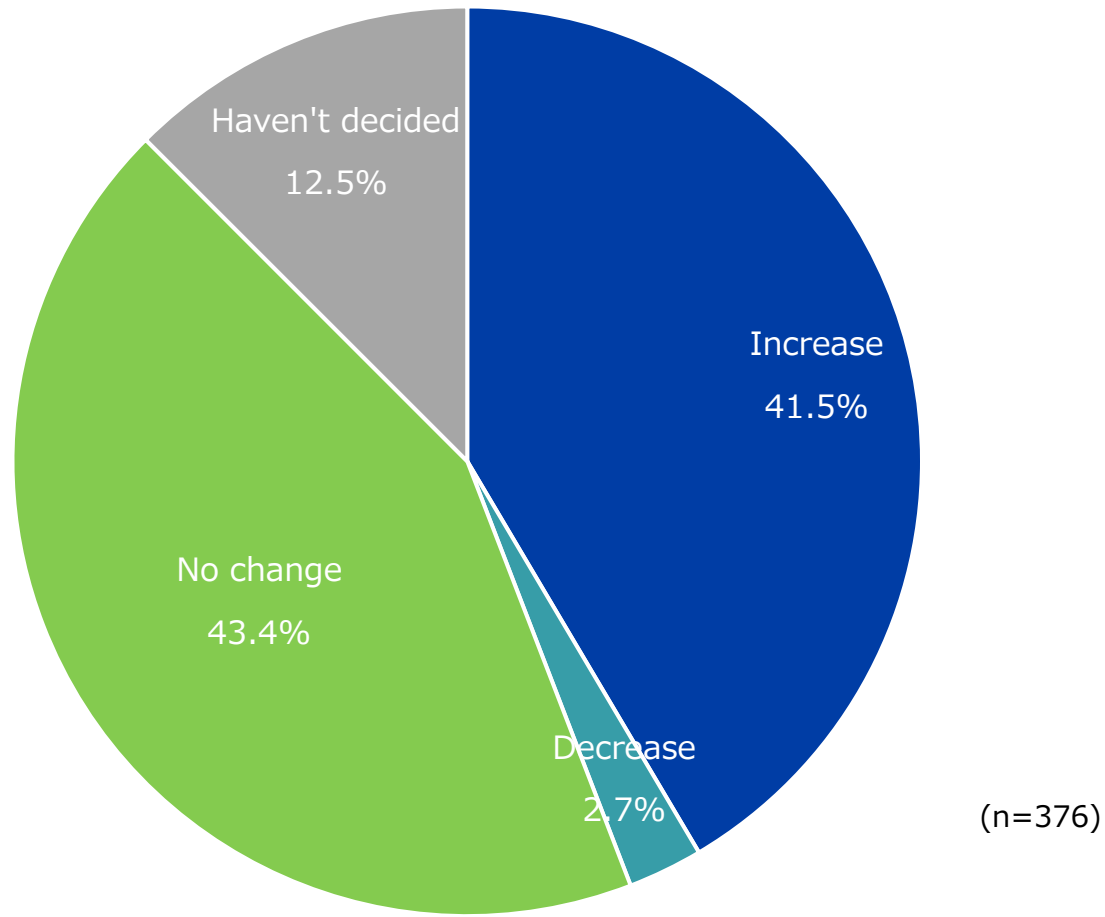
# 13 | BENEFITS OFFERED TO LOCAL EMPLOYEES

	Offering	Not offering	Considering	n
Medical/Dental Insurance	85.6%	13.5%	0.9%	111
401K plan/ Cal Servers	74.1%	25.0%	0.9%	108
Flex time options	65.7%	32.4%	2.0%	102
Staggered working hours	64.7%	33.3%	2.0%	102
Paid maternity / Paternity leave	64.4%	34.7%	1.0%	101
Full remote work	62.0%	37.0%	1.0%	100
Life Insurance	48.5%	49.5%	2.0%	99
Additional paid sick leave	48.5%	48.5%	3.1%	97
Full/partial reimbursement for furnishing employees' home office	43.4%	52.5%	4.0%	99
Reimbursement for gas/parking	43.3%	52.6%	4.1%	97
Professional growth & class/tuition fee reimbursement	41.4%	52.5%	6.1%	99
Free meals and snacks	40.2%	55.7%	4.1%	97
Commute expenses reimbursement/ commuter allowance	34.7%	64.2%	1.1%	95
Housing Assistance	23.2%	75.8%	1.1%	95

# 13 | BENEFITS OFFERED TO LOCAL EMPLOYEES

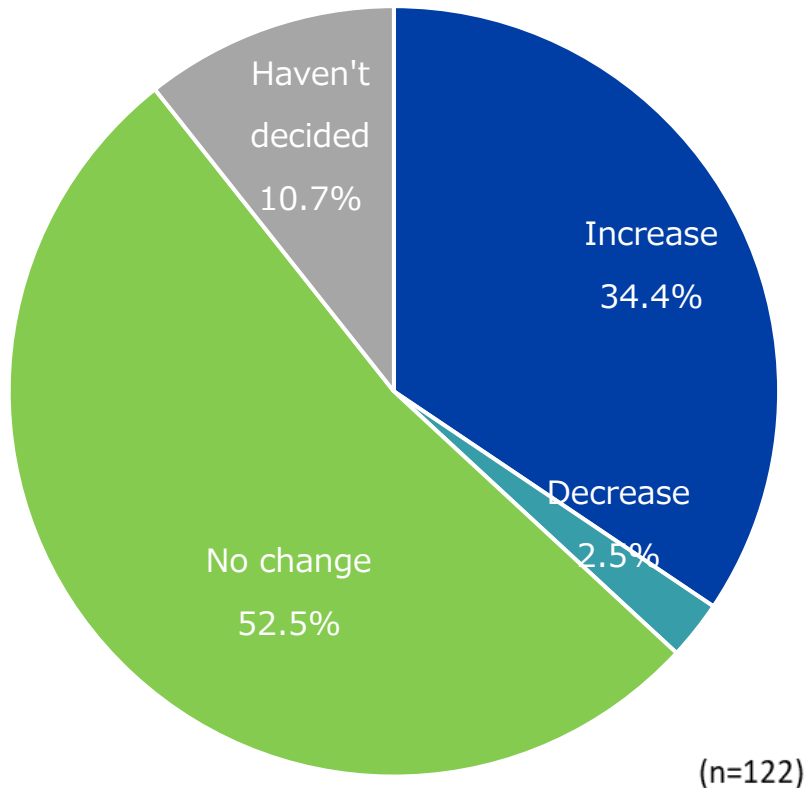
	Offering	Not offering	Considering	n
Medical/Dental Insurance	91.8%	7.0%	1.2%	243
401K plan/ Cal Servers	78.9%	18.5%	2.6%	232
Staggered working hours	59.6%	39.9%	0.5%	208
Full remote work	59.4%	38.2%	2.3%	217
Life Insurance	58.7%	40.8%	0.5%	218
Flex time options	55.8%	42.3%	1.9%	215
Paid maternity / Paternity leave	55.6%	42.5%	1.9%	214
Additional paid sick leave	47.7%	50.5%	1.8%	218
Reimbursement for gas/parking	43.1%	56.0%	1.0%	209
Full/partial reimbursement for furnishing employees' home office	41.7%	55.5%	2.8%	211
Professional growth & class/tuition fee reimbursement	34.8%	62.3%	2.9%	207
Free meals and snacks	29.9%	69.7%	0.5%	211
Commute expenses reimbursement/ commuter allowance	18.0%	81.5%	0.5%	205
Housing Assistance	8.0%	92.0%	0.0%	201

# 14 HIRING PLANS FOR LOCAL EMPLOYEES IN THE NEXT 1-2 YEARS

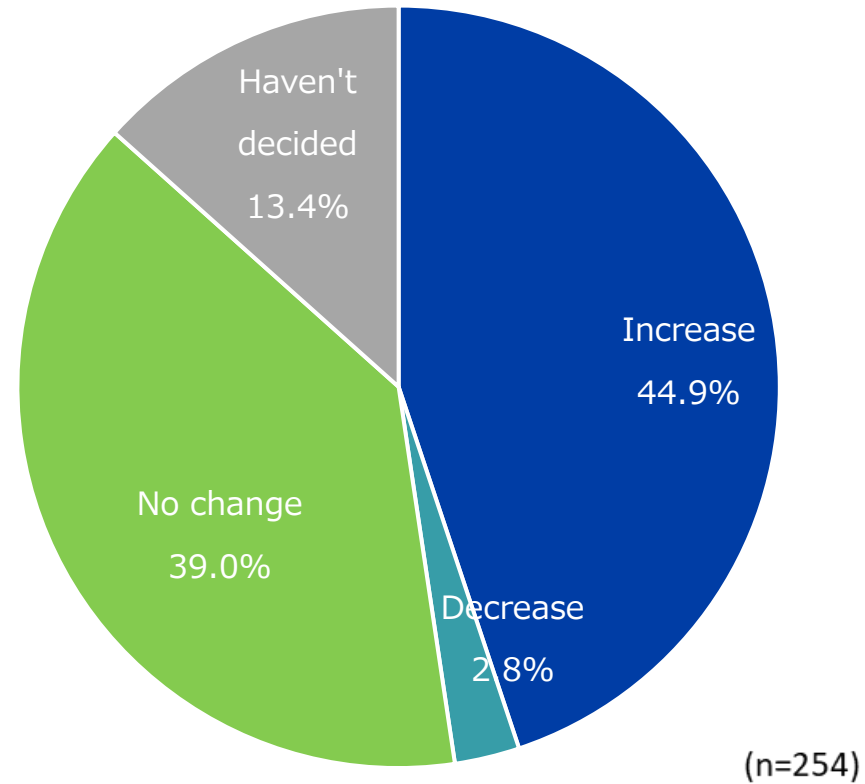


# 14 | HIRING PLANS FOR LOCAL EMPLOYEES IN THE NEXT 1-2 YEARS

**Northern California**



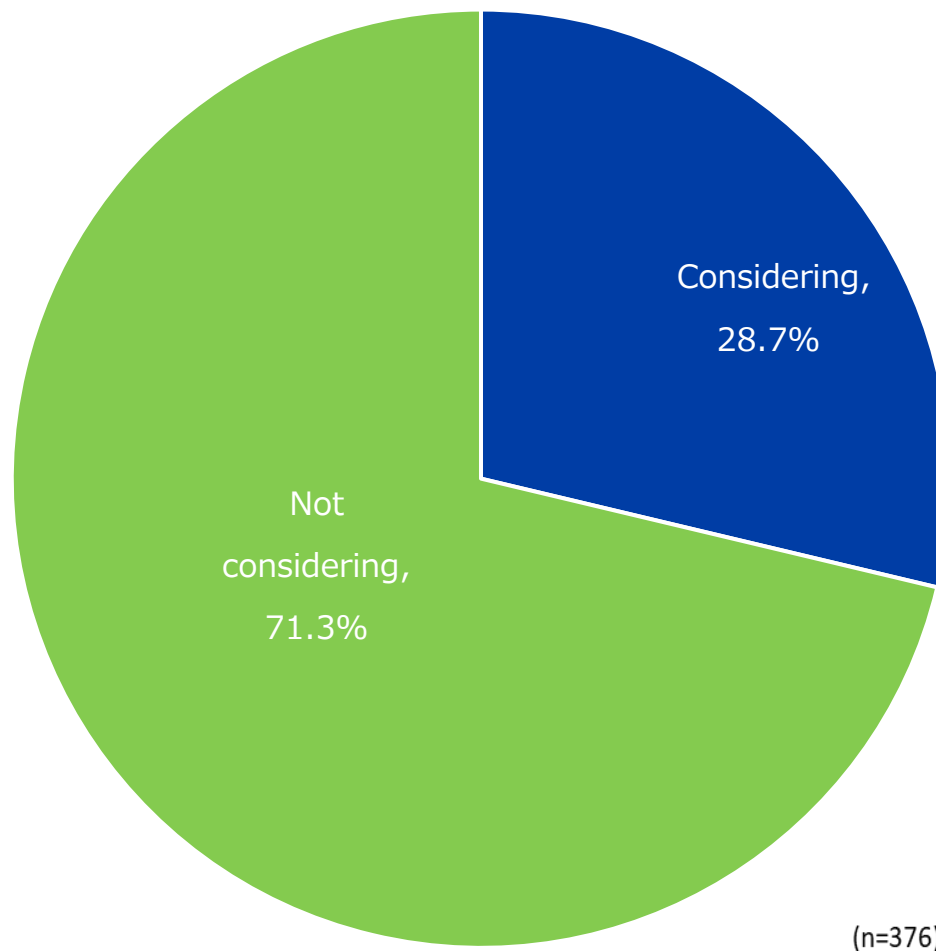
**Southern California**





# 15 | HIRING PLANS FOR OUT-OF-STATE REMOTE WORKERS

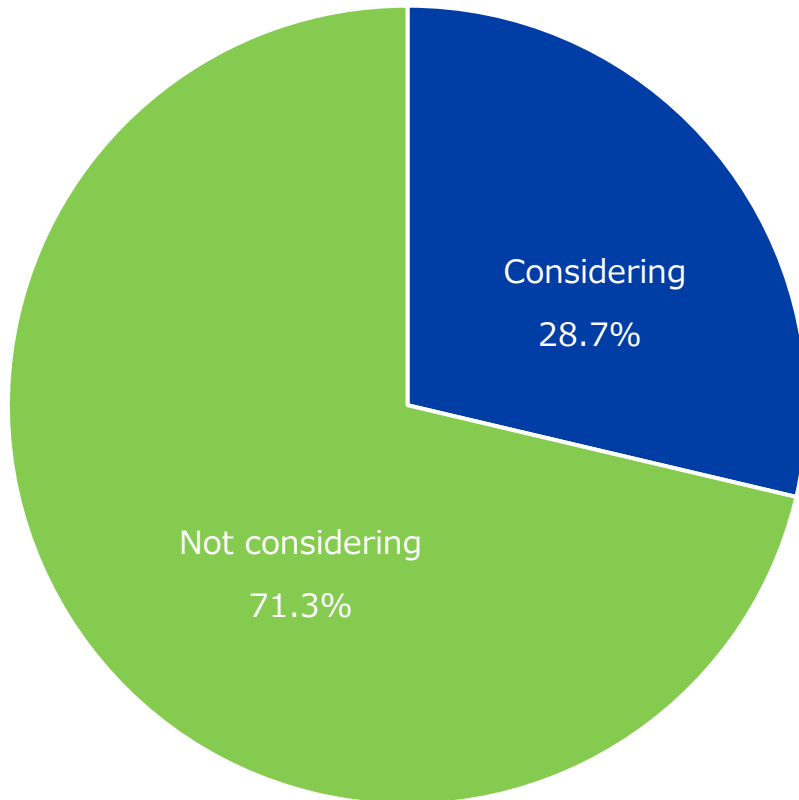
California



(Note) According to the survey, out of state hiring plans are: (e.g.) in Washington, Oregon, Arizona or Texas. Also, anywhere in the nation or in Japan.

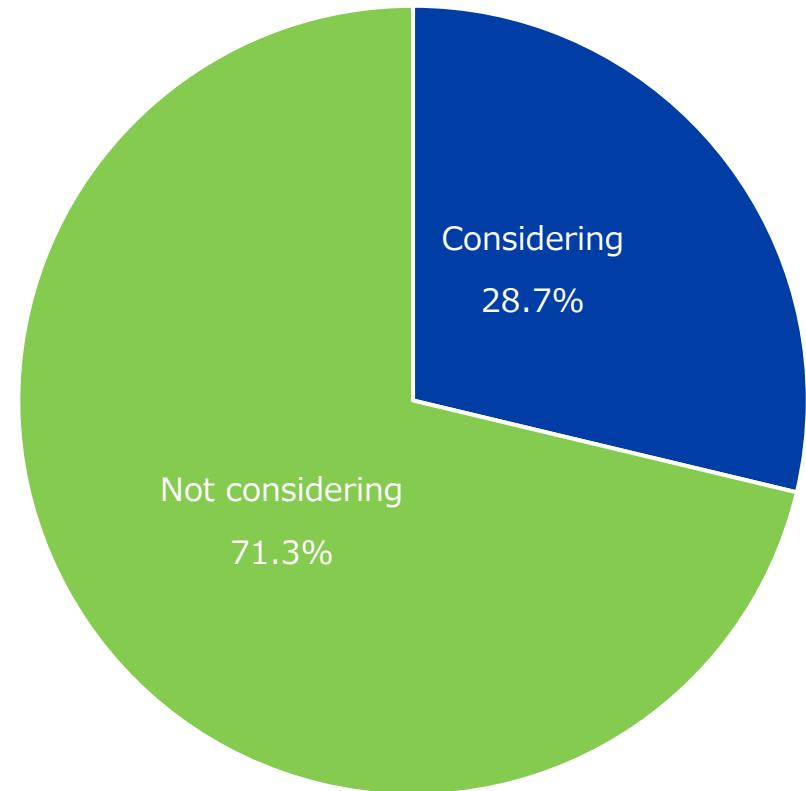
# 15 | HIRING PLANS FOR OUT-OF-STATE REMOTE WORKERS

Northern California



(n=122)

Southern California

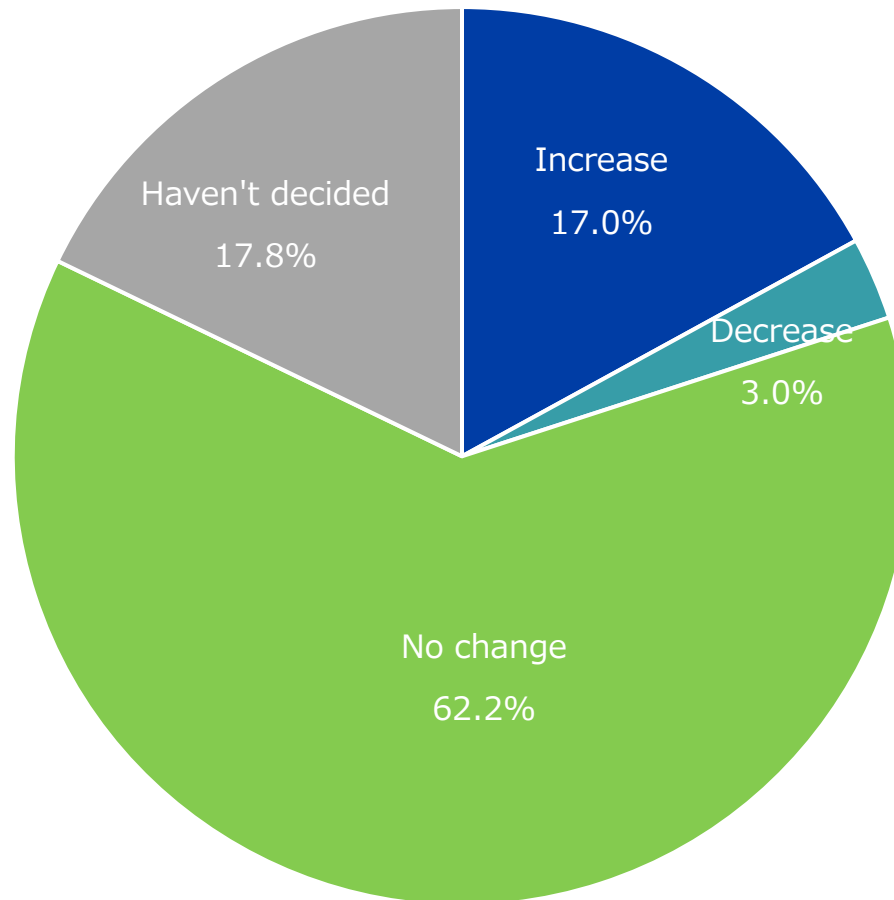


(n=254)

16

## ROTATIONAL STAFF FROM JAPAN FOR THE NEXT 1-2 YEARS

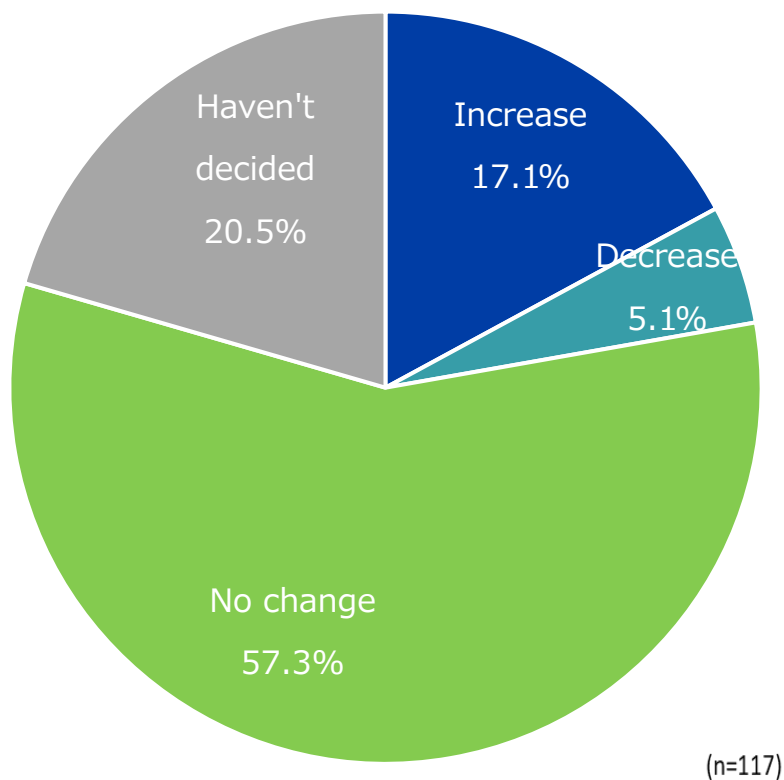
California



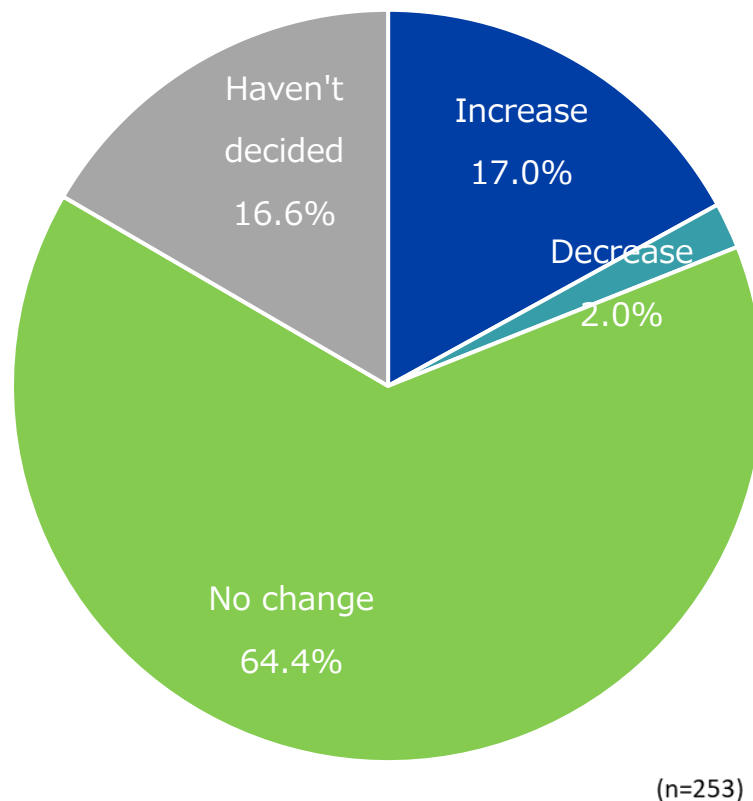
(n=370)

# 16 | ROTATIONAL STAFF FROM JAPAN FOR THE NEXT ONE OR TWO YEARS

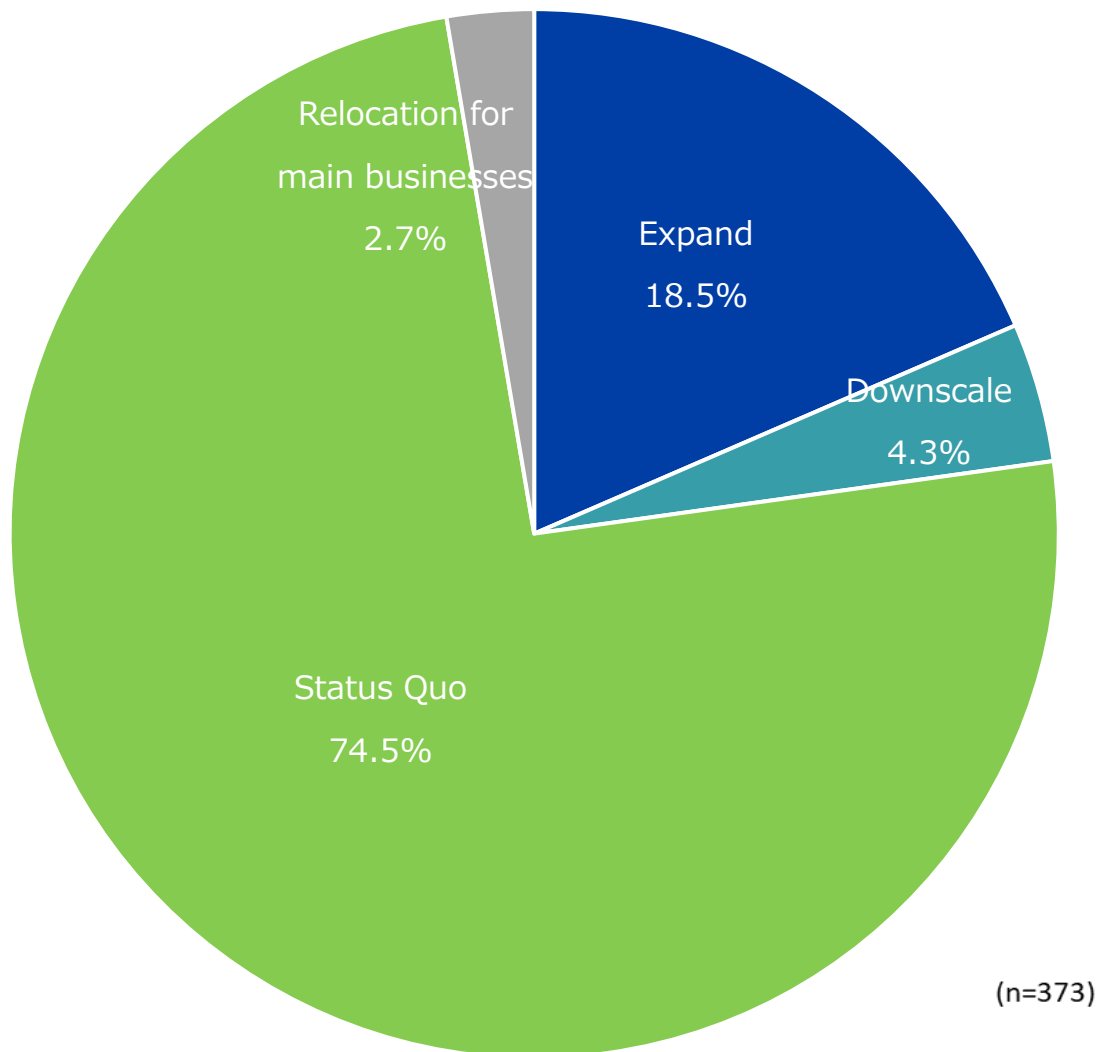
Northern California



Southern California

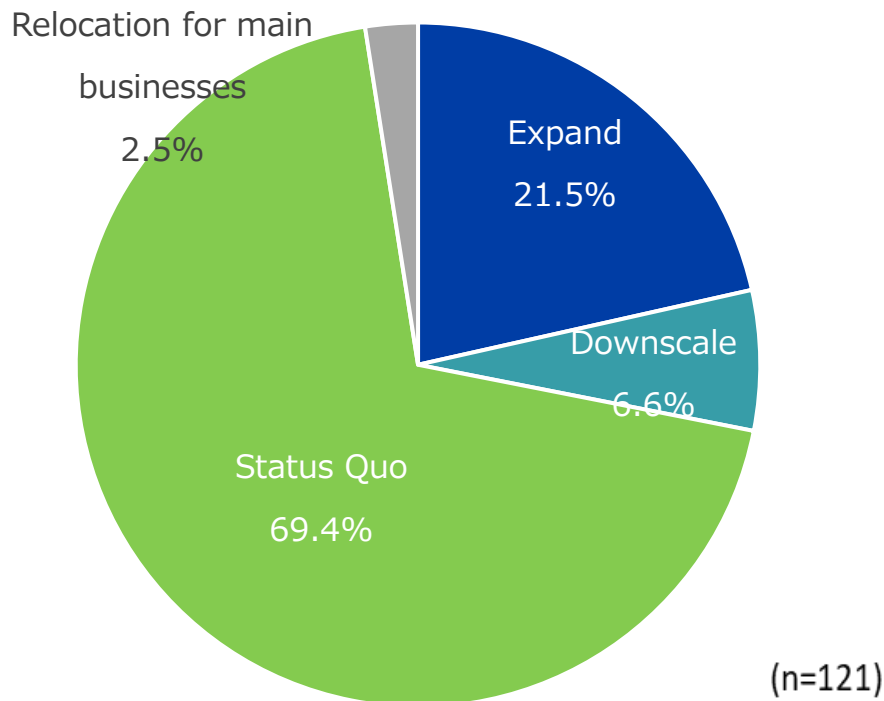


# 17 | INVESTMENT AND BUSINESS PLANS FOR THE NEXT ONE OR TWO YEARS

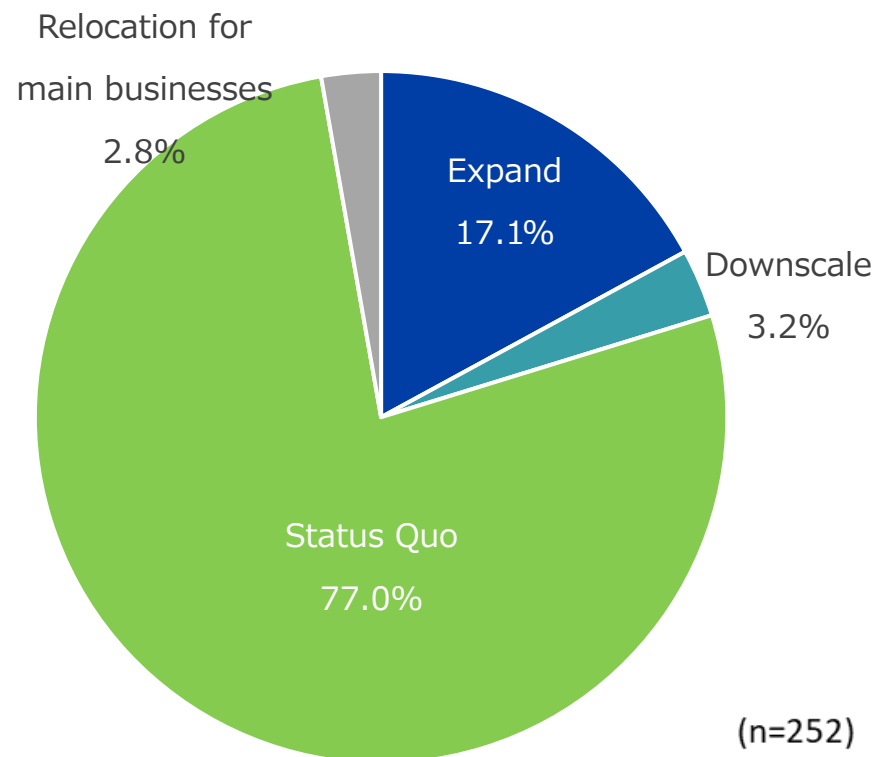


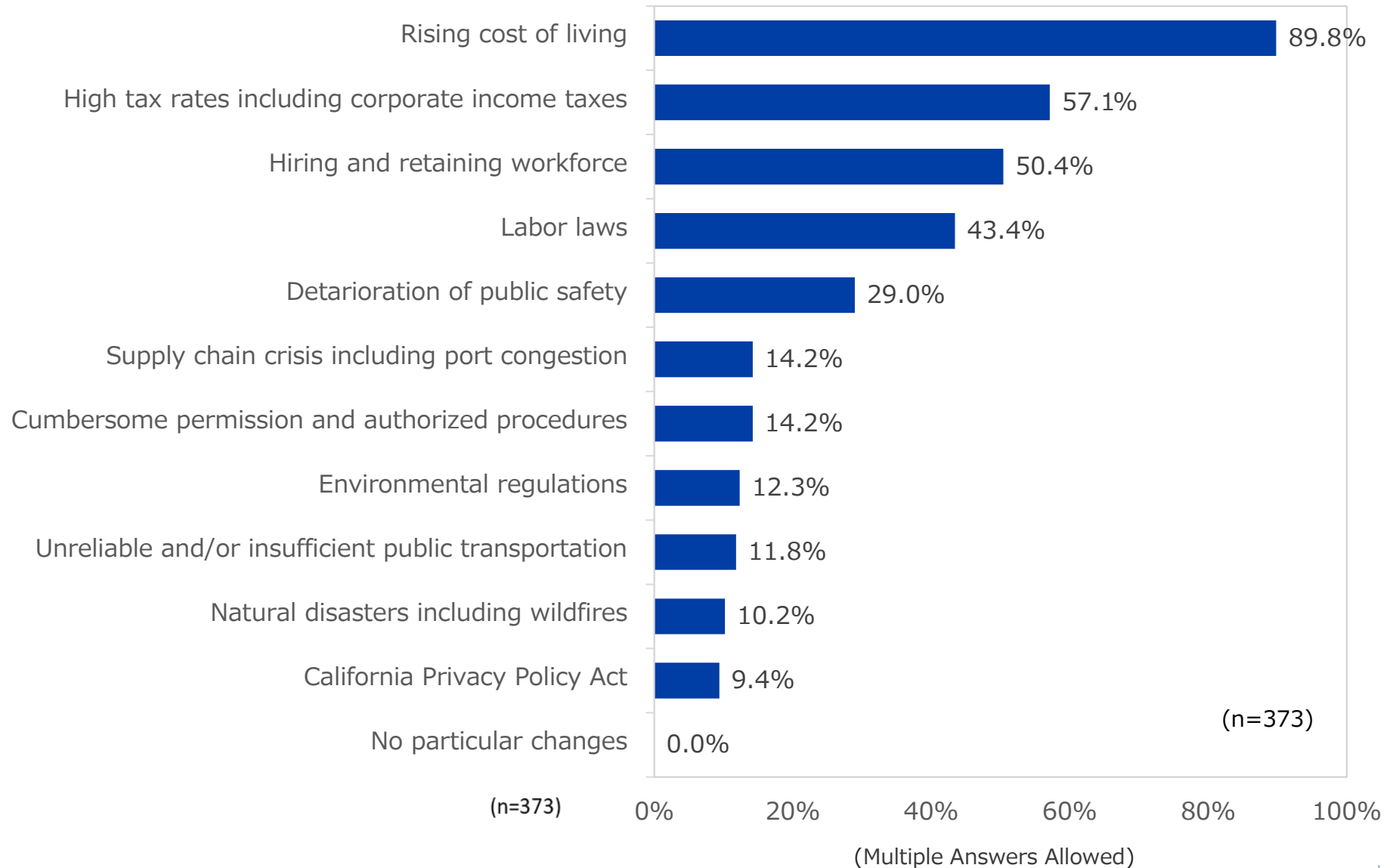
# 17 | INVESTMENT AND BUSINESS PLANS FOR THE NEXT ONE OR TWO YEARS

## Northern California

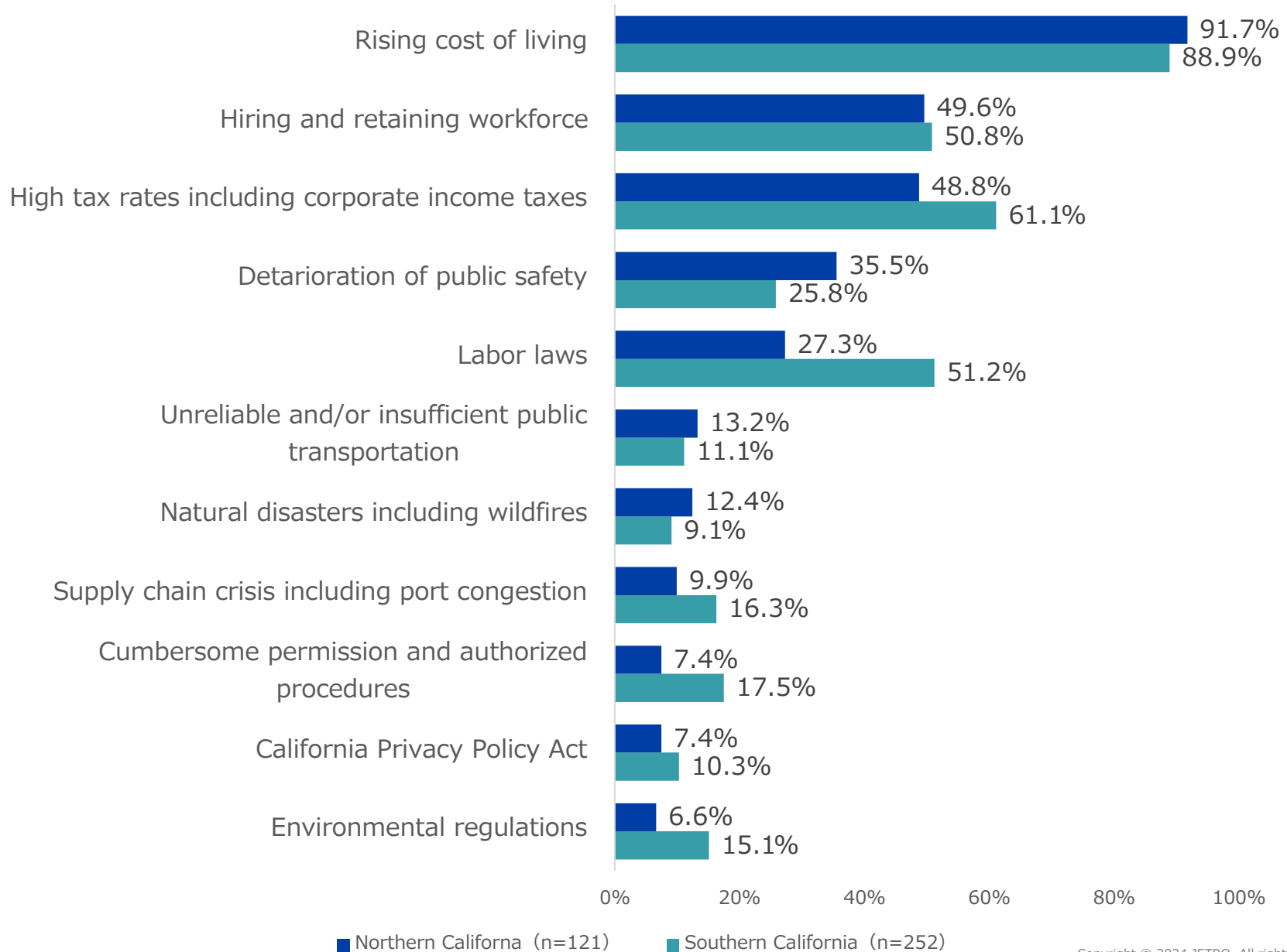


## Southern California





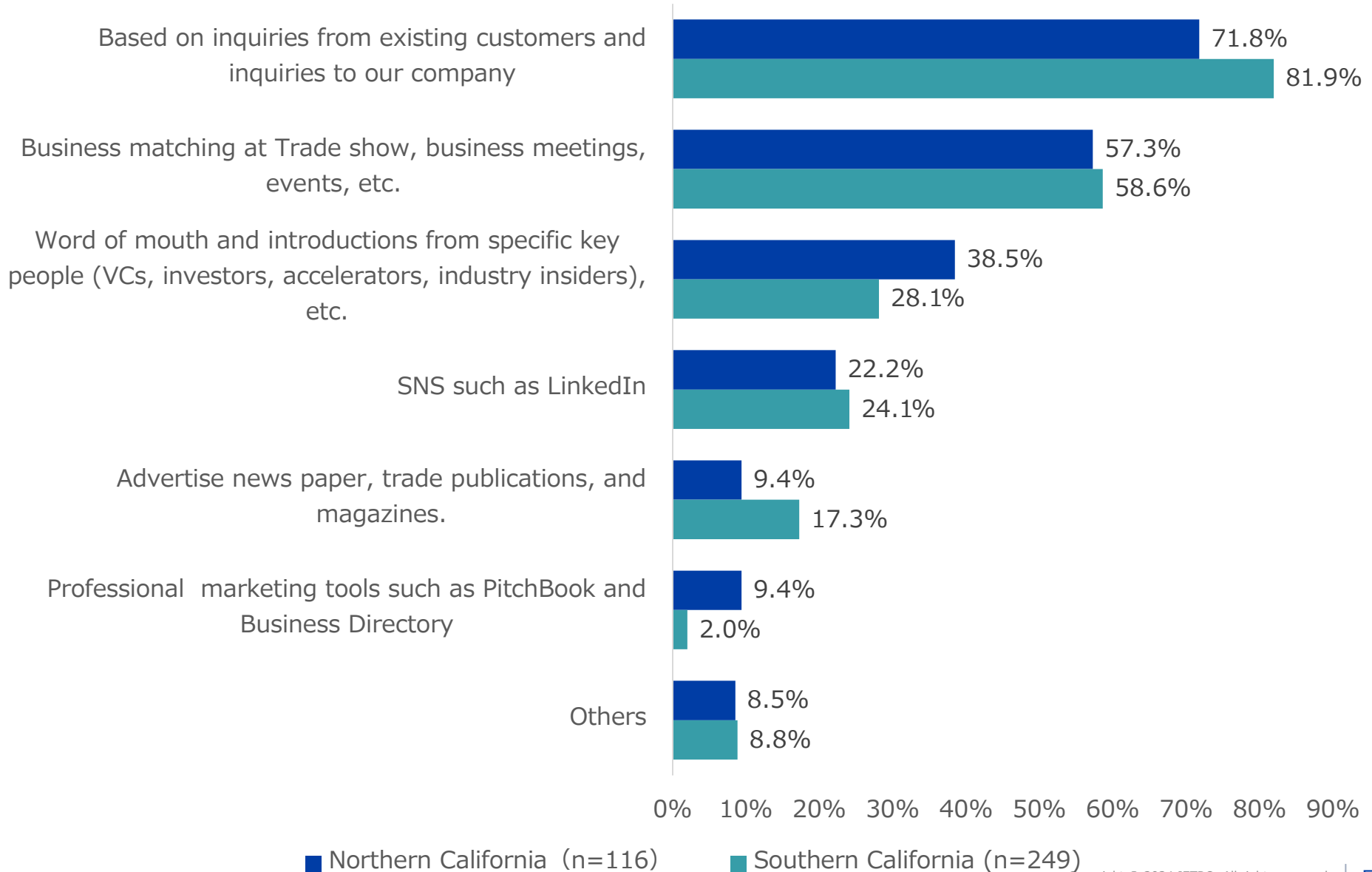
# 18 | CHALLENGES FOR BUSINESS OPERATIONS IN CALIFORNIA

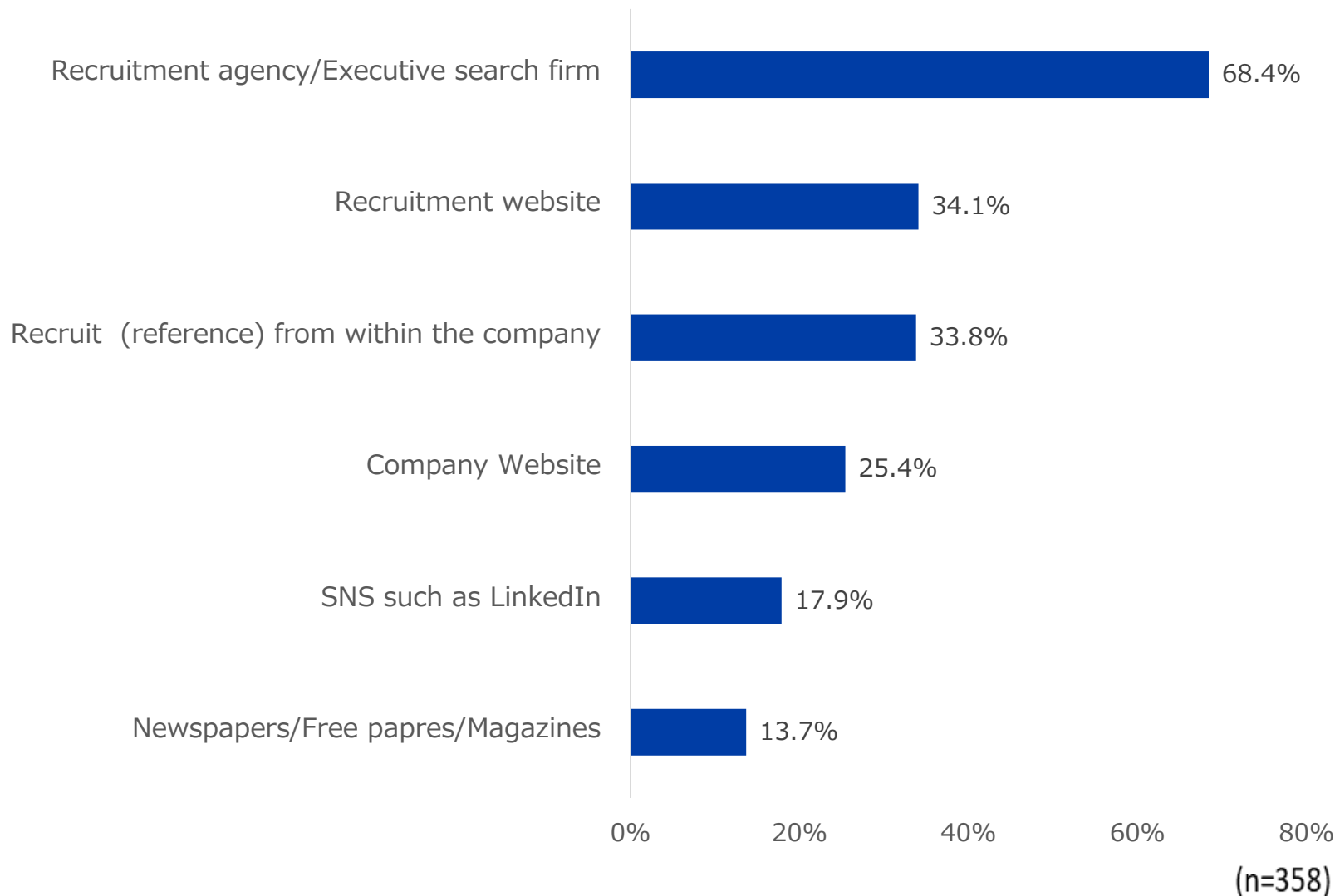






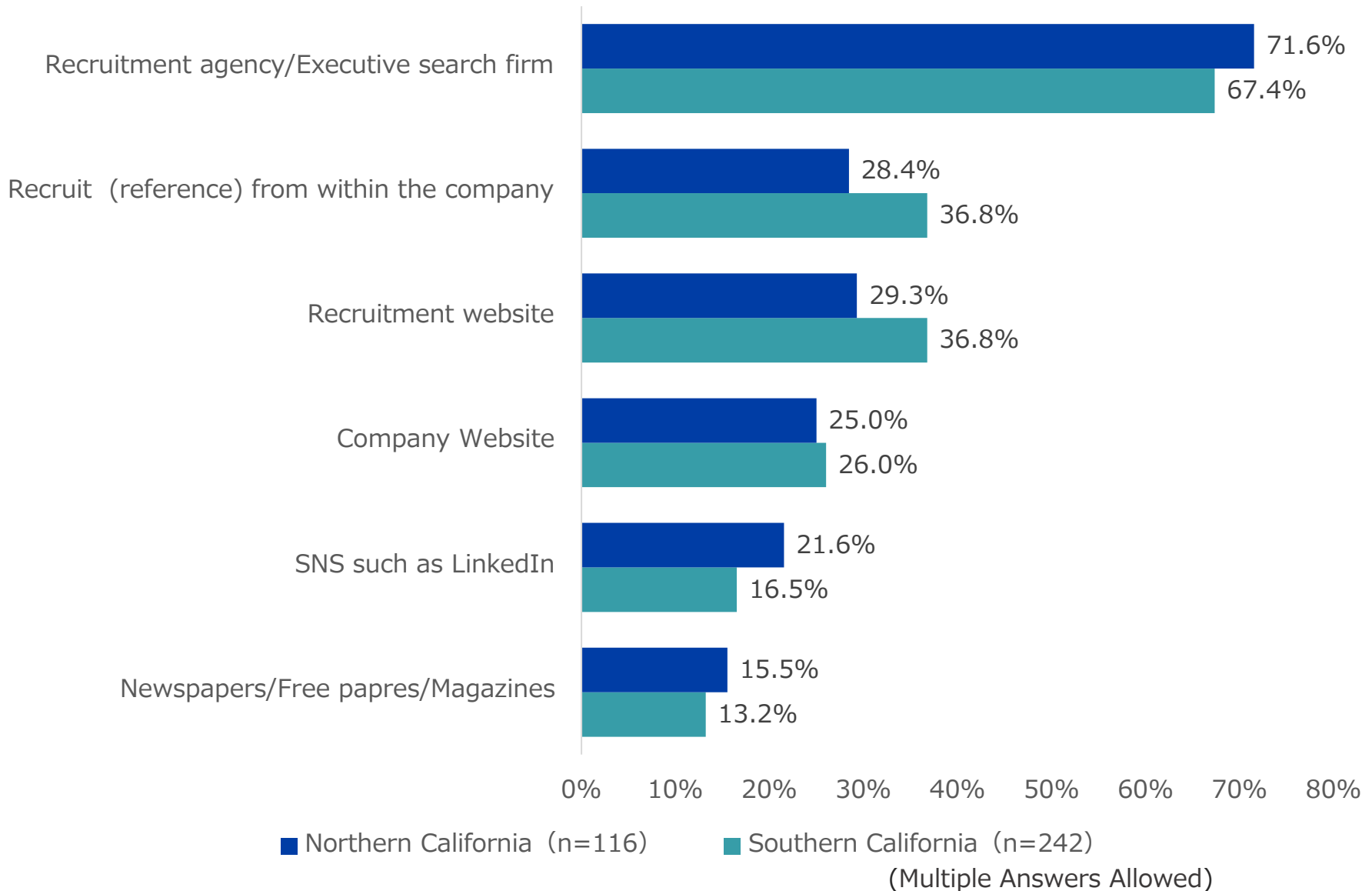
# 19 | ACTIVITIES TO EXPAND SALES CHANNELS



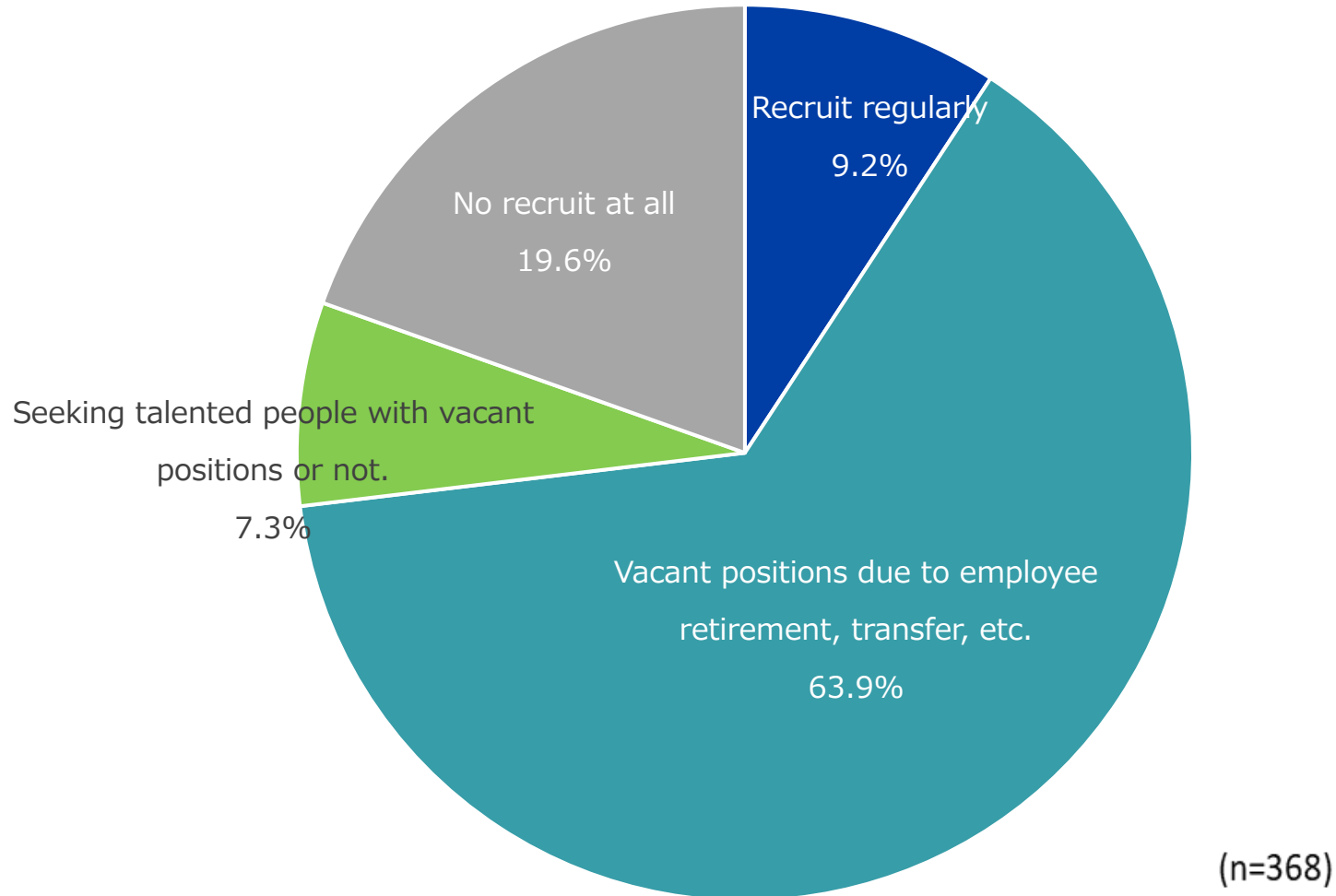


(Multiple Answers Allowed)

## 20 | RECRUITMENTS OF LOCAL EMPLOYEES



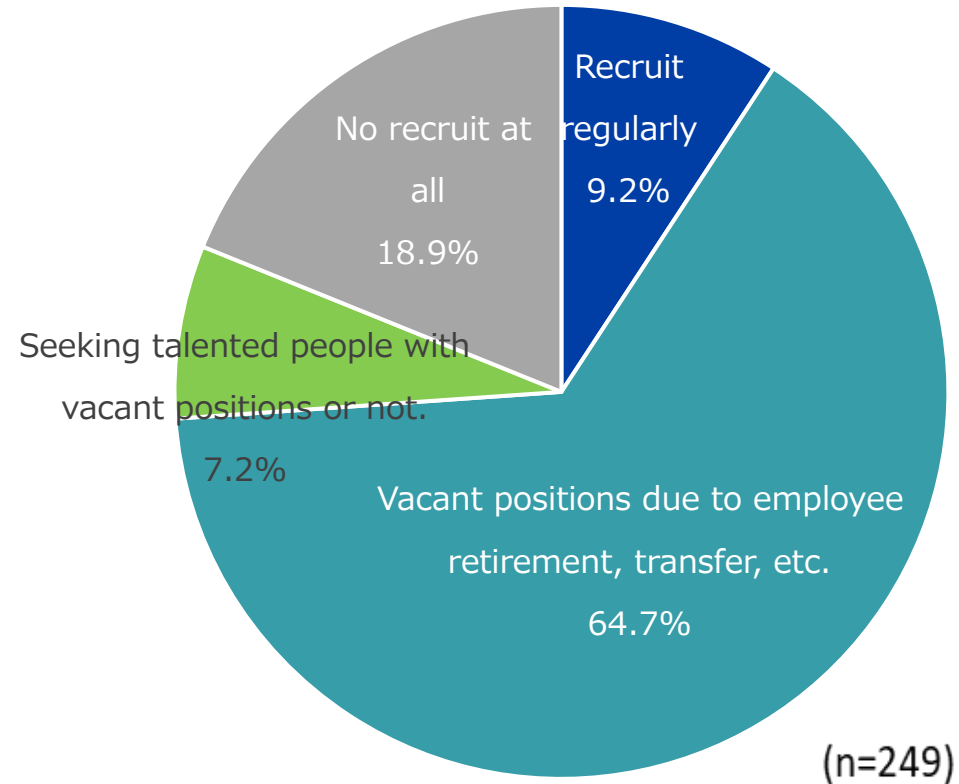
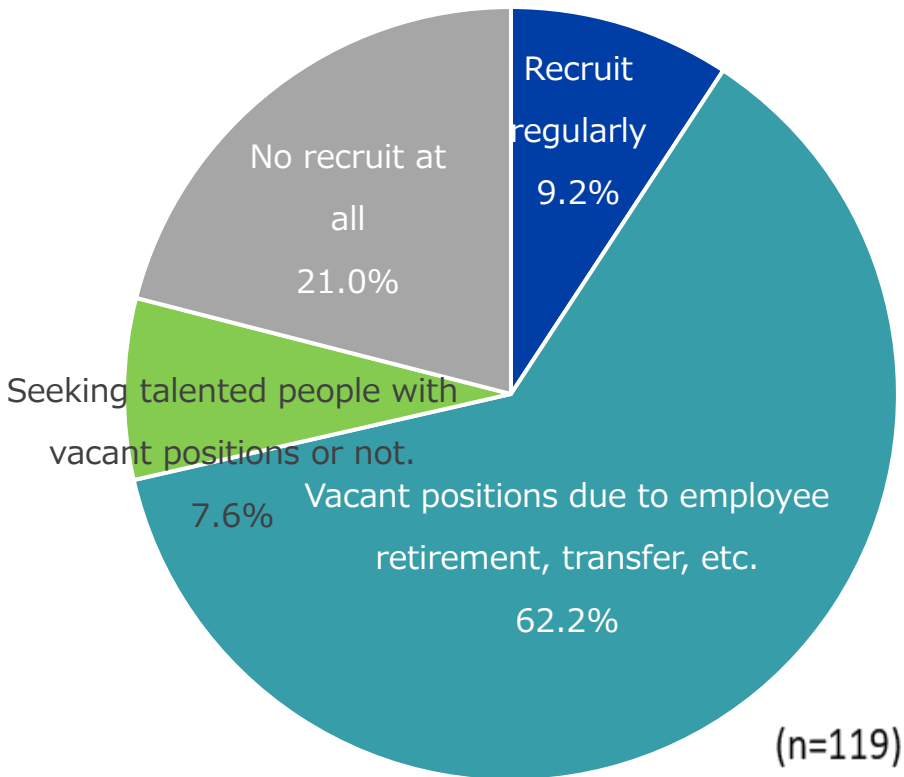
# 21 | Local Employees Hiring activities

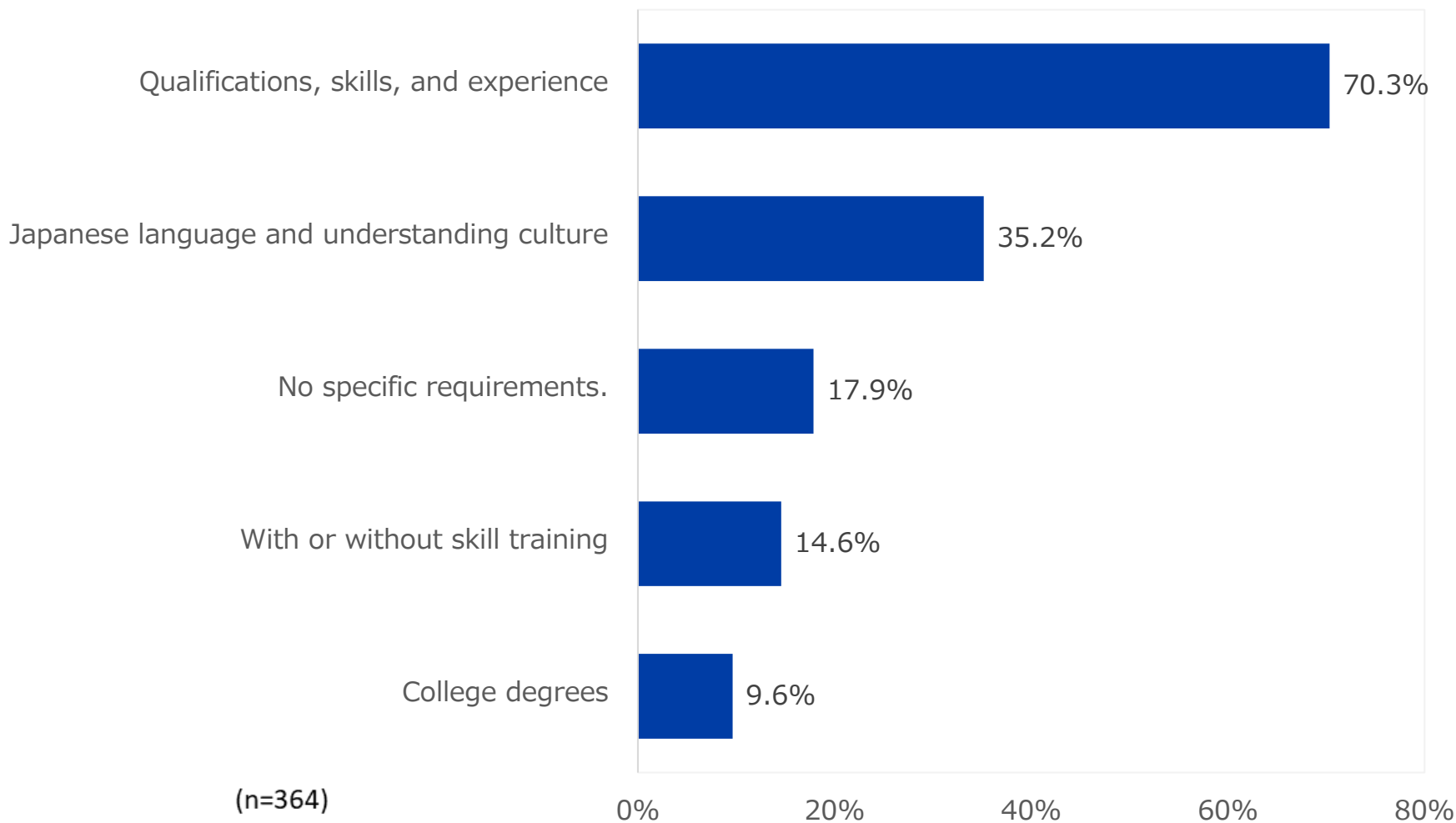


## 21 | Local Employees Hiring activities

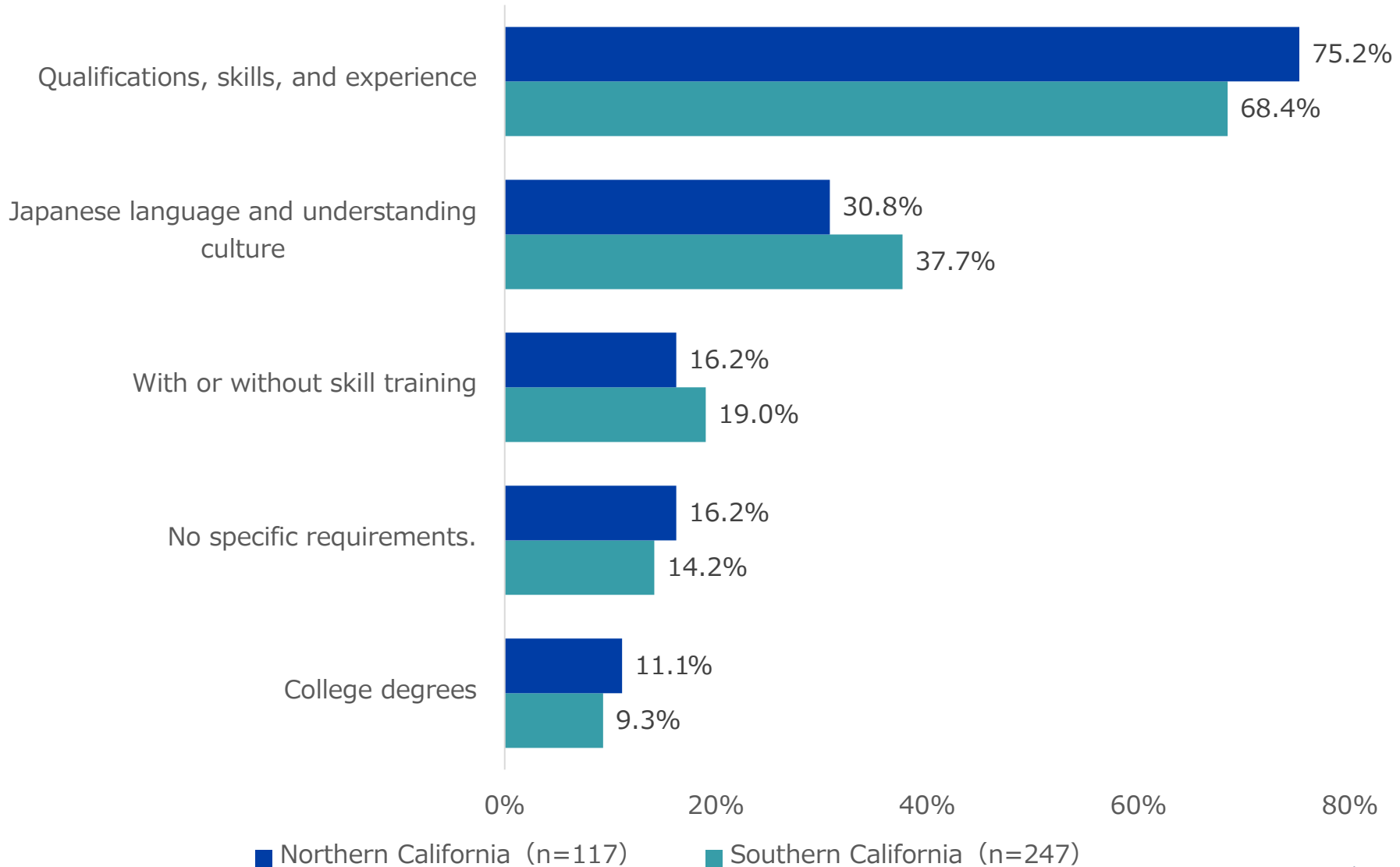
### Northern California

### Southern California





## 21 | HIRING PRIORITIES FOR LOCAL EMPLOYEES





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