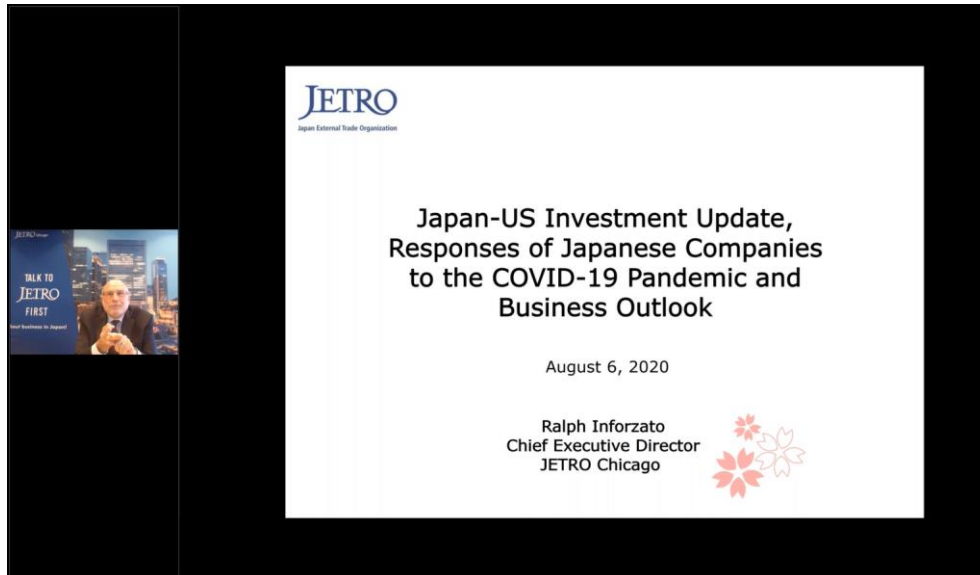


October 9, 2020

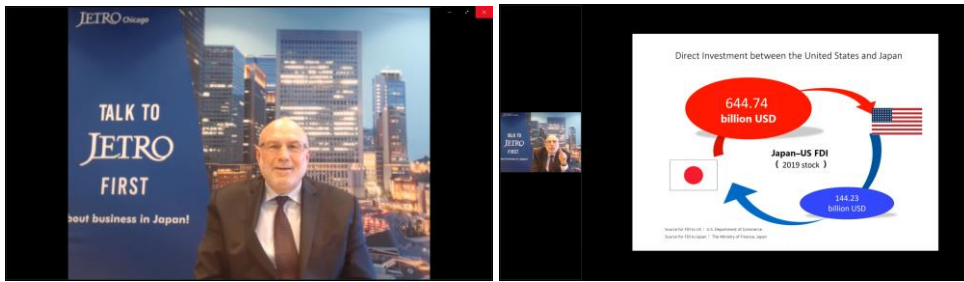


JETRO hosted a webinar on Japanese Companies Responses to the US COVID-19 Pandemic and Business Outlook

Japanese companies are indicating a double set of challenges in conducting business in America these days. First, they need to manage the day-to-day challenge of re-opening their business operations. Secondly, because of the Presidential Proclamation on Non-Immigrant Visas, Japanese businesses have the challenge to secure timely personnel transfers from Japan to help them effectively maintain their U.S. based operations.

To support these companies, and to address such challenges and answer their questions, JETRO provided an overview of the recent Japanese Investment presence in the U.S., the current business situation, and the outlook of Japanese companies responding to the COVID-19 Pandemic.

In the beginning, Ralph Inforzato, Chief Executive Director, JETRO Chicago, emphasized the impact of Japanese investment in the U.S. by highlighting that Japan further increased its FDI (Foreign Direct Investment) in the U.S in 2019 and marked the No. 1 spot as a foreign country investing in the US.



On the other hand, the Presidential Proclamation concerning VISAs is having a large impact on Japanese companies in the U.S. Japanese business managers responded to our survey very clearly, stating that the continuity of their U.S. business is affected by this proclamation because the new L-VISAs are not being issued. By reading their narrative on this, which is included in the context of the survey, you can obtain a feel for their anxiety in operating a business in the U.S.



Ted Kawashima, Director of JAPIA (Japan Automotive Parts Industries Association) North America Office was the guest speaker for this webinar and shared his perspectives about the current situation and the challenges of Japanese automotive suppliers with U.S.-based operations.

Overall, 292 individuals participated in our webinar from all over the world. At the end of the session, participants deepened their understanding of their business opportunities in the U.S. by discussing the direction of plans.



Here are some of the highlights from our most recent Business Survey. You can access the results [here](#):

- More than 70% of the surveyed companies have seen a decrease in sales in the past month. However, companies whose sales fell by more than 50% was half from the previous survey conducted at the end of May, and there are signs of improvement.
- From the following survey conducted at the end of April, nearly 70% of companies stated there has been no impact on employment. Currently, more than 70% of companies that laid-off employees have now recalled them back to work.
- By the end of 2020, more than 60% of companies stated they would maintain their business operations in the US. More than 20% of those companies plan to reduce operations.
- For the first time, the number of responding companies and employees that are impacted under the Presidential Proclamation is shown. Across the US, at least 308 companies and more than 1,400 employees will be impacted by the Presidential Proclamation. In particular, the impact on the restriction of L visas (in-house transferees) is significant, accounting for nearly 90% of the total.

JETRO New York

Rept4@jetro.go.jp