

JETRO

Japan External Trade Organization

INVEST  JAPAN

Talk to JETRO First

about business in Japan!



Message from the Prime Minister



PHOTO: CABINET PUBLIC RELATIONS OFFICE

The Japan that I am pursuing is a Japan that leads to being wide open to the entire world. What is necessary for Japan's revival is a powerful catalyst that will restyle the old Japan and then make the "new" Japan even stronger. These are the expectations I hold towards direct investments into Japan. By 2020, we will expand the balance of direct investment in Japan by foreign companies to 35 trillion yen, a doubling of the current figure.

-Mr. Shinzo Abe, Prime Minister of Japan

Message from Minister of Economy, Trade and Industry



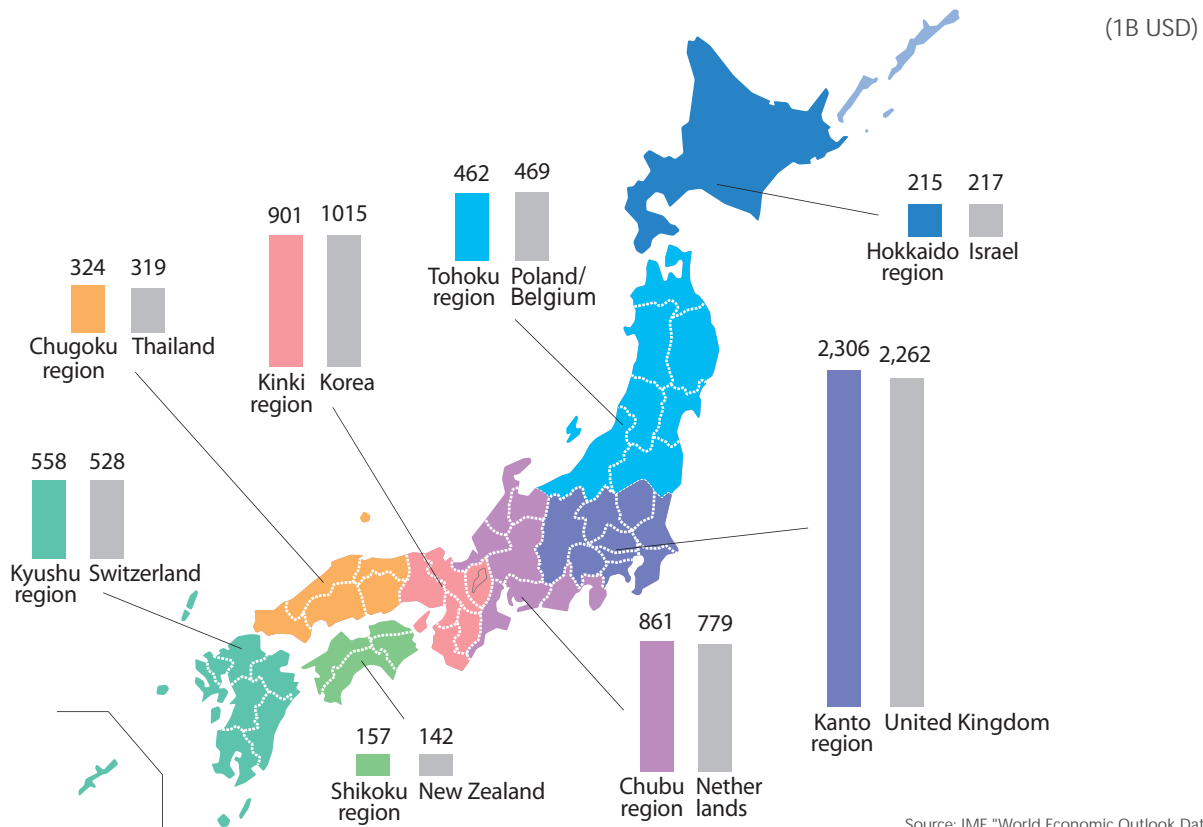
PHOTO: Ministry of Economy, Trade and Industry

We welcome many foreign companies to invest and to do business in Japan. Japan is ideal for innovation, and we offer you a business and living environment at the highest level in the world. In addition, Japan is a global trend leader with a GDP that is the world's third largest, which means it will be a good gateway for you to enter the growing Asian market. In order to further enhance Japan's attractiveness as an investment destination, we will improve the business environment by utilizing policies such as "National Strategic Special Zones", and will expand our support measures. By all means, invest in Japan!

-Mr. Toshimitsu Motegi, Minister of Economy, Trade and Industry

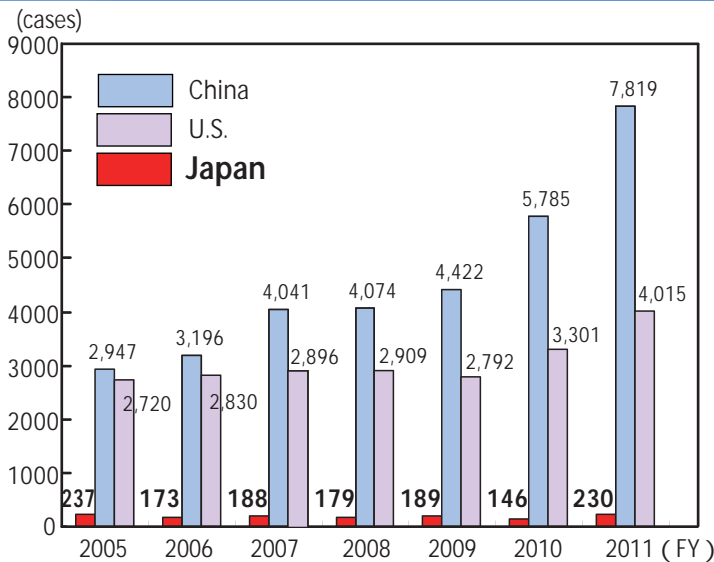
Did you know that Japan is a sophisticated, attractive, and enormous market?

GDP Comparison Between Japan's Regions and Select Foreign Countries



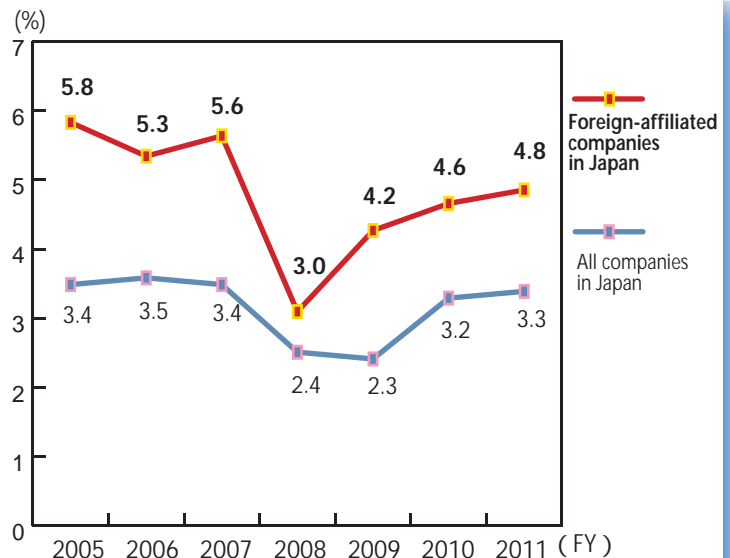
Source: IMF "World Economic Outlook Database"; "Prefectural Economic Almanac 2010", Economic and Social Research Institute, Cabinet Office

Number of lawsuits related to IP (patents, utility models, designs) in Japan, the US, and China



Source: Japan Patent Office
 Note: - There is no utility model system in the US
 - Jan to Dec for Japan and China, Oct to Sep for the US

Comparison of Ordinary Profit Between Foreign-affiliated Companies in Japan and All Companies in Japan



Source: Survey of Trends in Business Activities of Foreign Affiliates
 Note: - Ministry of Economy, Trade, and Industry "Survey of Trends in Business Activities of Foreign Affiliates" (*)
 - Ministry of Finance Japan "Company Statistics"
 (*) Responses from financial, insurance, and real estate companies are excluded

Did you know that Japan offers an ideal environment as a business hub?

Comparison of Research Expenditures Between G8 Countries

Rank	Country	% of GDP	Research expenditures (100M USD)	FY
1	Japan	3.67	1,626	2011
2	United States	2.90	4,016	2009
3	Germany	2.82	863	2010
4	France	2.25	500	2010
5	United Kingdom	1.76	391	2010
6	Canada	1.74	243	2011
7	Italy	1.26	243	2010
8	Russian Federation	1.16	328	2010

Source: Compiled by JETRO based on data from the Ministry of Internal Affairs and Communications Statistics Bureau

The Global Competitiveness Index 2013-2014



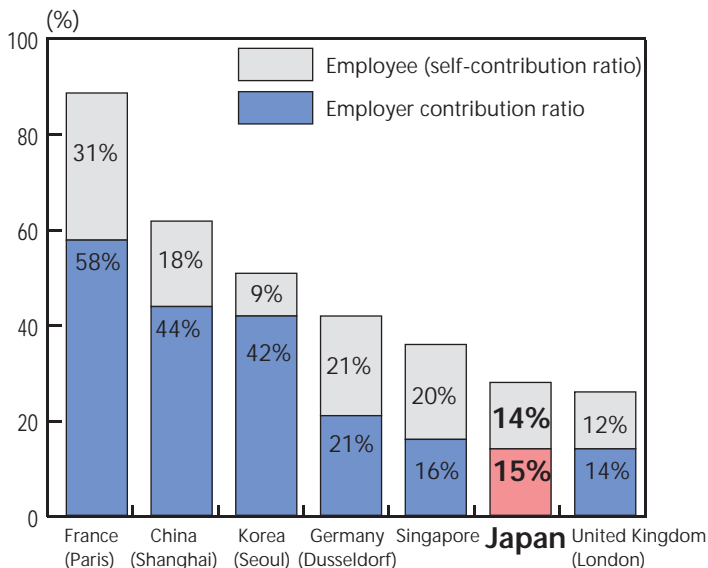
source: World Economic Forum, "The Global Competitiveness Report 2013-2014"

Business sophistication



source: World Economic Forum, "The Global Competitiveness Report 2013-2014"

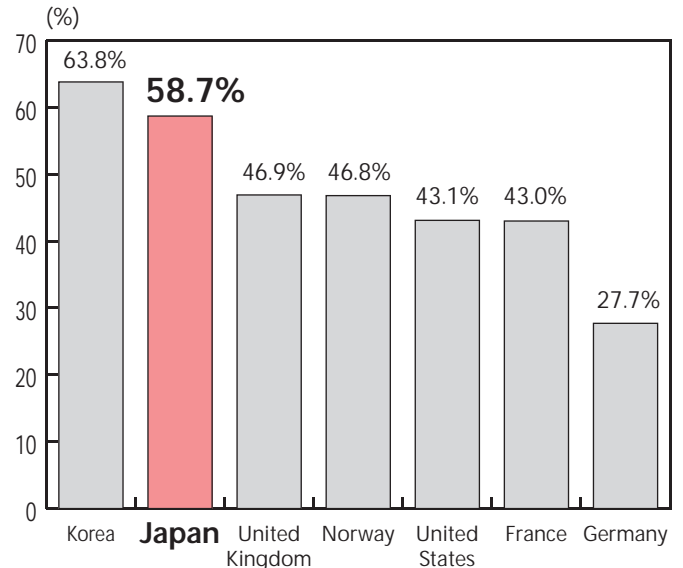
Comparison of Employer Contribution Ratios for Social Security by Country



Source: Compiled based on data from JETRO's "Survey of Investment Related Costs" (FY 2012 Survey)

Note: Numbers are rounded to the nearest whole percent. Where there is a range, the largest value is used.

Comparison of College Graduation Ratios by Country



Source: Education at a Glance 2013

Note: Countries ranked in descending order by ratio of college graduates between the ages of 25-34. Here, college graduate means anyone who has completed tertiary education, to include community college and equivalent educational institutions.

Did you know that Japan offers a safe and secure living environment?

Global Peace Index 2013 Global Ranking

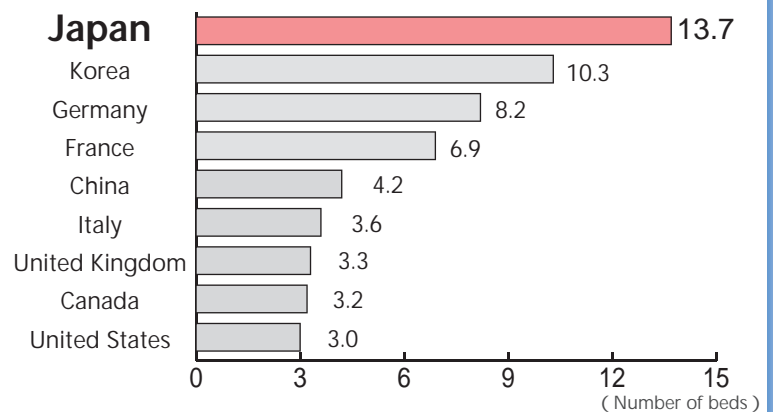
Rank	Country	Score
1	Iceland	1.162
2	Denmark	1.207
3	New Zealand	1.237
4	Austria	1.250
5	Switzerland	1.272
6	Japan	1.293
7	Finland	1.297
8	Canada	1.306
9	Sweden	1.319
10	Belgium	1.339

Source: Data from the most recent available years (2005-2010)

Note: Ranking based on 24 indicators including but not limited to number of police officers and violent crimes, risk of internal strife, respect for human rights, potential for terrorism, relationship with neighboring countries, and others.



Number of beds per 1000 people



Source: "World Statistics 2012", Ministry of Internal Affairs and Communications
 Note: Data from the most recent available years (2005-2010)

Examples of Foreign-affiliated Companies That Are Seeing Success in the Japanese Market.

AVL Japan K.K. (Austria)

Austria based AVL List GmbH established a subsidiary in Japan in 1995 for the development of powertrain systems and instrumentation and test systems in the Japanese automotive market.

AVL Japan accounts for over 10% of total group sales. Mr. Naoki Okada, President of AVL Japan, views the Japanese market as "highly technology- and service-oriented."

In 2014, AVL will start operation of a new technical center in Kawasaki and expand its service network to respond to customer expectations in Japan.



Umicore Japan K.K. (Belgium)

Umicore is Belgium's leading functional material manufacturer founded in 1837. The company operates business in the fields of secondary battery materials, solar cells, fuel cells, exhaust gas purification catalysts and recycling of precious metals for the global market with over 80 business bases around the globe. In April 2011, the company established its Japanese base to produce positive-electrode materials for lithium ion batteries in Kobe. CEO Mr. Marc Grynberg says, "It is crucial for Umicore group as a whole to demonstrate our presence to these leading companies and our existing Japanese customers, and to underline our commitment to the Japanese market. We also believe that it is necessary to locate R&D functions near our existing customers."



LitePoint Japan K.K. (United States)



According to Mr. Spiros Bouas, COO of LitePoint, U.S. based provider of test solutions for the development of wireless devices, the company's sales in Japan have been growing steadily since the company established its Japanese subsidiary in 2010. "It is not easy to find engineers of the same high caliber as Japan's engineers", says Spiros. "The existence of top-notch engineers makes the Japanese market very attractive."

Spiros asserts that Japan remains an attractive market even after the Great East Japan Earthquake of 2011. He personally is optimistic, saying, "If the world did not already know the resilience of the Japanese people, the earthquake showed why Japan is one of the leading countries in the world. The Japanese are tough and possess a strong spirit of cooperation."

Spiros says that this cohesiveness and ability to cope are linked to the appeal of the Japanese market.

Prudential Holdings of Japan, Inc. (United States)



The life insurance subsidiaries of Prudential Holdings of Japan, Inc. (The Prudential Life Insurance Company, Ltd., The Gibraltar Life Insurance Co., Ltd., and The Prudential Gibraltar Financial Life Insurance Co., Ltd.) ranked third in the Japanese life insurance industry in FY2012 in terms of face amount of new business.

Since entering the Japanese market over 30 years ago, they have steadily grown their business and in FY2012 accounted for nearly half of the total operating income of U.S. based parent company Prudential Financial, Inc. Mr. Tomoyuki Inoue, Senior Officer for Corporate Planning, says "Japan is the world's second largest market next to the U.S. It is an attractive market not only because of continued liberalization, but also because customers place proper value on high quality services."



Talk to JETRO first!



JETRO IBSC

JETRO IBSC is a one-stop center for establishing a business base and starting your business in Japan.



Consulting

Free individual consultation for your company

- Legal system
- Cost estimation
- Taxation
- Market regulation
- Business practice
- Human resource
- Location
- Subsidy application



Facilities

Temporary office space offered free of charge

- 50 working days free
- Located in 6 major cities
- Fully equipped
- Shared reception
- PC room with printer/scanner etc.
- Conference rooms available
- Event hall available



Information

Gather a wide range of information needed for your business

- Market reports
- Business advisor
- Online database
- Platform of professional service provider
- Connection to ministries and regulatory authority
- Deregulation Request

Voice of IBSC user's

Here's a brief look at some of the companies that have worked with JETRO IBSC to set up business operations in Japan.

Tommy Bahama Group (United States, Apparel)

April, 2013 establishment

Working with JETRO made it much easier for us to expand our business to Japan. JETRO has provided support to us in the US and Japan. JETRO's high degree of professionalism was very important for us.



FlexD Co., Ltd. (Singapore, film, LCD panel manufacturing)

June, 2012 establishment

We greatly thank JETRO and each of the local governments for their support in dealing with the plant selection quickly and providing the incentive information needed.



For further information:

<http://www.jetro.go.jp/en/invest/>

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