#### Japan External Trade Organization

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## My recent return visit to the "Recovery Area"



From the Chief Executive Director

Tatsuhiro Shindo Chief Executive Director, JETRO Chicago

At JETRO Chicago, I have led a number of activities that contribute to promoting two way trade and investment between the United States and Japan which I will wholeheartedly continue in 2013. Importantly, the two year anniversary of the Great East Japan Earthquake of March 11, 2011 will occur next month and I will focus on the Tohoku region's progress in its recovery and reconstruction activities. I would like to share my own efforts to assist in the recovery of the earthquake and tsunami in the affected areas of northeast Japan during a recent visit in November 2012.

I went to Sendai City, the capital of Miyagi Prefecture and nearby Matsuhima and then visited Ishinomaki City, the towns of Onagawa and Minamisanrikucho, and the city of Kesennuma which is on the extreme northeast part of Miyagi. I continued on to Iwate Prefecture to visit the small cities of Rikuzen Takata and Ofunato. The Great East Japan Earthquake had a devastating impact on this exact area of Tohoku. This is my gemba or my action to see for myself the landscape and importantly meet the people and this is my report to you.

The town of Ofunato was severely damaged by a direct hit of the tsunami. In fact, the recovery is steady and

See "Chief Executive Director," page 6

## JETRO to host Japanese companies at Intl. Housewares Show, Pittcon, BIO 2013

JETRO continues to assist Japanese companies in introducing their products and technology to an international audience through hosting Japan pavilions at major trade shows.

Coming up March 2-5, JETRO will be organizing the Japan Pavilion at the International Home and Housewares Show at Chicago's McCormick Place. A total of 19 companies will be exhbiting, split between two exhibit halls: the DINE+DESIGN EXPO in the South Building, and the CLEAN, CONTAIN+SUSTAIN EXPO in the North Building. Exhibits will be open 10:00 a.m. - 5:30 p.m. on March 2, 8:30 a.m. - 5:30 p.m. on March 3-4, and 8:30 a.m. - 3:00 p.m. on March 5. Japanese products on display include not only traditional craft items but also practical everyday-use items that retain aspects of traditional Japanese techniques. A listing of the scheduled exhibitors is included at the end of this article.

Then, on March 17 - 21, JETRO will be participating at the Pittcon Conference and Expo at the Pennsylvania Convention Center in Philadelphia. Pittcon is the world's largest annual premier conference and exposition on laboratory science. Pittcon attracts more than 17,000 attendees from industry, academia and government from 90 countries. The Japan Pavilion will be located in booths 528-539 in Hall E, with nine Japanese companies exhibiting. Exhibits will be open from March 18-21. Expo hours are Monday — Wednesday: 9:00 a.m. - 5:00 p.m., and Thursday from 9:00 a.m. - 3:00 p.m. A complete listing of Japan PAivilion exhibitors follows at the end of this article.

The following month, the BIO International Convention returns to Chicago's McCormick Place on April 22-25, 2013. Organized each year by the Biotechnology Industry Organization (BIO), this event brings together more than 16,000 life science, pharmaceutical and biotech researchers and business leaders from around the world. Every year, JETRO organizes the Japan Pavilion, which showcases leading edge technologies from Japan. These companies will be on display in the pavilion and participate in one-on-one business meetings. JETRO Chicago is also organizing a partnering workshop for the Japanese participants with speakers from major

See "Japan Pavilions" on page 5

## JASC to present recovery update at March 13 Chicago Event

The Japan America Society of Chicago (JASC) will present, "Kizuna 2: The Bonds of Emotion: Japan Earthquake Photo Exhibition Associated Seminar," on Wednesday, March 13 at the Federal Reserve Bank of Chicago, 230 S. LaSalle St., Chicago, IL.

The program features JETRO Chicago Chief Executive Director, Tatsuhiro Shindo, presenting, "Japan in Perspective: An Update on the Pace of Economic and Social Recovery from The Great East Japan Earthquake." Moderator will be Greg Burns of the Chicago Tribune Editorial Board

Registration begins at 5:30 p.m., with the program beginning at 6:00 p.m. A reception will follow at 7:15 p.m.

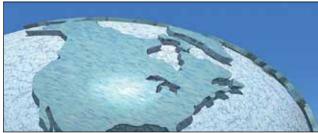
The event is be free, but reservations are required via the JASC website at www.jaschicago.org or by phone at 312-263-3049. No walk-ins can be accomodated.

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#### JETRO Around the Midwest

**Seminars, Meetings and Events** 



On January 14,
Tatsuhiro Shindo had
the opportunity to meet
with former Illinois
Governor James R.
Thompson, now Senior
Chairman, Winston
& Strawn. Governor
Thompson also serves
as Chairman of the
Midwest U.S. - Japan
Association.

At the Japanese Chamber of Commerce and Industry of Chicago's (JCCC) Shinnenkai on January 13, Takanori Shibata and Tatsuhiro Shindo show a pair of Paro baby harp seal robots. Dr. Shibata, Paro's inventor, and Mr. Shindo brought a number of Paros to the Tohoku region in Japan to help provide therapy to the elderly and to children. See Mr. Shindo's column on page 1 for more.









Tatsuhiro Shindo presented an update on the recovery in Japan at the Kellogg School of Management's GIM Japan/Korea 2013 class on February 5. Pictured above right are (from left) Hon. Masaharu Yoshida, Consul General of Japan at Chicago; Donald Jacobs, Dean Emeritus of the Kellogg School of Management; Tatsuhiro Shindo, and Visiting Scholar Kaoriko Enjo.



On November 3, 2012, Irene "Inkie" Brons, formerly of the Minnesota Trade Office was presented with the the 15th Annual Mondale Award. Former Vice President and Ambassador to Japan Walter F. Mondale is shown with Ms. Brons at the event. Ms. Brons has been a good friend to JETRO Chicago and Japan for many years.



Farewell Arigato for Jae Ho Oh (second from right), former Trade Commissioner of KOTRA (Chicago). With Tatsuhiro Shindo and Yusuke Okano of JETRO Chicago and Yongtaek Hong, Assistant Director of KOTRA.





On December 18, 2012, the Japan America Society of Indiana (JASI) held its Annual Bonenkai and Appreciation Reception for The Honorable Mitch Daniels, retiring Governor of Indiana. At left, Tatsuhiro Shindo with Gov. Daniels. At right, Gov. Daniels presents Theresa Kulczak, JASI Executive Director with the prestigious Sagamore of the Wabash Award, on behalf of the State of Indiana.

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## The Consumer Electronics Show: An Update on Japan's Pavilion



#### Director's Dialogue

Takuyuki Kawauchi, Director, Industrial Machinery Kohei Okui, Director, Business Development JETRO Chicago

Thirteen small and medium size Japanese technology companies exhibited at JETRO's Japan Pavilion within the Robotics Tech Zone at the 2013 Consumer Electronics Show (CES), which is by far the largest trade show of its kind in the United States. This year, CES was held January 8 to January 11. Approximately 150,000 visitors attended to see 3,250 exhibitors, a significant increase compared to past years.

Exhibitors from Japan had meetings with buyers from the United States and met numerous buyers from around the world who showed a great deal of interest in visiting the Japan Pavilion. Importantly, the companies at the Japan Pavilion attracted much interest from media outlets including The Washington Post, The Discovery Channel, and representatives from many trade journals and newsletters, contributing to a very successful public relations effort. An important mission at JETRO is to promote innovative small and medium size Japanese companies and we made every effort to ensure they had effective business meetings at CES. Here's a description of three of the companies who exhibited in the Japan Pavilion.

PRP Co., Ltd., (Tokyo), a digital signage technology company attracted lots of attention at CES. PRP Co., Ltd., was among the most active exhibits within the Japan Pavilion and attracted many attendees. This company developed a large transparent LCD panel display (70 inches) which has motion sensors and touch screen technology that displays very crisp digital content. This light source technology can be used in a vertical manner for signage or horizontally like a coffee table. There were many inquiries from electronics and mass media companies. In addition, a representative from a prestigious museum expressed interest in purchasing this type of technology (see photos below).







Mercury System Co., (Kashiwa City, Chiba) a 3D stereoscopic technology company, attracted much attention from the CES attendees as well. This company developed a technique that efficiently converts 2D images from previously produced movies and photos into 3D images. The buyers in attendance said, "this technology can simultaneously convert to 3D from 2D, we have not seen this before," and "these are technology



applications of the future." Designed for affordable cost for users, there was a very high level of interest, especially from those people involved in the American media and consumers. The company is expected to enter the U.S. market soon.

Also, the therapy robot "PARO," a baby Harp seal robot from PARO Robots U.S. Inc./Intelligent System Co., Ltd., exhibited at JETRO's Japan Pavilion for the third time. This therapy robot is not only for senior healthcare facilities and medical institutions, but more and more PARO is receiving inquiries to be used as a prop in the film industry and television market. A trend to diversify sales is developing as awareness about PARO in the United States increases.

JETRO has successfully introduced

innovative and very unique Japanese small and medium size companies to the North American market, and we are planning continued participation in exhibitions such as CES next year and beyond in the field of electronics.



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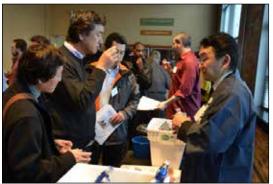
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## **Sake & Pairing Event Focuses on Akita's Famous Breweries**

Over 100 food and beverage industry professionals gathered on January 29 at Kendall College in Chicago to taste sakes made in Japan's Akita Prefecture.

The newly arrived Consul General of Japan at Chicago, Hon. Masaharu Yoshida, opened the program inviting the guests to experience the uniqueness of the legendary sake. Guest chef Matthias Merges, owner and executive chef of Yusho in Chicago and former executive chef of Charlie Trotter's, demonstrated two recipes he designed to pair with sake and explained how Yusho's menu is inspired by Japanese ingredients. Linda Noel Kawabata, sake specialist and USA Brand Manager of Akita Sake Promotion & Export Council (ASPEC), spoke about Akita sake brewers' production process and the wide variety of their sakes.



Attendees sample Akita sake at the January 29 Akita Sake Tasting & Pairing event.



From left: Hon. Masaharu Yoshida, Consul General of Japan at Chicago; guest speaker Linda Noel Kawahata, Sake Specialist & USA Brand Manager of Akita Sake Promotion & Export Council (ASPEC); Tatsuhiro Shindo, Chief Executive Director, JETRO Chicago; guest chef Matthias Merges, Owner & Executive Chef of Yusho.



Chef Matthias Merges (left) explained his pairing recipes to attendees, while Linda Noel Kawabata, Sake Specialist & USA Brand Manager of Akita Sake Promotion & Export Council (ASPEC), spoke about Akita sake.



Four Akita breweries and three local distributors were on hand to provide samples for tasting and to answer questions from attendees.

### Contact JETRO Chicago • www.jetro.org

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For general information, call the number above, or for a specific inquiry, use the form at www.jetro.org (select "Contact JETRO" from the menu bar at left).

For Invest-in-Japan and robotics information contact Kevin Kalb, at kevin\_kalb@jetro.go.jp.

Follow @jetrorobot on Twitter.

For biotech information, contact Robert Corder, at robert corder@jetro.go.jp





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### **JETRO Success Case Updates**

As Japan's economic development organization, JETRO has a dual focus: helping Japanese companies increase their overseas exports and promoting foreign direct investment into Japan. Each year, JETRO helps an average of 40 companies from around the world to set up operations in Japan. For the 2012 fiscal year, JETRO Chicago has helped three Midwestern companies establish offices in Japan. These companies took full advantage of the support and services offered by JETRO, including free temporary office space; consultation with JETRO's experts on tax, legal, accounting and human resource issues; site selection assistance; and introduction to professional service providers.

#### Lion Precision (www.lionprecision.com)

Lion Precision, of St. Paul, Minnesota, manufactures capacitive and eddy-current noncontact sensors for measuring position & displacement as well as ultrasensitive label sensors. Their technology is used around the world in the semiconductor, disk-drive, aviation and electronics manufacturing industries. In July 2012, the company opened the Lion Precision Japan Technical Center (JTC) in Yokohama. For years, Lion Precision has sold its sensors in Japan through distributors. While sales in Japan were solid. Lion Precision President Don Martin came to believe that having a sustained presence would enable the company to build their business in Japan. The JTC works with the company's existing distributors and provides technical support to clients in Japan. "Having local support in the same time zone that speaks Japanese is a tremendous asset for our distributors and users," said Mr. Martin. "With the JTC, technical questions can now be answered much more quickly and without important details being lost in translation." As Lion Precision continues to grow, the plan is for the JTC to serve as a technical support base for the rest of Asia.

#### Advisory Research Inc. (www.advisoryresearch.com)

In September, Advisory Research Inc. (ARI) opened its office in Tokyo. Founded in 1974, ARI is a privately held investment manager based in Chicago. The firm manages more the \$8.5 billion in assets and caters to

banks, investment companies, pension funds, university endowments and private foundations, as well as high net worth individuals. ARI manages mutual funds and hedge funds as well as client-focused equity portfolios. The company has been successful with its strategy of investing in undervalued and overlooked companies. With their new office in Japan, ARI increases its ability to research and invest in the Japanese market and increases the support the firm can provide to clients in Japan. This on-the-ground presence fortifies ARI's research capacity and demonstrates the firm's commitment to the Japanese market.

#### Sweet Endeavors (www.chocolatines.com)

Rieko Wada's company, Sweet Endeavors, located in Schaumburg, Illinois, is an artisanal chocolatier specializing in creating chocolate gifts. After training at the French Pastry School in Chicago, Mrs. Wada started Sweet Endeavors from her home in 2004. Selling under the label Chocolatines, Mrs. Wada's creations have been featured in People Magazine, US Weekly and on the Today Show. Sweet Endeavors chocolates have also been included in gift bags distributed at the Golden Globe, Grammy, Emmy and Academy Awards. Most of Sweet Endeavors' sales come from online and the company has utilized social media sites like Facebook and Yelp to grow. Mrs. Wada considered expanding into Shanghai, but failed to find a reliable partner and refocused on growing the company in the US. When she was approached about taking Sweet Endeavors to Japan, Mrs. Wada seized the opportunity. In July 2012, Mrs. Wada registered her business in Japan, and soon after opened up a small sales office in Minato-ku, Tokyo. Mrs. Wada is focused now on building her brand Japan, planning a series of temporary pop-up stores to introduce Chocolatines to Japanese consumers and working hard to create new flavors that will appeal to the Japanese market. For Valentine's Day, two of Japan's biggest department stores (Isetan in Shinjuku, and Hankyu in Umeda, Osaka) held special promotions of Sweet Endeavors' products.

In 2013, JETRO Chicago will follow up with Lion Precision, Advisory Research Inc. and Sweet Endeavors to create in-depth case studies detailing their experiences entering the Japanese market. To learn more about past JETRO success case studies, visit www.jetro.org/past\_clients.

## Japan Pavilions ... from page 1

pharmaceutical and biotech companies. Look for more information about the Japan Pavilion and exhibitors at BIO 2013 in the next issue of the JETRO Chicago Midwest Newsletter. For more information about the BIO Convention, visit convention.bio.org.

Pittcon Exhibitors	
Airtech Corporation	http://www.airtech-corp.com
Daiki Rika Kogyo Co., Ltd.	http://www.daiki.co.jp
Kyowa Interface Science Co., Ltd.	http://www.face-kyowa.com
Pulstec Industrial Co., Ltd.	http://www.pulstec.co.jp
Shinko Denshi Co., Ltd.	http://www.vibra.co.jp/
Skynet LtdTokyo Institute of Technology	http://www.titech.ac.jp/english/ index.html
Uniflex Company Ltd.	http://www.uniflex.co.jp
Watson Co., Ltd	http://www.watson.co.jp
Yabegawa Electric Industry Ltd.	http://www.yabegawa.co.jp

International Home and Housewares Show Exhibitors	
SKATER	http://www.skater.co.jp
Kodai Sangyo	http://www.kodaimokuty.co.jp/en/
TOYO-SASAKI GLASS	http://www.toyo.sasaki.co.jp/e/
Wired Beans	http://mono.wiredbeans.jp/en/
asahi kensou corporation	http://www.asahi.e-arc.jp
SAN-YOSHI	http://www.owanya.com
Nagatani-en	http://www.igamono.co.jp
TAKENAKA	http://www.takenaka-bentobox.com
Kotodo Takahashi Seisakusho	http://www.kotodo-can.co.jp
Kimura Woodcraft Factory	http://www.kimumoku.com
BITOWA from AIZU	http://bitowa-from-aizu.jp/
b Prize Corporation	http://www.b-prize.co.jp
NishikimiChuzo	http://nisikimi.co.jp/en/
MARNA	http://www.marna-inc.co.jp/en/
tegami	http://www.tegamishop.com
QUILY WORKS & DESIGN	http://www.quily.jp
YAMAZAKI	http://www.yamajitsu.co.jp
HATTORI PAPER MFG	http://www.hattoripaper.co.jp
Global Arrow USA	http://www.globalarrow-usa.com

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## **Chief Executive Director** ... from page 1

is really a step-by-step process. However, by seeing the new food processing plants with my own eyes, I was able to confirm that people are in fact progressing out of what was once a dire situation when I visited this same area in December of 2011.



The Japanese Chamber of Commerce and Industry of Chicago (JCCC) and The Japan America Society of Chicago collected donations of \$2 million to provide practical earthquake reconstruction assistance for the affected area of Tohoku. In addition to this type of financial donation.

the JCCC also provided a practical and visible form of assistance by donating six PARO Therapeutic Robots (baby Harp Seal robot) to nursing homes and welfare centers that are recovering from this natural disaster. These precious elderly people just narrowly escaped with their dear lives from these welfare facilities that were hit by the tsunami. To look into their eyes while listening to them touched my heart. (attached photos). Amazingly, the PARO robot assisted them by having a tremendous effect to their heal broken hearts, In a real way, the donation of PARO is also playing an active role for our long-term future relationship with many Tohoku people showed their gratitude for the compassion and commitment of Chicago to this Tohoku region.

I then visited a children's home in Saiseikai, Miyagi Prefecture. This was quite an important visit because this particular home was the recipient of the JCCC's first donated PARO therapy robot during the late summer. Children live here to escape domestic violence. However, after the natural disaster, other children from the affected area were sent to this home. I visited as a representative of the JCCC to see how these children were doing and to meet their care givers. I saw them carefully cradle and play with a cooing PARO, I could see they were comforted and enjoying themselves. The appearance of these beautiful and innocent children completely filled our hearts with emotion.

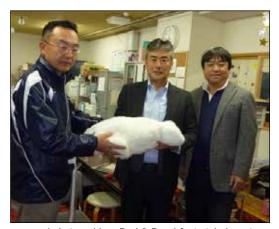
Again, on behalf of the Japanese Chamber of Commerce and Industry of Chicago, I visited the Sanriku Welfare Association in Ofunato City, Iwate

Prefecture to deliver a new PARO therapy robot. Ofunato City was the place where the tsunami struck deeply. From this very nursing home the tsunami took the precious lives of 56 people; 8 are still missing today. The residents are of course cared



for but they have been relocated to temporary housing, in an area that is much higher in elevation from where the previous facilities "the Garden of Sanriku" have been completely destroyed, The surviving elders embraced PARO with utter delight and they spoke openly about interacting with PARO to their physician. I enjoyed listening to their cute Tohoku dialect and was heartened by meeting them. I spoke with the association's Director Mr. Fujio Chida and was so impressed by him. He said, "no one in Japan cares, but we are clinging to life. We are an island of land, we will not stop appreciating the help from people as far away as Chicago." Mr. Chida gave us his deep thanks from the bottom of his heart. I said to him, "we will never forget that everyone is working so hard for the recovery." During the New Year's holiday, Mr. Chida and the senior citizens living in this center were in my thoughts.

The landscape has not changed in any way but the recovery is making steady progress compared with the last time I visited the disaster area in 2011, perhaps it's better to now call it a recovery area. I saw a few sights that have



not yet had rubble removed. I stayed in a Bed & Breakfast style inn at Higashi Matsushima and jumped out of my bed at 5:00 a.m. because of a 5.2 magnitude aftershock. The earthquake's epicenter actually took place off the sea coast of Matsushima where we were staying. I enjoyed speaking with the people that managed this inn, but I could see the harsh reality of the situation. Many people have not returned to their employment and they cannot help but still live in small temporary housing donated by welfare facilities. Visiting the places that PARO was donated to by the JCCC was in and of itself a valuable experience for me. Many thanks to Dr. Takanori Shibata, the inventor of PARO who gave up his weekend to kindly accompany me on this trip.

Visiting the Tohoku region became a journey that strongly reaffirmed within me the KIZUNA or BONDS OF EMOTION which will further strengthen and unify our Midwest's Team KIZUNA. I will renew my intention for working on reconstruction assistance. There is insufficient information about Japan in the twelve states that are under the jurisdiction of JETRO Chicago. I will continue to carry out efforts to send a positive and accurate message about the reconstruction of Japan based on my visits to the Tohoku's recovery areas. I believe that to achieve sustainable growth and an early recovery for this regional economy, it is necessary to grow two-way trade and investment and to develop a market with the United States. JETRO will support US companies to initiate or add to existing direct investment in the Tohoku region. I ask for understanding and the continued support of everyone. Let the KIZUNA grow among us.