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# JETRO Chicago Midwest NEWSLETTER

Illinois • Indiana • Iowa • Kansas • Michigan • Minnesota • Missouri • Nebraska • North Dakota • Ohio • South Dakota • Wisconsin

## Three Years Later, the Recovery Continues in Tohoku Region



**From the  
Chief  
Executive  
Director**

*Ichiro Soné  
Chief Executive Director,  
JETRO Chicago*

Three years have passed since The Great East Japan Earthquake and Tsunami on March 11, 2011. To observe the anniversary, we held a series of “Kizuna” (bond of friendship) business seminars in St. Louis,

Nakagawa needed to fully understand the conditions of JETRO Sendai’s client companies before planning and proceeding with assistance. Therefore, all of the office staff spent April and May of 2011 visiting companies and collecting information.

Most of JETRO Sendai’s client companies suffered devastating damage. For example, the president of one service company lost his life in the tsunami as he was driving to Sendai Airport. A factory producing high-quality canned crab was completely destroyed, and the chairman and plant manager both perished. The executive who conveyed that to her barely survived himself. A major fish processing company lost 8 out of 12 of its facilities in the region, for a total loss of US \$100 million.

Three years later, the Sendai service company’s rebuilding efforts are halfway complete. The wife of the deceased president has succeeded him and is making every effort to resume the company’s business activities. At the canned crab company, the destruction was so extensive that the company could no longer make its major products. However, only two months after the disaster, it came up with some new product samples and tried to develop new sales channels. The fish processing company quickly restored their facilities and managed to secure their 800 employees.

The fisheries sector is one of Miyagi’s major industries, upon which the disaster took a heavy toll. Many workers were swept away in the tsunami; the supply chain for the industry was destroyed; fishing boats and equipment, as well as fish-farming facilities, were wiped out. Miyagi’s fisheries industry is Japan’s second-largest, and the amount of damage was estimated at over US\$7 billion. It was impossible to return to business immediately. The first priority for the coastal region was rebuilding basic human living conditions.

On the other hand, companies located inland, especially those in the manufacturing sector such as automotive and industrial machinery, were able to resume production within one or two months after the quake.

Chicago and Indianapolis in cooperation with the Consulate General of Japan at Chicago and the Japan America Society in each city. We wanted to provide an update on the recovery, but, most of all, to show our sincere appreciation to the people in the U.S. Midwest for their heartfelt and generous support for our country in its time of need.

We brought a speaker from JETRO Tokyo: my colleague Ms. Akiko Nakagawa, Director-General of our Trade Fair Department. She is a native of Fukushima and was the Chief of JETRO Sendai at the time of the disaster. She shared her moving first-hand story of her experiences on that day three years ago, and in the months that followed.

Sendai is 220 miles north of Tokyo and is the biggest city in the Tohoku region. It is the capital of Miyagi, one of the three most severely damaged prefectures (along with Iwate and Fukushima). Miyagi bore the brunt of the tsunami casualties, accounting for approximately 60% of the fatalities.

Nakagawa was stunned and overwhelmed in the days immediately following the disaster. Her home did not suffer much damage, but she had a difficult time doing routine tasks like cooking meals and taking baths, as she could not use basic infrastructure like natural gas for more than a month.

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## Beyond Sake: Shōchū – Japan’s other gem



### Guest View

**Jill Pienta**  
Spirits Buyer  
Plum Market

invited to participate in the JETRO Buyer’s Mission to FOODEX JAPAN, as well as to Aomori and Chiba prefectures, to learn more about sake and the emerging Japanese Whiskey scene. As I

FOODEX JAPAN 2014 was an amazing collection of food products from all sectors of the food world. The exhibition, which took place in Makuhari Messe, Japan from March 4-7, 2014, included almost everything concerning food - including seafood wholesalers, creative condiments and artfully crafted Japanese alcohol. The latter sector was the focus of my participation, as a sake and spirit buyer from a gourmet grocery store in Chicago. I was

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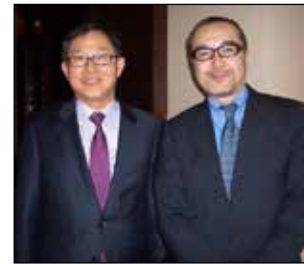
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## JETRO Around the Midwest

### Seminars, Meetings and Events



Young Soo Kang, Director-General of KOTRA (Korea Trade-Investment Promotion Agency) visits with Ichiro Soné, Chief Executive Director, JETRO Chicago in February, 2014.



Prior to their visit to Japan, a group of students from DePaul University in Chicago came to the JETRO Chicago office for a program on Friday evening, February 28.



The Japan America Society of Indiana organized the annual Japan Update on February 27 in Indianapolis. At left, Ichiro Soné moderates the Indiana Successes in Japan panel session. At right, Soné exchanges greetings with Indiana Governor Mike Pence.



On a January 20 visit to Lansing, Michigan, Ichiro Soné meets with Rick Snyder, Governor, State of Michigan.

On January 23, JETRO Chicago participated on a panel entitled "Emerging Trade Opportunities with Japan," presented by the Organization of Women in International Trade (OWIT). The panel included Eunkyung Kim Shin, Associate, Baker & McKenzie LLP (moderator); Ichiro Soné, JETRO Chicago; Kevin Kalb, JETRO Chicago; and Mami Ohara, Attorney at Baker & McKenzie, Tokyo, Japan and Chicago.



Over the course of three days, in three Midwest cities, JETRO Chicago presented KIZUNA 3, a program focusing on Japan's economy and recovery following The Great East Japan Earthquake and Tsunami. Above left, JETRO Chicago's Ichiro Soné and The Honorable Masaharu Yoshida, Consul General of Japan at Chicago, participate on a panel in St. Louis on March 12. Center left and center right, Consul General Yoshida and Ichiro Soné present in Chicago on March 13. Above right, presenter Akiko Nakagawa, Director-General, Trade Fair Department, JETRO Tokyo, with Iheresa Kulczak, Executive Director of the Japan America Society of Indiana, and Ichiro Soné, at the session in Indianapolis on March 14. Get a summary of Ms. Nakagawa's comments in Mr. Soné's column, on page 1 of this newsletter.

On January 27, Lavon Heidemann, Lt. Governor, State of Nebraska, welcomed Ichiro Soné to Lincoln, Nebraska.

On January 22, JETRO Chicago's Ichiro Soné (second from left) and Kelly Highland (right) met with Rebecca Kleefisch, Lt. Governor, State of Wisconsin, and Reed Hall, Secretary & CEO, Wisconsin Economic Development Corporation.



Norikazu Mori (2nd from right), former Director of General Affairs at JETRO Chicago from 1996 to 2000 and now Chief Director of JETRO Yamaguchi, welcomes Akie Abe (4th from right), wife of Prime Minister Shinzo Abe, during a JETRO Food & Sake Buyers Mission to Shimomoseki, Yamaguchi Prefecture, in November, 2013. Eric Swanson of the Wirtz Beverage Group (3rd from right) was sent by JETRO Chicago to participate in the mission.





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## 20 Companies to Exhibit in Japan Pavilion at BIO 2014 in San Diego

Preparations are underway for the Japan Pavilion at the BIO International Convention, to be held in San Diego, California from June 23-26. Organized by the Biotechnology Industry Organization, the annual BIO Convention is the largest event for the biotechnology sector. More than 15,000 attendees from more than 65 countries are expected to attend BIO 2014.

This year, 20 life science companies will exhibit in the Japan Pavilion, showcasing some of the most innovative life science technologies from Japan. Three of the organizations are participating at the BIO Convention for the first time:

- World Fusion, a Tokyo-based software & services company, which provides tools for drug discovery, genomics research, and data mining.
- Molcure, a start-up company from Tokyo, which manufactures new antibody drugs with robot automation technology.
- Medical & Biological Laboratories from Nagoya, which develops reagents for clinical & research applications, including specialized reagents for genetic research.

Other technologies to be featured in the Japan Pavilion at BIO 2014 include new treatments for oncology, pain management, cognitive disorders and neurological disorders; advancements in stem cell therapy and regenerative medicine; drug discovery tools; and contract manufacturing and R&D.

The Japanese delegates are eager to meet new strategic development and distribution partners. The Japanese delegates will utilize BIO's One-on-One Partnering program during the convention. In addition, JETRO Chicago also will organize a private seminar for the Japanese delegates to learn more about how the large international pharmaceutical

companies partner with smaller firms.

If you are interested in meeting with any of the Japanese exhibitors during BIO 2014, or have questions about the Japan's life science sector, contact Robert Corder at [robert\\_corder@jetro.go.jp](mailto:robert_corder@jetro.go.jp).

ORGANIZATION	URL
BioMedCore, Inc.	<a href="http://www.bmcore.co.jp">www.bmcore.co.jp</a>
CellFree Sciences Co., Ltd.	<a href="http://www.cfsciences.com">www.cfsciences.com</a>
CytoPathfinder, Inc.	<a href="http://www.cytopathfinder.com/eng/index.html">www.cytopathfinder.com/eng/index.html</a>
Fushimi Pharmaceutical Co., Ltd.	<a href="http://www.fushimi.co.jp/english/index.html">www.fushimi.co.jp/english/index.html</a>
Kanazawa University Technology Licensing Organization	<a href="http://www.kutlo-nitt.com">www.kutlo-nitt.com</a>
Molcure Inc.	<a href="http://www.molcure.com">www.molcure.com</a>
iPS Academia Japan, Inc.	<a href="http://www.ips-cell.net">www.ips-cell.net</a>
Momotaro-Gene Inc.	<a href="http://www.mt-gene.com/index_e.html">www.mt-gene.com/index_e.html</a>
Medical & Biological Laboratories	<a href="http://www.mbl.co.jp/e/">www.mbl.co.jp/e/</a>
MPO Inc.	<a href="http://www.mpoinc.co.jp">www.mpoinc.co.jp</a>
Nomadic Bioscience Co., Ltd.	<a href="http://www.nomadicbio.com">www.nomadicbio.com</a>
On-chip Biotechnologies Co., Ltd.	<a href="http://www.on-chip.co.jp/en/index.html">www.on-chip.co.jp/en/index.html</a>
OP Bio Factory Co., Ltd.	<a href="http://www.opbio.com">www.opbio.com</a>
Reprocell Inc.	<a href="http://www.reprocell.com/en">www.reprocell.com/en</a>
ReqMed Company, Ltd.	<a href="http://www.reqmed.co.jp/">www.reqmed.co.jp/</a>
Riken Genesis Co., Ltd.	<a href="http://www.rikengenesi.jp/en/index.html">www.rikengenesi.jp/en/index.html</a>
SCIVAX Corporation	<a href="http://www.scivax.com">www.scivax.com</a>
Strex Inc	<a href="http://www.strex.co.jp">www.strex.co.jp</a>
Tokyo Future Style, Inc.	<a href="http://www.tokyofuturestyle.com/english/">www.tokyofuturestyle.com/english/</a>
World Fusion Co., Ltd	<a href="http://www.w-fusion.com/E/profile.html">www.w-fusion.com/E/profile.html</a>

## The East West Center's Japan Matters for America/America Matters for Japan Initiative



**Guest View**

**Satu Limaye**  
*Director,  
 East-West Center in  
 Washington*

As Director of the East West Center in Washington (EWCW) and the Asia Matters for America initiative, I would like to take this opportunity to introduce the organization and initiative. Established by the U.S. Congress in 1960, the East West

Center (EWC) is a national institution that promotes better relations and understanding among the people and nations of the United States, Asia and the Pacific through cooperative study, research, and dialogue. The EWC serves as a resource for information and analysis on critical issues of common concern, bringing people together to exchange views, build expertise, and develop policy options. The EWC's Washington, D.C. office conducts five major programs under the theme of "preparing the United

States for an era of growing Asia-Pacific prominence": seminars on policy-relevant Asia-Pacific issues, publication of the Asia-Pacific Bulletin, a Visiting Fellows program, policy research and dialogues including one currently on the U.S.-Japan and Southeast Asia, and the signature Asia Matters for America initiative ([www.AsiaMattersforAmerica.org](http://www.AsiaMattersforAmerica.org)).

The Asia Matters for America initiative, of which Japan Matters for America/America Matters for Japan ([www.AsiaMattersforAmerica.org/Japan](http://www.AsiaMattersforAmerica.org/Japan)) is a major component, serves as an interactive resource for credible and nonpartisan information, graphics, analysis and news on U.S.-Asia-Pacific relations at the national, state and local levels. The initiative covers trade, jobs from trade, foreign direct investment, employment from foreign direct investment, tourism and travel, Asian-American populations, student and sister city exchanges as well as overall political and security ties. A unique feature of the initiative is showing the impact of U.S.-Asia connections at the state, congressional district and prefectural levels.

The Japan Matters for America publication is available in both English

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## **JETRO helps introduce Japanese companies to U.S. during busy trade show season**

### **Japanese Robots Showcased at CES 2014**

JETRO Chicago featured five leading-edge Japanese service robotics companies at the 2014 International Consumer Electronics Show (CES) in Las Vegas, Nevada this past January. The Robotics Innovation Showcase, located within the Robotics TechZone, witnessed plenty of foot traffic and media opportunities as a record crowd of over 150,000 flooded the floors of the Las Vegas Convention Center for CES 2014.

Aside from the media buzz, JETRO Chicago helped to arrange over 400 business matching meetings for the five companies at the CES Show, many of which will lead to successful business partnerships and contracts.

Two of the companies, Paro Robots U.S., Inc., maker of the therapeutic robot Paro, and Topy Industries, Ltd., creator of the Crawler disaster exploration robot, have exhibited with JETRO at previous CES Shows. Three companies made their initial CES exhibition with JETRO: Azapa Company Ltd., developer of a P2P local network technology for robots; Cerevo Inc., maker of the small wheeled Wall Bot that can climb walls as well as OTTO, a smart power strip; and Kiluck Corporation, manufacturer of the affordable and easy to assemble human robot kit called RAPIRO.

In addition to the exhibition, the inventor of the therapeutic robot Paro, Dr. Takanori Shibata, Chief Senior Research Scientist at Japan's National Institute of Advanced Industrial Science and Technology (AIST), participated in a panel session entitled "Many Robots in Every Home: Meet the Purveyors of the New Robotics" as part of the 2014 International CES Conference, which had over 100 attendees join the session.



*JETRO Staff and Japanese exhibitors at Robotics Innovation Showcase at CES 2014.*



*Dr. Takanori Shibata (left), inventor of the therapeutic robot Paro, participated in a panel discussion at CES 2014.*

### **JETRO Brings Ten Japanese Companies to Pittcon Conference and Expo in Chicago**

The 65th annual Pittsburgh Conference and Exposition for Analytical Chemistry and Applied Spectroscopy (Pittcon) was held here in Chicago at McCormick Place from March 3rd through 6th. Post-show figures estimate a total of over 16,000 attendees, and over 900 exhibiting companies. 119 exhibitors were first-timers, as were 36% of the attendees. There were 209 international exhibitors, 23% of the total, from 32 countries.

In addition, 26% of Pittcon attendees were from outside the United States. Japan provided 375 attendees, and 24 exhibiting companies with 144 staff (not counting Japanese-affiliated companies and employees located in the U.S.).

This year, JETRO brought 10 small-to-medium-sized enterprises (SMEs) to Pittcon at our Japan Pavilion. All our exhibitors were satisfied with their Pittcon experience, and JETRO exceeded its goals for the number of business meetings we arranged with our exhibitors, and for the total value of expected future business contracts arising from those meetings. JETRO wishes its participating exhibitors well with their opportunities for growth.

The next Pittcon will take place in New Orleans from March 9th through 12th, 2015.





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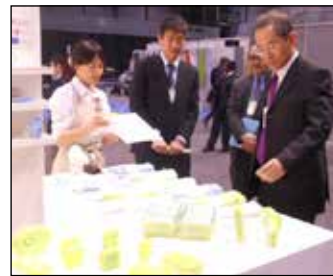
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## International Home & Housewares Show

The International Home & Housewares Show was held at McCormick Place from March 15-18, 2014. Once again this year, JETRO organized two Japan Pavilions in the North and South Halls. This year's pavilions hosted 16 companies, including five new participants. Visitors to both pavilions were able to view firsthand, a variety of "Made in Japan" home goods items that combined traditional Japan, modern Japan, and the ancient culture of Japan. Those items included handmade glassware, lacquer ware, bento boxes, food storage containers, silicone water bottles, handmade cast iron pans, kitchen knives, tea canisters, wooden cutting boards made from Japanese Cypress, bath accessories, and cleaning accessories. To view the products in greater detail, please access the websites below:

Exhibiting Company	URL
Hattori Paper Mfg. Co., Ltd.	<a href="http://www.hattoripaper.co.jp">www.hattoripaper.co.jp</a>
MARNA Inc.	<a href="http://www.marna-inc.co.jp/en/">www.marna-inc.co.jp/en/</a>
Yamazaki Co., Ltd.	<a href="http://www.yamajitsu.co.jp">www.yamajitsu.co.jp</a>
Aisen Industrial Co., Ltd.	<a href="http://www.aisen.co.jp">www.aisen.co.jp</a>
Kotodo Takahashi Corp.	<a href="http://www.kotodocan.com">www.kotodocan.com</a>
Eternal Glass for your Lifetime	<a href="http://www.focuscorp.us/brands/wired-beans">www.focuscorp.us/brands/wired-beans</a>
SUNCRAFT	<a href="http://www.suncraft.co.jp">www.suncraft.co.jp</a>
Takenaka	<a href="http://www.takenaka-bentobox.com">www.takenaka-bentobox.com</a>
OIGEN Foundry	<a href="http://oigen.jp">http://oigen.jp</a>
UchiCook	<a href="http://www.aux-ltd.co.jp">www.aux-ltd.co.jp</a>
Viv	<a href="http://www.world-create.co.jp">www.world-create.co.jp</a>
Skater	<a href="http://www.skater.co.jp">www.skater.co.jp</a>
SanYoshi Co., Ltd.	<a href="http://www.owanya.com">www.owanya.com</a>
Kodai Sangyo Co., Ltd.	<a href="http://www.kodaimokuty.co.jp">www.kodaimokuty.co.jp</a>
Prairie Dog	<a href="http://www.prairiedog.com">www.prairiedog.com</a>
Toyo-Sasaki Glass Co., Ltd	<a href="http://www.toyo.sasaki.co.jp/e/">www.toyo.sasaki.co.jp/e/</a>

*Pranita Kurdpikul, Director, Thai Trade Center Chicago, Consul General Songphol Sukchan, The Royal Thai Consulate General, and Atsubiko Naoe from JETRO Tokyo meet at one of the Japan pavilions.*



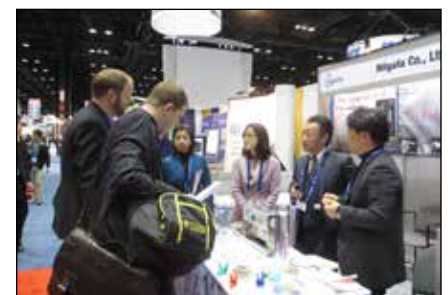
*Consul General Masabaru Yoshida visits with exhibitors.*



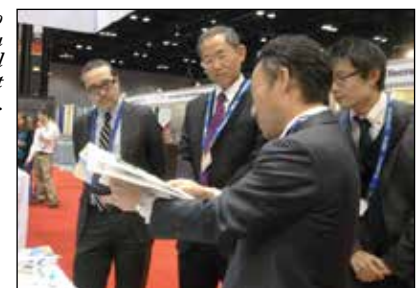
*JETRO Chicago's Ichiro Soné and Consul General Masabaru Yoshida are among visitors to the Japan pavilions.*



*JETRO Staff and Japanese exhibitors assemble at Pittcon.*



*JETRO Chicago's Ichiro Soné and Masabaru Yoshida, Consul General of Japan at Chicago, visit with Pittcon exhibitors.*



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## Retail in Japan: Modern & Profitable



### Guest View

**Roy Larke**  
Editor,  
*JapanConsuming*

The days of Japan's distribution sector being called 'archaic' are long gone. Through a series of crises, the retail sector, which in 1990 was as little more than a shop window for larger, powerful manufacturers, has

transformed itself to be as efficient as that in most industrial economies. According to the latest figures from METI, in 2012 Japan had just over 780,000 commercially operating retail stores nationwide. Of these, 408,000 were part of incorporated businesses, the first time that corporations outnumbered mom & pop stores. The total number of stores continues to decline, but sales per store and sales space per store are on the rise.

Today five retail formats dominate the market. The department store sector remains, but is a third smaller than in 1990 and today around 80% of the market is controlled by just five major groups. Isetan-Mitsukoshi, a recently merged group, is even opening new specialty store chains in cosmetics, men's and women's fashions, and variety stores for senior consumers. Such a move by a very conservative department store company would have been unimaginable even five years ago. In 2013, department stores accounted for a market of ¥6.7 trillion out of total retail sales of ¥138.8 trillion, but achieved the first year of growth for almost two decades. For overseas companies, department stores remain important as preferred shopping destinations for luxury imported brands, and for the most part do a good job of providing matching service levels.

The second are just seven large groups each with a core business in general merchandise store (GMS) chains. Aeon Holdings and Seven & I Holdings are the two largest, and both operate amorphous groups with many retail formats. Even on a consolidated basis, these two groups account for just ¥9 trillion in sales, or just 6% of retail sales, but JapanConsuming calculates that their share of food and FMCG sales

alone is closer to 14% and growing strongly.

The third format is the convenience store. As of December 2013, there were more than 50,000 stores operated by major chains, with Seven & I's Seven Eleven franchise controlling close to 30% of the entire market. It is one of the most technically efficient formats in the world, with a typical store having a product turnover of three times a day in prepared foods.

The fourth format, specialty retailers, today sell far more apparel than any other, overtaking department stores around 2006. Fast Retailing's Uniqlo brand is the largest single apparel chain, selling more apparel than either Aeon or Seven & I, and is now rapidly expanding into China and the USA. In consumer electronics, Yamada Denki has more than 20% of the entire market, with just four other chains making up the bulk of the remainder. Similar consolidation is taking place in drugstores, DIY (home centers in Japan), and in supermarkets.

Finally, there is e-commerce. Nomura Research Institute put the online market in Japan at around ¥12 trillion in 2012 and, especially boosted by the adoption of mobile and tablet computing and encouraged by long commute times, it is expected to break 10% in 2015-16.

Everywhere you look, retailing is modern and customer orientated. This means that the big chains are constantly seeking exciting new overseas brands, product ideas and retail innovations that they can emulate at home. Some of the top companies are also excellent investment targets. For foreign brands with the financial power to take on the market directly, there are now few barriers to entry and plenty of niches that still haven't been properly covered. It has taken 20 years, but Japan's retail industry has changed from a closed system to one that is quite open indeed.

*With more than 25 years of experience, Roy Larke is a recognized expert on Japan's retail sector. He is currently a Teaching Fellow at Waikato University in New Zealand. In addition, Dr. Larke serves as the editor of JapanConsuming (JapanConsuming.com), a comprehensive guide to the Japanese retail market. Dr. Larke's academic research deals with consumer behavior, sales strategy, and market entry strategy, all focusing on Japan.*

## Save the Date for the 2014 Midwest U.S.-Japan Association Conference

The Midwest U.S.-Japan Association Conference is scheduled for **September 7th – 9th, 2014**, in Des Moines, Iowa, at the Des Moines Marriott Hotel.

For over four decades, business leaders from the Midwest region of the United States and Japan have met on an annual basis to discuss the growth and progress of economic relations of the American Midwest and Japan.

The Midwest U.S.-Japan Association is comprised of nine member states including Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Nebraska, Ohio and Wisconsin. Membership in the Association is supported by state governments, usually represented by their Departments of Commerce or Economic Development.

Keep up to date on the Des Moines conference, including agenda and registration updates, at <http://www.midwest-japan.org>.

## "Talk to JETRO First" Brochure



If you are new to JETRO or just learning about doing business with Japan, JETRO offers an 8-page PDF introduction to its services, and some of the important benefits of Japan's business environment.

Download a copy of "Talk to JETRO First" at [https://www.jetro.go.jp/en/invest/reports/pdf/talktojetro\\_en.pdf](https://www.jetro.go.jp/en/invest/reports/pdf/talktojetro_en.pdf).



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## Guest View: Pienta ... from page 1

meandered through the labyrinths of booths, marveling at the sheer magnitude of choices and ritualistically exchanging business cards with possible future suppliers, my interest was piqued by the quality that was crossing my palate. It was here that my discovery of the survey of wonderfully crafted libations of Japan began. While I found some significant producers of sake, whiskey and other fruit liqueurs through my meetings, my biggest discovery was the expressive survey of styles and varieties of shōchū that are not readily available in the U.S. ... yet.

Shōchū is a Japanese distilled spirit traditionally made of rice, barley or sweet potato, similar to vodka but, unlike vodka, isn't distilled to be neutral. Because shōchū is usually only distilled once, many of the characteristic flavors of the base ingredients remain in the distillate and it also has a lower alcohol level, usually averaging around 25% (50 proof). This allows shōchū to be more palatable when drunk neat or straight and has about half the calories as vodka or other spirits. Of course, there are variations on the theme and that is where the intrigue begins.

This libation is said to have originated on the island of Kyūshū, just south of the main island, where they take shōchū very seriously. At the southern end of Kyūshū lies the prefecture of Kagoshima where they grow prized sweet potatoes. From these honored tubers comes a protected version of shōchū called Satsuma Shōchū. Satsuma is the historic and traditional name of Kagoshima Prefecture and because this is the home of shōchū, these producers wanted to protect their style of making shōchū with specific guidelines, similar to the French

appellation system for wine (AOC). For the shōchū to qualify for this certification, it must 1) be made from sweet potatoes grown in Kagoshima; 2) use water from the underground springs of Kagoshima; and 3) be single distilled for purity of flavor. Many of the Satsuma Shōchū producers also use traditional clay pots to ferment and mature their shōchū in order to give it additional complexity. The Satsuma Shōchū has a silky mouth feel, earthy fruit notes and a subtle spice on the finish. These, as with most shōchū, are enjoyed on the rocks, with added tepid or warm water and sometimes just straight.

While sweet potato shōchū has its own certification, shōchū made of barley or rice is hardly to be deemed inferior. It is a matter of taste. Rice shōchū, is probably the most common and is the base of many fruit liqueurs for its milder flavors. Respectively, shōchū made from barley takes on qualities that are similar to Scotch or rye. It has an earthy, vegetal complexity that would appeal to today's whiskey enthusiasts.

Quite popular in its native country, shōchū has risen above sake as the most ordered liquor in certain prefectures of Japan. In America, shōchū has been making headway in the coastal cities of San Francisco and New York where most beverage trends begin.

After my experience at FOOD EX JAPAN and the JETRO Buyer's Mission, I believe that Chicago beverage enthusiasts and our crafty mixologists are about to discover the great many applications of shōchū in the realm of our libation scene. So the next time you are at a liquor store or at your favorite Japanese restaurant, consider shōchū to enhance your evening and complete the authentic Japanese experience.

## Guest View: Limaye ... from page 3



and Japanese. As Japan Matters for America clearly shows, Japan is a major partner for the U.S. in global terms. Together the two countries account for about 20% of global trade and each is among the other's top 5 export destinations. Both the U.S. and Japan have a huge stock of foreign direct investment in each other, and close to 700,000 U.S. jobs depend on Japanese investment. The United States and Japan remain world leaders by economy, per capita wealth, investment, trade and quality of life.

And Japan is important across the U.S., not just a handful of states. For example, Japan is a top ten destination for about 44 of 50 U.S. states. Similarly, the U.S. is a top ten export destination for most Japanese prefectures. The breadth and depth of cross national interactions and

the strong mutual goodwill that results partly explains the huge amount of funds raised across the U.S. for humanitarian and disaster relief after the terrible earthquake and tsunami in Japan three years ago. There is also a significant "Midwest Connection" between the U.S. and Japan with several states actively engaged in business, civil society, education and people-to-people links. Indiana alone has about 220 Japanese companies and affiliates operating in the state. In fact, we would like to use the Japan Matters for America initiative to further highlight the ongoing ties between the U.S. and Japan in the Midwest and invite companies, educational institutions, and others to help us "tell their story" about U.S.-Japan relations. We sincerely hope that companies, industries, educational institutions and civic society organizations will contact us so that we can write articles and posts on their work to enhance the U.S.-Japan relationship to mutual benefit.

To share your story of U.S.-Japan relations with East-West Center, send an email to [asiamatters@eastwestcenter.org](mailto:asiamatters@eastwestcenter.org).

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They suffered various types of damage, such as collapsed ceilings and damaged factory floors, but, in some cases, employees volunteered to clean and repair the damage to their facilities. Some Tokyo-based parent companies sent staff to assist with these recovery efforts.

The Fukushima nuclear power plant accident triggered by the disaster also indirectly caused serious damage to Miyagi's business sector. Companies faced "damage by rumors and inaccurate information," that brought into question the safety of their products.

Right after the nuclear accident occurred there were a few cases in Miyagi prefecture in which officials detected radioactivity in materials higher than the standard levels. However, since this initial indication, no high levels of radioactivity were detected.

Nakagawa lived in Sendai City, but she did not need to worry about radioactive contamination there at all. Still, many Japanese consumers shunned Miyagi's products because of fears that they were radioactively tainted, disregarding all test results showing that inspected products were indeed safe.

Miyagi's food exports dropped as many countries strengthened their radiation controls at this time. According to research done by the Miyagi prefectural government in September 2012, this "damage by rumor" impact pushed prices of some fisheries' products to half their normal retail price. Furthermore, the food processing industry found that consumers in global markets were anxious about the perceived danger of radioactive contamination.

Nakagawa was motivated to do whatever she could do as the Chief of JETRO Sendai, but she realized that it would be difficult to conduct programs that would result in international business success in such a climate where the mindset for Miyagi's products was so negative. Therefore she first decided to do her best to disseminate correct and accurate information to the world about the actual situation.

First, JETRO invited journalists, chefs and business leaders from around the world, including Neil De Koker, then the President and CEO of the Original Equipment Suppliers Association (OESA) from the U.S. While in Tohoku, Mr. De Koker obtained an idea of the real situation regarding the recovery of the region's automotive parts suppliers. JETRO also described the recovery of the manufacturing supply chain, as well as the reality of the radiation crisis and the extent to which "damage by rumors" was hurting the business for safe and sound food products.

Second, Nakagawa's strategy was to bring overseas buyers to Miyagi to connect them to local companies who had lost business during their absences, and could not afford to travel abroad to find new business partners. Miyagi is well-known in Japan for its rich, high-quality foods and ingredients. Also, there are many Miyagi companies that produce contemporary home design products and housewares, combining traditional craft techniques, such as lacquer, iron, glass, paper or wood products. JETRO organized business match-making events with overseas buyers in these fields. One of the success stories included a U.S. company that contracted to purchase paper products made by disabled people living in the disaster-ravaged city of Kesennuma.

These types of programs offered great opportunities for the overseas buyers to not only seek business with Tohoku companies but also to touch the daily life and work of the Miyagi people, and help them sustain their recovery.

Furthermore, JETRO provided special assistance for recovery-area companies to participate in overseas trade shows. JETRO Sendai dispatched Miyagi companies to 21 overseas trade shows, including the International Home and Housewares Show in Chicago held from March 15-18 this year. Four exhibitors from Iwate, Miyagi and Fukushima Prefectures participated.

Nakagawa introduced one more JETRO program to support the recovery



*Akiko Nakagawa, Director-General, Trade Fair Department, JETRO Tokyo, shares her experiences at the Kizuna 3 event in Chicago.*

area: JETRO Fukushima's Project. That prefecture's agricultural products suffered the most severe "damage by rumors," which extended even to products produced in areas without any radioactive contamination from the nuclear plant accident. Not only people in other countries but also many Japanese people themselves misunderstood the situation and thought that Fukushima was entirely contaminated with radiation, when actually only the zone close to the plant was affected.

JETRO Fukushima teamed up with the prefectural government and worked hard to assist in the export of Fukushima peaches. Fukushima was well-known as the "Kingdom of Fruit" with rich and delicious produce such as peaches, pears, apples, strawberries and grapes. But the prices and production levels plunged and farmers were demoralized. JETRO Fukushima and the prefectural government decided to promote peaches to overseas markets. They believed that if this program succeeded, Fukushima farmers could regain their hope and importantly, their confidence.

Farmers could export peaches to Thailand with certificates of inspection. JETRO Fukushima invited buyers from Thailand and took them to visit inspection centers and orchards where they showed them how farmers grow their peaches with care, and how tasty they are. (You should try these peaches when you visit Japan -- they are really sweet and delicious!) As a result, a prominent department store in Bangkok held a Fukushima Fair, which featured the peaches, successfully exported to Thailand for the first time since the disaster.

The story of the peaches was big news in Fukushima. When Nakagawa returned to her hometown in Fukushima, people told her that they were so happy to hear about the program and appreciated JETRO's efforts very much. She said this made her feel very proud to be working at JETRO.

She also thanked our many American friends who helped in the recovery area right after the disaster, such as the United States Armed Forces who worked so hard to reopen Sendai Airport by clearing the mud and debris. The first flight arrived at Sendai Airport on April 13, 2011, only about a month after the tsunami. Vice President Joe Biden kindly visited Sendai and made a speech at Sendai Airport on August 23, 2011. Nakagawa heard him deliver this speech, in which he encouraged the Tohoku people and emphasized the importance of Japan and the United States working together.

Nakagawa said in closing: "What I would like to express to all of you is my deepest appreciation for your heartfelt support. I would also appreciate very much if you could keep your interest and thoughts on the people and companies of Tohoku who are working so hard each and every day to make a positive recovery. I was quite amazed with the power of humans and possibilities they have when they confront the ultimate difficulty."

The recovery efforts continue, as well as Japan's gratitude for the world's ongoing support.