

# SOUTHERN CALIFORNIA

Produced by: GLOBAL MEDIA POST Photos from the Los Angeles Tourism & Convention Board www.gmpost.com

## BRIDGING JAPAN AND THE UNITED STATES

2017 has been a year of sharp policy shifts all over the planet. Amid this complicated backdrop, continuity in the perennially strong U.S.-Japan relationship has become crucial in assuring stability not only in the Asia-Pacific Region, but also around the world.

Following the February meeting between Prime Minister Shinzo Abe and President Donald Trump that included a round of golf, both leaders acknowledged how much they value the relationship, with the U.S. president describing the U.S.-Japan alliance as a "cornerstone of peace" in the Asia-Pacific region, while citing Japan as an "important and steadfast ally." For his part, Abe hoped that his U.S. visit would "usher in a new era of bilateral relations."

Of course, trade remains a focal point of discussions between both countries, following the U.S. withdrawal from the highly touted Trans-Pacific Partnership agreement.



CONSUL GENERAL OF JAPAN

Consul General of Japan in Los Angeles Akira Chiba

Chiba, "We need to keep sharing with the American people how Japan has contributed to society. We create jobs, invest and import American goods."

One step toward this objective is the establishment of the JAPAN HOUSE, a project aiming to promote a deeper understanding of Japan in the international community. With Los Angeles being one of only three selected locations in the world (along with Sao Paulo and London), this platform offers an opportunity for intellectual exchange between Japan and the U.S., thereby generating new business opportunities.

### A historically humble partner

As businesses navigate the changing landscape of global politics and trade, it has become increasingly important for the private sector on both sides to clearly communicate to their leaders the value of the relationship, and more importantly, the impact of their contributions toward assuring mutual economic prosperity. Having said that, the contributions made by Japanese companies in the U.S. are arguably misunderstood, largely due to Japan's understated and humble ways.

"Japan is still the No. 1 source of foreign direct investment in Southern California," said Japan Business Association President Satoshi Okawa. "Japanese companies have been contributing a lot, but quietly. Our mentality by nature is defined by modesty. This is a virtue of Japan."

"This has led to some reflection on the Japanese side, translating into a consensus belief that more effort should be put on creating awareness of Japan's contributions to the U.S. economy."

"We have a huge presence here already," stated Consul General of Japan in Los Angeles Akira

"Many Japanese companies are very interested in business overseas. Interest in the U.S. is growing. Japanese companies still understand the attractiveness of Southern California," said Japan External Trade Organization Los Angeles Chief Executive Officer Keiichi Nishimoto.

"Because of the large Japanese-American community and because Japanese-Americans have such prominent roles now in Southern California — in business and as members of the community — Japanese feel comfortable here; the climate is very positive for them to do business in Southern California," Japan-America Society of Southern California President Doug Erber said.

An apt illustration of this evolution is the city of Torrance, located in the South Bay region of Los Angeles county, the home of Toyota's North American headquarters for 33 years. While the auto giant's move to Plano, Texas, was much publicized, the city still hosts the U.S. headquarters of 200 other Japanese companies. And the city continues to draw interest from Japan as new space has now become available.

we've ever had before. We are open," UCSD Chancellor Pradeep Khosla pointed out.

### Changing landscape

While in the past, Japanese investment was widely tied to large corporations, an influx of small and medium enterprises (SMEs), particularly in food and beverages, advanced technologies, medical devices, life sciences and services, have ventured into the U.S. market.

Many of these SMEs once catered to the Japanese giants, preparing them well for new customers in the U.S. With challenging demographic issues in Japan, these companies consider the U.S. as an opportunity for sustainable growth, with many of them selecting Southern California as the starting point for their U.S. operations.

"Beyond Torrance, the West-side of Los Angeles has also been drawing interest. Dubbed "Silicon Beach," the area is home to over 500 tech companies.

"In Silicon Valley, most companies are already well developed. Here in Silicon Beach, it's in the beginning stages so it's the perfect time for investors and companies from Japan," explained Nishimoto.

"Within the Silicon Beach name, the word 'beach' is very important. Japanese tend to associate innovation with factories and research and development facilities. We need to change that mindset. Our younger generation is seeking a better work-life balance, so this setting is very attractive to them," he added.

This hub for innovation has brought Japan — and the world — a lot of interesting tech, most notably the current social media darling, Snap Inc.

Another company headquartered there is cloud-based talent management solutions provider, Cornerstone OnDemand, which has set its sights on Japan and the Asia-Pacific, as it looks to assist Japanese companies adapt their traditional career management approach to changing global practices.

"Technology can be supportive of both local and global practices required to succeed around the world. Japanese companies are starting to think differently

Development Manager Fran Fulton stated.

Ranked as one of the top-10 safest cities of its size in the U.S., located midway from two major ports and airports, the city boasts many advantages for businesses looking to establish their U.S. footprint. The city is also seeing an influx in biotech and research and development facilities, as well as a slew of emerging companies.

Pentel of America, present in the U.S. for over half a century, noted the livability of Torrance as one of its most attractive qualities.

"Because of the unique Japanese community, it's like I'm back in Japan here. It is a great place to live," said Pentel of America President Chotaro Koumi.

Beyond Torrance, the West-side of Los Angeles has also been drawing interest. Dubbed "Silicon Beach," the area is home to over 500 tech companies.

"On the ground, logistics companies such as Dependable Global Express (DGX) continue to assist Japanese businesses with North American operations. As optimism about their prospects grow, expansion of frontline points in Japan are planned.

"We've barely scratched the surface. I have high hopes that in 10 years we will definitely have more than a Tokyo office, the question is how many," explained DGX President Brad Dechter.

Meanwhile, market conditions in Japan and a growing acceptance of Asian flavors in the U.S. have led to an explosion in the food and beverage industry. This was an opportunity identified by Advanced Fresh Concepts Franchise Corp. (AFC Corp.) as it now enters its third decade, standing as the largest North American franchisor of service counter concepts, serving sushi and other Asian flavors.

As opportunities multiply, it becomes evidently clear that the partnership between Japan and Southern California — and the U.S. — is stronger than any cyclical political headwinds. Its prosperity is based on well-established relationships and a never-failing appreciation for each others contributions.

## FORGING INTERNATIONAL TIES TO TACKLE GLOBAL ISSUES

What if you could tackle malaria by immunizing the mosquito? Or monitor health via a small wireless "tattoo" on the skin? And what if robots could become the next generation of caretakers for the elderly population?

At the University of California San Diego, improbable ideas like these become a reality. Faculty, students and researchers are driven by a spirit of bold experimentation, determined to spark truly groundbreaking change that will benefit people across the globe — from social justice to health care and climate change.

Established in 1960, UC San Diego is a public research university that has been shaped by scholars who aren't afraid to make waves. The campus is consistently ranked among the top-10 best universities in the U.S. and top 15 in the world for research, teaching and public service.

Positioned in the heart of one of the most vibrant innovation hubs in the U.S., UC San Diego serves as a major catalyst for local and international partnerships. In 2016, the UC San Diego

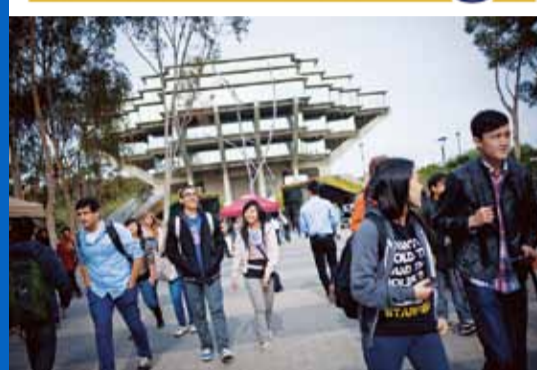
School of Medicine teamed up with the Chiba University School of Medicine to launch a new research center that will focus on vaccine development, infectious diseases and more.

"The challenges we face as a global society are increasingly complex and need to be addressed collectively through the collaboration of nations, industries and disciplines," said UC San Diego Chancellor Pradeep K. Khosla. Last summer, UC San Diego opened an office in Tokyo to better connect the life science clusters in the two cities, both known for leading innovation. The space serves as a place for interaction, exchange and collaboration with Japanese partners.

"We are committed to strengthening our global partnerships in academia, research and business to advance the frontiers of knowledge in order to benefit our planet and humankind," said Khosla.

→ www.ucsd.edu

### UC San Diego



The University of California San Diego's iconic Geisel Library.

## UCLA AND WASEDA UNIVERSITY DEVELOP APP TO HELP STUDENTS READ ANCIENT JAPANESE TEXTS

An app that takes a scholarly, yet playful, approach to studying calligraphy is helping students learn to read classic Japanese texts.

Michael Emmerich, a UCLA associate professor of Japanese and well-known translator of Japanese fiction, joined forces with scholars at one of Japan's top universities, Waseda University in Tokyo, to develop and launch the Hentaigana App, now available for Google's Android and Apple's iOS systems.

It's just one of the many projects Emmerich has worked on since leading an initiative to help transform UCLA's Department of Asian Languages and Cultures into a world-class center for the study of Japanese literature and culture, propelled by a \$2.5 million gift from the President and CEO of retail holding company Fast Retailing Tadashi Yanai in 2014.

On screen, students can study a handwritten Japanese syllable taken from a manuscript from the 15th to the 17th centuries. Then, they can "flip" the letterform to see the Chinese character from which it was derived. On the same screen, they can see how the syllable appears in a modern typeface. → www.ucla.edu



Users of the new app see kana, or Japanese syllables, displayed against richly decorated backgrounds taken from rare manuscripts.

## WELL-SCRIPTED SUCCESS IN AMERICA FOR PENTEL OF JAPAN

In 1964, Pentel founder Yukio Horie traveled to the U.S. with a backpack full of pens and a mission: to personally introduce his products through massive sampling. The following year, then-U.S. President Lyndon B. Johnson signed his State of the Union Address with a Pentel Sign Pen, and the rest, as they say, is history.

That watershed moment in 1965 came as Pentel opened its first overseas subsidiary outside Japan in Chicago. Pentel of America still holds an office in the Windy City more than 50 years later, but its headquarters has been in Torrance, California since 1968.

Discover the best



"We relied so much on imports from Japan at that time. That's why we made the move. California is closer to Japan. Communication is easier. Logistics are easier," explained Pentel of America President Chotaro Koumi.

Accounting for around 30 percent of total global sales last year, Pentel of America topped the sales of the entire company, including that of its headquarters in Japan.

Koumi is also proud of how much the company has been able to localize.

"Most of the customers I talk to don't know that we are Japanese. They think we are an American company, which is good," he said.

While its pencil leads and erasers dominate market share in the country, Pentel of America continues to be innovative in the pen category, with its revolutionary flagship EnerGel line becoming a bestseller. In recent years, Pentel of America has seen its EnerGel



Pentel's EnerGel gel pens come in 8 barrel designs, 5 tip sizes and 12 super-smooth ink colors.

pen become one of the leaders in its category, an achievement that brings pride to the company.

"We are not the biggest player in the field because there are giants that own so many brands. But we are really well known as the quality products supplier, from writing materials to art materials and everything else in between," Koumi said.

→ www.pentel.com

## BIG CITY WITH A HEART OF A SMALL TOWN



City of Torrance Mayor Patrick Furey

Located in the southwestern region of Los Angeles County, Torrance is a coastal city that ranks consistently among the 10 safest mid-sized cities in the U.S. Diverse in every aspect, Torrance boasts the highest

concentration of Japanese companies in Southern California and the second-highest concentration of ethnic Japanese in the whole state.

"We really do consider ourselves to be a balanced city. We have international and homegrown businesses. We have residential, commercial and

industrial — and we try to keep all of that working in harmony. As economic developers, it is important that we have a city council that is very business friendly. Our job boils down to relationship building," said Economic Development Manager Fran Fulton.

Situated between two of the busiest ports of entry in the country — Los Angeles Inter-

national Airport and the port complex of Los Angeles and Long Beach, Torrance was un-

surprisingly the chosen location for opera-

tions for global Japanese brands Toyota, Honda, Pentel and All Nippon Airways, as well as more than 200 others.

Having a strong presence of large companies from all industries, Torrance also prides itself in being able to cultivate and nurture its own small businesses through a business incubator and accelerator, as well as working in partnership with local colleges and universities.

"Our doors are open for business. We are welcoming to any Japanese company looking for a place to call home," Mayor Patrick Furey stressed. → www.torranceca.gov

Human Centric Innovation

Driving Digital Transformation

FUJITSU

shaping tomorrow with you

Fujitsu Frontech North America

http://us.fujitsu.com/fna

Global Leader in Talent Management

Cornerstone realize your potential

www.csod.jp

DEPENDABLE

"The Supply Chain Partner You Can Depend On"

Dependable Global Express

Tokyo: info.japan@dgxglobal.com Tel: +81.03.5776.7401

Los Angeles (USA): info.losangeles@dgxglobal.com Tel: +1.310.669.8888

www.dgxglobal.com www.godependable.com



Downtown Torrance



AFC Corp. President Ryuji Ishii

## SUSHI BY AFC: FIRST AMERICA, THEN THE WORLD

vestment, Ishii attributes some of his success to luck because after some bumps in the road, the largest supermarket chain in Southern California believed in his vision and backed his concept.

"What motivated me to start this was that I thought it was a simple, but unique idea to have sushi take-out counters beside everyday American food," Ishii recalled.

Ishii's vision and entrepreneurial spirit would eventually make him the takeaway sushi category pioneer and earn him broad recognition ranging from inclusion in the American Enterprise Exhibition in the Smithsonian's The National Museum of American History to Japan's Minister of Agriculture, Forestry and Fisheries Award for his contribution in expanding traditional Japanese cuisines and foods.

Today, the AFC Group Companies are the largest franchisor of supermarket-based foodservice counters in the U.S. that serve mainly sushi and other Asian cuisines. The company oversees more than 4,000 kiosks globally, including 3,600 across the U.S. and Canada. Moving beyond supermarkets, AFC franchises have expanded into school cafeterias, sports arenas, hospitals and office buildings, to name a few.

Because sushi is a delicate product, food safety remains the top priority, while quality comes close second. To meet those standards, franchisees undergo a meticulous training system and examination before they are approved. All of the AFC kiosks are routinely checked to ensure they meet AFC's stringent global standards.

"Food safety is the first priority. Our suppliers have rigorous food safety programs and quality standards and should be certified in all their processes. Additionally, AFC has its own robust food safety and quality assurance program and a dedicated team of auditors to make sure that compliance is maintained across the entire supply chain," Ishii stressed.

→ [www.afcsushi.com](http://www.afcsushi.com)

## TERUMO'S ACQUISITION OF SEQUENT MEDICAL REPRESENTS PERFECT MATCH

It has been 11 years since Japanese-owned Terumo Corp. acquired MicroVention Inc., a company that treats diseases in small blood vessels of the brain. Both companies have experienced tremendous success and growth as a result of this synergistic merger.

"Terumo has provided the resources to allow us to invest and grow our business, as well as the opportunity to innovate products for Terumo," MicroVention CEO Richard Cappetta said.

To further complement its growth plans, Terumo acquired Sequent Medical, Inc., a privately held firm in California that was absorbed into MicroVention.

The new venture will allow MicroVention to expand its product portfolio in aneurysm therapy by utilizing the new technologies gained from the acquisition.

"Sequent has a proprietary braiding technology and developed the WEB Aneurysm Embolization System, a mesh created from extremely fine wire for the treatment of both ruptured and unruptured aneurysms," Cappetta explained.

Following its recent integration with Sequent, MicroVention now has a stronger product portfolio that will establish its leading position in neurovascular disorders. Already launched in Europe, WEB is a therapy that may provide increased patient safety and improved clinical outcomes. With the shorter procedure, patients should face less risk of complications.

Valuing the independence provided by its parent company, MicroVention continues to innovate in patient care and remains prolific in product development.

Since its establishment 20 years ago, the company has expanded to cover a comprehensive portfolio of neurovascular disorders that include aneurysm, stroke and carotid artery disease and neurovascular malformation treatment solutions. Over the same period, the company has seen its revenue increase tenfold and its workforce grow from 130 employees to nearly 2,000 scattered across the globe.

"We are proud of what we do here to save lives because our innovative products help many diseases. You are going to see from us very strong growth over the next 10 years with a robust pipeline of products," said Cappetta.



MicroVention CEO Richard Cappetta

MICROVENTION

## WHERE SERVICE IS AS HEARTFELT AS IT IS UNFORGETTABLE



Sumitomo Realty & Development (USA) President Mari Miyoshi

It's all in the heart. Nearly six years after taking over the helm of the InterContinental Los Angeles Century City, owned by Sumitomo Realty & Development, President of SRD (USA) Mari Miyoshi attributes the success of one of the city's most iconic hotels to the heart of every employee and the genuine service they each provide.

"That is intangible, but most important. People will feel because they have heart," explained Miyoshi, whose work ethos has spread to the whole organization.

"She's like the mom of the hotel," said General Manager Steve Choe. "Employees first: That's one of the biggest things in her philosophy."

As the Executive Chairman of Sumitomo Fudosan Villa Fontaine Co., Ltd., Miyoshi also oversees the operations of Hotel Villa Fontaine (HVF) in Japan. With 13 properties in bustling neighborhoods in Tokyo, Kyoto, Osaka, Kobe, the Izu Kogen resort, HVF is a premier brand of hotels that offers standard to high quality service to a clientele of sophisticated business travelers.

As a bridge of cultures, Miyoshi takes several employees with her on every business trip. "I want to give them the chance to see and have that international feeling and global experience," she said.

That management style focused on team culture and diversity has served the hotel very well, as it has seen an increase in the number of guests from Asia, South America and the Middle East, especially.

With employees representing a mix of cultures from 34 different countries, InterContinental Los Angeles Century City is able to provide every guest – no matter where they're from – with a personalized experience and unique service touches.

"We reach people through the experience. We make them remember the experience," stresses Choe. "It's a feeling other than just staying in a hotel. Guests make memories here, so when they return, they feel something familiar," Miyoshi adds.

Located 20 minutes from the heart of downtown, the InterContinental Los Angeles Century City sits in the middle of the entertainment capital, yet takes pride in the privacy it provides guests on the mile-long Avenue of the Stars at Beverly Hills.

→ [www.intercontinentallosangeles.com](http://www.intercontinentallosangeles.com) / [www.hvf.jp](http://www.hvf.jp)

## AN EARLY CLOUD ADOPTER SEIZES SUCCESS

Starting as an online learning provider back in 1999, Cornerstone OnDemand always believed that success is directly connected to building a culture of continuous learning and development. Born as a cloud-based talent management software firm, the Los Angeles-based company is applying its roots in learning to help companies attract new employees, train them and manage their workforce.

"Even 20 years ago, Cornerstone was at the forefront of the software-as-a-service revolution," said Vice President and General Manager for Asia-Pacific and Japan Frank Ricciardi. "We saw early on how our clients could benefit from the innovation of the cloud, especially with the type of learning software and talent management applications we were developing."

Today, the company has enlisted more than 3,000 clients and nearly 31 million users across 192 countries and 43 languages on a single cloud-based application, giving it one of the largest subscriber bases in the world. Last year, there were over 360 million registrations for courses taken through Cornerstone amounting to over 1.3 billion hours of training.

Present in Japan for four years, the company has successfully rolled out its software in large multinational conglomerates such as Nissan, Ricoh and Hitachi.

"Hitachi implemented Cornerstone in less than eight months with 350,000 people across its 1,000 subsidiaries. There are very few applications that you can do that with," Ricciardi said.

With each client, Cornerstone brings vast knowledge and years of identifying best practices. As proof of its commitment to the Japanese market, the company has formed



Cornerstone OnDemand Vice President and General Manager for Asia-Pacific and Japan Frank Ricciardi

a dedicated team to work hand-in-hand with Japanese companies looking to implement global talent management best practices.

"Once we've partnered with a company, we're in it for the long haul. We believe that success breeds success. That is why we have a client service-first strategy," Ricciardi also said.

→ [www.csod.jp](http://www.csod.jp) / [www.csod.com](http://www.csod.com)



The facade of the recently renovated San Diego International Airport

## SAN DIEGO INTERNATIONAL AIRPORT SEES CLEAR SKIES AS GROWTH PLANS ANNOUNCED

This year marks a new era for the San Diego County Regional Airport Authority. It has appointed a new President/CEO and unveiled future renovations and projects aimed at making the airport a world-class and green transport hub. Then in March, the Airport Authority appointed industry veteran Kimberly Becker as its new CEO. She succeeded Thella Bowens, who oversaw many of the infrastructure improvements over the 15 years she worked for San Diego International Airport.

Becker said the Airport Authority would continue its regular consultations with San Diego's business and tourism groups to map out effective strategies to target emerging markets and meet with various airlines to discuss new routes and flight options.

This community-based approach to air service development has yielded positive results. Since May, the airport has added nonstop service to premium destinations, including Frankfurt and Zurich. Later this year, it will reintroduce nonstop service to Mexico City.

Today, the airport's roster of international flights includes nonstop air service to six countries — Japan, Germany, the U.K., Mexico, Canada and

Switzerland. Overall, San Diego International Airport offers nonstop service to 61 destinations in the U.S. and 10 international destinations.



San Diego International Airport CEO Kimberly Becker

This flurry of new flights has accelerated plans to build a new, expanded customs facility for international arrivals. The new facility is under construction now and is expected to open in June 2018.

The goal is to make the airport the clear choice not only for leisure travelers, but also for those looking to do business — or build their businesses — in San Diego, as well as overseas markets.

"San Diego is a growing and thriving city," Becker said. "More and more businesses are driving this community to a profitable and sustainable future. That's what we wanted this airport to reflect."

The next project on the horizon is the replacement of the 50-year-old Terminal 1, although a timeline and budget have not been finalized.

Through effective planning and close collaboration, the Airport Authority strengthened its financial position to more than \$234 million, with assets of \$2.2 billion.

→ [www.san.org/airport-authority](http://www.san.org/airport-authority)



Takenaka Partners Yukuo Takenaka



## JAPANESE ADVISER SUCCEEDS AGAINST THE ODDS

Japan-born Yukuo Takenaka began his career in the Los Angeles office of KPMG when the so-called Big 8 firms hardly hired minorities. Through persistence, he found success in the industry as a wave of Japanese companies came to the U.S. in the 1980s. In just eight years, Takenaka was made a partner in that firm for having secured prestigious clients like Mitsui Bank, Honda, Mazda, and Hitachi.

In 1989, Takenaka established his own investment banking and consulting firm to focus on mergers & acquisitions and strategic alliances. Nearly 30

years later, Takenaka Partners has grown into a multiservice consultancy firm engaged in investment banking, global strategy consulting, corporate valuation, and business due diligence.

Because of his linguistic advantage, Takenaka grew his network among Japanese companies and advised them on the intricacies of expanding across the U.S. and other parts of the world. A passionate advocate of globalization, he has become the preferred investment banker for Japanese companies wanting to expand in the U.S. market.

As one who witnessed the challenges faced by these Japanese companies, Takenaka has served as the right-hand man that steers them toward success by encouraging CEOs and executives to adopt a global mindset, accept change, and embrace different cultures.

"The biggest challenge for Japanese companies is understanding foreign cultures and knowing how to motivate local colleagues. We educate them on how to overcome cultural differences and to succeed here," Takenaka explained.

→ [www.takenakapartners.com](http://www.takenakapartners.com)

Recently, Takenaka became the first representative from Japan and investment banker to join the Board of Directors of the World Services Group (WSG), a global network of professional business service providers with more than 130 members from 116 countries, including the U.S. His appointment came as the WSG seeks deeper collaboration between companies from the two countries.

→ [www.takenakapartners.com](http://www.takenakapartners.com)

**FLY DIRECT TO PARADISE**

DAILY NONSTOP SERVICE TO SAN DIEGO  
BOOK AT [JAL.COM](http://JAL.COM)

**SAN DIEGO INTERNATIONAL AIRPORT**  
LET'S GO.

© 2017 San Diego County Regional Airport Authority. All rights reserved.

**MicroVention TERUMO**

MicroVention develops and markets medical devices to improve the treatment of diseases in small vessels, with a focus on neurovascular disorders.

Learn more at [www.microvention.com](http://www.microvention.com) or +1.714.247.8000

MICROVENTION is a registered trademark of MicroVention, Inc. © 2017 MicroVention, Inc.

At the University of California San Diego, We Break Things Better.

Do you have a need to take things apart and touch what makes them tick, to tear down conventional wisdom? If so, you may be one of us. [ucsd.edu/breakthingsbetter](http://ucsd.edu/breakthingsbetter)

**UC San Diego**

**OUR HOSPITALITY AWAITS**

INTERCONTINENTAL LOS ANGELES CENTURY CITY  
& Hotel Villa Fontaine

[INTERCONTINENTALLOSANGELES.COM](http://INTERCONTINENTALLOSANGELES.COM) • [HVF.JP](http://HVF.JP)