

FINDING CONNECTIONS THROUGH CULTURE AND INNOVATION

Whether one prefers to ski down snow-covered peaks, hike up lush mountains or just enjoy a glass of wine on the beach, the Pacific Northwest has attracted a wide range of visitors from around the world, an increasing number of them from Japan. Because of their proximity to Asia, the states of Oregon and Washington have also positioned themselves as ideal partners for business. As the base of some of the world's largest companies, including the most connected technology giants, the two states boast very stable economies, one thing to consider for potential Japanese investors.

OREGON

Oregon and Japan share a history that goes back more than a century. Several years before Japan opened up to the West, Rana MacDonald from Astoria, Oregon became the first American to set foot in isolationist Japan in 1848. He was one of the few Westerners allowed into the country to teach English to a selected group of *samurai*.

"Historical and traditional relationships here are very much deeper here than other parts of the USA," Consul General of Japan in Portland Takashi Teraoka pointed out.

More than 150 years later, the relationship between the two sides has continued to flourish. Just the past year, the state has seen its eighth consecutive increase in the number of visitors from Japan.

"Oregon maintains 21 sister city and state relationships with Japan. Among all countries, Japan has the most foreign business investments in Oregon. At least 150 Japanese companies have local operations in Oregon," said Charles Boyd, the press secretary and spokesperson for Gov. Kate Brown.

Efforts to promote the state in Japan have paid off as seen in the growing popularity of Portland beers and the subsequent opening of the PDX Taproom in Shibuya in the heart of Tokyo. Nike notwithstanding, some Oregon clothing and apparel brands, likewise inspired by Japanese creativity, have found many fans among the Japanese.

"A lot of smaller Oregon companies are sending their products to Japan. It is an interesting marketplace. A lot of Japanese are willing to try different new products and willing to pay more for good quality products," Japan-America Society of Oregon Executive Director Graham Morris said.

Meanwhile, large brands such as Nike, Adidas, Columbia, Keen and Pendleton use Japan as a base to develop new designs before they are rolled out across the rest of Asia.

"That connection among our creative community is significant and it's going to help drive traffic to the Haneda flight in the future as well. This spring, Delta Air Lines will begin daily, non-stop flights between Portland and Tokyo-Haneda, the Japanese capital's

central airport. The added route and connectivity are expected to complement the increase in tourism and commerce between the two regions," said Port of Portland Senior Manager of Air Service Development Rick Aizawa.

WASHINGTON

Meanwhile, the state of Washington has consistently built a reputation as the country's newest hub for innovation. While Japan and Washington share a long trade history based on agriculture, Greater Seattle is promoting new business areas in which to invest. There has been growing interest from Japanese in advanced manufacturing, clean technology, biotechnology, medicine and most notably, aerospace.

As home to the headquarters of global giants such as Amazon and Microsoft, as well as a center of Boeing construction, Washington has seen a growth in Japanese investment, most recently that of Mitsubishi, which moved its flight-testing center from Renton, Texas, to Moses Lake.

Another sign of increased activity, Japan Airlines resumed flights to Seattle-Tacoma International Airport after a 27-year hiatus. With flights lasting only 10 hours, Sea-Tac hopes to become the preferred entry point to the U.S. West Coast.

"Washington is very welcoming and dynamic. Open-arms hospitality is felt in our daily lives not just by us who work, but also by our families. It is a very fine place with a lot of nice outdoor activities and a wonderful place to raise kids and to live as family. I highly recommend to potential Japanese investors to come and find out how business works in the Pacific Northwest," Consul General of Japan in Seattle Yoichiro Yamada said.

For his part, Dale Watanabe, the Executive Director of the Japan-America Society of the State of Washington, believes the relationship has thrived because of deeply rooted similarities.

"Japan and the U.S. have a lot of shared values. They both honor ethics and innovation. Building the relationship between Japan and Washington is very important. Person-to-person relationships are what will build business," Watanabe said. ■

TUALATIN VALLEY: AN OLD FAVORITE WITH NEW DISCOVERIES

Located just minutes from Portland, the Tualatin Valley offers a diverse range of outdoor activities, restaurants and cafes, tax-free shopping and world-class wineries and breweries. The Tualatin Valley has gained a loyal following among travelers, local and international, all of whom are treated to new attractions while finding comfort in familiar favorites.

The Tualatin Valley has built a solid reputation as an exceptional nature destination, as the area develops its natural assets into parks and trails. Opening to the public this year, the Wapato Lake National Wildlife Refuge joins the Tualatin River National Wildlife Refuge, one of the most popular destinations for birdwatchers.

In addition to its natural beauty, the Tualatin Valley is an ideal experience of the American way of life. Small-town main streets and its location in the fertile Willamette Valley showcase the American

urban and rural lifestyle. As the gateway to Oregon's famous wine country, the Tualatin Valley has more than 30 wineries with tasting rooms open to visitors.

New attractions include nine more hotels that are scheduled to open within the year, giving visitors more choices for accommodation.

The area is also to get two new state-of-the-art event facilities. The Wingspan Event and Conference Center in the city of Hillsboro is due to open in July, while the Patricia Reser Performing Arts Center in Beaverton is to open in September 2021. These new venues will bring high-quality performances and events to the region and serve as spaces for corporate conferences and trade shows.

Carolyn McCormick, the president and CEO of the Washington County Visitors Association, the official tourism organization for the Tualatin Valley, believes that Japan will continue to be one of their top markets, especially after Delta Air Lines starts its daily non-stop service between Tokyo's Haneda Airport and Portland International Airport in late March. ■

→ www.visittualatinvalley.com



The Tualatin Valley has several nature parks, wildlife refuges and wetland preserves, which attract bird watchers, nature lovers and travelers. It is also the perfect destination for wine lovers to explore varietals that put the region on the map.

PDX: SHOWCASING THE BEST OF THE PACIFIC NW



Aside from modernizing its facilities, Portland International Airport (PDX) is also expanding its network around the world. In March, Delta Air Lines will launch a nonstop flight to Tokyo's Haneda Airport in time for the Olympics.

Portland International Airport (PDX), voted America's Best Airport seven years in a row by Travel Plus Leisure magazine readers, serves as a welcome mat for Oregon and the Pacific Northwest.

The airport celebrates everything that makes Portland unique — good food, great wine and beer, natural wonders and a thriving creative community. Handling nearly 20 million passengers annually, PDX is making a series of updates to accommodate the rising number of visitors and bring even more local flavors and fun for years to come.

PDX continues to expand its international connections as well, including a new nonstop route from PDX to Haneda Airport in Tokyo, where there is a shared appreciation for great food and drink. The Delta Air Lines flight launches March 28, just in time for the Tokyo Olympics.

Offering quick access to Asia and facilitating strong trade ties with countries like Japan, PDX is gearing up to take in more air cargo flights, including existing services by ANA Cargo.

Oregon is an outdoor enthusiast's paradise, with hiking, skiing and cycling all within an hour of PDX. And when Oregon hosts the World Track and Field Championships in 2021, PDX will be the gateway for the 50,000 daily visitors expected during the event, serving as a spotlight to all that Oregon has to offer. ■

→ www.flypdx.com

KEEN: TAKING A HUGE STRIDE THROUGH JAPAN



Keen to make a difference, the Oregon footwear maker donated more than 13,000 sandals to victims of the 2011 earthquake and tsunami in Japan.

Founded by the Fuerst Group in 2003, Oregon-based KEEN came into the footwear market with a single product. Called the Newport, the sandal gained popularity quickly among hikers for its durability and comfort, as well as its distinctive protective black toe bumper.

Seventeen years later, KEEN now offers a wide variety of footwear (sandals, shoes and boots), bags, clothing and accessories, all designed for outdoor enthusiasts of all sorts. While the company has also grown into a \$500 million business, it has not let go of its original values of making a difference and making the world better.

Directly or indirectly supporting various activities that clean up the environment, promote healthy lifestyles and advocate volunteerism, KEEN contributed 13,500 of its sandals to relief operations following the massive earthquake and tsunami that devastated eastern Japan in 2011. That effort also sparked a partnership that continues to this day.

"We set up a design center in Tokyo, which creates probably 20 percent of the products for our global range. We noticed that with our Japanese range, our Asian business has grown significantly, especially in (areas) such as Taiwan, Hong Kong and Thailand," said Rob Langstaff, vice president for international business.

"In our industry, Japan used to be the student of the U.S. Now, the student has become the master. We are always learning from them and it's because of *kaizen* (continuous improvement) that they continue to innovate," said Langstaff about why the Japanese are ideal long-term partners as the company maps out its growth strategy. ■

→ www.keenfootwear.com

GREATER SEATTLE: STILL ON THE RADAR FOR GROWTH

Starting with fur trading in 1791, the Greater Seattle region has done business with Japan for more than 200 years. And the area continues to offer partnership opportunities to Japanese companies.

While Mitsubishi capitalized on the region's aerospace expertise to test its jets, Sumitomo Life acquired Bellevue-based Symetra and Toray Industries set up a facility in Tacoma.

"We're thankful for all the collaboration with our Japanese partners in all fields and want to continue building upon those great relationships," Greater Seattle Partners CEO Brian McGowan said.

Formed in 2018, Greater Seattle Partners is focused on telling the region's success story. Tasked to promote trade and bring in more investments, GSP wants people around the world to know how Greater Seattle built one of the fastest-growing economies in the United States.

The achievement is a testament to the strength of the three counties of King, Snohomish and Pierce. And although best known for Seattle, the area also covers other key cities such as Everett, Tacoma and Bellevue.

The region is one of the few in the world with three deep-water ports and offers three daily nonstop flights between Seattle and Tokyo.

Because of its open business climate, Greater Seattle has attracted a highly educated, talented workforce that is ranked the world's fifth-best concentration of talent. It also recently placed in the top five



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areas that created 90 percent of the tech jobs in the U.S.

While Microsoft and Amazon, two of the three highest-valued companies in the world have their headquarters in the area, Greater Seattle is also the home of Boeing Commercial Airplanes, Nintendo of North America, Costco, Nordstrom, Paccar, Weyerhaeuser, Tableau, Expedia, REI and Starbucks.

"The quality of life here is great, but what's really special about this region is that it's perfect for innovators and pioneers. We're literally changing the world," McGowan said. ■

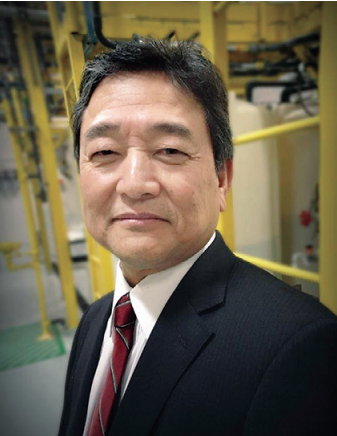
→ <https://greater-seattle.com>

MOSES LAKE INDUSTRIES: STEEPED IN FAMILY VALUES

Nestled in the mountains east of Greater Seattle, Moses Lake Industries has retained all the charms of small-town America giving visitors a sense of peace and simplicity. Yet, it soon becomes clear that the city is not your average small town. It is well connected to major interstates with top institutes of education and an impressive electricity-generating reservoir. It is also home to four renowned Japanese companies.

Moses Lake Industries, a wholly owned subsidiary of Tama Chemicals, initially set up its operations there in 1984 because of significantly lower operating and manufacturing costs. But the company later appreciated the ease of doing business in Moses Lake. Over the last 10 years, Moses Lake Industries recorded positive growth, with figures over the last six years reaching double digits.

"The global semiconductor industry has been key to many other businesses especially in recent years due to the higher demand for artificial intelligence, 'internet of things,' automated vehicles and so on. Other factors have also played a part. For example, in Moses Lake, land and electricity are also relatively



Moses Lake Industries CEO Hiroyuki Era

cheaper," Moses Lake Industries President Hiroyuki Era explained.

"However, the true strength of our company is in our employees and our commitment to them. We are a legacy company, proud of having hired many families and are thankful for being part of their lives," Era added.

When Era was transferred to Moses Lake in 2001, it had 45 employees. Today, it employs nearly 10 times that number. While business has risen tenfold, the company has remained flexible and is always ready to serve its customers. ■

→ www.mlindustries.com

GLOBAL BUSINESS PASSPORT: NAVIGATING THE GLOBAL MARKETPLACE

To thrive in today's complex global marketplace, businesses need to quickly adapt to the market, which requires learning the nuances of differences in culture.

"I work with companies to close gaps in communication and culture and to increase productivity by building better relationships with their global partners and team members," Global Business Passport President and Founder Sue Shinomiya said.

After spending 10 years in Asia as a consultant for companies



Global Business Passport CEO Sue Shinomiya

such as Intel Japan, Shinomiya realized that companies must acquire a global mindset if they are to build an effective workplace

KYOKUYO: COMMITTED TO SUSTAINABILITY

Founded in Japan in 1937, Kyokuyo is a global leader in the production, sale and processing of fresh and frozen seafood. It launched its American operations in Seattle, Washington in 1971 as a procurement office for its headquarters in Japan. A few years ago, detecting a growing fondness for Japanese food among Americans, it began importing various sushi ingredients to the U.S.

"We saw that Americans loved sushi and sashimi and recognized the need for higher-quality food in the Japanese restaurants here in the U.S. We saw an opportunity there," Kyokuyo America President Toshimitsu Hishinuma said.

Last year, Kyokuyo introduced its newest product, Tunagu, closed-cycle farmed bluefin tuna sourced from Ehime

Prefecture. The company spent 30 years, in a joint venture with aqua feed maker Feed One, to successfully breed farm-raised bluefin tuna.

"In the U.S., customers are focused on sustainability and this is what we provide through Tunagu, sustainability, as well as quality," Hishinuma said.

Kyokuyo's Tunagu is delivered fresh to Seattle, Los Angeles, San Diego, San Francisco, Dallas, Atlanta, New York and Boston on a weekly basis.

"We just jumped into the sales in the U.S., but I feel a lot of potential here. While Japan's bluefin tuna is more expensive than that from Mexico and the Mediterranean, Americans understand the difference in quality and the importance of sustainability," Hishinuma said. ■

→ www.kamec.us



and successful international business.

"The goal is to help our clients effectively lead in a global environment, to build stronger and more collaborative connections between people of different cultures, mindsets and backgrounds, and to achieve results while retaining mutual respect," Shinomiya explained.

Catering to Fortune 500 companies, small and mid-sized enterprises and even individuals, Global Business Passport provides training programs, consulting, facilitation and coaching sessions. With Japan and the U.S. as its main focus, the firm works across a broad spectrum of industries, organizations and countries.

"For our Japanese clients, we can help them soft land in the

United States and connect with the community here. Portland can be a testing hub for innovative products because many people here are open to trying new things and are fascinated with all things Japanese," Shinomiya said.

At the same time, Global Business Passport can provide cultural know-how to any U.S. company wanting to succeed in Japan.

"Foreign companies need to build a reputation that they are committed to the market and are mindful of the culture. Don't stop at the first barrier. Look for opportunities in hidden places. It's a unique market where having the right connections is key," she said. ■

→ www.globalbusinesspassport.com

SEDCOR: INVESTING IN BUILDING RELATIONSHIPS

As the primary agency tasked to spur economic development in the Mid-Willamette Valley, Oregon's Strategic Economic Development Corporation (SEDCOR) is focused on attracting new Japanese investors, as well as retaining and growing existing ones in Marion, Polk and Yamhill counties.

SEDCOR recognizes natural resources, particularly agriculture and wood products, as the historic base of the regional economy, and sees a distinct advantage in targeting the supply chain of those industries, including food and beverage production, logistics and advanced manufacturing.

In food processing, Japanese-owned Yamasa and St. Cousair have contributed significantly to making Oregon one of the country's largest producers of food and agricultural products.

"The businesses that we have here love being here," said SEDCOR President Erik Andersson, who believes the best way to secure and retain foreign investment is through building strong personal relationships with members of the community and reaching out to potential partners.

Andersson has a deep appreciation for Japanese companies in the region because of the clear commitment given to their local communities.

"The types of businesses that we experience coming from Japan have really become valued members of the community here. They've become long-standing members once they make the decision to come here. They invest not just in facilities, but also invest in their employees," Andersson said.



Located at the Mill Creek Corporate Center in Salem, Oregon, Amazon's Fulfillment Center measures 1 million square feet and will eventually employ 1,000 people.

Located less than an hour south of metropolitan Portland, the Mid-Willamette Valley is a strategic West Coast logistics hub in contrast to other congested areas on the coast.

"For any company that's looking at access to markets from a distribution standpoint, we are well-situated. They are able to get down south to California or up north to Seattle and even to the East Coast and international markets due to the port facilities, which are easily accessible from this corridor," Andersson said. ■

→ www.sedcor.com