



KEIZAI SOCIETY

US-JAPAN
BUSINESS
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Santa Clara, CA
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American-Japanese Interaction at the Working Level

Re-examining the State of Japanese Entrepreneurship

Entrepreneurship as Economic Engine: Silicon Valley Perspective

Guest Speakers

Mr. Robert Eberhart

SPRIE Researcher,
Stanford Project on
Japanese Entrepreneurship

Dr. Kenji Kushida

Research Associate in
Japanese Studies,
Stanford University APARC;
Affiliated Researcher, BRIE

Ms. Lisa Katayama

Journalist and Founder
of the Tofu Project

In the US, entrepreneurship is the engine that drives economic growth. Especially in Silicon Valley, people understand how this engine works: how entrepreneurs behave, how they view risk, where they get their funding, how their successes are rewarded, and what happens when their ventures fail. What about their Japanese counterparts? The conventional wisdom in the US is that Japanese entrepreneurship is not only different from the American variety but is also less vibrant, less well-funded, more risk-averse, and generally a less important “engine” for overall economic growth. Is this conventional wisdom generally correct? Or are the perceived shortcomings of the Japanese entrepreneurial

system (for example, the vastly lower venture capital investment figures routinely quoted) just that -- “perceived” rather than real? What business and cultural factors could explain such misperceptions, and what are the implications for cross-border entrepreneurial opportunities? Join our panelists, **Robert Eberhart, Kenji Kushida, and Lisa Katayama**, as they discuss the myths, reality and promise of Japanese entrepreneurship and its impact on the overall Japanese economy.

Keizai Society’s theme for the remainder of 2011 is **“Recovery and Renewal – Toward a New Japan of Compassion and Growth.”** Going

forward, all 2011 programs of Keizai Society will be dedicated to building awareness of the crisis in Japan and sustaining Japan’s recovery efforts. Also proceeds from these programs shall be donated to Keizai’s Japan Relief Fund. Please come and find out what the real impact of the disaster is and where we go from here to recover, renew and grow again.

***Proceeds from the registration fees will be donated to Keizai’s Japan Relief Fund.**

***Additional donations are accepted at the door or online:**
<http://give2asia.org/keizaisociety>

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Please RSVP by September 18th, 2011 to reserve your place! @ <http://www.keizai.org>

DATE

Wednesday,
September 21, 2011

DRESS

Business casual

LOCATION

Fenwick & West LLP,
801 California Street
Mountain View, CA 94041

TIME

Registration/
Networking:
5:30 P.M. – 6:00 P.M.
Event:
6:00 P.M. – 8:00 P.M.

FEES

\$20.00: Registration by 09/18/11, 11:00 P.M.
\$35.00: Late Registration by 09/20/11, 5:00 P.M.
\$50.00: Walk-ins (Walk-ins welcome, but seats may be limited)

FOOD

Light hors d’oeuvres and soft drinks

From the President



disaster. You can read my report on page 4 in this newsletter.

We thank you for all of your support and look forward to seeing you on September 21.

Sincerely,

Chimmy Shioya
President, Keizai Society

I thank everybody who came out to the Keizai Society's Summer Networking event. We had a great turnout with a new venue and fun, new activities. If you have any feedback about how we can improve our events please contact us via our website: keizai.org.

As you may recall, we postponed the event we had scheduled in March due to the unprecedented earthquake and tsunami. We will now hold that event, ***"Re-examining the State of Japanese Entrepreneurship,"*** on September 21st. This topic is very appropriate as efforts in Japan turn towards generating new business to aid in the recovery and rebuilding of the Tohoku region.

In late August I visited the Tohoku region and visited the areas most affected by the

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About the Participants



Mr. Robert Eberhart is a visiting scholar at Stanford's Program on Regions of Innovation and Entrepreneurship where he leads the Stanford Project on Japanese Entrepreneurship. His research focuses on comparative corporate governance of growth companies with special emphasis on Japan and the role of Japanese institutions in fostering entrepreneurship. He is a member of the Academy of Management, the International Society for New Institutional Economics, on the board of advisors to Japan's Global Entrepreneurship Week, and an advisor to Japan's Board of Director's Training Institute. He serves as an academic advisor to the American Chamber of Commerce's Task Force on New Growth Strategies and is a frequent speaker and guest lecturer in various programs at Stanford and Japan. Mr. Eberhart received a Master's degree in Economics from the University of Michigan after undergraduate studies in Finance at Michigan State University. He is a doctoral candidate in Stanford's department of Management Science and Engineering.



Dr. Kenji Kushida is a research associate at the Shorenstein Asia-Pacific Research Center at Stanford University. He is also an affiliated researcher with the Berkeley Roundtable on the International Economy (BRIE) at the University of California Berkeley. He completed

his PhD in Political Science at the University of California Berkeley, and holds Masters and Bachelors Degrees from Stanford University in East Asian Studies and Economics. Dr. Kushida's ongoing research interests are focused on politics, institutions, and markets, mainly in Japan, Korea, and the United States. His publications include analyses of how Information Technologies are transforming services activities, understanding the emerging Cloud Computing markets, and the political economies of broadband and mobile in Japan and South Korea. He recently completed a study on entrepreneurship in Japan's ICT sector, and plays an active role in facilitating exchange between Japanese startups and Silicon Valley. He has also authored two books in Japanese: "Baikaruchaa to nihonjin [Biculturalism and the Japanese: Beyond English Linguistic Capabilities]" and "International school nyumon [International Schools, an Introduction]".



Ms. Lisa Katayama is a San Francisco-based journalist who writes about Japanese culture, technology, and entrepreneurship for Wired, Popular Science, Fast Company, and The New York Times Magazine. She is also the founder of The Tofu Project, a highly curated

boutique program that will bring 10 of the most successful, innovative young entrepreneurs from Japan to SF for a 7-day design and out of the box thinking crash course at the end of October.

She is also a producer for PRI's Studio360 radio show, the author of a book called Urawaza: Secret Everyday Tips and Tricks from Japan, and a correspondent for Boing Boing, one of Time Magazine's five most essential blogs of 2010, and has spoken about Japanese web culture to the BBC, CNN, ABC, Martha Stewart Radio, and at venues like O'Reilly's ETech conference and the Foreign Correspondents Club of Japan. Her personal web site, TokyoMango, was a runner up for the Weblog Awards in 2009. She has a BA in International Relations and French from Tufts University and a MA in Human Rights from Columbia University. When she's not working, she rock climbs, does triathlons, and plays the ukulele to her two dogs.



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A First-Hand Report from the Tohoku Disaster Area An Interview with Chimmy Shioya

By Joe Quinlan

ON SUNDAY, AUGUST 21, 2011 – a rare rainy day in August – Chimmy Shioya, President of Keizai Society, visited Ishinomaki, Onagawa, Ogatsu, and the Okawa Elementary School, which were some of the hardest hit areas in Miyagi Prefecture during the recent Tohoku earthquake/tsunami. Keizai Society raised over \$140,000 to aid the victims of this disaster. She wanted to see with her own eyes the devastation and the progress made toward recovery. She also met with some of the victims of the disaster and learned how they are working to rebuild their lives.



Chimmy Shioya at the Sendai Station, Japan

Chimmy was greeted at the JR Sendai station by Tomohiro Takei and Akira Shimozato of the organization MAKOTO. Recently, they left their venture capital and finance jobs respectively to establish MAKOTO as a non-profit organization helping to rebuild the lives and businesses of the earthquake/tsunami victims. Takei-san and Shimozato-san acted as Chimmy's guides for the day. Together the three traveled from Sendai to Ishinomaki, Onagawa, Ogatsu, Okawa, the Kitakami River, and then back to Sendai. The city of Sendai itself appears relatively normal these days. From Sendai to Ishinomaki, the highways were repaired soon after the earthquake, which is quite amazing. In the US, it seems like the roads might have been closed for months or years.

At Ishinomaki, an inland section of the main street looked completely deserted. Chimmy then took in a view of Ishinomaki from the elevated Hinatayama area, looking toward Ishinomaki Harbor. Nothing seemed to be left standing in Ishinomaki. She met a local restaurant owner who said that 70% of the local business properties were destroyed. This owner had two restaurants and lost them both. He wants to restart his business, since his employees are anxious to get back to work, but he has no land on which to rebuild his restaurants. The local and central governments have not established a plan for providing replacement land for the businesses that were destroyed by the disaster, so this restaurant owner has no idea when he can restart his business.

Next Chimmy was guided to Onagawa. This town became famous especially in China because of a heroic local business owner who saved the lives of 20 Chinese female trainees who were working in the town. He then went to look for his family, but was swept away by the tsunami right in front of the Chinese women. He and his family were never found. The tsunami reached a height of 67 feet above sea level at Onagawa.



At Onagawa Harbor, even a concrete building was knocked down by tsunami.

The nuclear power plant located in Onagawa is still non-operational. Due to the historical economic effect of this power plant, Onagawa was said to be more affluent than the towns and villages in the

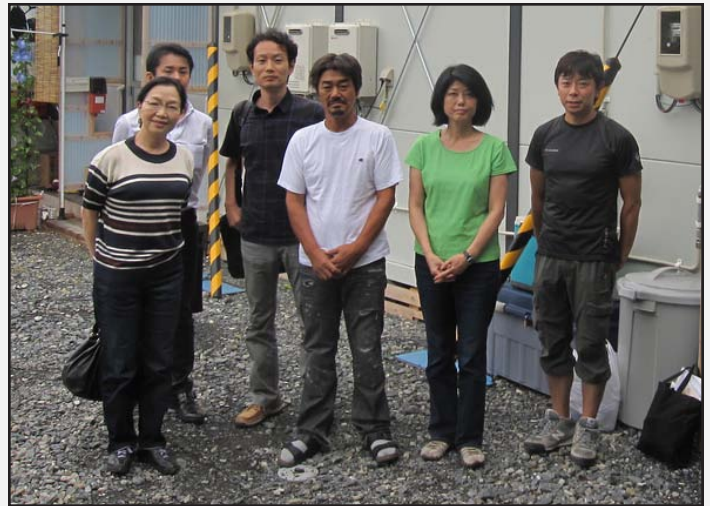


Onagawa-cho Municipal Hospital. It is situated on a high land, but the sea water came up to the first floor. This floor is still closed out.

surrounding area. This could easily be seen by the greater number of concrete buildings than in the surrounding towns. Most of the concrete buildings are still standing, but they are devastated and unusable. They are simply awaiting demolition.

Next the three moved on to Ogatsu. This was a fishing town of 4000 people, but now only 500 remain. Chimmy met Hiromitsu Ito, an oyster fisherman who now lives in temporary housing with his wife and two children. The space inside the temporary housing was quite small – perhaps 150 square feet altogether. Ito-san has established “Oh Guts”, a play on words of the town’s name. He has recruited eight people into Oh Guts, whose mission is to unite those who want to rebuild their oyster farming business together. Those from outside of Ogatsu who want to be a part of this rebuilding effort are also welcome to join Oh Guts. It will be three years before the first oysters can be harvested. Ito-san is worried that after three

years of growing, there may be some radiation effect from the nuclear disaster. And moreover, what will his group do for income during the first three years? Also needed is money for the initial investment of a boat, tools, nets, and other items. It seems there is just not enough money to rebuild. Two young men from Tokyo wanted to help Oh Guts in some way. Recently they have taken to coming to Ogatsu every weekend, accumulating a total travel of 55,000 miles since they started. Ito-san said his goal for Oh Guts is to develop a brand image for the town of Ogatsu and create a new type of fishing industry.



Visit with local victims in temporary housing.

In Ogatsu, Chimmy also met Takashi Tachibana, who has moved to Ogatsu from Tokyo to help children learn how to smile again. Tachibana-san has a background in the food distribution field, and he has been providing sweets to the children.

The 52 middle school students in Ogatsu now travel to the adjacent town to attend classes. Their local school was swept away by the tsunami. Keizai Society is in discussions to provide computers to these students, donated by Kamran Elahian of Global Catalyst Partners.

Next the three traveled to Okawa Elementary School. 74 of the 108 students here were killed in the disaster. The school is situated along the Kitakami River at a level that is lower than the banks of the river itself. Chimmy heard that the students waited 40 minutes before starting to evacuate. The tsunami struck them as they were attempting to get to a higher road nearby. Some of the students ran up a hill in back of the school and were saved. The rest were lost. There is still controversy as to whether the teachers and the



A bus on the top of the Ogatsu Community Center



*Entrance to Okawa Elementary School
74 out of 108 elementary school students lost their lives here.*

school district followed proper procedures in the moments following the earthquake. Chimmy also saw a medical clinic nearby, with a shattered car inside. Nothing is left in this area – no structures, no farmland, nothing.



Okawa Elementary School

ASHINAGA VISIT

Keizai Society has also contributed to Ashinaga, an organization devoted to helping the orphans of the Tohoku disaster. Chimmy visited the offices of Ashinaga to discuss how the donation from Keizai Society would be used. Ashinaga is in the planning phase for Rainbow House, a facility that will provide both day-to-day and long-term psychological support for children who have lost one or both parents in the disaster. Ashinaga is planning to use Keizai Society's contribution either for monthly psychological counseling for the orphans, or for the library of the Rainbow House. Other Ashinaga activities include conducting

training for those who will care for the orphans, and providing dormitory space for the orphans where they can stay at low cost while obtaining their higher education. The hope is that some of these university graduates will then come back and assist the younger orphans in the years ahead.



Medical Clinic in Okawa area, Ishinomaki

SUMMARY

Overall, Chimmy saw many mountains of debris. The problem is that there is no place to put them. In many areas, all the structures were completely wiped out and weeds now grow. It is hard to imagine that there used to be houses, businesses and inhabitants. Soon a harsh winter will descend upon Tohoku. The local efforts are now transitioning from recovery to rebuilding.

At Keizai Society's June 29th fundraising event, Kamran Elahian of Global Catalyst Partners donated a number of computers, which will be provided to the Ogatsu Middle School children. Also, the final usage of Keizai Society's donation to Ashinaga is now being determined. Although the world may begin to forget victims of the Tohoku tragedy, Keizai Society hopes to continue sustaining and supporting them as they work to rebuild their lives.

Additional photos of Chimmy's Tohoku visit can be found at:

http://www.flickr.com/photos/keizai_events/sets/72157627460008137/show/

Keizai Society's Annual Summer Networking Event

This past August 14th was the Keizai Society's Annual Summer Networking event. We had well over 150 attendees including several foreign exchange students from European and Asian countries.



keizai Society Staff and Family Members

Congratulations to the contestants in our donut eating competition. Everybody enjoyed themselves and we hope to bring back this activity for next year's networking event. If there are any other activities that you would like to suggest we have, feel free to contact the Keizai Society via our home page at keizai.org.

We would like to give a special thanks to the friends and family of the Keizai Society who helped make



Board Member Koji Osawa (left) and Yoshiro Tasaka (Right), Community Affairs Advisor at the Consulate General of Japan in San Francisco



Suspending Doughnut — Tranquility Before Doughnut War...

this event a success. Mark Kato, former Co-president of the Keizai Society, advised and helped with the event venue, as well as family members of Keizai staff for helping out with registration and food. We appreciate all of their help.



Doughnut War Participants

- **U.S.-Japan cross-border planning issues for individuals** (such as Japanese pension & inheritance tax planning)
- **Employment-based retirement plans for corporations** (such as 401K plans)



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Doughnut War Winner Number 1



Doughnut War Winner Number 2

Also, these events cannot happen without the patronage and participation of friends of Keizai. Thank you for coming to our August Networking Event, and we hope to see you at our next event on September 21st, "Re-examining the State of Japanese Entrepreneurship." Registration is now open at our website, [keizai.org](http://www.keizai.org). We hope to see you there.

Additional photos of the Summer Networking event can be found at:

http://www.flickr.com/photos/keizai_events/sets/72157627371155723/show/



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Please join **LinkedIn Keizai Society Group** and participate in group discussions. You can also share and discuss jobs with the members by clicking the **Jobs** tab after creating a Keizai Society Group account. If you have any questions, please contact jobs@keizai.org.

 <http://www.linkedin.com/>

We are Hiring! (Multiple positions)

Keizai Society is looking for highly motivated individuals to join our team in charge of IT management, website management, and other functions.

Working with our team and board directors, this is a great opportunity to create exciting forums for the US/Japan business community in Silicon Valley. All volunteers receive free entry to all our events.

Japanese language skills are not required. Please contact us for more details.

Please contact chimmy@keizai.org or joe@keizai.org to discuss these opportunities.



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