



KEIZAI SILICON VALLEY

US - JAPAN BUSINESS FORUM



HONORING "THE ORCHID KING" MR. ANDY MATSUI

By Keizai Staff

This year, we honor "the Orchid King" Mr. Andy Matsui with the Keizai Silicon Valley Lifetime Achievement Award, and we present the Economic Innovation Award to his daughter, Ms. Kathy M. Matsui, chief Japan equity strategist and co-head of Asia Investment Research, Goldman Sachs.

In a dialog between Andy and Kathy, we'll hear how Andy combined Japanese values with American entrepreneurship in



ECONOMIC INNOVATION AWARD MS. KATHY MATSUI

creating major new markets in the flower industry, and how he has transferred the lessons of his success first to his family and then through the Matsui Foundation scholarship program for children of farm workers. Joining us from Tokyo, Kathy has been ranked No. 1 in Japan Equity Strategy by Institutional Investor magazine in 2000, 2001 and 2006, and she was chosen by

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FROM THE VICE PRESIDENT

Happy New Year to all the Friends of Keizai! I wish you a peaceful, healthy and prosperous 2016.

Last year, at the 25th Anniversary Shinnenkai, we announced our name change from “Keizai Society” to “Keizai Silicon Valley.” On the same day we launched our newly designed website and increased our presence on Twitter. The name change was natural given that we are situated in the heart of the Silicon Valley and our technology and business orientation. We hoped that the new name would help us attract younger participants, something we need to have in order to remain relevant and in tune with the innovations around us. We are happy to say that a year later this objective has been accomplished. We have also been able to increase our membership. Many of our forums and events last year were sold out, which created better and a more diverse networking opportunities for our members.

To kick off this year, we have lined up a heart warming Shinnenkai on Friday, January 29th, 2016. We are honoring the Matsui family with two awards. The Lifetime Achievement Award will be presented to Mr. Andy Matsui, the Orchid King. His daughter,

Ms. Kathy Matsui, chief Japan equity strategist and co-head of Asia Investment Research at Goldman Sachs, will receive the Economic Innovation Award. In addition to their keynote speeches, we will have the rare opportunity to have the father and daughter on stage to tell us their stories.

Finally I want to thank all the volunteers of Keizai for their dedication and hard work. Our professional and talented team is what makes all the programs we do year-round possible. I am also pleased to say that we have been able to consistently expand our staff and I’m excited to see what new forums await us in 2016.

We at Keizai are all looking forward to seeing you at the Shinnenkai on January 29th!

Best wishes,
May Kao
Vice President, Keizai Silicon Valley

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the Wall Street Journal as one of the “10 Women to Watch in Asia” for her work on the “Womenomics” theme. Kathy also maintains the family tradition of active nonprofit service.

We will be performing our traditional Kagamiwari (sake barrel “breaking”) ceremony. The Consul General of Japan, Mr. Jun Yamada is expected to lead this tradition.



Founded in 1990, Keizai Silicon Valley US-Japan Business Forum is an

all-volunteer business and professional networking organization based in the San Francisco Bay Area. Its primary purpose is to provide opportunities for executives and professionals to develop the knowledge and human networks for successful US-Japan Business.

KEIZAI IS HIRING!

The Keizai Silicon Valley is looking for highly motivated and talented individuals to join our volunteer executive team. Working with our team and board of directors is a great opportunity to create exciting forums for the US/ Japan business community in Silicon Valley.

We have multiple positions available in many areas including Website Management and Program Managers.

Japanese language skills are not required. For more details, please email contact@keizai.org with a subject line “Keizai Positions” to discuss these opportunities.

We hope you’ll join the Keizai Team!

26TH ANNIVERSARY SHINNENKAI 2016 EVENT

Date and Time

Friday, January 29, 2016

Shinnenkai Reception — 5:30 p.m. – 6:30 p.m.

Program — 6:30 p.m. – 9:30 p.m.

Venue Close — 10:00 p.m.

Location

Palo Alto Hills Golf and Country Club
3000 Alexis Drive, Palo Alto, CA 94304

Food

Sushi and hors d’oeuvres, will be served.

Dress

Business casual

Ticket Fees

Early Bird Discount for first 60 — \$55
by Monday, January 11th 2016 (11:00 p.m.)

Regular Registration — \$75
by Tuesday, January 26th 2016 (11:00 p.m.)

Late Registration — \$100
by Thursday, January 28th 2016 (12:00 p.m.)

Walk-ins — \$140
(Subject to room capacity / cash or check only)

Registration Website

www.keizai.org



HONOREE: MR. ANDY MATSUI

Toshikiyo “Andy” Matsui was born into a traditional Japanese farm family in Nara Prefecture. As a young man, he participated in Ministry of Agriculture training programs that

sent him to California and introduced him to new possibilities. In 1964, he immigrated to the United States, along with his wife and first daughter. He and his wife worked as laborers in Japanese-owned flower nurseries in the Bay Area until they were able to start their own operations in leased greenhouses.

In 1969, Andy bought 50 acres of land outside Salinas to establish his own nursery. Over the years, Andy earned a reputation as a top-quality flower grower with a knack for innovation and industry leadership. He successfully guided Matsui Nursery through multiple product transformations in response to changing business conditions.

Today, Matsui Nursery’s 2.8 million square feet of greenhouse space is devoted to potted orchid production. It serves major national grocery store chains as well as specialty floral retailers. It offers the greatest selection of orchid varieties of any large-scale commercial orchid nursery in the country.

In 2004, Andy established his Matsui Foundation as his way to support the educational aspirations of underserved students in the Salinas Valley. Starting with the grant of a scholarship to a single graduating high school senior that year, it has distributed more than \$5 million in college scholarships. Among numerous accolades bestowed over the years, in 2011 Andy was recognized as Outstanding Philanthropist in Monterey and Santa Cruz Counties.

Andy and his wife Yasuko, a renowned chado student and private instructor, reside in Pebble

Beach. They have four children, all of whom graduated from Harvard University, and four grandchildren.



ECONOMIC INNOVATION AWARD: MS. KATHY MATSUI

Kathy is vice chair of Goldman Sachs Japan, co-head of Macro Research in Asia and chief Japan equity strategist. She serves

as a member of the Asia Pacific Management Committee. Kathy joined Goldman Sachs in 1994 and was named managing director in 1998 and partner in 2000.

Kathy was ranked No. 1 in Japan Equity Strategy by Institutional Investor magazine in multiple years, she was chosen by The Wall Street Journal newspaper as one of the “10 Women to Watch in Asia” for her work on the “Womenomics” theme, and she was also named to Bloomberg Markets magazine’s “50 Most Influential” list in 2014.

Prior to joining the firm, Kathy worked as the chief Japan strategist for Barclays de Zoete Wedd Securities for four years, and she worked at the Export-Import Bank of Japan’s Washington, DC, office for two years. She serves as a policy commentator for Japan’s Cabinet Office and has served on numerous Japanese government committees aimed at promoting gender diversity.

Kathy is a board member of the Asian University for Women (AUW) Support Foundation, a member of Keizai Doyukai, a member of the Board of Councilors of the US-Japan Council, a trustee of the American School in Japan and a trustee of The Nature Conservancy of Hawaii. She also serves on the Advisory Council for the Japan Society Fund Against Breast Cancer.

Kathy earned an AB, magna cum laude, in Social Studies from Harvard University and an MA from Johns Hopkins University, School of Advanced International Studies. She has conducted research on Japanese foreign policy at Kobe University Graduate School on a Rotary Scholarship.



MASTER OF CEREMONIES: MIKE INOUE

South Bay native Mike Inouye is NBC Bay Area's weekday morning traffic anchor.

Mike Inouye's roots are in technology. He first joined NBC Bay Area as an Internet Reporter. He then served as an IT Technician at the station before making the jump from behind the scenes to in front of the camera. Reporting on traffic for Bay Area commuters, he says

he finally has a job that encompasses his passion for technology, communication, and live performance.

As a performer, Mike has appeared at clubs ranging from the Comedy Store© in Hollywood to ComedySportz© San José, where he sometimes still performs as a professional improvisational comedian, as well as on-stage in roles with assorted Bay Area theater companies. His technology and performance skills have led to voice-over roles in games for Playstation 2, Xbox and other popular systems. Active in the local community, Mike is also frequently called upon to host live events, from local Japanese-American and Asian-American community events, to NBC Bay Area's Peacock Pavilion at festivals all around the Bay Area.

Mike is an alumnus of Mountain View High School and received his degree in Linguistics from the University of California Los Angeles. In his spare time, he enjoys playing with digital photography and spending time with his wife and young son. ❀



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THE JAPANESE SECURITIES MARKET

By Joe Quinlan

One of our 2016 Shinnenkai honorees is Goldman Sachs Chief Japan Equity Strategist Kathy Matsui. (The other is her father, Orchid King Andy Matsui.) This got me thinking, what does it mean for foreign entities to invest in the Japanese stock market? Ever since the 1989 bubble collapse and the lost decade of the 1990's, Japan has had the stigma of a stagnant economy, especially in comparison to its big neighbor China. However, recently the Chinese market has seen astounding volatility. And did you know that the Nikkei 225 has actually outperformed the S&P 500 over the past 1-year, 2-years, and 5-years? There is definitely money to be made on the Japanese stock market.

Prior to the 1990 bubble collapse, the Japanese securities market was vibrant. Who can forget all the "Chugoku Fund" commercials that aired on Japanese TV in the late 1980's? (A chugoku fund is a mid-term Japanese government bond fund.) Of course, many of the securities firms of those days are gone. Yamaichi Securities collapsed in 1997, and Nikko

Securities has been folded into Citibank. And keeping track of the latest names of major Japanese banks can make your head spin, especially if you were accustomed to the good old names of the Japanese banks of the 20th century (Mitsubishi, Mitsui, Sumitomo, Dai-ichi Kangin, Sanwa, Fuji, etc). Some of the new bank names have become a mouthful.

After the roaring period of the post-war through the 1980's, there came a long period of stagnation. No one seemed to be making any money in the Japanese stock market. It has certainly been a long and wild ride for the Nikkei 225 stock average. You may recall that the Nikkei hit its all-time high on December 29, 1989, reaching 38,957. It still has a long way to go to get back to that level. The Nikkei closed out 2015 at 19,033, roughly half of its 1989 peak. But in fact, one of the achievements of 2015 was that the Nikkei finally gained back all its losses from the 2009 great recession. Coming out of the great recession, the Nikkei has performed respectably.

What will 2016 bring? Right now it is a big mystery. Come to our Shinnenkai this month and hear the opinions of your friends and business acquaintances. We hope to see you there! ❀

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EXPLORING MANUFACTURING 2.0

By Joe Quinlan

On Monday evening, November 16th, Keizai Silicon Valley welcomed four speakers and a moderator to conduct our November forum on “Manufacturing 2.0”. Overall, the speakers painted a picture of how manufacturing as we know it may be undergoing radical and fundamental change. To take this concept to its logical extreme, we might say that the industrial revolution concept of “think, make, market, pray” is dead. Manufacturing as we know it may be dead. Molecules are everywhere. Why spend time and money transporting molecules around the planet? Why not put the manufacturing right with the designers at their individual location?

This vision of the future is a day when everyone has a 3-D printer in their home, and when they want to buy something, they will simply buy the design online and print it at home. Or perhaps local “3-D print shops” will develop, where you will go to have your customized purchase printed. Accompanying this vision is the idea that the number of units needing to be produced of an object in order to be profitable will be much smaller. It used to be that companies profitably could make 100,000 copies of something, or one unique custom copy. 3-D printing and agile manufacturing open up many more possibilities within this

range, so that many levels of break-even production volume are possible.

Right now, jewelry is an area where 3-D printing has caught on. Using 3-D printing, jewelry can be designed and produced in geometric shapes that would not otherwise be possible. But beyond this, what 3-D printing really needs is a killer app. One potential area may be medical, with applications such as 3-D printed hip replacements, highly customized to the individual.

New materials will also have a role to play in Manufacturing 2.0. The sensors needed for IoT may be chemical sensors that are not battery powered, which could be applied to the blade of a cutting operation. A great achievement would be if 3-D printing could be used to make metal parts for automotive and even aerospace applications. Traditional subtractive manufacturing like CNC has trouble making metal parts that are hollow inside, but not so with the additive manufacturing of 3-D printing.

Finally, a mix of old and new may take hold, like doing traditional Japanese lacquer ware techniques on top of a 3-D printed base shape, or making traditional kimonos out of a 3-D printed material.

This was a truly thought-provoking night. The ideas brought forth were certainly a little “out there”, but in the end that is how innovation occurs. All in all, another truly great Keizai Silicon Valley forum. ❀

Additional event photos can be found at — <http://keizai.org/photos-videos/>



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