
Open for Business

Starting and Building a Business in Japan



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Know Your Speaker

- **Experienced** – 30+ years living and working in Japan
- **Active** – President of consumer products marketing and sales company
- **Biased** – Positive about business opportunities in Japan

Before We Get Started...

- **Every business is different** – But there are commonalities
- **Japan is changing** – It will be different tomorrow
- **Doing business in Japan is similar to getting married** – It's a long-term commitment

1. Plan Properly

- Have company-wide agreement before starting
- Take a proactive three-year approach
- It always takes longer than you think
- There is rarely a second chance

- Know why you are here and where you are going

2. Choose the Best Entry Route

- **Agent/Licensee** – When one can't or won't invest but want quick market penetration
- **Joint Venture** – When in need of partner's money, expertise, distribution, connections and/or staff
- **Acquisition** – When due diligence is done
- **Subsidiary** – When prepared to make the commitments
- **When in doubt do it alone**

3. Make the Right Staffing Decisions

- Keep head office people responsible for Japan in same position as long as possible
- Spend time aligning vision with the CEO and management team for Your Japan business
- Hire staff for the longer term

- Breaking up is hard to do

4. Listen Often and Carefully

- Ask questions
- Maintain communication channels with all levels of the Japanese business
- One-on-one meetings better than groups
- Seek outside perspectives
- **Silence doesn't usually mean agreement.**

5. Understand Cultural Differences

- Relative status of stakeholders
- Planning versus implementation
- Longer-term perspective
- Reputation risk overrules revenue gain
- Decision making is opaque to outsiders

■ **When in Rome, understand the Romans**

Bonus – Reduce the Risk of Failure

- Bring in proven and successful products
- Try low-key launches or tests in second-tier markets first
- Prepare to handle quality issues as Japanese customers will discover problems

Q & A – Seizing the Opportunity

- Comprehensive plan
- Enter in the right manner
- Staff it correctly – Both head office and local
- Listen to stakeholders, often and mostly one-on-one
- Plan for the differences
- Reduce your risks