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Japanese and US interests are connecting with a renewed dynamism

By Andrew Wylegala

At October's close, members of the Commercial Service of the U.S. Embassy in Tokyo headed stateside with a Japanese business contingent.

From that trip, I share a picture of Japanese and US interests connecting with a dynamism not seen in years. For many in the United States, Japan is indeed back in business, maybe in better form . . . and just in time.

The focal point of our visit was the first-of-its-kind SelectUSA Investment Summit that brought to Washington 1,300 global investors, 47 state and local agencies, and professional service providers to experience how the United States is rolling out the red carpet for foreign direct investment (FDI).

US President Barack Obama gave a vigorous keynote address in which he announced enhancements to the two-year-old program to get the federal government back into the international competition for FDI.

Speaking at the event were US Secretary of Commerce Penny Pritzker; US Secretary of State John Kerry; US Treasury Secretary Jack Lew; US Trade Representative Michael Froman; Fortune 50 CEOs as well as experts such as Daniel Yergin, chairman of Cambridge Energy Research Associates.

Eric Spiegel, president and CEO of Siemens Corporation, declared that abundant, cheap energy is fueling a US manufacturing renaissance and the globe's "single greatest investment play for a decade."

Among the 60 participating countries, Japan, as the number-two investor, made an impact with the second-largest contingent. This included executives from companies such as Otsuka Holdings, YKK Corporation, Hitachi, Ltd., as well as some newcomers to US investment.

The ACCJ was represented by Japan delegate and Asia Business Committee Co-chair Bryan Norton, whose own direct investment from Japan is responsible for having created about 12 jobs in western New York.

In a panel entitled "Demystifying the U.S. Market," Melanie Hart, president of the Tsuchiya Co. Ltd. subsidiary TASUS Corporation—a tier-1 auto parts supplier—spoke about the dramatically improved climate and incentives for Japanese transplants over the 25 years that her firm has been expanding there.

Meanwhile, perhaps auguring a more profound approach to globalization, Hitachi's lead delegate will soon be back in Washington where his board—including four non-Japanese—will convene its annual meeting for the first time.

During my follow-on visit to Michigan, I saw how Eco Bio Plastics Midland, Inc., the one-year-old factory of a high-tech, waste-paper-to-plastics recycler—formed through a joint venture between Osaka's Funai Electric Company, Limited and Tokyo-based Environmental Research Institute—has generated 40 jobs. In addition, its lone Japanese executive is a non-resident, which is another sign of the increasing local integration of Japanese FDI.

At the 50-year celebration of the pioneering economic development organization Midland Tomorrow, which drew over 250 business representatives, Congressman Dave Camp spoke about his concerns—and overall support—for Japan's role in the Trans-Pacific Partnership Agreement (TPP).

Back in Washington, Secretary Pritzker is fashioning a commercial strategy within the administration's "rebalance" toward Asia. Developments from the new wave of US-bound investment opportunities through the TPP, as well as within the nuclear and alternative energy scenes, have persuaded Sec. Pritzker's team that Japan must be integral to that strategy.

The homestretch stop was the annual movie industry must: American Film Mart. Here, some \$800 million in business is transacted annually and for the first time in years we recruited a strong Japanese delegation that eagerly shopped for titles and tie-ups.

Japanese investors and traders are delving into new and exciting projects from Toledo to Raleigh and back up to Buffalo. This activity, relatively bright economic news from Tokyo, as well as the Abenomics narrative have reawakened Americans' business interest in Japan.

Even as the mercury dips, commerce-wise, a warm winter lies ahead.

For the full video of President Obama's speech, please visit:

www.whitehouse.gov/photos-and-video/video/2013/10/31/president-obama-speaks-selectusa-investment-summit