

U.S. MIDWEST

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Backbone of the American economy

Made up of 12 states with a combined population of more than 65 million, the U.S. Midwest is the traditional heart of the country's agriculture and heavy industry sectors, while being at the forefront in pharmaceuticals, medical devices, finance, and insurance.

Some of the companies based in those states remain synonymous with the industries they dominate: Ford and Procter & Gamble are arguably the best examples.

The Midwest would not have maintained its status and increased prosperity were it not for efforts of state governments and companies, began more than 40 years ago, to build closer relationships with and lure investment from the world's third-largest economy, Japan. Each year, both sides get together to discuss ways to strengthen that mutually beneficial partnership.

"In the Midwest, all the states welcome Japanese investment. The business development team of each state is great. They extend good support to both existing companies and newcomers. We hope to see more business exchange in the future," said Ichiro Sone, Executive Director of the Japan External Organization (JETRO) in Chicago, which oversees the Midwest states of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota and Wisconsin.

Aside from several government groups that bring American and Japanese business closer,



Masaharu Yoshida, Consul General of Japan in Chicago

there are numerous other private sector initiatives in the Midwest contributing to that shared mission, with the Midwest U.S.-Japan Association being one of the most prominent.

"The Midwest U.S.-Japan Association has met for the past 46 years, and we bring together leading public and private sector global leaders to foster an atmosphere of business exchange. As a result of this annual gathering, our Midwest states have recruited considerable Japanese investment and forged global technology partnerships," explained Executive Director Marie Gaudette.

With the economy on the rise again and confidence in every industry growing each year, Japan will stay the Midwest's most important partner. Currently, the country is the third-largest foreign investor in the region, enticed by its central location,

developed transportation infrastructure, highly skilled workforce, business-friendly policies and balanced lifestyle.

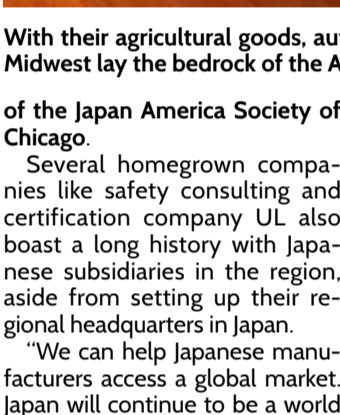
"Midwesterners are well educated and highly skilled due to the region's leading universities and strong focus on education. They have made the Midwest a key center for business and finance, as well as manufacturing, including vehicle assembly," said Consul General of Japan in Chicago Masaharu Yoshida.

"The people of the Midwest reflect the heart of America with its strong work ethic, sincerity, and integrity and they share a similar professionalism with the Japanese people. I have seen this firsthand as I've met as many people as possible across the Midwest," Yoshida added.

IL: The Land of Lincoln

As the top destination for foreign direct investment (FDI) in the Midwest, Illinois has developed strong ties with Japan, its second largest source of FDI. Attracted by its central location and high-caliber workforce, the subsidiaries of Japanese companies, such as Takeda Pharmaceuticals and Nippon Sharyo, chose the state as the base for their American operations.

"Chicago is geographically the center and hub for transportation and logistics in the United States with a very strong transportation network across the nation. It also has very highly skilled workers with a long history of manufacturing experience," said Mitsu-kuni Baba, executive director



With their agricultural goods, automotive products, and innovative technology, the twelve states of the Midwest lay the bedrock of the American economy.

of the Japan America Society of Chicago.

Several homegrown companies like safety consulting and certification company UL also boast a long history with Japanese subsidiaries in the region, aside from setting up their regional headquarters in Japan.

"We can help Japanese manufacturers access a global market. Japan will continue to be a world leader in various types of technology. For this reason, Japan is an important market for us," said UL Chief Executive Officer Keith Williams.

While manufacturing has been the main industry of Illinois, technology and life sciences have also shown rapid growth in recent years.

"This city [Chicago] is now becoming an even more important entrepreneurial hub, particularly with its new incubator for startups,"

Yoshida said.

IN: The Crossroads of America

Dubbed the "Crossroads of America," Indiana is traditional center of the American automotive industry, which has grown on the back of the state's geographic and logistical advantage and huge wage-competitive and highly skilled workforce.

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Japan's advocate in the Midwest

Before becoming the vice president under President Jimmy Carter (1976-1980), Walter Mondale served as senator from his native Minnesota from 1964 to 1976.

Following a return to private law practice in his homestate, Mondale was enlisted back to public life when he was appointed by President Bill Clinton as ambassador to Japan from 1993 to 1996.

The former vice president spoke of why ties must grow between Japan and the Midwest in a brief interview with The Japan Times, which served as daily reading while he was ambassador and regarded "the conduit to people like me to learn about Japan."



Walter Mondale, former U.S. Vice President and Ambassador to Japan

On Minnesota's ties with Japan:

"I think the relationship is excellent. We don't have a large Japanese population here, but we have a wonderful Japan-America Society here in Minnesota and we have a very close working relationship with the Consul General of Japan in Chicago. We stay very close, through our Chamber of Commerce, with people that work with Japan."

On the similarities with Japanese:

"I think the Japanese who would come here would feel very comfortable in Minnesota. We have a very similar, strong culture. We are responsible, we make good friends and we value those friendships. We believe in education and helping our kids get started. All the things that they would want as a part of the culture of business, I think we fit."

On the expanding relationship with Japan:

"I always want to see more business investment going both ways. I would also like to see more emphasis on student exchanges. Through the Japan-America Society, we have student exchange programs. These young Minnesotans who go there for a year or two, come back having learned about Japan. They're excited about it, and I think they'll spend their lives showing a special interest for Japan. So we need more of that, both ways."

OMRON: Growth and generosity in America

With 26 companies stretching from Sao Paulo to Toronto and approximately 1.2 billion dollars in revenue, OMRON's business has grown by leaps and bounds in the Americas from when it started in the U.S. Midwest 41 years ago.

Four out of OMRON's five global businesses are now located in the United States, including industrial automation, electronic components, healthcare and automotive.

According to OMRON Automation & Safety Americas Region Chief Executive Officer Nigel Blakeway, the first non-Japanese to oversee the entire business in the Americas, one of the keys to OMRON's success has been its commitment to, and investment in, the Midwest business community.

"The network that supports us in the Midwest has been tremendously collaborative, which is often different from other regions in the United States. We are extremely blessed to have a consul general like Masaharu Yoshida, who is very outgoing and progressive, and have organizations like JETRO Chicago — led by Ichiro Sone — which have truly supported us," said Blakeway, who is also a board member of the Japan America Society of Chicago.

"We have also made sure to give back to the society we are working in, which is why, I think, OMRON has been accepted so well in the Midwest," he added.

Another reason for OMRON's success in the United States stems from the "re-shoring" of its many customers, which moved manufacturing back to the United States from lower-wage countries after decades abroad. With OMRON's help, manufacturers were able to replicate their production lines in a short time to take advantage of market changes.

"There is much more confidence in the U.S. economy to invest in capital, particularly in manufacturing. That is a really positive sign and is our sweet spot, as we are able to offer automation solutions coming from our strong Kyoto DNA," Blakeway said.

In a few years, OMRON wants to transform its identity from being a maker of quality automation equipment to becoming a producer of fully integrated automation solutions.

"We have been strong in components, especially in automation and in safety. Now, the market is asking us to holistically put that all together. Our customers are now asking for solutions that involve connectivity to third-party manufactured products. So, it is about how we get our controllers to interface with someone else's robotic arm. Although historically we haven't done that, our future will be as an automation solutions provider," Blakeway said.

Innovation will be key to the growth of OMRON, a world leader in automation that was named by Thomson Reuters as one of the Top 100 Global Innovators in 2013.

With an 80-plus year track record of innovation, seven percent of OMRON's corporate revenues are directed toward research and development.

Additionally, following the concept of "gemba" — gathering on-the-manufacturing-floor data from where value is created for the customer — OMRON's engineers are continuously leading new technology development, regardless of the field.

In recent years, OMRON has built an automation lab at a university and invested in the Midwest's education and engineering sectors by establishing internship programs to contribute to a dynamic environment of innovation. These programs are why the company has consistently been voted as one of the top 101 employers in Illinois.

"OMRON invests in its future by ensuring sustainability because our human capital is our biggest asset. What is of utmost importance to us is to send that signal to the market, our customer base, our employee base and to the colleges and universities that are part of our future that we are here to stay," Blakeway said.

In line with its core value of giving back to society, Blakeway is very proud of the contributions of the OMRON Foundation, Inc., which receives 0.1 percent of the company's sales and distributes these funds to support education, disaster relief and local charities.

"I'm blessed because I am one of the few guys that goes out to work every morning looking forward to the day ahead of him. I work for OMRON because of who they are. Even though our first responsibility is to our stakeholders, the fact that we have managed to strike a balance between being profitable and still having time to contribute makes it easy for us," he said.

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OMRON Automation & Safety Americas Region Chief Executive Officer Nigel Blakeway

“OMRON invests in its future by ensuring sustainability because our human capital is our biggest asset.”



OMRON's headquarters in Illinois

Information conveyed by the bridge leads to reassurance for the future.

Once it's constructed, a bridge seems like it will always be there. But as a structural object, a bridge needs safety monitoring as it gets older and responds to the changing conditions around it.

Such as vibration sensors and strain sensors, Omron is developing information technology together with Tokyo Institute of Technology. We're automating infrastructure safety.

We automate!

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