

EASTERN USA

Produced by: GLOBAL MEDIA POST

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THE ENDURANCE OF THE EAST

Across the entire United States, Japanese companies recognize the advantages of diversifying their operations and activities, recognizing that each area and state provide their own distinctive benefits — whether it be lower labor costs, favorable tax regimes, an abundant pool of skilled workers, excellent infrastructure or easy access to policymakers.

Although the farthest region from Japan, the U.S. East Coast has been the home of many Japanese companies representing a very wide spectrum of industries.

Located next to Washington D.C., Virginia has emerged as a hub for the aerospace and defense industries as former armed forces personnel join the private sector, bringing with them a wealth of expertise useful in commercializing new information technology ventures. In addition to that, the state has an affordable cost of living that has attracted a continuous stream of investment.

Among the country's largest and most sophisticated logistical gateways, the Port of Virginia has also given businesses the valuable advantage of quick turnaround times, especially to manufacturers and distributors on the East Coast.

One of the more than 80 Japanese companies in the state, **Toshiba Mitsubishi-Electric Industrial Corp. (TMEIC)** has delivered cutting-edge technologies, reliable industrial products and state-of-the-art automation system solutions to a wide range of industries, including oil and

gas, mining and solar power utilities. TMEIC was formed in 2003 following a merger of Toshiba Corp., Mitsubishi Motors Corp. and General Electric Co.

"We pride ourselves in developing innovation and technology solutions right here in Virginia. The geography of innovation that is found in Roanoke is a big part of our agility as a company," **TMEIC CEO Dale Guidry** said.

And **Roanoke Regional Partnership Executive Director Beth Doughty** is grateful for the presence of TMEIC. "It is a success story of a Japanese company that contributes a lot to the local community and benefits a lot from the local community," she said.

Local talent, with diverse experience in different industries, has strengthened TMEIC as it develops new control systems that keep the Port of Virginia safe and efficient.

In neighboring Maryland, businesses have benefited from the state's well-populated urban centers, excellent transport infrastructure and the constant requirements of the federal government.

Home to the National Institute of Science and Technology and the National Institutes of Health, the state has drawn in Japanese bioscience research laboratories, all in search of breakthroughs that can be commercialized globally.

Frederick County, the largest by land area, is a fast-growing center for bioscience research

and IT innovation. Among the biggest employers in the county include household names, such as AstraZeneca, Leidos Biomedical Research Inc., Fannie Mae Co., Lonz Co., State Farm Insurance Co. and Wells Fargo Home Mortgage Inc.

"We are one of the fastest-growing economies in the state of Maryland. Our substantial economic development assets include a rapidly growing population, competitive tax rates and affordable real estate," **Frederick County Economic Development Corporation Executive Director Helen Propheter** said.

Further up north, the states of New York and New Jersey remain the leading trading partners of Japan, thanks to their proximity to the country's financial capital, Wall Street.

With its headquarters in Camden, New Jersey, **Subaru Corp.** is both a story of success and an inspiration. The Japanese car giant has stepped up efforts to revitalize the city by providing jobs to the local population, in addition to carrying out other charitable activities. Going the extra mile has only strengthened the brand as seen in the record sales this year.

"We know that customers have a lot of options when shopping for a car. But we are honored that they select Subaru as their vehicle of choice. It is a testament to the trust that we have established with new and returning customers," **Subaru Americas CEO Thomas Doll** said.

Among the New England states,

Massachusetts continues to lead its neighbors in terms of trade ties with Asia, as well as its status as the center of scientific research and innovation. While everyone may have heard of Harvard and Massachusetts Institute of Technology, not everyone knows that Massachusetts hosts 194 Japanese-owned firms and affiliates, all of which employ around 9,000 people. As of 2017, Japan was the state's seventh-largest trading partner.

"Our ties with Massachusetts are very strong, and we hope to continue growing our business relationships," **Japanese Consul General in New England Rokuichiro Michii** said.

Ansaldó STS, a subsidiary of Hitachi Ltd., secured the contract to manage the signal system for the locally known "T," Boston's public transportation network.

Even in the smallest state, Japanese investment has found favorable conditions. In Rhode Island, **Toray Plastics America Inc.** built a plant to develop a new generation of polyethylene terephthalate products, as well as bio-based polypropylene and metallized films, while observing the strictest environmental standards.

"Aside from manufacturing high value-added products, environmental sustainability is very important for Toray's future. If we can develop a new polymer, we can expand our business significantly. We are very sensitive to customer feedback and values," **Toray Plastics America Inc. Chief Technology Officer Ken Kurokawa** said. ■

ALIGNING THE 'ONE SEKISUI TEAM'

Established in 1947, Sekisui Chemical Co., Ltd. became the first Japanese company to enter the U.S. manufacturing sector. More than 50 years later, **Sekisui America Corp. (SAC)** services the North American market and has become an innovative solution provider to the chemical, transportation, life sciences, infrastructure and several other industrial markets.

With its headquarters in Secaucus, New Jersey, SAC has 10 subsidiaries in more than 20 locations across North America.

"Sekisui America and all Sekisui affiliates around the world have the ability to service customers globally because we know the local markets and how to add value to their businesses. We focus on innovative and high-quality manufacturing, and pride ourselves on our strong governance foundation and culture of compliance," recently appointed **President Ian Moran** said.

Prior to assuming his current role, Moran led the joint venture between Sekisui Chemical and H.B. Fuller — **Sekisui Fuller** — a leading manufacturer of adhesives and sealants for the Japanese market. Now, his role is to align all Sekisui's companies on the shared vision of "One Sekisui" throughout North America, while implementing consistency in the areas of environment and social governance.

"SAC and our North American companies

remains focused on innovation, the delivery of the delivery of high-quality products and services, and a commitment to the environment. We look towards 2030 and beyond by investing in new infrastructure and R&D capabilities and constantly improving and developing our leadership," he also said.

In August, SAC subsidiary S-Lec America opened its first solar-powered facility in Winchester, Kentucky, a multi-million dollar investment that provides solar generation capabilities and a more energy efficient environmental footprint.

"Making peoples' lives better while improving the environment are our key promises that we make to our shareholders, customers and employees worldwide," Moran said.

Along with continuously strengthening governance across North American operations, Moran is working with the North American companies to implement the "One Sekisui" shared vision by strengthening collaboration and teamwork across the region. ■

→ www.sekisui-corp.com



WAU: A PLATFORM TO SERVE THE WORLD

Established 114 years ago, **Washington Adventist University (WAU)** focused its efforts on global growth after **Dr. Weymouth Spence** assumed his role as president in 2008. Spence raised the faith-based university's international profile while maintaining academic excellence and commitment to the service of humanity.

Located in the nation's capital, Washington D.C., WAU, formerly known as Columbia Union College, is able to support its students in whatever career paths they pursue, whether in government, business, humanitarian service, or culture and the arts. Accredited by the Middle States Commission on Higher Education, the school takes particular pride in its MBA program, as well as its strong athletics and music

departments.

WAU sends its choral group on tour and its orchestra to the world-famous Carnegie Hall in New York every year.

Since the university adopted a globalized outlook, East Asia has become an important area for collaboration.

"We want to tap into the Asian market. It fits our culture," said Spence, who plans to develop a summer language program that will allow students to spend their holidays in China and Japan to expose them to different cultures.

"The entire flavor of the campus is internationally based. We bring the world together. At WAU, we engage minds and transform lives," Spence said. ■
→ www.wau.edu



Washington Adventist University President Dr. Weymouth Spence

FREDERICK COUNTY PRESERVES HERITAGE AMID MODERNIZATION

Known for its historical architecture, Maryland's **Frederick County** is transforming itself into an attractive location for investments in traditional sectors and advanced industries.

"It is the easiest county to sell in the state of Maryland because of its location between Baltimore and Washington D.C.," said **Frederick County Office of Economic Development Director Helen Propheter**.

Despite this development, Propheter, who has worked for the county for 26 years, stressed that agriculture will remain a major contributor to the local economy.

"Frederick County has great respect for our legacy industries, which are agriculture and manufacturing. While areas in Maryland and

in neighboring states — Pennsylvania, West Virginia and Virginia — have had much residential growth on its agricultural land, we have stayed true to the industry that brought us here, which is agriculture," Propheter said.

"We are still the leading dairy producer in the state. Interestingly enough, agriculture and manufacturing have given us leading wineries, breweries and distilleries. Those are emerging markets for both Maryland and Virginia, and most certainly for Frederick County," she added.

Amid this loyalty to traditional industries, a new, younger generation of entrepreneurs have begun to emerge.

"We have a group of young people in downtown areas, in our more populated areas, who are opening distilleries. In fact, we have a



Director Helen Propheter (sixth from left) with the team of the Frederick County Office of Economic Development

gentleman who opened the first soju Korean liquor distillery in the United States right here in Frederick County," Propheter said. ■
→ www.discoverfrederickmd.com

LYNCHBURG: A CITY OF OPPORTUNITY

Nestled in the Blue Ridge Mountains, the city of **Lynchburg**, Virginia, is distinctive not only for its natural beauty, but also for its world-class schools, highly skilled workforce and dynamic economy.

Gradually, Lynchburg became a highly desirable place to live because of its low cost of living, cultural amenities, access to the outdoors and tourism. Forbes regularly includes Lynchburg on its list of "Best Small Places for Business And Careers," citing the City's thriving business environment and targeted incentives designed to cultivate growth and encourage job creation and capital investment.

"Our economy is over hundreds of years old and has been relatively diverse. Our key strengths are in higher education, advanced manufacturing and the nuclear sector, with two major nuclear tech firms — BWX Technologies

Inc. and Framatome — headquartered in Lynchburg," said **Assistant Director of Economic Development and Tourism Anna Bentson**.

Lynchburg also has a year-round outdoor ski slope and other world-class facilities, allowing the city to host a variety of sports tournaments and events, including the Virginia Commonwealth Games and the State Games of America next year.

"We have a competitive spirit and strong cultural identity. We are flexible and innovative, and seize opportunities to reach out and connect with the international community to attract more investment, visitors and residents from around the globe," **Opportunity Lynchburg Director Marjette Upshur** said. ■
→ www.opportunitylynchburg.com
→ www.lyncburgvirginia.org



City of Lynchburg from the air



GREAT THINGS ARE BREWING FOR VIRGINIA CRAFT BEER MAKER

As craft and fruit beers grew very popular in the last few years, many breweries have opened their doors and sold their products directly to the public. Amid this fast-growing trend, only a handful of these small businesses have shown a clear commitment to maintaining the quality of their beer.

Opened in 2011, **Hardwood Park Craft Brewery** traces its origins to a sheep farm in Australia and a time soon after opening when local farmers gave the brewers some Hawaiian ginger and local honey, which were added to their milk stout base recipe. The end product is the much talked-about Gingerbread Stout, which put Hardwood on the craft brewery map, garnered a perfect score from BeerAdvocate magazine and was named the world's No. 1 Christmas and holiday beer by The Beer Connoisseur magazine.

Hardwood has three physical locations, all of which are in Virginia: Richmond — its main headquarters, West Creek — a 60-barrel brew-

ery and large taproom that accommodates up to 650 people, and Charlottesville — a pilot brewery venue with a small taproom that serves experimental beers.

"Last year, we brewed 15,000 barrels and are aiming for 25,000 in the next 12 months, with the new West Creek location now among the biggest brewing facilities in Virginia," **Vice President for Sales and Marketing Richard Miller** said.

Hardwood has reached out to Japanese distributors with the help from the U.S. Brewers Association, an organization that helps to promote independent American breweries. It also sent beers to exhibitions and competitions around the world through the Export Development Program.

Through that program, Hardwood has sent some of their beers to the American Craft Beer Experience in Japan over the past two years. Given the excellent reviews Hardwood received during the events, it won't be long before discriminating Japanese beer aficionados get a regular supply of its magical brews. ■
→ <https://hardwood.com>



(L-R) Hardwood co-founders Eric McKay and Patrick Murtaugh

DAIWA CAPITAL MARKETS AMERICA FOCUSES ON STAKEHOLDERS AND SALES



Daiwa Capital Markets America President and CEO Naoki Suzuki

When **Naoki Suzuki** took the helm of **Daiwa Capital Markets America (DCMA)** in 2016, he came with a lot of experience, having joined the group in 1991. Before coming to New York, Suzuki first worked with Daiwa Securities Ltd., where he focused on corporate planning and finance, then was moved to Daiwa Securities Capital Markets in Korea until 2016.

Through his nearly 30 years in investment banking, Suzuki gained much insight on the opportunities that DCMA could capitalize on to secure its long-term future. But, he believed that those growth opportunities existed within the organization.

"I put special priority on improving the working environment, so that every employee could work with comfort and face no harassment. Everybody is respected. They communicate with each other," he stressed.

The improved communication, Suzuki believes, will lead to increased profits for DCMA.

"We still have the same business model — the three-front lines of equity, fixed income product and the investment banking products. But, change is still coming," said Suzuki, who pointed to the good performance of the U.S. stock market. Since 2016, DCMA's customer base has doubled.

Another objective of Suzuki's is educating consumers about DCMA and its products.

"Our mission is to provide good research with data by providing full financial reports and research papers for our institutional and retail investors," he said.

"It's always a good time to invest in U.S. equities. Daiwa can support these investments and provide information to help future investors," he added. ■

→ www.us.daiwacm.com

TORAY PLASTICS AMERICA IS COMMITTED TO INNOVATION

For several decades, Japanese companies have been among the largest foreign contributors to the U.S. economy. Because many of their compatriots have found success in the United States, more Japanese companies have invested in this massive, diverse and stable market.

Founded in 1985 in North Kingstown, Rhode Island, Japanese-owned **Toray Plastics (America) Inc.** began with the production of oriented polypropylene film and polyester film for magnetic tape. As demand for magnetic tape declined, together with video tapes in the late 1990s, Toray adopted new equipment and technology to manufacture innovative products for new markets. Because of that bold move, from 2002 through 2010, the subsidiary was among the best performers of the entire Toray Plastics Group.

"Sustainability is essential to Toray Plastics and we aim always to be a step ahead of our customers. We are currently working on the development of a biodegradable film, which will support our customers and help us significantly expand our business," **Executive Vice President and Chief Technology Officer Ken Kurokawa** said.

Because it mainly serves companies based in the United States, Canada and Mexico, Toray develops and manufactures new products and applications that cater to those markets. This regional, customer-focused mindset has enabled Toray to develop cost-effective purchasing and production processes that has helped the company boost profits.

While the company is involved primarily in the manufacture of polypropylene films for food packaging and polyester films for industrial applications, it is expanding into other industries and developing new applications, thanks to a fully supported research and development team.

"With our focus on innovation and our eyes on the future, expansion is underway at our Torayfan polypropylene film division. We plan to continue investing in state-of-the-art equipment and expand our operations. The future looks very bright," Kurokawa said. ■

→ www.toraytpa.com



Toray Plastics (America) Executive Vice President and Chief Technology Officer Ken Kurokawa

TORAY
Innovation by Chemistry

ONLY ONE SURGERY WITH LUMICELL SYSTEM

Cancer continues to plague the entire world. This silent disease is usually undetectable until the symptoms of advanced cancer begin to surface. From diagnosis to treatment, a patient's life hangs in the balance. Even when the cancer goes into remission, malignant cells can reappear and cause greater damage.

Founded in Boston in 2008, **Lumicell Inc.**, through the expertise of MIT engineers, developed a system that detects and enables elimination of malignant breast cancer cells in real time. The company is currently conducting clinical studies in breast cancer and expects Food and Drug Administration approval in the near future.

The Lumicell System consists of three components — a fluorescent optical contrast agent that is cancer- and immuno-activated, a handheld imaging device that instantly scans the cavity walls to view the fluorescent cells with single-cell detection and proprietary division software that displays the image instantly on a monitor to

guide surgical removal of cancerous tissue.

Apart from breast cancer, the company is exploring the use of the Lumicell System in other types of cancer, such as brain cancer, pancreatic cancer and sarcoma.

"There is no other technology like Lumicell. We create technology and pass it to institutions such as community hospitals and academic institutions, because there is no standard for treating breast cancer. The first surgery with Lumicell should be the (patient's) last surgery," said **Chief Medical Officer Dr. Felix Geissler**.

This ongoing endeavor, however, will not achieve its original mission without meaningful partnerships.

"Part of Lumicell's priorities is to partner with Japan because of its expertise in fluorescent guided surgery. Japan wants to be at the forefront of innovation and be able to provide the best for its communities. Japanese surgeons are dedicated and Lumicell wants to give them an



Lumicell software displays in real-time residual cancer during surgery.

extra tool for better outcomes," Geissler said.

Lumicell is working on other partnerships, but it needs some breakthrough results to establish these relationships so that cancer patients receive the treatment they deserve.

"My key priority is to launch the product as safe and effective, and give it to breast surgeons. We want them to get good results with the system," Geissler said. ■
→ lumicell.com/

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