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JETRO Chicago Midwest NEWSLETTER

Illinois • Indiana • Iowa • Kansas • Michigan • Minnesota • Missouri • Nebraska • North Dakota • Ohio • South Dakota • Wisconsin

Special Coverage:

Nebraska hosts 50th Midwest U.S.-Japan Association Meeting. Read about it at right and below, and continuing on page 4.

In this issue ...

- JETRO Around the Midwest ... page 2
- Guest View: Radius Brings Southern Indiana to Japan ... page 3
- Nebraska Welcomes Midwest U.S.-Japan Association Conference ... page 4
- Kansas Renews Ties to MWJA ... page 5
- Invest Japan Seminar in Chicago Targets Emerging Tech Scene ... page 6
- Success Story: Hitachi Acquisition of Sullair in Michigan City, Indiana ... page 7
- JETRO hosts Japan Pavilion at record-setting IMTS ... page 9
- Sake Events Across the Midwest ... page 8

Looking Back on the Successful 50th Annual Midwest-U.S. Japan Conference in Nebraska



Guest View

Pete Ricketts
Governor,
State of Nebraska

This September, Nebraska had the honor and privilege of hosting 400 U.S. and Japanese executives and high-ranking officials in Omaha for the 50th Anniversary Conference of the Midwest U.S.-Japan Association (MWJA). This incredibly successful event was a tremendous opportunity for the leaders from our two countries to strengthen the already robust economic ties between Japan and the Midwest.

The U.S.-Japan relationship continues to play an enormously important role in the free world by promoting economic opportunities for both of our countries while enhancing global security. Today, Japan is America's fourth-largest trading partner and one of our nation's top sources of international direct investment. The importance of the U.S.-Midwest relationship is evident in the Midwest across MWJA's 10 member states, which include Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Nebraska, North Dakota, Ohio, and Wisconsin.

Over the years, there have been three major ways Nebraska has been growing our relationship with Japan: exports, direct investment, and partnerships. International markets are critical to creating opportunities for Nebraska's farm and ranch families.

See "Guest View: Gov. Ricketts" page 4

See "Guest View: Gov. Ricketts" page 4



Conference Closing Remarks from Midwest-U.S. Japan Conference

By Gordon Dobie, U.S. Conference Honorary Chairman

I am proud to be a Midwesterner. I grew up in Detroit, Michigan, have lived in Illinois for 30+ years; I have a small farm in Wisconsin (the same small town where Governor Walker who is here, grew up), and I went to school in Missouri.

So I cross over many of our Midwestern States.

In the 1970s when I was a teenager, no one liked the term, but it was common to call the Midwest the "Rust Belt."

We did not hear that term during this Conference. These days, people rarely use "Rust Belt" when referring to the Midwest. They call it "The Heartland of America" or the "Industrial Heartland." What has been apparent during the Conference is that Japanese investment has contributed to the transformation of the Midwest from the economic disparity of the Rust Belt in the 1970s to one of economic growth, featuring healthy and globally competitive Midwestern companies in the 21st Century. This transformation has obviously benefited Japan too. It's a great partnership. Japan and this partnership have contributed greatly to

See "Conference Closing Remarks" on page 5

Our Midwest-Japan Ecosystem



From the Chief Executive Director

Ralph Inforzato
Chief Executive Director,
JETRO Chicago

The 50th Anniversary Joint U.S. Midwest-Japan Conference took place in Omaha, Nebraska this past September. Hosted by Nebraska Governor Pete Ricketts with strong leadership from the Association's

Japan Chairman Yuzaburo Mogi and Honorary U.S. Chairman, W. Gordon Dobie, the program was a tremendous reflection of the strong Midwest-Japan economic and cultural relationship. Gordon Dobie indicated in his remarks that Japanese companies have played a key role in transforming the Midwest from the economic despair of the 1970s into a 21st century, globally competitive manufacturing base. Each one of our seven Midwest governors carefully explained the value that Japanese companies bring to their respective state economies and articulated their state's relationship and also their personal ties to Japan. In a time of deep anxiety over the continued transition of U.S. trade policy, over 400 American and Japanese attendees and certainly the Midwest governors held Japan in high esteem for the long term commitment that Japanese

See "Chief Executive Director," page 10

In this issue ...

- Chief Executive Director: Our Midwest-Japan Ecosystem ... page 1
- Guest View: Governor Ricketts on the Midwest-U.S. Japan Conference ... page 1

- Invest Japan Seminar in Chicago Targets Emerging Tech Scene ... page 6
 - Success Story: Hitachi Acquisition of Sullair in Michigan City, Indiana ... page 7
- Back to Page 1**

Radius Brings Southern Indiana to Japan



Guest View

Jeff Quyle
President and CEO
Radius Indiana

Radius Indiana, an economic development group that represents eight counties in southern Indiana, traveled to Japan in late October to meet with Japanese government and business professionals

to discuss foreign investment in the Radius region. This was Radius's first ever international site selector trip, and builds on its outreach efforts to broaden and diversify its economic investment in the region.

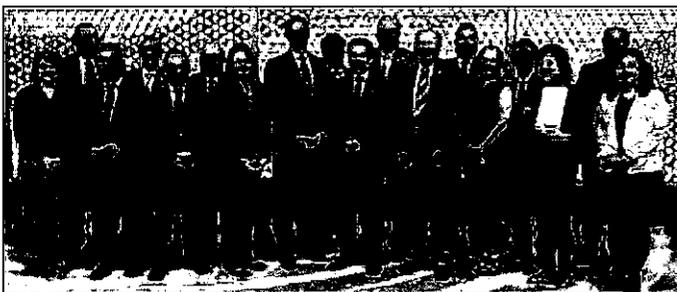
The group traveled to Tokyo, Nagoya and Osaka before returning to Indiana. Radius met with a variety of companies, ranging from automobile manufacturers to trading and policy organizations. The Indiana presenters shared information about the Radius region, detailing the top core industries of the region, workforce development and natural resources available in the area.

"Our Indiana community already has existing Japanese firms with established facilities that employ people from our city," said Joe Yochum, Mayor of Vincennes, Indiana. "The trip was a useful opportunity to tell other Japanese companies that we've had a good experience with those firms that are already located in Indiana."

During the trip, Radius met with leaders at Keidanren, becoming the first community group to meet with the organization. Keidanren is a comprehensive Japanese economic organization with a broad membership consisting of 1,329 Japanese companies, 109 industry associations, and 47 regional economic organizations. Its core mission is to facilitate more engagement by the Japanese business sector with the U.S. policymaking community and to promote the very real contributions (in terms of investment and jobs) being made by Japanese companies to the U.S. economy.

"The business leaders in the Keidanren meeting asked us some thoughtful questions about doing business in Indiana," said Joe Wellman, Mayor of Washington, Indiana. "The session was a good follow-up to the grassroots activities that JETRO has accomplished with our communities in southwestern Indiana in recent months and years."

"The Radius team had two very important events with the JETRO offices in Tokyo and Osaka. At JETRO Tokyo the delegation received a



As part of their visit, Radius met with leaders at Keidanren, becoming the first community group to meet with the organization.



Radius is welcomed to Osaka by Ichiro Soné, Director General at the JETRO Osaka office.

comprehensive briefing on the current state of Japanese investment abroad, and met with eight JETRO advisors who are all experts in different industries. JETRO Osaka held an investment seminar for Radius with over 50 companies in attendance. The Radius members presented the advantages and state and local incentive programs available for companies conducting business in their strategic region of southwest Indiana.

"Our meeting at JETRO Tokyo gave us a good opportunity to listen to the views of some of the experts on Japanese industry," said Jim Adams, Mayor of Tell City, Indiana. "The meeting helped us advance the conversation between our communities and our Japanese partners in business."



Radius delegation and JETRO following a meeting at JETRO's Tokyo Headquarters.

Contact JETRO Chicago • www.jetro.go.jp/usa/

JETRO Chicago is located at 1 East Wacker Drive, Suite 3350, Chicago 60601. Phone: 312-832-6000; Fax: 312-832-6066

For general information, call the number above.

The JETRO Chicago team offers a wide variety of business support services for companies in the Midwest planning to initiate a business presence or seeking to add to their existing investment in Japan, and/or work with Japanese companies. Please feel free to contact us.

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In this issue ...

- Chief Executive Director: Our Midwest-Japan Ecosystem ... page 1
- Success Story: Hitachi Acquisition of Sullair in Michigan City, Indiana ... page 7

• JETRO hosts Japan Pavilion at record-setting IMTS ... page 9

• Sake Events Across the Midwest ... page 8

Back to Page 1

Kansas Renews Ties to MWJA



By Randi Tveitaraas Jack, International Development Manager, Kansas Department of Commerce

Attending this year's 50th Anniversary Midwest U.S.-Japan Association Conference was especially meaningful after Kansas rejoined the Association in 2018. Our renewed membership in this important organization offers the opportunity to continue strengthening the partnership between Japan and Kansas. Japan is one of our state's top trading partners and an important source of investment,

with nearly \$170 million in new manufacturing and distribution projects underway in Kansas this year.

This year's theme of "Growing Together in a Global Economy" was a great reflection of the long history between Japan and the Midwestern states and the importance of continued partnership in the future. The conference provides a good opportunity to meet together each year to renew long-term friendships and develop new relationships. It is critical to have direct discussions regarding policy issues and trends affecting global business opportunities.

As the host state, Nebraska certainly offered impressive hospitality, showcasing the region's arts and culture from the opening event at the Kaneko Gallery to the amazing special performance by the talented members of Mannheim Steamroller. Kawasaki was an excellent corporate partner, and Governor Pete Ricketts' personal involvement throughout the conference sent a strong message regarding the importance of this event.

I also appreciated the quality of speakers, who shared valuable insights regarding key topics impacting international business activity, from innovation and technology to trade policy. It was an honor to hear from Ambassador Sugiyama and executives from leading Japanese companies. In addition, I was pleased that top U.S. officials such as Under Secretary Ted McKinney and Ambassador Gregg Doud were there to discuss ag-related trade policy issues. It was good to hear from these representatives who are from MWJA member-states Indiana and Kansas and understand the importance of trade between Japan and the Midwestern states.

The experiences shared at this conference serve to remind us of the strong bond between Kansas and Japan. This relationship has been mutually beneficial since the very beginning, and this conference was a wonderful reminder that those mutual benefits will surely continue into our future together as trading partners.

Conference Closing Remarks ... from page 1

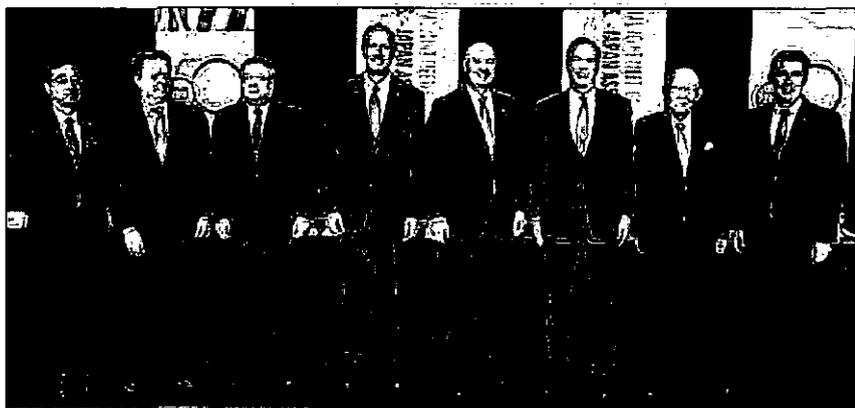
the shift of the economic mindset and the economic confidence of the Midwest.

As we look forward, I am confident that our two Associations can continue to foster and expand business and friendships between Japan and our Midwestern States that are members of the Midwest U.S.-Japan Association. Our states have a diverse set of interests and objectives, but we are united by the common desire to improve our relations with Japan and greatly increase current levels of trade and investment between our two countries. We have all seen in the past few days examples of the tremendous growth and opportunity that can be achieved through partnerships with Japan, companies and people. We have heard repeatedly over the past two days about a growing number of initiatives involving the Midwest states and Japan, including how to grow through innovation and strong partnerships and advance technology in a variety of sectors.

We look forward to working with you all in the coming years to advance our own partnerships, to increase personal interaction and build on a long history of mutually beneficial trade and commerce.

I would also like to take this opportunity to thank again all of our corporate sponsors, participants, and Governor Ricketts (who has been the greatest host), and I would like to extend a very special thanks to the state of Nebraska, including Taylor Gage, Cobus Block, Dean Dennhardt, and especially to Laurie Shaal. Their tremendous planning and organization were on display building up to the conference and were particularly evident this week. I also want to express again a very special thank you to Chairman Mogi for his leadership and that of his entire team to put on such a wonderful Midwest U.S.-Japan Association conference. On the U.S. side, Marie Gaudette has again been unbelievably creative in the planning and the hard work for this 50th conference of our Associations. Our two Associations are very grateful.

This has been a terrific 50th Conference of our Joint Associations—How about another 50 years more?!



Dignitaries on hand at the Closing Ceremony: Hon. Mitsubishi Wada, Consul-General of Japan in Detroit; Jeff Colyer, Governor of the State of Kansas; Vice Governor Akibito Yoshibayashi, Shizuoka Prefecture; Bruce Rauner, Governor of the State of Illinois; Pete Ricketts, Governor of the State of Nebraska; Gordon Dobie, U.S. Conference Honorary Chairman; Yuzaburo Mogi, Japan Conference Chairman and Honorary CEO and Chairman of the Board, Kikkoman Corporation; and Scott Walker, Governor of the State of Wisconsin

In this issue ...

• Chief Executive Director: Our Midwest-Japan Ecosystem ... page 1

• Guest View: Governor Ricketts on the Midwest-U.S. Japan Conference ... page 1

• Guest View: Radius Brings Southern Indiana to Japan ... page 3

• Nebraska Welcomes Midwest U.S.-Japan Association Conference ... page 4

Back to Page 1

Success Story: Hitachi Acquisition of Sullair in Michigan City, Indiana



By Charlie Takeuchi, Chief Operating Officer and Executive Vice President, Sullair - A Hitachi Group Company

In April 2017, Hitachi Ltd. announced its \$1.245 billion acquisition of Michigan City, Ind.-based Sullair, a leading air compressor manufacturer. Since the closing in July 2017, the two companies have joined together to rapidly expand innovative compressed air solutions

across the globe and accelerate Hitachi's Social Innovation Business by leveraging IoT and digital technology.

At the time of acquisition, Masakazu "Mike" Aoki, Executive Vice President at Hitachi and CEO of the Industrial Products Business Unit, commented, "Through this fusion with the strengths of Sullair, Hitachi will increase its competitiveness and strengthen the air compressor business; and by utilizing the vast Sullair global footprint, primarily in North America, we will accelerate the global rollout of the Social Innovation Business."

The acquisition has brought together two air compressor titans: Sullair and Hitachi. Sullair was one of the first to execute rotary screw technology. Founded in Michigan City in 1965 – home of our North American production facility – Sullair has since expanded operations to include a commercial office in Chicago and facilities around the globe. Hitachi's long-standing air compressor business began in Japan in 1910. In its 100-plus years, Hitachi has developed and manufactured numerous world firsts, including a single-stage oil free compressor, a smaller compressor producing air free of oil in one action; and an oil-free scroll compressor, a highly efficient compressor delivering air free of oil in a smaller and quieter package.

The acquisition of Sullair marked Hitachi's full-scale entry into the North American industrial business. With Hitachi integrating its highly complementary product lineup with Sullair, our customers now have access to a range of portable and stationary air compressors to satisfy nearly every industrial need, from mining and construction to general manufacturing and oil and gas.

Most notably, as A Hitachi Group Company, Sullair has rapidly expanded into the oil free sector to offer technologically advanced oil free

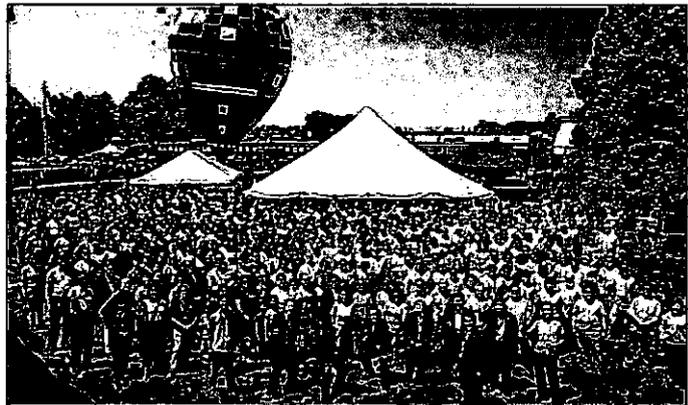
compressors that suit a variety of industrial applications, such as pharmaceuticals, food and beverage, R&D, electronics and robotics. Other award-winning products have been developed on both the stationary and portable lines to serve plants and manufacturing facilities and contractors and rental fleets, respectively.



Sullair Equipment

In July 2018, an employee celebration commemorated the one-year anniversary of Sullair becoming A Hitachi Group Company. At the event – which also drew Hitachi executives and local and state dignitaries – Aoki described Sullair as the "keystone" for the Hitachi air compressor division's growth and deemed the acquisition a great success for Hitachi.

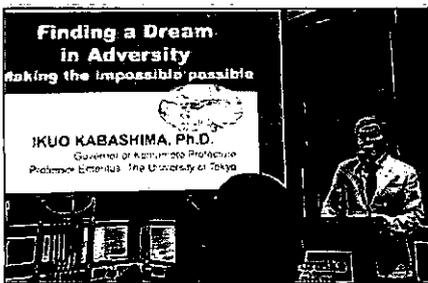
Industrial users continue to view compressed air as the "fourth utility" alongside water, electricity and natural gas to power production, making energy efficiency a top priority. The union of Sullair and Hitachi marks not only a merger of reliability and durability with innovation and renowned engineering, but an opportunity to leverage the strengths of both companies to provide our customers with the most advanced and efficient air solutions in the world.



Sullair Employee Event

Seminar at the Yeutter Institute, University of Nebraska-Lincoln

Ikuo Kabashima, Governor of Kumamoto Prefecture in Japan, presented a lecture on the importance of trade partnerships in the area of business and agriculture at the Yeutter Institute on September 7. JETRO Chicago's Ralph Inforzato also delivered comments.



Meeting in Missouri

A delegation visited Missouri Governor Mike Parson on November 5. Above from left is Kelly Highland, JETRO Chicago; Tsubasa Hashimoto, JETRO Chicago; Governor Parson; Naoki Ito, Consul-General of Japan in Chicago; and Stephen Knapp, Honorary Consul of Japan - St. Louis.

In this issue ...

- Guest View: Governor Ricketts on the Midwest-U.S. Japan Conference ... page 1
- Guest View: Radius Brings Southern Indiana to Japan ... page 3

- Invest Japan Seminar in Chicago Targets Emerging Tech Scene ... page 6
 - Success Story: Hitachi Acquisition of Sullair in Michigan City, Indiana ... page 7
- Back to Page 1**

JETRO hosts Japan Pavilion at record-setting IMTS

By Stephen R. Vullo, Researcher, Industrial Machinery, JETRO Chicago

Chicago's McCormick Place hosted the International Manufacturing Technology Show (IMTS) from September 10 - 15, organized by The Association for Manufacturing Technology (AMT). Given the very strong state of the manufacturing economy, it's no surprise that IMTS 2018 broke all records, with nearly 130,000 attendees, over 1.4 million square feet of exhibit space, and over 2,500 exhibiting companies.



This year, JETRO Chicago returned to host our exhibiting Pavilion, bringing 10 small and medium-sized Japanese companies to display their excellence in manufacturing technology, and to engage with American company representatives at the show.

Over the course of the six-day show, our exhibitors filled their schedules with many business matching meetings, and conversations with visiting attendees. In partnership with AMT, JETRO also arranged seminars detailing the U.S. manufacturing technology market and the wide range of products and services at IMTS, as most of our exhibitors were first-timers. We toured important areas of the show where exciting new innovations were showcased. And we held meetings and briefings

for some of the many visiting delegations from Japan present at the show this year.

Manufacturing is vitally important to the Midwest, as well as to Japan. To walk the aisles of IMTS, to see the bustling activity and the rapid pace of technological change, is to feel great optimism for the future of manufacturing, and for a continuing healthy economic relationship between the Midwest and Japan. JETRO Chicago would like to thank everyone who came to visit our exhibitors at our Pavilion, and we are very grateful to Ed Christopher, Vice-President of Global Success at AMT, and Mario Winterstein, CEO of IBDGI, for their very kind and generous assistance.

If you are interested in learning more about our Pavilion and our exhibiting companies, please visit our website at <https://www.jetro.go.jp/usa/topics/japan-manufacturing-technology-products-IMTS-2018.html>, for links to download our Pavilion brochure and to visit the individual company websites. See you in 2020!



IMTS2018
International Manufacturing Technology Show
September 10 - 15, 2018 · McCormick Place · Chicago

Japanese Innovative Startups to be Showcased at CES 2019

Twenty-two innovative technology startups will be featured in the Japan Innovation Showcase at the 2019 International Consumer Electronics Show (CES), taking place from January 8-11, 2019, in Las Vegas, Nevada. The Japan Innovation Showcase will be located at Eureka Park, Tech West, Sands Expo Level 1 at Booth #51075.

Exhibitors include:

144 Lab	Futurocket	ispace, inc.	Shiftall
Ambie	Genics	KISSonix	Teijin Frontier
Corporation	GROOVEX	Life is tech	Triple W
Bye Bye World Inc	Hachi Tama	LOAD&ROAD	Tsumug
Dendama	Holistic Japan	Mui labs	Yume Cloud Inc
Empath	Idein	PLANTIO	

For business and media inquiries about the exhibiting companies, contact Will Ferguson of JETRO San Francisco at Will_Ferguson@jetro.go.jp.



Dr. Shibata Wins Ryman Prize!

Professor Takamori Shibata has been awarded the 2018 Ryman Prize in recognition of his more than 25 years of ground-breaking research into new technology to help elderly people. Professor Shibata, an artificial intelligence (AI) and robotics pioneer, was presented with the prize by the Right Honourable Jacinda Ardern, Prime Minister of New Zealand, at a special ceremony in Auckland on October 18.

The Ryman Prize is an annual \$250,000 international award for the best work carried out anywhere in the world that has enhanced quality of life for older people. JETRO Chicago is proud to have assisted Dr. Shibata in his marketing efforts over the years.

JETRO Chicago

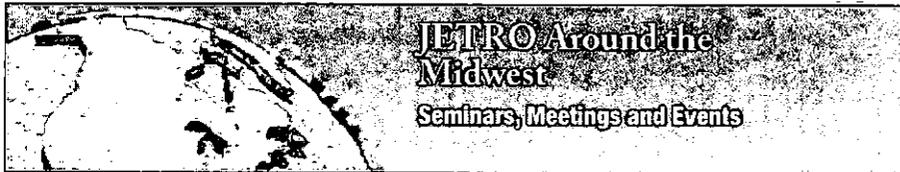
Midwest Newsletter

Autumn 2018, Page 2

In this issue ...

- Chief Executive Director: Our Midwest-Japan Ecosystem ... page 1
- Guest View: Governor Ricketts on the Midwest-U.S. Japan Conference ... page 1

- Invest Japan Seminar in Chicago Targets Emerging Tech Scene ... page 6
 - Success Story: Hitachi Acquisition of Sullair in Michigan City, Indiana ... page 7
- Back to Page 1**



The Oita Prefecture Vice Governor and Assembly Chairman visited with Ralph Inforzato at The Japanese Chamber of Commerce and Industry of Chicago (JCCC) on October 1. From left, Shinishi Inoue, Chairman of the Oita Prefectural Assembly; Ralph Inforzato; and Takashi Ando, Vice Governor of Oita Prefecture.

JETRO Chicago's Akira Kawachi (at left in photo above) accompanied a delegation from Chiba Prefecture on a visit to the Illinois Chamber of Commerce in November 2018. (Above right): Also during their visit, the delegation toured the Illinois Science + Technology Park in Skokie, Illinois and met with Mr. George Van Dusen, Mayor of the Village of Skokie.



JETRO Chicago's Tsubasa Hashimoto (back row, right) provided a briefing for an East Central Indiana delegation in advance of their visit to Japan in November.



It was a farewell, followed by a welcome in Michigan. Above, Ralph Inforzato joins with a large group of dignitaries and guests at a farewell reception in October for outgoing Consul General of Japan in Detroit Mitsuhiro Wada (front row center).

At left, Ralph Inforzato welcomes Tsutomu Nakagawa, Consul-General, Consulate-General of Japan at Detroit, on November 16 in Detroit.

Tsubasa Hashimoto was accompanied by Thomas D. DeBaun, Mayor of Shelbyville, Indiana on a tour of Ryobi Die Casting, USA, on a recent visit to Shelbyville.



(Above left) On a recent visit to Peoria, Illinois, Ralph Inforzato had the opportunity to tour PMP Fermentation and meet President and CEO Jim Zinkbon. (Above right) Also in Peoria, Ralph Inforzato had a chance to meet with Peoria Mayor Jim Ardis.



The University of Northern Iowa's Global Business Club held its 2018 Global Trade Issues Conference on October 31. JETRO Chicago's Ralph Inforzato (above left) was a featured speaker.

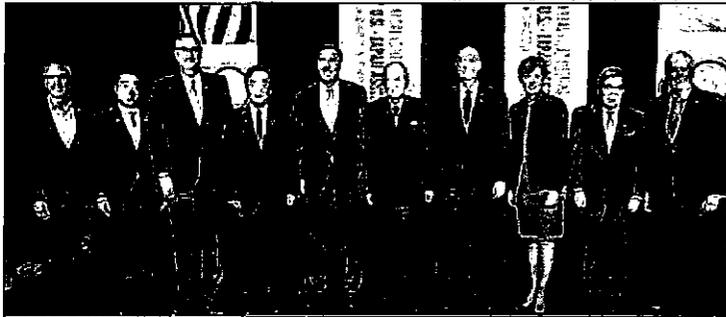
Above right, other featured presenters, Ryan Benbo of Vermeer Corporation, and Devorah Kaufman of EuroMonitor International, are joined by Christine Schrage, Global Opportunities Coordinator, and Instructor of Marketing at the University of Northern Iowa, and JETRO Chicago's Ralph Inforzato and Tsubasa Hashimoto.

In this issue ...

- Chief Executive Director: Our Midwest-Japan Ecosystem ... page 1
- Success Story: Hitachi Acquisition of Sullair in Michigan City, Indiana ... page 7

- JETRO hosts Japan Pavilion at record-setting IMTS ... page 9
- Sake Events Across the Midwest ... page 8
- Back to Page 1**

Nebraska Welcomes Midwest U.S.-Japan Association Conference



Above: On hand for the conference Opening Ceremony were North Dakota Governor Doug Burgum; Shiga Prefecture Governor Taizo Mikozuki; Indiana Governor Eric Holcomb; Saitama Prefecture Governor Kiyoshi Ueda; Gordon Dobie, U.S. Conference Honorary Chairman; Yuzaburo Mogi, Japan Conference Chairman and Honorary CEO and Chairman of the Board, Kikkoman Corporation; Nebraska Governor Pete Ricketts; Iowa Governor Kim Reynolds; Kumamoto Prefecture Governor Ikuo Kabashima; and Michigan Governor Rick Snyder.



Nebraska Governor Pete Ricketts welcomes the Conference to his state at the Opening Ceremony.



Eric Holcomb, Governor of the State of Indiana, delivers remarks at the Opening Ceremony.



Wisconsin Governor Scott Walker greets Hiroyuki Ishige, JETRO Chairman and CEO.



Chairman Ishige with Jeff Colyer, Governor of the State of Kansas.



JETRO Chairman Hiroyuki Ishige moderated a panel discussion, "Success Stories in Trade & Investment," on Tuesday of the conference. The panel featured Takeo Inokuchi, Honorary Advisor, Mitsui Sumitomo Insurance Co., Ltd.; Norm Krug, CEO, Preferred Popcorn, LLC; Shigeru Yamazoe, Vice Chairman, Marubeni Corporation/Chairman of Americas-Japan Relations Committee, KEIZAI DOYUKAI (Japan Association of Corporate Executives); and Bernard Koh, Executive Director, Multinational Corporations, J.P. Morgan.

Guest View: Governor Ricketts ... from page 1

Japan is Nebraska's largest export market for beef, pork, and eggs and, overall, it is our third largest agriculture export market. From 2016 to 2017, Nebraska saw a 26 percent increase in our beef exports to Japan and a 46 percent increase in pork exports.

For decades, Japan has been creating jobs across our state. Japan is Nebraska's largest direct international investor. Japanese companies like Kawasaki Heavy Industries, Yasufuku, Kewpie, Morio Denki, and American Shizuki Corporation have invested over \$4.4 billion in Nebraska since 2010, and employ over 9,400 Nebraskans.

The last key to our growing relationship with Japan has been our partnerships. Since I have been in office, I have led two trade missions to Japan, which have focused on creating new trade and investment opportunities with Japanese businesses. As a result, Nebraska has seen its trade with Japan increase. For example, we recently signed an agreement with Hyogo Prefecture that will see both parties pursue opportunities for closer trade and economic exchange. Another great example: The University of Nebraska has also established a partnership with Kewpie to conduct market research and development efforts here in Nebraska.

For the Nebraska-Japan relationship, the MWJA has been a critical part of supporting growth in these three areas. For 50 years, the annual meeting of delegates from the Midwest and Japan has provided a forum

in which to both celebrate and grow these successful Midwest-Japanese partnerships. This year in Omaha, we had three days of productive meetings and discussions between some of our respective nations' top government and business leaders, touching upon issues ranging from trade and investment to transportation.

Nebraska is very grateful to all who traveled to our state and joined us for this year's special 50th anniversary conference. We appreciate everyone who contributed their time and expertise toward making the event a great success. I look forward to seeing our progress come to fruition in the form of even more business, trade, investment, and cultural exchanges in the coming months. Our special thanks as well to Kawasaki, Union Pacific, and all the other sponsors who contributed to this year's celebration. We also sincerely appreciate JETRO for their support and continued advocacy for trade between the Midwest states and Japan.

Following this conference, I am confident that the U.S.-Japan relationship is strong and will grow for years to come. The recent announcement that Japan and the U.S. have agreed to bilateral trade negotiations is welcome news and represents a big growth opportunity for both countries. I am confident that as MWJA gathers in Tokyo in 2019, we will be celebrating a year of great success and achievement. Best wishes until then!

In this issue ...

- Chief Executive Director: Our Midwest-Japan Ecosystem ... page 1
- Guest View: Governor Ricketts on the Midwest-U.S. Japan Conference ... page 1

- Guest View: Radius Brings Southern Indiana to Japan ... page 3
 - Nebraska Welcomes Midwest U.S.-Japan Association Conference... page 4
- Back to Page 1**

Invest Japan Seminar in Chicago Targets Emerging Tech Scene



By Kevin Kalb, Business Development Specialist, JETRO Chicago

While there are over 350+ Japanese companies located in Greater Chicago, there are also an estimated 100+ Chicago-area companies doing business in Japan, according to World Business Chicago. To further strengthen these mutual trade ties, Mayor Rahm Emanuel signed the Chicago-Japan Economic

Partnership Agreement on his trip this summer to Japan, the first agreement the Japanese government has ever signed with a city in the world.



Dr. Rafael Salmi, President and Global GM, Richardson RFPD; and Kent Truckor, Senior Manager of International Business Development, Invenergy.

To promote further investment and business partnerships in Japan with local Chicago tech companies, JETRO Chicago organized a small Invest Japan seminar on Thursday, October 25th in downtown Chicago at the technology venture

firm TechNexus. The seminar featured two Chicago-area companies, Richardson RFPD and Invenergy LLC, giving presentations about their

keys to success in Japan, followed by an interactive panel session with the speakers.

Dr. Rafael Salmi, President and Global GM of Richardson RFPD, discussed why Japan is a hot market for his company's IoT and wireless communication markets, where Richardson has been doing business for 25+ years. Kent Truckor, Senior Manager of International Business Development for Invenergy, talked about their investments in solar and wind energy projects in Japan and the importance of strategic partners. Both speakers crossed common themes for Japan, such as the importance of relationship-building, long-term strategic thinking, and innovation.



Kevin Kalb

As Japan and the global economy are disrupted by new technology breakthroughs, many leading-edge Chicago companies can find success penetrating the Japanese market. New innovations from startups to established corporate players in fields like health care and biotechnology, fintech, IoT, AI, business services and more have helped tech become the largest growth sector in Chicago over the past decade, and business opportunities and growth await

these companies in Japan.

If your company is interested in expanding to Japan, or finding a qualified business partner, please contact JETRO Chicago for more information.

JETRO Chicago Introduces Smart Manufacturing Seminar Series

By Kevin Kalb, Business Development Specialist, JETRO Chicago

Industry 4.0 has become a buzzword in manufacturing, as the Internet of Things (IoT) has introduced connectivity to the factory floor for 'smart manufacturing'. Industrial IoT enhances manufacturing and industrial processes by connecting machines and various devices with sensors to provide real-time data and analysis for factory managers, which creates better efficiency and quality control, maintenance prediction, energy management, worker productivity, and more, ultimately driving better company profits.

This past August, JETRO Chicago organized two small seminars in Columbus, Indiana and Dublin, Ohio, featuring three Japanese companies with Industrial IoT technologies. Each of the three companies had the chance to present about their companies and technologies, which was followed by a product demonstration networking time. Two months later, the seminar was organized in Southfield, Michigan modeled on the same format with the three companies – Broadleaf, Inc., Toyo Business Engineering, and Westunitis, Inc.

The three companies offer different technology applications for improving a company's manufacturing operations. Broadleaf offers a software solution to optimize worker productivity by analyzing and removing waste in a selected manufacturing task or process. Toyo Business Engineering offers an IoT device to connect machines on the factory floor for real-time analysis, as well as a paperless reporting system to digitize factory operations. Westunitis has a wearable device (hardware and software) solution featuring augmented reality (AR) for task maintenance, as well as real-time remote maintenance communication viewed through the wearable glasses.

As companies look to improve worker productivity and efficiency on the factory floor, "smart manufacturing" processes will continue to be introduced. JETRO Chicago plans to continue promoting technologies in this industry to support Japanese SMEs abroad, and will look to build on the success of these initial seminars.



JETRO Chicago's Takayuki Watanabe greets Jim Leinboop, Mayor of Columbus, Indiana at the Smart Manufacturing Seminar organized by JETRO Chicago on August 21 in Columbus, Indiana.

In this issue ...

- Guest View: Governor Ricketts on the Midwest-U.S. Japan Conference ... page 1
- Guest View: Radius Brings Southern Indiana to Japan ... page 3

• Invest Japan Seminar in Chicago Targets Emerging Tech Scene ... page 6

• Success Story: Hitachi Acquisition of Sullair in Michigan City, Indiana ... page 7

Back to Page 1

Sake Events Across the Midwest

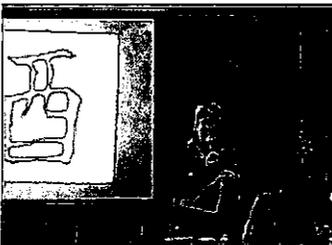
This year, JETRO and JFOODO, which specializes in promoting Japanese food, worked together to further expand the potential of Sake in the United States. JETRO Chicago is promoting Sake by organizing educational seminars in the U.S. In October and November, we held Sake seminars all over the U.S., from the west coast to the east coast. In each city, we were able to further educate and expand the knowledge of local food and beverage professionals.

On October 2nd, we invited food and beverage industry professionals to the Sake seminar held in downtown Chicago. This seminar was presented by Sake Specialist Paul Tanguay who spoke about the process, types and the uniqueness of Sake. This seminar also incorporated pairing Sake with cheese. In addition to the seminar, attendees tasted several types of unique Sake introduced by 11 importers and distributors. The objective of these types of seminars is to educate the attendees to understand the many pairing capabilities when it comes to Sake.

There is still room for Sake to grow in the United States. Our events will allow for industry professionals to have a better understanding of Sake and the ability to utilize the knowledge in their professions. JETRO Chicago will continue to promote Japanese products to U.S. markets and continue educating professionals.



(Above) Sake Seminar in Chicago at the Chez Chicago



(Photos at right) Sake Seminar in Indianapolis at the Japan-America Society of Indiana.

JETRO Chicago Coordinates Japan Pavilion at AMM2018

The Automotive Manufacturing Meetings (AMM2018) took place in Novi, Michigan at the Suburban Collection Showplace from October 16-18, and JETRO Chicago organized a Japan Pavilion featuring 38 automotive supplier companies. In total, the Japanese supplier companies had nearly 600 meetings with other automotive OEMs, suppliers and manufacturers.

AMM Detroit is a B2B supply chain event that brings together automakers, suppliers and related manufacturers for pre-arranged one-on-one meetings. In addition to the business



matching meetings, JETRO coordinated conference sessions exclusive for the Japan Pavilion exhibitors with Ford, FCA, Magna and Navya, as well as a visit to the American Center for Mobility (ACM) in Ann Arbor, Michigan. ACM is one of the largest autonomous vehicle testing facilities in the United States.



JETRO Global Trade and Investment Report 2018 - Global Economy Connected via Digitalization

In July, JETRO published its 2018 edition of the Global Trade and Investment Report 2018, with a focus on global economy connected via digitalization.

Included topics cover a range of issues, including:

- Global trade: The world trade value of 2017 has increased for the first time in three years
- Foreign direct investment (FDI): Chinese outward FDI shows strong presence in the world
- World trade policies: Multilateral trading system facing serious challenges
- Topics: Global economy connected via digitalization: Digital trade in which the data is growing more than goods and services

A brief summary of the report is available at <https://www.jetro.go.jp/er/news/releases/2018/77fd93c565ffb27a.html>. A detailed 18-page English-language summary is available for PDF download at https://www.jetro.go.jp/ext_images/er/news/releases/2018/77fd93c565ffb27a/overview.pdf.



Michigan-Shiga Celebration

JETRO Chicago's Takayuki Watanabe attended an event in Michigan celebrating the 50th anniversary of the Michigan-Shiga sister state relationship. Above left, Mr. Watanabe is greeted by Michigan Governor Rick Snyder, and at right with Taizo Mikazuki, Governor of Shiga Prefecture.

In this issue ...

- Guest View: Governor Ricketts on the Midwest-U.S. Japan Conference ... page 1
- Guest View: Radius Brings Southern Indiana to Japan ... page 3

• Invest Japan Seminar in Chicago Targets Emerging Tech Scene ... page 6

• Success Story: Hitachi Acquisition of Sullair in Michigan City, Indiana ... page 7

Back to Page 1

Chief Executive Director ... from page 1

companies have made to investing in their respective states.

Illinois Governor Bruce Rauner explained it quite well when he cited that Illinois has "a very healthy Japan ecosystem" that plays a vital role in supporting and growing Japanese companies in the state as well as catalyzing cultural linkages. I would also add that our entire American Heartland has such a robust Japan ecosystem.

It was exciting for all to see in Omaha that Kansas Governor Jeff Colyer and North Dakota Governor Doug Burgum are now new members of the Midwest U.S.-Japan Association – and therefore now part of a greater Midwest-Japan ecosystem.

A new and actually important technology company in our Midwest-Japan ecosystem is Sullair, which is a Hitachi Group Company. I visited Sullair's Michigan City, Indiana facility in October to fully interact with its highly motivated team, learn from them and see production. This company is one of the true leaders in air compression equipment and technologies. For example, if you look closely at construction sites in the United States you will always see Sullair air compressors. In the 21st century global economy, the use of air compression is becoming an important form of power just like water, electricity and natural gas. I found that Hitachi's recent investment in Sullair is appreciated and fully embraced by the Sullair team members. It's an important combination of American and Japanese manufacturing cultures, which will definitely strengthen our regional economy in terms of job creation and by adding business growth. For example, Sullair can fully benefit by utilizing Hitachi's IoT advanced technologies. (See the article on page 7 by Sullair COO Charlie Takeuchi.)

Finding a Dream in Adversity – Kumamoto Governor Ikuo

Kabashima. Interestingly enough, at the Yeutter Institute at the University of Nebraska in Lincoln on September 7, my friend, Kumamoto Governor Ikuo Kabashima, explained during a program how his experience in Nebraska as a struggling student completely changed his life.



Kumamoto Governor Ikuo Kabashima television interview on September 7 in Lincoln, NE

Kabashima-san is from a Kumamoto farming family. He graduated from high school at the bottom of his class. He wanted to be a rancher and also a politician. So he went to Idaho as an agricultural trainee, and then studied animal science at the University of Nebraska (Lincoln). Kabashima-san said that his faculty advisor at the University of Nebraska gave him a chance by saying, "Raise your grades, develop your English fluency, and you can stay for a probation period of six more months."

Well, Kabashima-san did raise his grades and his English fluency and graduated. He then attended Harvard University for his Ph.D. in political science.

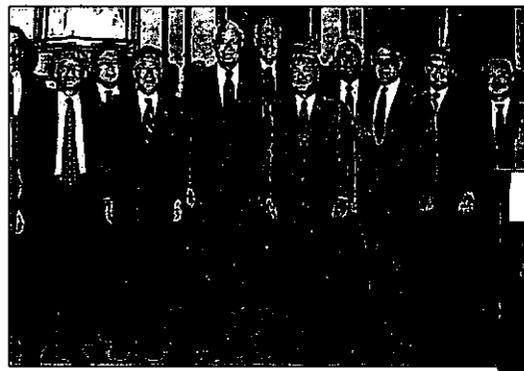
Finally, at the age of 61 years old, he was elected Governor of Kumamoto Prefecture where he is now one of the most well regarded governors in Japan.

Governor Kabashima never for a minute forgot what he learned in Nebraska and the United States. He implemented smart-agriculture systems and measures against Avian Influenza that struck Kumamoto farmers. He also took actions that led to a careful and deep effort for Kumamoto to recover from the 2016 earthquakes. Governor Kabashima is part of our Japan-Midwest ecosystem. Governor Kabashima was also interviewed for University of Nebraska television.

"We Will Make a Maximum Effort in Japan." We were so pleased to have welcomed two local Indiana mayoral leadership and investment delegations to our JETRO Tokyo head office in November. These were separate visits led by Jeff Quyle, President and CEO of Radius Indiana Economic Development and then by Mindy Kenworthy, President and CEO of East Central Indiana Regional Partnership. Earlier in the year, I had the unique opportunity to present to the Radius Indiana Leadership in Terre Haute and was re-acquainted with my good friend Rebecca Skillman, who is the Chairman of the Radius group. She reminded me that in the early days of her tenure as Indiana Lieutenant Governor serving with Governor Mitch Daniels, they recognized great value in building the Indiana relationship with Japan and embracing Japanese companies. She told me just this past March, "We are going to make a maximum effort in Japan." This phrase and the power of her words are always in my mind ... "making a maximum effort."

So when Jeff Quyle and Mindy Kenworthy contacted me requesting guidance and assistance for their leadership delegations planned autumn visits to Japan, I told them we'll make a maximum effort for you in Japan. We had to prepare well, follow-up to refine and align expectations with these Indiana delegations and my Tokyo colleagues. Actually, we were all making great efforts and both visits succeeded (see Jeff Quyle's article on page 3). I believe these Midwest leadership delegations are very important because they enable local American political and economic development leaders to initiate and maintain relationships with Japan. I believe it is valuable that both sides exchange ideas, information and opinions. I explained to Jeff and Mindy that we want them to rely on JETRO Chicago and JETRO Tokyo as assets who will execute what they promise. We want to do more than speak to local leaders about Japan in the Midwest, we want all our Midwest local leaders to visit Japan – we'll make a maximum effort for them.

A Hoosier-Japan Visionary: All of us at JETRO Chicago are absolutely thrilled to learn that our dear friend Larry Ingraham will receive the Order of the Rising Sun, Silver Rays from the Government of Japan in early December. Historically, Larry is one of the Midwest's Japan Wisemen who continues to build the Indiana-Japan relationship. He recognized decades ago the importance of introducing and then supporting Japanese manufacturing companies in the State of Indiana which would result in creating well-paying jobs for thousands of working families. Larry's an utter dynamo in organizing Indiana local leadership delegations to Japan as well as to our JETRO Chicago office. Please see the photo below, which I actually keep near my desk, of the Subaru of Indiana Automotive Inc. groundbreaking ceremony in May 1987 in which Larry Ingraham played a critical role. (Larry is second from the right).



At left, Larry Ingraham in 1987 (second from right). Below, Larry Ingraham today.

