

EXHIBIT A

TO REGISTRATION STATEMENT

Under the Foreign Agents Registration Act of 1938, as amended

Furnish this exhibit for EACH foreign principal listed in an initial statement
and for EACH additional foreign principal acquired subsequently.

1. Name and address of registrant H. WILLIAM TANAKA 1819 H Street, N.W. Washington, D. C. 20006	2. Registration No. 948
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3. Name of foreign principal Electronic Industries Assn. of Japan	4. Principal address of foreign principal 2-2, Marunouchi, 3-chome Chiyoda-ku, Tokyo, Japan
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5. Indicate whether your foreign principal is one of the following type:

Foreign government

Foreign political party

Foreign or domestic organization: If either, check one of the following:

<input type="checkbox"/> Partnership	<input type="checkbox"/> Committee
<input type="checkbox"/> Corporation	<input type="checkbox"/> Voluntary group
<input checked="" type="checkbox"/> Association	<input type="checkbox"/> Other (specify) _____

Individual - State his nationality _____

6. If the foreign principal is a foreign government, state:

a) Branch or agency represented by the registrant.

b) Name and title of official with whom registrant deals.

7. If the foreign principal is a foreign political party, state:

a) Principal address

b) Name and title of official with whom the registrant deals.

c) Principal aim

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8. If the foreign principal is not a foreign government or a foreign political party,

a) State the nature of the business or activity of this foreign principal

Trade association whose membership includes all of the major Japanese manufacturers of electronic products and components which are exported to the United States.

b) Is this foreign principal

Owned by a foreign government, foreign political party, or other foreign principal Yes No

Directed by a foreign government, foreign political party, or other foreign principal Yes No

Controlled by a foreign government, foreign political party, or other foreign principal Yes No

Financed by a foreign government, foreign political party, or other foreign principal Yes No

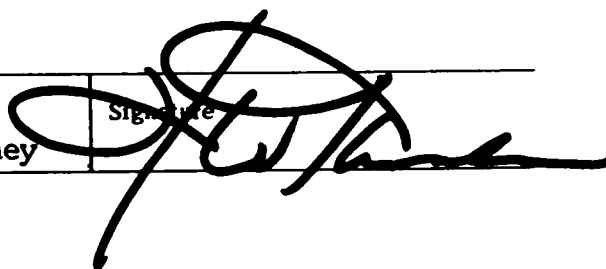
Subsidized in whole by a foreign government, foreign political party, or other foreign principal Yes No

Subsidized in part by a foreign government, foreign political party, or other foreign principal Yes No

9. Explain fully all items answered "Yes" in Item 8(b). (If additional space is needed, a full insert page may be used.)

The Electronic Industries Association of Japan is subsidized in whole by the Japanese manufacturers of electronic products and components included in its membership.

10. If the foreign principal is an organization and is not owned or controlled by a foreign government, foreign political party or other foreign principal, state who owns and controls it.

Date of Exhibit A September 15, 1972	Name and Title H. Wm. Tanaka, Attorney	Signature 
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UNITED STATES DEPARTMENT OF JUSTICE
Washington, D.C. 20530

Registration # 948

REGISTRATION SECTION

EXHIBIT B

TO REGISTRATION STATEMENT
Under the Foreign Agents Registration Act
of 1938, as amended

INSTRUCTIONS: A registrant must furnish as an Exhibit B copies of each written agreement and the terms and conditions of each oral agreement with his foreign principal, including all modifications of such agreements; or, where no contract exists, a full statement of all the circumstances, by reason of which the registrant is acting as an agent of a foreign principal. This form shall be filed in duplicate for each foreign principal named in the registration statement and must be signed by or on behalf of the registrant.

Name of Registrant	Name of Foreign Principal
H. WILLIAM TANAKA	Electronic Industries Association of Japan

Check Appropriate Boxes:

- The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach two copies of the contract to this exhibit.
- There is no formal written contract between the registrant and foreign principal. The agreement with the above-named foreign principal has resulted from an exchange of correspondence. If this box is checked, attach two copies of all pertinent correspondence, including a copy of any initial proposal which has been adopted by reference in such correspondence.
- The agreement or understanding between the registrant and foreign principal is the result of neither a formal written contract nor an exchange of correspondence between the parties. If this box is checked, give a complete description below of the terms and conditions of the oral agreement or understanding, its duration, the fees and the expenses, if any, to be received.

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4. Describe fully the nature and method of performance of the above indicated agreement or understanding.


Voluntarily undertook to prepare and deliver statement on behalf of the Electronic Industries Association of Japan before the American Loudspeaker Manufacturers Association (AIMA) after a dinner meeting in Chicago at the Bismarck Hotel on August 4, 1972 on the basis of an oral arrangement for reimbursement of out-of-pocket expenses only. This came about because the EIA-J could not find an appropriate speaker in response to AIMA request for a speaker to address their dinner meeting. Hence, I volunteered to step in as a substitute dinner speaker in response to AIMA request.

5. Describe fully the activities the registrant engages in or proposes to engage in on behalf of the above foreign principal.

Preparation of short ~~xxxxxxx~~ prepared speech and its delivery before AIMA after dinner on August 4, 1972.

6. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act?^{1/} Yes No

If yes, describe all such political activities indicating, among other things, the relations, interests or policies to be influenced together with the means to be employed to achieve this purpose.

Date of Exhibit B August 18, 1972	Name and Title H. WILLIAM TANAKA Owner, Tanaka & Walders	Signature 
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^{1/} Political activity as defined in Section 1(o) of the Act means the dissemination of political propaganda and any other activity which the person engaging therein believes will, or which he intends to, prevail upon, indoctrinate, convert, induce, persuade, or in any other way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

SPEECH BEFORE THE AMERICAN LOUD SPEAKER ASSOCIATION

August 4, 1972

It is indeed a unique opportunity for me to appear before you today to discuss, generally, some of the issues of relevance to the loudspeaker industry.

The Electronics Industries Association of Japan is a trade association which includes 20 of the 42 Japanese manufacturers of loudspeakers as members. The EIA-J welcomes the opportunity to discuss the role of imports in the American loudspeaker market, to clarify any misunderstanding which may exist, and to discuss general developments in the world trading community which augur expanding markets in which all of us can actively participate and profit.

In speaking of Japanese consumer electronic products generally, one highly respected consulting firm has concluded that "The widely held idea that Japanese success has been solely based on relatively low labor rates and low prices is a misconception. It is more a

result of excellent merchandising, design, reliability and product quality."

As for loudspeakers, roughly 68% of Japanese loudspeaker exports to the U.S. are in sizes under 4 inches. Five-inch to 8" speakers account for another 29% while exports of speakers over 8 inches represent only 3% of all exports from Japan to the U. S. The U.S. manufacturers dominate in the important automotive and large speaker markets. The Japanese manufacturer thus concentrates on supplying the smaller size speakers.

While the U.S. components market has not grown at a dramatic pace except where new technology has been introduced, statistics on U.S. loudspeaker exports show a 288% increase in U.S. exports of loudspeakers from 1967 through 1971, rising from approximately \$5,280,000 in 1967 to \$15,200,000 in 1971. Moreover, exports in the period January through March 1972, on an annualized basis, indicate record sales abroad. These figures suggest a healthy industry -- not necessarily an industry in extremis.

Recent developments boosting U.S. export potential of loudspeakers are the enactment of the Domestic International Sales Corporation legislation, the rapid development of consumer electronic industry in the lesser developed countries, the development of quadrisonic sound systems, the multinationalization of U.S. consumer electronic manufacturers and the world-wide growth of consumer income and demand.

First, I refer to the Domestic International Sales Corporation. The DISC is an ingenious device which allows DISC companies to maximize their profits from export operations. In fact, the DISC probably represents the single greatest inducement to export ever devised by any Free World trading country. No company can afford to ignore the benefits it can provide. It may be that many of you have already established DISC subsidiaries. If so, you are maximizing your profits, since 50% of the income earned through these DISCS will probably never be taxed. Moreover, the legislation

enables DISC companies to finance their operations with interest-free loans made to the parent from the exporting subsidiary. When added to the other substantial benefits the U.S. government provides, such as undertaking the bulk of display costs at international trade shows, marketing services and other benefits, it appears to me that your industry can make a successful effort to export your loudspeaker products.

Where? To Japan, for instance. The Japanese market is a large market of sophisticated consumers many of whom desire American products. The Japanese loudspeaker tariff rate is identical to that of the U.S., at 7.5%. Your product is welcome and will be eagerly received by the Japanese if properly marketed and publicized. There is a marketplace for your product in Japan and other countries of the world.

The development of export industries in the lesser developed countries and the multi-nationalization of large American corporations

are related and bear directly upon the performance of your industry.

To be sure, the same factors will also affect the performance of the Japanese manufacturers in the years to come. For example, the salary of Japanese workers has been increasing at an annual rate of 17%, a factor highlighting the ability of lesser developed countries to produce loudspeaker products for export to Japan.

Moreover, since August 1971, Japan has adopted a preferential tariff system for imports from the lesser developed countries. This, too, increases the ability of LDC companies to export their products, including loudspeakers, to Japan.

Of course, many of your major customers and potential customers have located manufacturing operations in Taiwan, Mexico, Korea, Hong Kong, and Singapore, benefiting from the investment and export promotional activities of these governments back-to-back with the beneficial U.S. tax and tariff treatment given their income and products. Export marketing possibilities presented by this development should also be considered.

Third, there is the possibility of technological improvements through R & D investments in speakers and audio systems. While the electronic receiving tube has given way to the transistor which, in turn, has given way to IC's and LSI's, the loudspeaker has remained basically unchanged since the radio loudspeaker was invented.

Finally, the years ahead appear to hold in store, continued, accelerating consumer demand for consumer electronic products incorporating loudspeakers both in the U.S. and abroad. Estimates of demand growth vary, but they all point in the same direction. Moreover, the real income earned by Americans, Japanese and nationals of other countries is growing. Thus, demand for consumer electronic products can, as never before, be translated into purchases. The Electronics Industries Association estimates that 1973 free world consumption of speakers will be \$409,000,000. By 1985, the EIA estimates that consumption will more than triple to \$1,259,000,000. The EIA also estimates that the consumption of speakers will increase

by about 7.5% from 1970 to 1985, compared with the 5.9% increase from 1965 to 1970. This increase in world-wide demand will benefit those companies willing to innovate, and willing to fully realize their global marketing potential. I am sure that in the years to come, the U. S. loudspeaker industry will accept the challenge, gain new markets and successfully compete with its foreign counterparts.