

4 Commercial Activities

Major Organizations

Although language is sometimes an impediment to Canadians doing business in Japan, in all other aspects information is more readily available than in other countries.

Almost every aspect of Japanese life is represented by an umbrella organization — whether it is a general business group, industry-specific organization or regional body. These groups can prove invaluable for Canadians trying to make contacts or obtain marketing statistics.

The Japan External Trade Organization (JETRO), with offices in major Canadian and Japanese centres, was founded to promote exports to Japan and to assist foreign exporters in the Japanese marketplace. JETRO recently established regional internationalization centres in each prefectural capital. These centres maintain contacts with local businesses trying to access imported products and services.

Other organizations that can provide statistical data and other assistance — particularly for prospective investors — include the Japan Development Bank and the Japan Regional Development Bank.

The Commercial Section of the Canadian Embassy in Tokyo can also furnish exporters with market information and help establish contacts.

Within the Chugoku region, there are numerous public and private organizations that may also provide useful contacts. These include the Chugoku Economic Federation whose membership covers 50 public and private bodies and over 135 corporations, and a network of over 50 local chambers of commerce. Prefectural trade promotion organizations, whose membership includes local governments, chambers of commerce and private-sector groups, sponsor both educational and promotional activities.

Another promotional tool is the growing number of trade fairs held in Chugoku and the full slate of international conferences hosted by Hiroshima. Tables 8 and 9 list trade fair and conference activities in the region.

Major Projects

As Hiroshima prepares for the 12th Asian Games in 1994, the city is bustling with development activity. Priority projects include new convention and hotel facilities and redevelopment of the waterfront.

In the past several years, the region has undergone widespread industrial expansion. In 1989, work began on 89 large-scale industrial plants to serve the automotive, electrical and general machinery sectors. An additional 283 plants were also expanded and upgraded in order to meet increasing domestic demand in the chemical and steelmaking sectors.

Some of the more notable industrial expansion projects are listed below:

- An increase in domestic demand allowed Mitsui Petrochemical to reopen its Iwakuni ethylene plant. The company also added a facility to produce photomasks for the semiconductor industry.
- Mitsubishi Kasei established a new facility to produce optical memory disks.
- Mazda Motors expanded its automobile operations in Hiroshima and Yamaguchi prefectures and plans to increase annual production from 500 000 to 800 000 units by 1993. Most of the increased production will take place at the Yamaguchi plant.
- NKK's plant in Fukuyama, Hiroshima now yields 70 per cent of the company's total production. The integrated steelmaker recently added a new steel sheet facility to serve the automotive and construction sectors, and modernized one of its blast furnaces to increase production.
- Mitsubishi Motors has amalgamated all its auto parts subsidiaries in one location, Mizushima Industrial Park in Okayama prefecture.
- Spurred by a 30-per cent increase in demand, Mitsubishi Heavy Industries has upgraded its printing machine plant in Mihara.
- NEC is planning a new semiconductor plant in Hiroshima, while Fujitsu has a semiconductor plant under construction in Shimane.
- Sharp has expanded its facilities in Hiroshima in order to produce audio equipment, optical memory disks and cordless telephones.
- When completed, the Convex development in Okayama will include the largest wholesale exhibition centre west of Osaka.