

Unitary tax, access to markets: recu

The unitary tax and the need to increase access to Japanese markets for California products were discussed repeatedly when California Chamber officers met with Japanese business leaders in Japan the week of March 11-15.

In the delegation to Japan were Chamber Chairman Thomas C. Paton, Chamber President John T. Hay, Robert Monagan, president of the California Economic Development Corporation, and Susanne Hutchinson, director of the Chamber's International Trade Department.

Made in U.S.A. Fair

The week began at the opening ceremonies for the Made in U.S.A. Fair held in Nagoya. The fair was sponsored by the Japan External Trade Organization (JETRO) and designed to help American manufacturers establish contacts with potential Japanese customers and obtain vital marketing information and assistance. Attendance was limited to business people and JETRO facilitated business discussions between American exhibitors and Japanese buyers.

Arrangements for the California exhibitors were made by Bob Di Martini, trade development specialist, California State World Trade Commission.

In Tokyo, the California Chamber representatives and Monagan met with executives from the American Chamber of Commerce in Japan and JETRO. The group also toured the National Diet of Japan (Parliament).

Ambassador to Japan

A call on U.S. Ambassador to Japan Mike Mansfield provided the delegation with a briefing on U.S.-Japan trade. Ambassador Mansfield said



Opening day. The opening ceremonies of the Made in U.S.A. Fair in Nagoya, Japan on March 11 were the first stop for the California Chamber trade mission.



Californians in Japan. At the California exhibit at the Made in U.S.A. Fair in Nagoya, Japan are (from left) Bob Monagan, President, California Economic Development Corporation; John T. Hay, President, California Chamber; and Thomas C. Paton, Chairman, California Chamber and President and Chief Executive Officer, Blue Shield of California.

the most important bilateral trade relationship in the world is between the United States and Japan. The ambassador further said the future of world trade rests in the Pacific Basin. He predicted that we are entering a new century of world dominance in commerce in the Pacific Rim area.

C. Itoh & Co.

A meeting with Seiki Tozaki, chairman of C. Itoh & Co., Ltd., offered the delegation an opportunity to learn more about one of Japan's largest trading companies. Glenn Sakai, executive vice president and

chief operating officer of C. Itoh & Co. (America) Inc. in Los Angeles, is a member of the California Chamber's Board of Directors.

In addition, the delegation attended a meeting and dinner hosted by the Keidanren (Federation of Economic Organizations). The Keidanren is a private and nationwide body that represents all branches of economic activities in Japan. Its membership includes 117 trade associations and 839 corporations.

Investment potential

A major topic of conversation during the

Keidanren meeting as well as other meetings was the unitary tax. Keidanren cited an August 10, 1984 release whereby its Committee on International Investment and Technology Exchange had conducted a study concluding that repeal of unitary taxation may invite over \$1.4 billion of Japanese investment and create more than 11,000 jobs in California.

Under the California Chamber Board's recently adopted proposal, the unitary method would be limited in the future to the "water's edge," thereby excluding income of foreign operations. However, firms currently in

ing topics in Japan trade mission

California that want to continue calculating their taxable income on a worldwide unitary basis would be able to file in that manner under a "grandfather clause." Firms would be able to choose during a short period of time after the unitary bill was passed and no firm could choose later to file differently.

Another major topic of conversation during meetings with Japanese business leaders was increased market accessibility for California products as well as lowering of tariff and non-tariff barriers.

Food exhibition

Concurrently with the Made in U.S.A. Fair, the Foreign Agricultural Service/ U.S. Department of Agriculture co-sponsored the 10th International Food Exhibition — Foodex Japan '85 in Tokyo.

The agricultural delegation from California included Clare Berryhill, director, California Department of Food and Agriculture; Daryl Arnold, president, Western Growers Association; Jack Feder, president, T. M. Duche Nut Co., Inc.; and Harry Kubo, president, Nisei Farmers League. Arrangements were made by Jean-Mari Peltier, agricultural trade specialist with the California State World Trade Commission.

Reception

A California Agricultural Reception at the American Club in Tokyo attracted nearly 200 guests. It was an opportunity to meet for the California delegations, California agricultural representatives stationed in Japan and a blue ribbon group of Japanese buyers. Co-hosts of the reception were the California State World Trade Commission and the California Department of

Food and Agriculture. The reception was made possible by donations from the following: California Almond Growers Exchange, California Avocado Commission, California Cling Peach Advisory Board, California Raisin Advisory Board, Sun-Diamond Growers of California, T.M. Duche Nut Co., Inc., and Western Growers Association. □ Staff contact: Susanne Hutchinson



Look to the Pacific. Mike Mansfield, U.S. Ambassador to Japan, predicts that the Pacific Rim area will dominate world trade in the next century.



Informative visit. The California Chamber's visit to Japan included a stop at the offices of C. Itoh & Co., Ltd. in Tokyo. From left are Bob Monagan, President, California Economic Development Corporation; John T. Hay, President, California Chamber; Seiki Tozaki, Chairman, C. Itoh & Co., Ltd.; and Thomas C. Paton, Chairman, California Chamber.



Business leaders meet. Attending a meeting at the Keidanren (Federation of Economic Organizations) during the Japan trade mission are (back row from left) Shunichiro Ogawa, The Bank of Tokyo, Ltd.; Ryusho Richard Nagai, Kyocera Corporation; Naozo Mabuchi, Sony Corporation; John T. Hay, California Chamber; Bob Monagan, California Economic Development Corporation; Atsuo Ueda, Keidanren; Keisuke Nakazawa, Sony Corporation; Thomas C. Paton, California Chamber; Tsuguio Ibayashi, Keidanren; Masakazu Kubota, Keidanren; Masami Tashiro, Keidanren; Junichi Tosaka, The Mitsui Bank, Ltd. Front, from left: Marty Paton and Mable Hay of the California Chamber delegation; Ione Monagan; and Susanne Hutchinson, California Chamber.