

California–Japan Business Recovery Forum

June 22^{nd,} 2011 Governor's Office of Planning & Research – 1400 10th Street, Sacramento 2:00-4:30pm

Organizations Participating

Japanese Chamber of Commerce of Northern California (Hiroshi Haruki, President)
Japan Business Association of Southern California (Koichi Kinoshita, President)
Consulate General of Japan, San Francisco (Hiroshi Inomata, Consul General of Japan)
Japan External Trade Organization (Masashi Ebara, Executive Director, JETRO)
Office of Governor Jerry Brown
State and Consumer Services Agency (Anna Caballero, Secretary)
California Volunteers (Karen Baker, Secretary)
Seismic Safety Commission (Richard McCarthy, Executive Director)
California Volunteers, Business Partnership Group

- Bank of America (Jeffery Dell)
- California Farm Bureau Federation (Chris Scheuring)
- Deloitte (Julie Quinn)
- The National Federation of Independent Business (Michelle Orrock)
- The GAP (Keith White)

Background and Purpose

The recent tragedy in Japan is a compelling reminder that the world's 3rd and 9th largest economies share the never-ending risk of future seismic catastrophes. No one knows when and where the next major earthquake will happen, yet it is obvious that the people of Japan and California share many common concerns for finding the best approaches to secure their personal safety, mitigating losses, and speeding relief and recovery efforts.

The catastrophic Tohoku Earthquake of 2011 has moved the level of common concern into a new dimension, in addition to the focus on protecting human lives and property. How might the next major seismic event in California impact domestic and multinational operations here? What things can business and government do together to reduce economic injury and to speed recovery? What are the lessons from Japan that may be applicable in California?

Japan is the number one foreign investor in California. Japanese investment spans across every major California industrial sector. California is the headquarters for many leading companies doing business in North America. California is also the primary port of entry for Japanese products. Its rail and highways system are major hubs for the distribution of imported products throughout the Americas. Japan-

affiliated companies employ hundreds of thousands of Californians and many more workers across the nation.

The Japanese Chamber of Commerce of Northern California (JCCNC) and the Japan Business Association of Southern California (JBA) recognize the critical risks to their membership and the need to collaborate with the Governor's Office, the Legislature, the Seismic Safety Commission and other public agencies charged with planning for the next disaster and speeding recovery. The two organizations also acknowledge that they share this risk with their U.S. counterparts and that a framework for discussions on these topics with government, academic experts and California business leaders would be mutually helpful.

The California Seismic Safety Commission (Commission) is California's lead agency for the development of seismic safety policy. The Commission is dedicated to reducing the seismic risk to Californians and implementing policies to enhance post-earthquake economic recovery. The Commission has a long history of collaboration with Japan, resulting in an evolving partnership. The Tohoku Earthquake has shed light on the need for the Commission to collaborate even more closely with Japan in order find common solutions for reducing risks to the state's economy and protecting California business operations. The Commission is pleased to join with the Governor's Office, JCCNC, JBA, the Japanese government and the California business community in this endeavor.

On June 22nd, participants will discuss the establishment of informational an exchange known as the California-Japan Seismic Exchange. The working objective is to exchange information leading to the development of strategies to reduce commercial disruptions in California and enhance business recovery in the event of a major seismic/tsunami disaster. Since the exchange will be an informational exchange between entities with common interests, membership is open to all to those with a common interest in the above.

Workshop Agenda

1. Introductions and Welcome (2:00 – 2:15 pm)

- Governor's Office
- Secretary Anna Caballero, State and Consumer Services Agency
- Secretary Karen Baker, California Volunteers
- o Hiroshi Haruki, President JCCNC
- Koichi Kinoshita, President JBA
- Hiroshi Inomata, Consul General

2. Richard McCarthy, Executive Director, Seismic Safety Commission (2:15-2:30 pm)

- Overview of federal, state and local government agencies involved in disaster response, loss prevention and relief and recovery.
- The Role of the SSC and the history of related collaborations between California and Japan

3. Hiroshi Inomata, Consul General (2:30-2:45 pm)

- The current status in Japan and challenges toward recovery
- Measures being taken to ensure food, water and product safety
- Specific challenges in social, economic and energy policy

4. Hiroshi Haruki, President & CEO Fujitsu Management Services of America (2:45-3:15 pm)

Hiroshi Tomita, President Konica Minolta Laboratory USA, Inc. Masanori Yasunaga, President & CEO Calbee America, Inc.

- o What safeguards do Japan companies utilize today to reduce business disruption?
- What are the lessons for California from the recent events in Japan?
- o What are the impacts in the agricultural, manufacturing, finance and high tech sectors?
- O What are the concerns of Japan-affiliated investors doing business in California?

5. CA Volunteers, Business Partners Group (3:30-3:45 pm)

 California Business Perspective: Newly identified concerns about business disruption after the Tohoku Earthquake and implications for key industrial sectors in California.

6. Open Discussion for Action Items and Other Ideas (3:45 – 4:30pm)

- The participating parties wish to establish an informational exchange website to promote mutual understanding in the above areas and to exchange further information that may lead to the development of public and private strategies to reduce commercial disruptions and enhance business recovery in the event of a major seismic disaster. Participation in this exchange is in no way limited and shall be open to all members of the public and private sectors. It is the intent of the participants to develop this as a model exchange that may be expanded for other business participation.
- The Commission welcomes the early placement of one or more officials from Japan who are knowledgeable about economic effects. What are the next steps?
- ➤ How can California officials continue to help Japan with recovery efforts and collaborate on an ongoing basis?
- Other ideas
- Discussion of draft MOU on the above