



# Japan and California: Partners Across the Pacific



"Japan was the focus of our first trading partner web portal because of the longstanding economic ties between California and Japan. As two of

the world's top 10 economies, we continue to benefit from our ongoing cultural and business exchanges."

Allan Zarembert  
President and Chief Executive Officer  
California Chamber of Commerce



"Japanese companies find California to be a very attractive place to do business due to its forward-thinking and diverse culture. We will continue to thrive in

this energetic region, as U.S.-Japan relations support an ongoing exchange of goods, technology and research."

Hiroshi Tomita  
President  
Japanese Chamber of Commerce  
of Northern California



"California remains the most preferred place in the nation for Japanese investors to conduct business. We appreciate California's

unwavering support for open investment and free trade."

Yoshihiko Masuda  
President  
Japan Business Association of Southern California



# California-Japan Economic Ties

## Strong Export/Import Partnership

- Japan, the world's third largest economy, is California's fourth largest export partner, accounting for 8.2% of California exports. (2011)
- Major California goods exported to Japan include computers and electronics, and agricultural products.
- California is the source of 19.6% of Japan's imports from the United States. (2011)
- Japan is California's second largest import partner, accounting for 11.3% of California imports. (2011)
- California receives 31% of Japan's imports to the United States. (2011)
- Major Japanese imports received in California include transportation equipment, and computer and electronic products.
- The ports of Los Angeles and Long Beach together handle close to 25% of total trade value between Japan and the United States.

Sources: U.S. Department of Commerce, Los Angeles County Economic Development Corporation



## Mutually Beneficial Investment and Employment

- Japan is the largest foreign investor in California. (2009)
- More than 1,300 Japan-affiliated companies have a presence in California. (2011)
- Japan-affiliated companies have more than 100,000 employees in California. Close to 96% of those employees are hired locally. The average salary per California employee of Japan-affiliated companies is \$75,100.
- Japan-affiliated manufacturing plants, distribution centers, retail outlets, finance operations and a wide array of other activities generate billions of dollars in state and local tax revenue.
- Major California-based companies, including Fortune 500 firms, also have a presence in Japan. Industries represented include entertainment/media, aerospace, food production, engineering design, toy manufacturing, financial services, professional and business services, tourism/hospitality, fashion design and production.

Sources: International Trade Administration, Japan External Trade Organization, Japanese Chamber of Commerce of Northern California, Japan Business Association of Southern California, Los Angeles County Economic Development Corporation





## Tourism

### Agricultural Bounty

- Japan is the third major export destination for California agricultural products.
- Leading California exports to Japan are rice, almonds, wine, processed beef and oranges.
- California premium products—such as nuts, fruits and vegetables—are very popular in Japan.
- Japan has contributed to the development of California's agriculture and food industry, including horticultural and produce distribution techniques, and as the original source of some of the numerous agricultural commodities California ships around the world.

Sources: California Department of Food and Agriculture, University of California Agricultural Issues Center



## Agriculture

### Cross-Cultural Exchange

Personal connections and cultural ties help strengthen the relationship between Japan and California.

- Japan sent the second most visitors to California—545,000 in 2010.
- Japanese visitors to California spent \$488,000 here.
- Major purposes for visits to California from Japan were vacation (38.7%), business (28.8%), visiting friends/relatives (23.5%) and study/teaching (8.3%).
- The United States accounts for close to 10% of total visitors to Japan.
- The Japanese influence is evident in popular sushi and fusion cuisine menu items California restaurants serve daily.

Sources: ITA "In-Flight" Survey (2010), CIC Research, Inc.; Japan National Tourism Organization, Los Angeles County Economic Development Corporation



## Innovation

### Joint Pursuits of Innovation

- Japan-affiliated companies are continually exploring opportunities to bring new products and services to the global market by collaborating with U.S. companies, including some in Silicon Valley and other areas of California.
- Japan-affiliated companies collaborate with California universities through gift research or full-sponsored research projects. These collaborative efforts contribute to and further fundamental research and new potential technologies in the United States and Japan.
- Japanese auto makers and multimedia corporations are among the businesses that maintain a presence in California because of the culture of innovation.

# Information Resources



**California Chamber of Commerce**  
[www.calchamber.com/international](http://www.calchamber.com/international)  
[www.calchamber.com/japan](http://www.calchamber.com/japan)

The California Chamber of Commerce (CalChamber) is the largest broad-based business advocate to government in California. Membership represents one-quarter of the private sector jobs in California and includes firms of all sizes and companies from every industry within the state. Leveraging its front-line knowledge of laws and regulations, CalChamber provides products and services to help businesses comply with both federal and state law. CalChamber, a not-for-profit organization with roots dating to 1890, promotes international trade and investment in order to stimulate California's economy and create jobs, and is a recipient of the President's Excellence for Export Service Award from the U.S. Secretary of Commerce.

The CalChamber Council for International Trade supports free trade worldwide, expansion of international trade and investment, fair and equitable market access for California products abroad, and elimination of disincentives that impede the international competitiveness of California business.



**Japanese Chamber of Commerce of Northern California**  
[www.jccnc.org](http://www.jccnc.org)

The Japanese Chamber of Commerce of Northern California (JCCNC) was established as a nonprofit corporation in 1951 to promote business, mutual understanding, and good will between Japan and the United States. Headquartered in San Mateo, JCCNC focuses on serving the needs of its members in Northern California, including San Francisco, Silicon Valley, the East Bay, and the San Joaquin and Sacramento valleys. JCCNC services include providing general assistance to its Japan- and American-based members, and supporting programs that build bridges with California businesses.

JCCNC's roots stem as far back as the early 1900s when Japanese American businesses started to thrive in California. Throughout its history, JCCNC has helped its members better understand American cultural and business practices in order to enhance smooth relations between Japanese and American companies. JCCNC has always encouraged its members to support local communities in various charitable efforts.



**Japan Business Association of Southern California**  
[www.jba.org](http://www.jba.org)

The Japan Business Association of Southern California (JBA), founded in 1961, is a nonprofit organization, consisting of nearly 450 Japanese corporations doing business across Southern California. JBA represents the interests of its members by enhancing the stature of Japanese corporations in the community and by improving the business environment for Japanese corporations. In support of its mission, JBA conducts surveys and disseminates information on the impact of Japanese corporations on Southern California's employment and economy.

JBA also promotes business, trade and good will between Southern California and Japan through three primary activities: providing membership services and facilitating networking among the members; supporting local education; and contributing to and maintaining harmony with local communities.

