Incorporating Business Into Your U.S.-Japan Sister City Relationship

Leading Asia: Renewing the U.S.-Japan Sister City Network
With the generous support of the Japan Foundation’s Center for Global Partnerships, Sister Cities International is pleased to offer Leading Asia: Renewing the US-Japan Sister City Network. The overarching objective of this program is to increase the institutional knowledge of U.S.-Japan sister city partnerships by providing opportunities for current programs to become more active and for new relationships to be established. This new program includes conference workshops, exchange funding, and research components that will promote networking, capacity building, and innovative program development for U.S.-Japan exchange and outreach.

This informational booklet is part of an ongoing effort under the Leading Asia program intended to encourage and help facilitate business and economic activity between US cities and their sister cities in Japan. The booklet covers the current state of economic relations between the US and Japan, describes ways in which sister cities have impacted this relationship, and highlights concrete steps that your sister city organization can take to strengthen your partnership by incorporating your local business community into your activities. This booklet is a work in progress and we hope with the contribution of our network of US-Japan sister city partnerships, we can develop a comprehensive resource for our US-Japan members covering key areas including business, sustainable development, youth and young professional development and creative economies.

If you or your sister city organization have experiences, plans or new and innovative ideas to engage your local business community in sister city programming, please submit your story on our website or contact our office at info@sister-cities.org, or by phone at 202.347.8630.

Since the founding of Sister Cities International by President Dwight D. Eisenhower in 1956, the United States has had more sister city partnerships with Japan than any other country in the world. As a testament to the enduring strength of the relationship between these long-time allies, US-Japan sister city relationships outnumber any other relationship in the Sister Cities International Network to this day.

For more than fifty years, people in the United States and Japan have been connected by exchange of arts, culture and education, while forming lasting bonds of friendship between people and communities across the Pacific. In addition to important intercultural activities, business and economic exchange have played an important role in connecting communities in Japan and the United States for decades. Through turbulent economic times, and despite China’s headline-grabbing economic growth, the economic relationship between the US and Japan continues to be an important force for communities in both countries.

The following section of this booklet serves as a snapshot of the economic relationship between the US and Japan, including the kind of activity that supports such robust economic ties. While looking through the images and statistics, think about the role that your US-Japan sister city partnership has played in this relationship.

- Have you ever sent or received a delegation of visitors?
- Have you ever sent or hosted students on education exchanges?
- Have you ever sold goods from your community in your sister city, or vice-versa?
- Have you ever helped a local business contact businesses in your sister city or vice versa?

If you have answered yes to any of these questions, you have already had an economic impact on your community and played a role in the strong economic relationship between the US and Japan!
The East-West Center

The following images and statistics are generously provided by the East-West Center. The East-West Center promotes better relations and understanding among the people and nations of the United States, Asia, and the Pacific through cooperative study, research, and dialogue. Established by the US Congress in 1960, the Center serves as a resource for information and analysis on critical issues of common concern, bringing people together to exchange views, build expertise, and develop policy options.

The following information is part of the East-West Center’s Japan Matters for America initiative aimed at demonstrating Japan’s importance to the United States and the United States’ importance to Japan. This project is produced in collaboration between the East-West Center in Washington and the Sasakawa Peace Foundation, with additional data and analysis provided by the Japan Center for International Exchange.

For more information on the Japan Matters for America Initiative, Sister Cities International highly encourages you to visit their website:

www.japanmattersforamerica.org.
Building Sustainable U.S.-Japan Sister City Partnerships

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U.S. JOBS FROM JAPANESE INVESTMENT

U.S. affiliates of Japanese companies employed 665,200 Americans in 2007. Roughly half of these jobs are in the manufacturing sector, with 136,000 jobs in the transportation sector alone.

Japan accounted for 71% of all foreign direct investment in Hawaii, the largest share in the country in 2007.

Japan Investment Supports Over 665,000 U.S. Jobs

Source: U.S. Bureau of Economic Analysis (value by property, plant and equipment)

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2.9 million Japanese visit America, 1.5 million Americans visit Japan

Japanese made up 51% of all travel from Asia, and 12% of total overseas travel, to the United States in 2009. American travel to Japan accounted for 25% of all U.S. travel to Asia and 7% of all U.S. overseas travel. Japan is the second largest origin of overseas travel to the United States and the fifth largest destination for U.S. overseas travel. U.S. visits to Japan have increased by nearly 50% from 2001, but 2009 marked the fewest Japanese arrivals in the United States since 1988.

290万人の日本人が米国を訪れ、150万人の米国人が日本を訪問する

米国を訪れると2009年のアジアからの旅行者のうち、日本人の割合は31%を占め、全世界では12%となっている。米国人の海外旅行者のうち日本への旅行者はアジア方面全体の28%を占め、全世界では7%を占める。米国への海外旅行者のうち日本からの旅行者が2001年に比べて30%近く増加したが、2009年には日本から米国への旅行者は1988年以降最も少なくなかった。

Source: Japan Tourism Marketing; JNTO Tourism Data; Office of Travel and Tourism Industries. NOTE: Differing methodologies by reporting agencies may result in data inconsistencies.
Japanese Students Contribute $776 million to U.S. Economy

Nearly 30,000 Japanese students were studying in the United States in the 2008-09 academic year, down 14% from the previous year. Japanese account for 4.4% of all foreign students, ranking as the fifth leading country of origin behind India, China, South Korea, and Canada.

Source: Institute of International Education
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Section 2
WHY BUSINESS PROGRAMMING?

As the previous graphs and statistics demonstrate, the US-Japan economic relationship is strong and varied. Whether you realize it or not, your sister city organization has probably played a role in this relationship at the local level. Not only can you play an even greater role in strengthening US-Japan ties by looking to engage in more business programming, but such activity could have a profound impact on your sister city partnership and local community as well.

Simply put, incorporating business in your organization can have a lasting impact on your community and your sister city. By developing a new network of contacts and relationships and bringing in new partner organizations or businesses you are broadening the base of resources for your sister city organization. Fundamentally, broadening your sister city organizations’ resource base is just reaching out to a new segment of your community.

If you are interested in pursuing business and economic activities for your US-Japan sister city organization and partnership, here are a few important things to remember!

- Your sister city relationship is inherently attractive to business people.
- Developing business connections is about establishing relationships and contacts both in your community and in your Japanese sister city.
- Developing business relationships is a step-by-step process and it can take time; patience, short and long-term goals and perspective are key.
- Japanese business culture emphasizes relationships.
- Discussing business exchange is not taking advantage of a personal relationship; you are looking for cooperation that results in mutual benefits for both communities.
- Incorporating business into sister city partnerships and activities is possible for communities large and small.
- Developing business contacts and relationships can lead to a wide range of possibilities for your program!

Before you start taking steps to engage in business programming, it is important to understand the role of your sister city organization and volunteers in business programming. The role of Sister City organizations is to facilitate conversation between members of your communities, drawing from different sectors, industries, institutions and interests in order to better align international relationship with mutually beneficial economic growth for both communities. You do not need to be the expert, your job is to start the conversation!

Spotlight!

On a Large Scale: In 2003, the City of San Antonio became the center of Toyota Texas, when the Japanese car maker opened a factory there. Why San Antonio? A member of the Sister city organization in San Antonio had contacts at Toyota in Japan and helped sell San Antonio’s case that the city would be a great place to open a new factory. The factory now employs over 2,000 people and accounts for more than $2 billion in investment, thanks in part to San Antonio’s sister city connection!

On a Medium Scale: Sister City Association of Springfield, Illinois worked with a silk printing company in their sister city, Ashikaga, to develop a silk scarf that could be sold in Springfield at a local gift shop supporting a local tourist attraction, the Frank Lloyd Wright-designed Dana-Thomas House. Their organization sold over 350 scarves to community members, and even had trouble keeping pace with sales!

On a Smaller Scale: Sebastopol World Friends started a conversation with local chamber of commerce about linking a local winery with a wine business in their sister city, Takeo. A member of the chamber of commerce visited Takeo on an exchange and laid the foundation for import export of local wines and are working on their Takeo partners to develop a local wine tour for the Sebastopol area.
Section 3
ASSESSING YOUR LOCAL RESOURCES AND GOALS

The first step for local sister city organizations is to first develop a strong sense of their community’s business climate and long-term goals. This includes understanding key industries, areas of economic growth and resources located in your community, and how local leaders plan to prepare your city for 21st century realities.

Why? Being familiar with your community’s business landscape is key to helping you identify industries, sectors and businesses that are most sensible and practical for developing business contacts and relationships. It will help you identify areas of business that you and your sister city have in common or which businesses in your community are most likely to be interested in internationalizing their business.

How? Assessing local resources can be accomplished by contacting some of the following local organizations and institutions:

• Chambers of Commerce
• Local Industrial Recruitment Organizations
• Large local employers (ie. Corporate Headquarters or large manufacturers)
• Local Manufacturers Associations
• Public Utilities
• Local Trade Development Organizations
• City Visitor’s Bureau
• City Department of Economic Development
• City International Affairs Departments
• Local University or community colleges
• International programs

The end goal is to develop a city profile that can succinctly sell the opportunities and benefits of economic exchange between your community and your sister cities.

Spotlight! The city of Minneapolis identified the medical device industry as a sensible starting point for economic exchange because it is an industry that the city shares with its sister city, Ibaraki. They now have major medical device companies in Minneapolis and Japan closely involved in future programming!

Spotlight! Omaha Sister Cities Commission learned through contact with their Chamber of Commerce that Japan is Omaha’s fourth largest international trading partner and has decided to approach the Chamber about potential business development with Omaha’s sister city of Shizuoka.

Spotlight! International Sister Cities of Rochester has been an affiliate member of the International Business Council, a non-profit business consulting service, for many years and intends to ask them for assessments of their community and their Japanese sister city to determine where there are shared industries and the greatest potential for future exchange.
Section 4
ENGAGE YOUR LOCAL COMMUNITY!

Once you have developed a better sense of your local business community, and have communicated with your Japanese sister city about the business climate in their community, it is time to reach out to potential partners and start building your network of contacts!

First you should think about the best ways to sell the benefits of your sister city relationship! When you approach local businesses about getting involved in your sister city partnership, you should present a clear picture of your relationship as well as the benefits that your sister city organization can provide. Here are two pieces of information you should have:

1. A snapshot of your sister city relationship
   - Have a one page document that concisely summarizes:
     - General information on your sister city (population, demographics, major industries, etc.)
     - A brief history of your sister city relationship
     - Annual events and activities
     - Past or present partner organizations and institutions
     - Principle Contacts at your sister city organization

2. A list of benefits that your sister city can provide
   - Think about the benefits your sister city relationship can provide to businesses, here are some examples:
     - Special insight, knowledge and access to a new consumer market
     - Potential business contacts in Japan
     - Possible access to goods produced in Japan
     - Free publicity opportunities for involvement in your activities
     - Opportunity for local community development

Once you have reached out to local businesses by presenting them with information on your sister city partnership and the benefits it offers them, continue to develop these relationships by engaging them in your activities.

Here are five simple ways you can do this:

- Invite members of the business community to your events!
  - Many sister city organizations start engaging their sister city organizations by simply sending invitations to their regular events such as meetings, fairs and other activities.
  
  Why? Although you have presented local businesses with information on your activities, getting them to see first-hand can be valuable.
  
  How? Send personal invitations to business people who expressed interest in programming. Personal invitations are more impactful than adding them to a listserv because you want to build personal relationships with members of your local business community.

Austin Oita Sister City Committee invited an Austin City Council member who is engaged in the local business community. After inviting her on an exchange trip to their sister city of Oita, the council member was so impressed by the Austin-Oita sister city partnership that she has become an outspoken advocate for the sister city partnership and helped ensure that two musicians from Oita were added to Austin’s SXSW music festival, raising the profile of Austin-Oita sister cities!
Invite members of your business community to join your local board

Try taking it one step farther by inviting local business leaders to join your board by creating a seat designated to a local businessperson, or a member of your local chamber of commerce.

Why? Having a member of your local business community, chamber of commerce or department or economic development on your local board will provide greater exposure for your sister city activities and goals to your local business community. It will help you develop contacts and develop relationships which can become a future source of support. Remember, it's all about developing a network of contacts!

How? Amend your by-laws to incorporate a seat designated for a local business person, member of your local chamber of commerce of the city economic development office. Actively make sure this position is filled. The person in this seat could become an important point of contact for you and can become a strong advocate for your sister city organization.

Develop a local business advisory board

After you have done research on your business community, and have begun to develop contacts with interested businesses and other partners. You can also consider developing a “business advisory board.”

Why? A business advisory board can bring together local businesses interested in getting involved with your sister city activities. Bringing in interested business members and meeting as a “business advisory board” can help develop a closer network of business leaders and can collaborate on ideas for programming, fundraising and partnership goals as a group.

How? As a starting point, sit down with your sister city board of directors and outline goals for the business advisory board. What do you hope to get out of it as an organization? Then define its purpose and structure. You should develop a clear picture of what this board will look like, how it will operate and what its priorities are before you approach potential members.

Spotlight! In 2007, Omaha Sister Cities Association developed a board like this, called the “Corporate Board.” The Corporate Board consists of local businesses, universities, non-profits and museums. These board members have contributed a wide range of in kind donations as well as financial support.
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Community Business Education
- In addition to involving local businesses in your activities and programs, you can take an even more proactive step by acting as an educator and supporter of small businesses in your community. This means demonstrating the potential benefits for local businesses of working with your sister city organization and explaining how they can take advantage of these benefits.

Why? Many small local businesses have probably never thought about expanding their business overseas, such as importing and exporting internationally. Your sister city organization can help these small business leaders understand that it is possible for them. You can explain how your sister city partnership can open up new markets for their products and help them develop business contacts in Japan.

How? Remember, you don’t have to be the expert, your role is that of a facilitator. Find the experts and bring them to the table. Unless you are familiar with import/export procedures for small businesses, the best place to start is by contacting the business faculty at a local community college or university. This can be a wonderful resource for information on helping small businesses. Your local chamber of commerce or city office of economic development can also be a great resource for this kind of information.

- Once you have this information, you can hold conferences or events educating local businesses on how their business can benefit by being involved in your sister city organization! Talk about a promoting local economic development!
- Your Sister City Organization can also use these resources and other business connections to international economic development by holding monthly meetings where partners and/or foreign companies speak.

Including Business in your Sister City Delegation Visits
- Delegation trips, whether outbound or inbound, can and should always be designed to include meetings that promote specific economic development and trade between your city and your sister city.

Why? Even if your trip is not specifically meant to promote economic development, delegation visits are offer rare opportunities to promote mutually beneficial business cooperation. Remember that your sister city will be interested in selling their city for investment and economic opportunities, so should you.

How? Firstly, since relationship-building is the vital first-step towards economic exchange, protocol training is important for developing successful exchanges, and particularly important for establishing strong, long-term business relationships. (Note: No one will entrust money to a stranger, let alone an entire factory!)

- Always nurture stakeholders by inviting local partner organizations and institutions to all inbound delegations and as many outbound delegations as possible. Maintain a record of their specific goals and desired outcomes so you don’t waste good relationships on mismatched meetings.
- Outgoing delegations should always include community partners but not necessarily mayors and city officials! They serve as initial door-openers. This is your opportunity for face-to-face time with potential business partners.
- Prior to outgoing delegation trips, set up meetings with consulates and American Chambers of Commerce as well as local officials from the economic development offices of your sister city.
- Don’t be shy about establishing clear meeting priorities, outbound delegation visits are an incredible opportunity to strengthen both your community and your sister city community through fostering business and economic exchange! Involving your sister city staff in meeting agenda planning shows respect for their priorities as well, and vets protocol issues in advance.

Spotlight! In 2007, Kent-Auburn Sister City Committee in Washington worked with their city office, a faculty member at a local community college and local business leaders to put on an Import/Export conference for local small businesses interested in selling their products in Japan or importing Japanese goods to sell in their store. In addition, the local community college now offers an annual class on import/export procedures for small businesses. A local chocolate maker and winery have become involved as a result of this effort!

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