BUSINESS NEWS

Comprehensive centers providing one-stop services to Japanese and foreign companies wishing to start businesses in Hyogo-Kobe

2-6-3 Hirakawa-chou, Chiyoda-ku, Tokyo 102-0093 TEL: +81-3-3230-2721 FAX: +81-3-3230-2722

Kobe as a Base for Business High Productivity, Diversity and **Living Environment for Employees**

Improve the Lives of the World's Consumers - P&G is a global company that touches the lives of about 4.6 billion people in over 180 countries and regions with its products. At a promotional seminar held last October in Tokyo to invite foreign-affiliated companies to launch their businesses in Japan, Mr. Masao Kawai, Senior Manager, Government Relations, Procter & Gamble Japan, spoke about the attractiveness of Kobe, where P&G locates their Japan Head Quarter.



P&G's History

P&G, Procter & Gamble was founded in Cincinnati in 1837 by William Procter and James Gamble, a candle maker and a soap maker who started a small business together that have achieved its 175th anniversary this year. The company provides many branded products like Ariel (Detergents), Pampers (Baby Diaper), Pantene (Shampoo), SK-II (Cosmetics) globally. Number of employees globally is about 130,000.

In Japan, we started business in Osaka in 1973, and have achieved its 40th anniversary this year. It has been 20 years since we relocated our Japanese headquarters to Kobe in 1993. Currently, we have approximately 4,000 employees with female employees over 50% and divers organization.

I'd like to talk about the value of Kobe from two points of view – High Productivity or Cost Performance, and Living Environment for Employees.

Superior Productivity and Cost Performance

Office for corporation is a place to create innovation but also has an element as cost. As a cost for the company, one is the rent itself and the other is benefits paid to employees as commute allowances.

As for office rents, in Kobe it costs less than about half that in Tokyo and do not differ much from Singapore, Shanghai, and Hong Kong. So office rents in Kobe are globally competitive. In an environment where the information and communication technology is well developed right now, the needs to keep the headquarters in Tokyo by paying additional cost is not that high

Also, as the housing and parking cost is lower for employees in Kobe, even if companies play the equally, the quality of life is very different. Commute in Kansai is much easier than in Tokvo, so it helps employees to be more productive. In Tokyo, it's very difficult to get a seat even with the first train but in Kansai people can employees from 22 countries, a very mostly sit in the trains running in early morning and can avoid the rush by shifting the time. Productivity will go down if employees spend long hours for commute and get tiered by the rush. On the other hand, by reducing it, we believe it helps them to fully use their energy for work and private life, therefore, can have a fulfilling life by maximizing their performance at work.

Diversity as a Productive Background

People are P&G's greatest asset. A diverse organization formed by diverse people creates innovation, leverages their unique strength to contribute for the business. and both company and employee develop. To make this happen, it is important to have an environment that people can enjoy life regardless of their nationality, gender, age. Kobe is the best place from these points. Urban and an exotic location, at the same time, can enjoy the nature at the sea and mountain, and easy for young and people with family to live. The relatively short commute helps employees that are raising children. We also believe the image of Kobe is also helping us to recruit good talents.

Also, since Kobe has been accepting foreigners and lived with them together, it is an environment that is very easy for foreign employees to live in. There are many schools for foreigners and decent services available for foreigners such as churches and sports clubs. For a company where diversity of the organization is one of the business strategies, foreign employees are necessary and an environment where they can live comfortably is very important.

Availably Combined Use - Tokyo and Kobe

However, I don't mean to say that Tokyo is totally unnecessary to us. Actually, because I'm responsible for Government Relations, I spend approximately 20 to 25% of my time in Tokyo for business reasons. For my case, I can go to Tokyo and return to Kobe on the same day by taking an airplane. Also by staying at a hotel in the downtown area of Tokyo, I can work without experience any commuting rush. Since Kobe has very convenient access. I never mind any problems. Of course, we have an office in Tokyo, where there are approximately 200 employees, including those posted away from their families for private reasons, and PR members and other section staff who need to always be stationed in Tokyo. However, the headquarters function is only at Kobe.

Hyogo-Kobe as the Choice

Conclusively Kobe is a very productive place from cost standpoint and from employees to use their energy effectively. It also provides an environment that allows various employees to enjoy both work and life. It is a city where different people can enjoy their life and have a fulfilling life regardless of whether they are Japanese or foreigners, Male or Female, Single or Married. I believe we made the right choice.

Procter & Gamble Japan K.K.

The Japanese corporation of the global manufacturer of daily necessities whose group headquarters is located in the U.S. The company first opened an office in Osaka in 1973 and moved to Kobe Rokko Island in 1993.





http://www.hyogo-kobe.jp

Due to differences in language and culture, many business persons from overseas may have some difficulties living in Japan. When such business persons and their families need to receive medical services, a response suited to each individual is needed. It must be imperative to receive the appropriate treatment before the problem gets worse. In Hyogo, presently, 324 hospitals (with more than 20 patient beds) provide medical examinations in foreign languages,

Living Climate Favored by Foreign Cultures



Featuring well-organized transportation networks, many manufacturing companies with outstanding technologies and its wide variety of climates such as natural features and rich history, Hyogo-Kobe has established a reputation for its excellent living setting with a harmonious relationship between the urban areas and natural environment. The below describes some examples of an excellent living infrastructure to support business persons from foreign countries.

International Schools, Communities for Foreigners

A business base in an international competition needs to be selected as a place where residents, workers, and visitors respect each other. Ever since one of the overseas trade ports was designated in Kobe at the end of the Edo period, the city has been eagerly cultivating such a climate. Today, age of a global society, where human resources, goods, services, and information flow on a global basis, Hyogo-Kobe is ready to welcome international-minded human resources and companies. Currently, there are 12 international schools in Hyogo Prefecture, including Canadian Academy, St.Michael's International School, Marist



International School

Brothers International School, and Deutsche Schule Kobe. There are also many mosque/churches, clubs and communities for foreigners.

Cultural Facilities and Natural Environment

Boasting rich nature and beautiful cityscapes, Hyogo-Kobe has a long established history. In this place, you can feel culture in every aspect of daily life, and in turn, nurture your mental wealth. So it is possible to ensure sustainable development through interacting with a wide range of cultures(values of life), invaluable assets of wildlife, and conserving rich natural environments such as in forests, rivers, and the sea. There are also many museums based on



Hyogo Prefectural Museum of Art

art, industrial and natural themes such as Hyogo Prefectural Museum of Art, Kobe City Museum, Hyogo, Hakutsuru Sake Brewery Museum, , Suma Aqualife Park Kobe etc.

Hospitals ~Medical Services in Foreign Languages



such as English, French, German, Korean, Chinese, Russian, Spanish, and Vietnamese. Of particular note are emergency services in foreign languages are available at 10 facilities such as Kobe City Medical Center General Hospital, Kobe University Hospital, Hospital of Hyogo College of Medicine, Akashi City Hospital (by Hyogo Prefecture's medical information) To help people from abroad live in Kobe-Hyogo comfortably, the Hyogo International Association also has established an information center for foreign residents, where they provide information, and living consultation service in English, Chinese, Spanish, and Portuguese.

http://www.hyogo-kobe.jp