



HOW TO SET UP company AND WELL DOING the business in JAPAN

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About myself

<Professional Qualifications>

- **Small and Medium Enterprise Management Consultant**
- **Career Consultant, certified by the government**
- **First-Class Retail Marketing Consultant,**
- **Packaging Professional, IP advisor**

<Business Career>

Sumitomo Corporation(SOGO SHOSHA), as GM engaging in new business planning and M&A project ,and overseas office management

Coca-Cola Japan, as EVP creating new tea product brand (Sokenbicha) which still enjoys the top market position

Daiwa Can Company, as EVP creating new package of aluminum bottle can for beverage and wine which is still distributed in CVS

<Business Motto >

Places importance on “sincerity and trust” and “customer-oriented viewpoints.”

Now serves as Director-General of NPO Business Support consisting of 70 management consultant members



Japanese Subsidiary

- Stock Company
~ Kabushiki Kaisha【株式会社】
- Limited Liability Company
~ Godo-Kaisha【合同会社】

For the reference:

- **Branch Office**
- **Representative Office**

Stock Company (**K**abushiki **K**aisha)

▶ **Purpose of establishment:**

Full scale business activities in Japan (Multiple stakeholders may invest in the company, an outside individual may be appointed as director, etc)

▶ **Activities:**

Conducted under the name of a corporate representative

▶ **Notarization of article of incorporation by a notary public:**

Required (※1)

▶ **Official certificates required for business startup or establishment: Certificate of seal registration or signature certificate of each Incorporator and director**

▶ **Registration: Required**

▶ **Minimum registration and license tax (※2. ※3)**

150, 000Yen

▶ **Status of residence required for the envisaged business**

Business Manager, Engineer/Specialist in Humanities & International Services

Limited Liability Company (**Godo Kaisha**)

▶ **Purpose of establishment**

Full scale business activities in Japan (**Suited to corporate management by a somewhat restricted group of investors and managers**)

▶ **Activities: Conducted under the name of a corporate representative**

▶ **Notarization of article of incorporation by a notary public: Not Required**

▶ **Official certificates required for business startup or establishment: Certificate of seal registration or signature certificate of **the representative manager****

▶ **Registration: Required**

▶ **Minimum registration and license tax (※2. ※3) 60,000 yen**

▶ **Status of residence required for the envisaged business: Business Manager, Engineer/Specialist in Humanities & International Services**

Branch Office

▶ Purpose of establishment

Continuous business activities in Japan (a bank account may be opened, contracts signed, and import/export activities carried out under the name of the branch office)

▶ Activities

Conducted under the name of a representative in Japan

▶ Notarization of article of incorporation by a notary public

Not Required

▶ Official certificates required for business startup or establishment

Certificate concerning the parent company in the home country issued by a public institution in the home country or in Japan

▶ Registration

Required

▶ Minimum registration and license tax

Appointment of a representative in Japan: 60,000 yen

Establishment of an office in Japan: 90,000 yen

▶ Status of residence required for the envisaged business

Intra-company transferee, Engineer/Specialist in Humanities & International Services

Representative Office

▶ Purpose of establishment

Implementation of market surveys and other surveys on the prospects of doing business in Japan; search for business partners in Japan; publicity prior to entering the Japanese market

▶ **Activities: Conducted under the name of the parent company in the home country**

▶ **Notarization of article of incorporation by a notary public: Not Required**

▶ **Official certificates required for business startup or establishment : None**

▶ **Registration : Not Required**

▶ **Minimum registration and license tax: None**

▶ **Status of residence required for the envisaged business: Intra-company transferee, Engineer/Specialist in Humanities & International Services**

Remarks ✕

✕1. A notary fee of approx.52,000yen is needed.

Revenue stamps (shunyuinshi) worth 40,000yen must be affixed to the original copy of the articles of incorporation. They are unnecessary if the articles of incorporation are prepared and stored in electronic format.

✕2. 0.7% of the amount of stated capital, or the respective amount shown in the table, if 0.7% of the amount of stated capital is less than that amount

✕3. Fees for creating seals and rubber stamps and obtaining copies of the company register (certificate of registered information) are not included in the above table.

If the services of an administrative scrivener(gyoseishosi) or othe specialist are employed to prepare the required registration documents, a processing fee must also be paid separately.

Simple Step for establishing a company 【Before Incorporation】

- Select the registered address
- Select the Representative Director
- Prepare the Articles of Incorporation(teikan)
- Notarisation of Articles
- Prepare the Capital Amount
- Prepare the documents for company registration
- register the Company with the Legal Affairs Bureau

Simple Step for establishing a company

【After Incorporation】

- Open the company bank account
- Make the company contracts
- Initial tax Filing
- Register for Social & Labour Insurance

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【For the reference】

Q1. How many Subsidiaries in Japan ?

A1. Approx. 3,600 thousand

Among above numbers,

Big scale: Approx. 10,000

including 3,500 Listed companies

**Q2. How many percentage of SME
among above Subsidiaries**

A2. 99.7%

Different Types of Visas

- Business Management Visa
- Start -up Visa
- Specialist in Humanities & Engineer
- Intercompany Transferree
- Highly Specialized Professional
- Spouse Visa

● Investor & Business Management Visa

- Foreign nationals wishing to start up business in Japan can obtain an Investor & Business manager visa
- To receive this status of residence, in addition to establishing a company and renting an office, the applicant must employ at least two people full-time, or invest at least 5 million yen in Japan
- 1 year visa
- Time frame 3 to 4 months after incorporation
- Need to rent an office space
- Need to submit the business plan

● Start-up Visa

- The Business Management visa presents a high hurdle to prospective foreign entrepreneurs because of its requirements
- **Different Japanese municipalities, including Tokyo, have come up with a Start up Visa, giving working permit for a period of 6 months**
- Time frame about 3 months
- No need of an office
- **Submission of business plan ✕**

● Specialist in Humanities & Engineer

- Time Frame: 3 months

- Requirement:

Univeristy degree in the relevant field
or 10 years of fully certified and relevant
professional experience in the field

- Visa of 1, 3 or 5 years granted

● Intercompany Transferree

- Transfer from another country's company office to the Japan office of the same company
- Need a Japanese company
- Time Frame: 3 months
- possible with no degree

● Spouse Visa

- Married to Japanese national
- No restriction in activities to be engaged

● Highly Specialized Professional

- Point base system
- 70 points minimum to obtain
- Criteria:
 - Age
 - Education
 - Professional career
 - Salary
- Time Frame: 3 months

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Traditional process to receive “Business Management” Visa

Prospective
foreign
entrepreneur

Visa application to
Immigration Bureau

Conditions

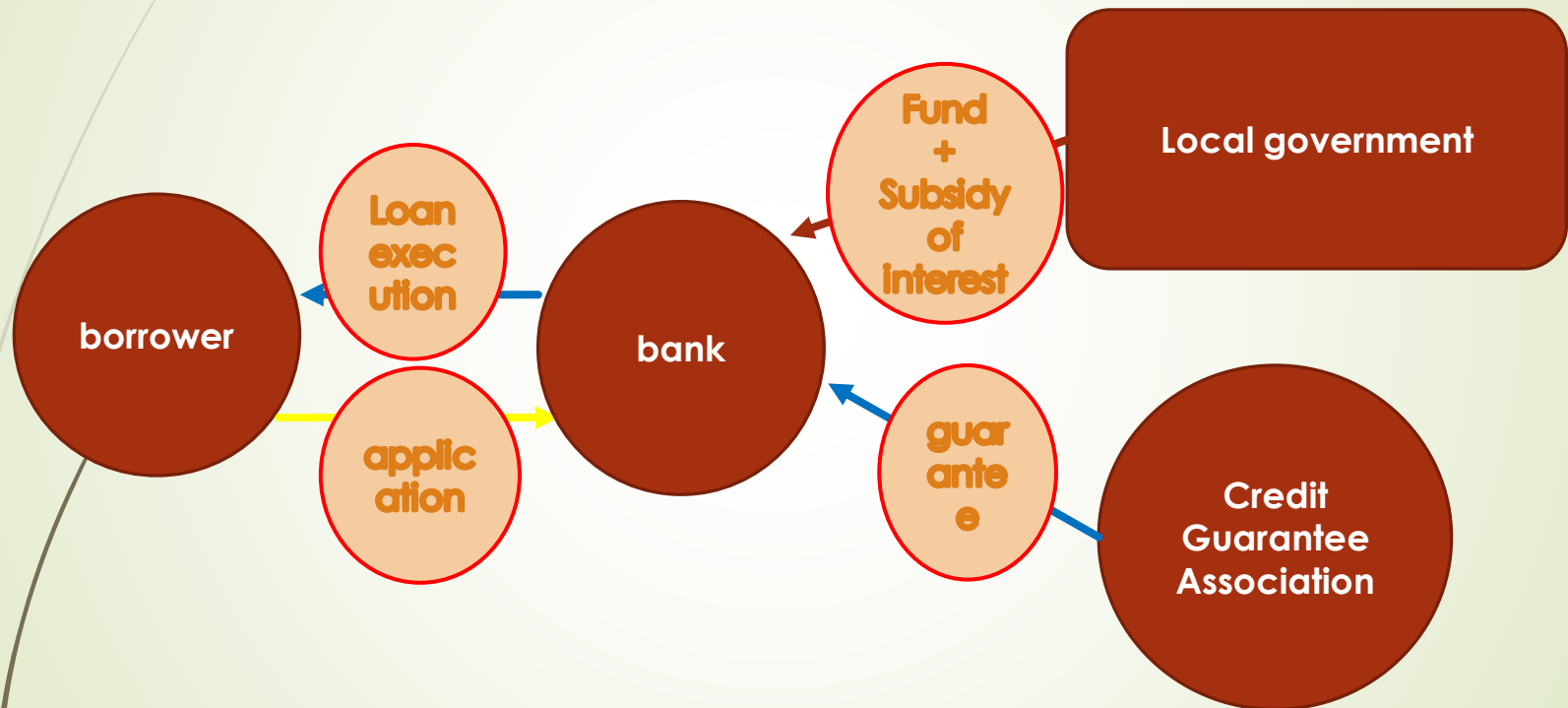
- Open Office +
• invest at least 5M yen
or
• Employ at least 2
people, etc


Business
Activities

● Plan for Confirmation of Business Startup Activities to be prepared

- Applicant's resume
- Business Overview
 - products and service provided
 - sales route, sales method, unit price, etc
 - details of expected manufacturer, supplier, partner, cost, etc
 - required operational resources
 - business model, difference from competitors
- Scheduled Entrepreneur Activities
- Expected profits
- Cash outflow

Institutional loan by the local government for Start-up in Japan








comparison of advantage and disadvantage about institutional loan by local government

- **Advantage : lower interest rate**
lower than JFC in general
grace period is longer (ex. A year)
- **Disadvantage**
long time to make an examination
procedure is complicated
consents are needed by bank ,credit
guarantee association and local government

Comparison of three types

Schemes of Loan For Entrepreneurs

Overview	 Japan Finance Corporation Government-related financial institutions	 TOKYO GUARANTEE Tokyo Credit Guarantee Association Credit association gives credit	 Loan program for women, youth, senior citizens by Tokyo Government Program offered by Tokyo Government
Guarantee	No collateral / No guarantor required		
Interest rate	Basic interest rate: Around 2.5-3.0%	Guarantee charge: 0.5%-2% around	Basic interest rate: 1.0%
Credit limit	30 million yen	10 to 15 million yen	15 million yen
Length of Time for Loan Processing	around 1 month	around 3+ months	from 1 to 2 months

Available Subsidies for well doing the business in Japan



Hojokin (ほじょきん/補助金)

- **Provided to cover the cost of purchasing a facility/machine, R&D, advertisement, etc.**
- **Often need to prepare a comprehensive business plan of the project and reporting after the implementation**
- **Late payment (after you pay the cost first and report in a document properly)**
- **Partial payment most of the time (you need to pay part of the cost such as 1/3.)**

Available Subsidies for well doing the business in Japan Joseikin(助成金)



- **Joseikin is often related to labor management**
- **The numbers of the recipients are usually not limited**
- **Sogyo Joseikin (創業助成金) for start-up provided by Tokyo Metropolitan Small and Medium Enterprise Support Center (Tokyo-to Chushokigyo Shinko Kosha) can provide you a start-up subsidy up to 3 million yen (2/3 of the cost.) if you pass the application process including interviews.
(https://www.tokyo-sogyo-net.jp/finance/sogyo_josei.html)**
- **In the past 3 years, 863, 600, 808 applied, and 115, 151, 152 accepted respectively.**

¥0.5~1m subsidies for Sales

Promotion cost

(shokibo jizokuka hojyokin)

小規模事業者持続化補助金

- **Up to 1m yen for sales promotion (50% of the cost)**
- **2 times amount toward joint work**
- **URL:**
 - <https://r2.jizokukahojokin.info/corona/> (商工会議所エリア)
 - http://www.shokokai.or.jp/jizokuka_t/ (商工会エリア)
- **These days, almost 75% approved among applications (Applicability: for creating HP, participating in exhibition, travel expense for sales activity etc.)**

Monozukuri Hojokin (subsidy)

ものづくり補助金

- ▶ Subsidizes measures that can contribute to improve productivity improvement of SMEs: e.g., 1 to 10 million yen (up to 1/2 of the cost)
- ▶ Recently widen for overseas market exploration activity (up to 30 million yen)
- ▶ Support from accredited support organization necessary **URL:**
<http://portal.monodukuri-hojo.jp/>
- ▶ Plentiful documentation required before and after the implementation of a project.

Your application has to be written in Japanese, unfortunately.

- You may want to hire a professional for documentation. It pays when a benefit is large enough.
- You need to prepare a number of documents to apply to monozukuri hojokin. (subsidy mainly for manufacturing facilities) Even after receiving the subsidy a number of documentation work will be required.
- But we can help if you come to **TOSBEC**.



Looking forward to your contact!

**We are more than happy to
assist your start-up
in Tokyo!**

