

Doing Business in Japan from a Legal Perspective
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 Montréal, Québec, Canada
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Table 1: Comparison Table of Branch Offices, Stock Corporation and LLC

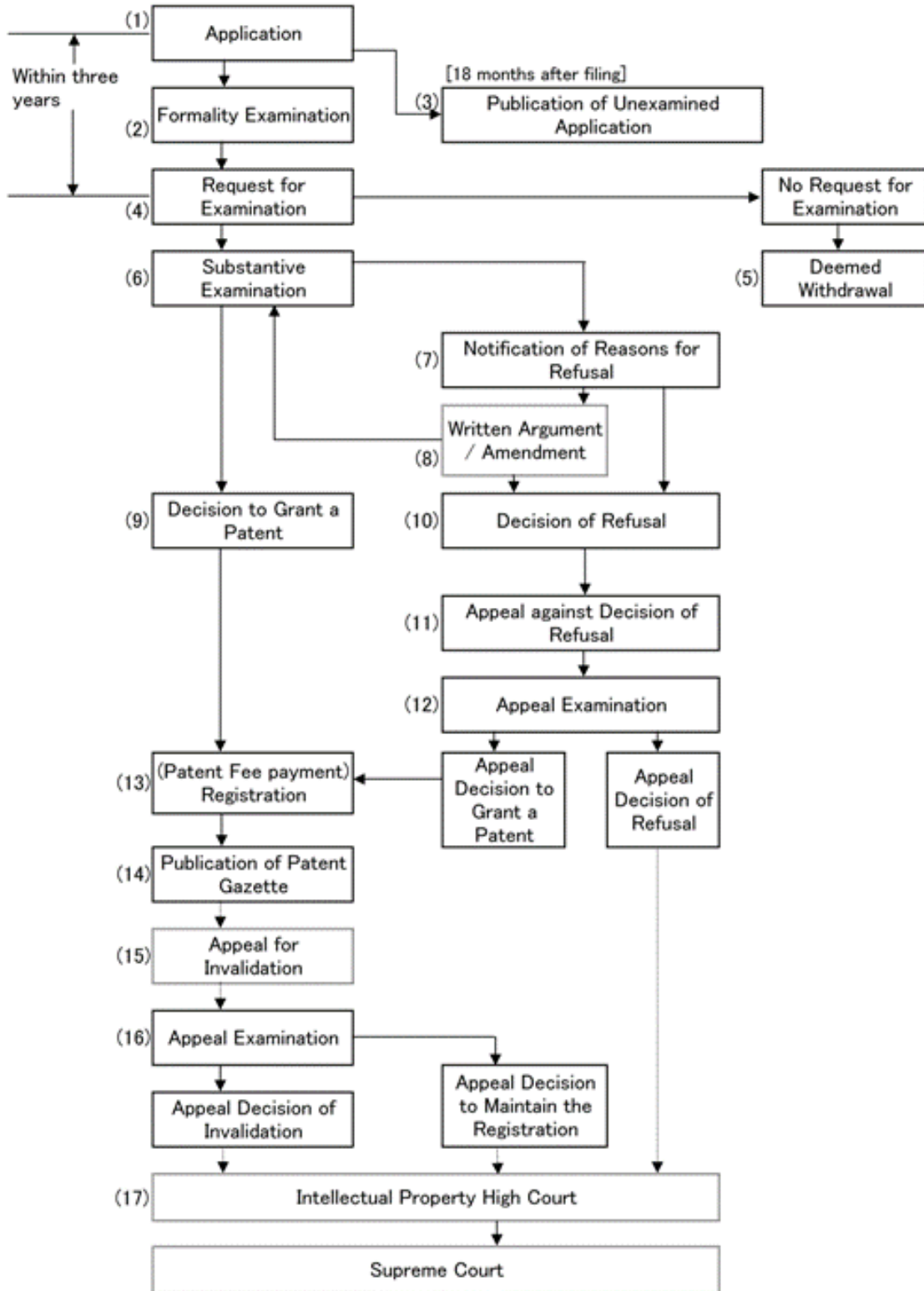
	Branch Office	Stock Corporation (<i>Kabushiki-Kaisha</i>)	LLC (<i>Godō-Kaisha</i>)
Shareholder's Liability	Unlimited	Limited	Limited
Minimum Amount of Capital	N/A	1 yen	1 yen
Board of Director	No requirement	Optional.	No requirement.
Number of Representatives, Directors or Executives	One or more. * At least one representative has to reside in Japan.	One or more. *Three directors or more are required when board of directors is established (see Table 2). * At least one director has to reside in Japan.	One or more. * At least one executive has to reside in Japan.
Statutory Auditor	No requirement	Optional but no specific qualification *One or more is required when a board of directors is established.	No requirement.
Shareholder Meeting	No requirement	At least once a year.	No requirement.
Publication of Financial Statements	Summary of the balance sheet (equivalent) of the foreign company needs to be published annually.	Summary of the balance sheet needs to be published annually. *In addition, a "Large Company" has to publish its profit and loss statement as well.	No requirement.
Large Company	No restriction.	When a stock corporation falls under a "Large Company," it shall retain an outside CPA or accounting firm as an accounting auditor (in some cases, a board of auditors as well), to audit the company and to publish its profit and loss statement, make and submit Consolidated Financial Statements if it is a listed company. "Large Company" is defined as a stock corporation with capital of 500 million yen or more, or total liabilities of	No restriction.

	20 billion yen or more.	
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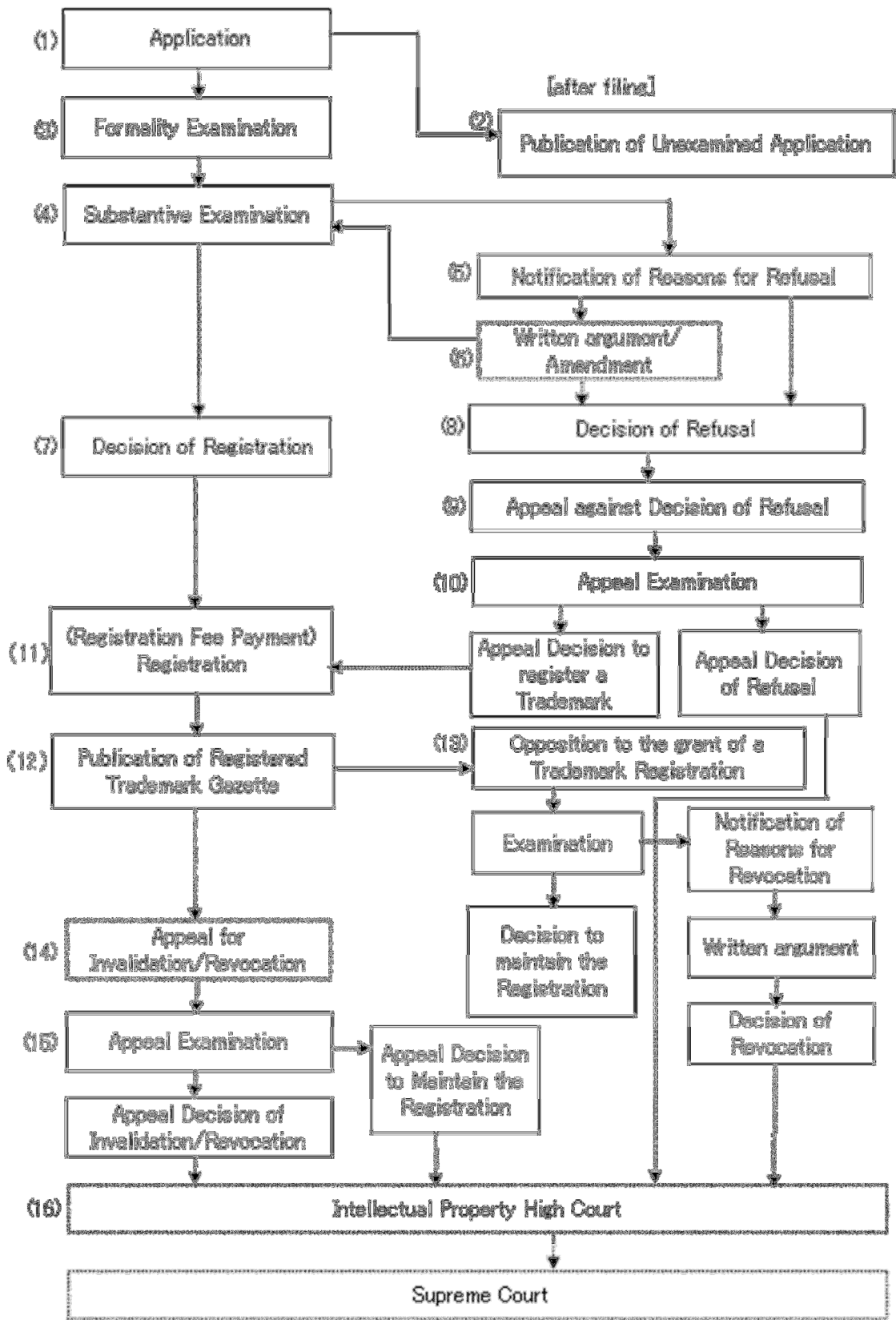
Table 2: Directors and Auditors of a Stock Corporation

	Non “Large Company”		“Large Company”	
	A Stock Corporation Subject to Restrictions on the Transfer of Issued Shares.	A Stock Corporation Without the Transfer Restriction.	A Stock Corporation Subject to Restrictions on the Transfer of Issued Shares.	A Stock Corporation Without the Transfer Restriction.
Number of Directors	1 or more.	3 or more.	1 or more.	3 or more.
Board of Directors *When a board of directors is established, at least three directors are needed.	Optional. *It is required when a board of auditors is established.	Required	Optional. *It is required when a board of auditors is established.	Required.
Representative director(s)	Optional if 2 or more directors are appointed.	1 or more required.	Optional if 2 or more directors are appointed.	1 or more required.
Statutory Auditor	Optional. *1 or more is required if a board of directors is established and no accounting counselor is appointed.	1 or more.		3 or more.
Board of Auditors *When a board of auditors is established, at least three auditors are needed.	Optional.			Required.
Accounting Auditor	Optional.		Required.	
Accounting Councilor.	Optional *1 or more is needed if a board of directors is established and no auditor is appointed.	Optional		

Procedures for Obtaining a Patent Right



Procedures for Obtaining a Trademark Right



Excerpt Translation (underline added) of the pdf on the website of Prime Minister of Japan and His Cabinet (www.kantei.go.jp/jp/singi/keizaisaisei/dai6/siji.pdf)

Immediate Policy Responses based on the 4th and 5th industrial competitiveness conference

April 25, 2013

The 6th Japanese Economic Revitalization Headquarter

Chairman: Prime Minister Shinzo Abe

Based on the discussion of the 4th and the 5th industrial competitive conference, relevant ministers are expected to work on the following subjects as the immediate policy challenge.

[Translation Partially Omitted]

(Realization of Healthy Longevity Society)

- In order to achieve the swift development of regenerative medicine and to speed up the development of medical equipment, Minister of Health, Labor and Welfare would work on making a revision bill of Pharmaceutical Affairs Law and a bill concerning safety of regenerative medicine to submit them to the current Diet session.
- Relevant ministers, including Minister of Information Technology Policies and Minister of Health, Labor and Welfare, would cooperate to reform the current regulations and to make rules concerning how the medical services, such as internet sales of medical supply, which are now supposed to be face-to-face sales, should be regulated, in order to achieve the realization of the new IT society.

[Translation of the Rest Omitted]

NIKKEI.com Friday April 19, 2013 (Excerpt. Underline added)

“Abe Reveals Growth Strategy Based On Working Women, Health Care”

“Japanese Prime Minister Shinzo Abe revealed his much-awaited growth strategy Friday, highlighting health care....that can drive the country’s economic growth.” “The prime minister also cited health care as a sector the government should support as a key growth industry. “It’s no longer just about manufacturing,” Mr. Abe said about the importance of health care in global competitiveness. He said he wants to ease regulations on the pharmaceutical industry to facilitate grow in medical technology. He suggested creating a Japanese version of the U.S. National Institute of Health as a way to cut through red tape and bring together various public and private health-care and medical services.”

NOTICE

These materials are current as of May 1, 2013 above, are provided for general information only and are not intended as and should not be considered as legal advice. For any further information on any of the topics discussed today, please contact Davis and Takahashi / Davis LLP.