



2022 Survey Report on Japan-based Companies Operating in California

August 10, 2022

JETRO San Francisco

JETRO Los Angeles

在ロサンゼルス日本国総領事館
CONSULATE GENERAL OF JAPAN
LOS ANGELES



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Survey Overview

- Survey period : February 18th to March 16th, 2022
- Survey targets: ①Locally incorporated companies that are more than 10% owned (including through indirect investments) by Japanese companies ②Branch offices or local offices of companies headquartered in Japan ③ Companies founded and managed by Japanese citizens or Japanese-Americans
- Survey Method: Respondents were sent a link via e-mail to complete the questionnaire online.
- Number of Respondents : 695 companies
- Definition of “Northern and Southern California”

Northern California: Alameda, Amador, Calaveras, Colusa, Contra Costa, El Dorado, Fresno, Lake, Marin, Merced, Mendocino, Monterey, Napa, Placer, Sacramento, San Benito, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Solano, Sonoma, Stanislaus, Sutter, and Yolo counties

Southern California: Imperial, Kern, Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara and Ventura counties.

- Notes : **Date in the “Company Location (pages 5~10)” and “Industry Classification (pages 11~13)” in this report is based on 2,491 confirmed Japanese companies. 2,491 in California. But we aggregated data only based on the responses to the survey from page 14.** The percentages for multiple responses to some questions may exceed 100%. Percentages have been rounded up or down, by one decimal place. If we received more than one response from the same office in California, only the most recent responses were used. If we received responses from multiple subsidiaries or affiliated companies in California, all responses were compiled.

Key findings of the survey

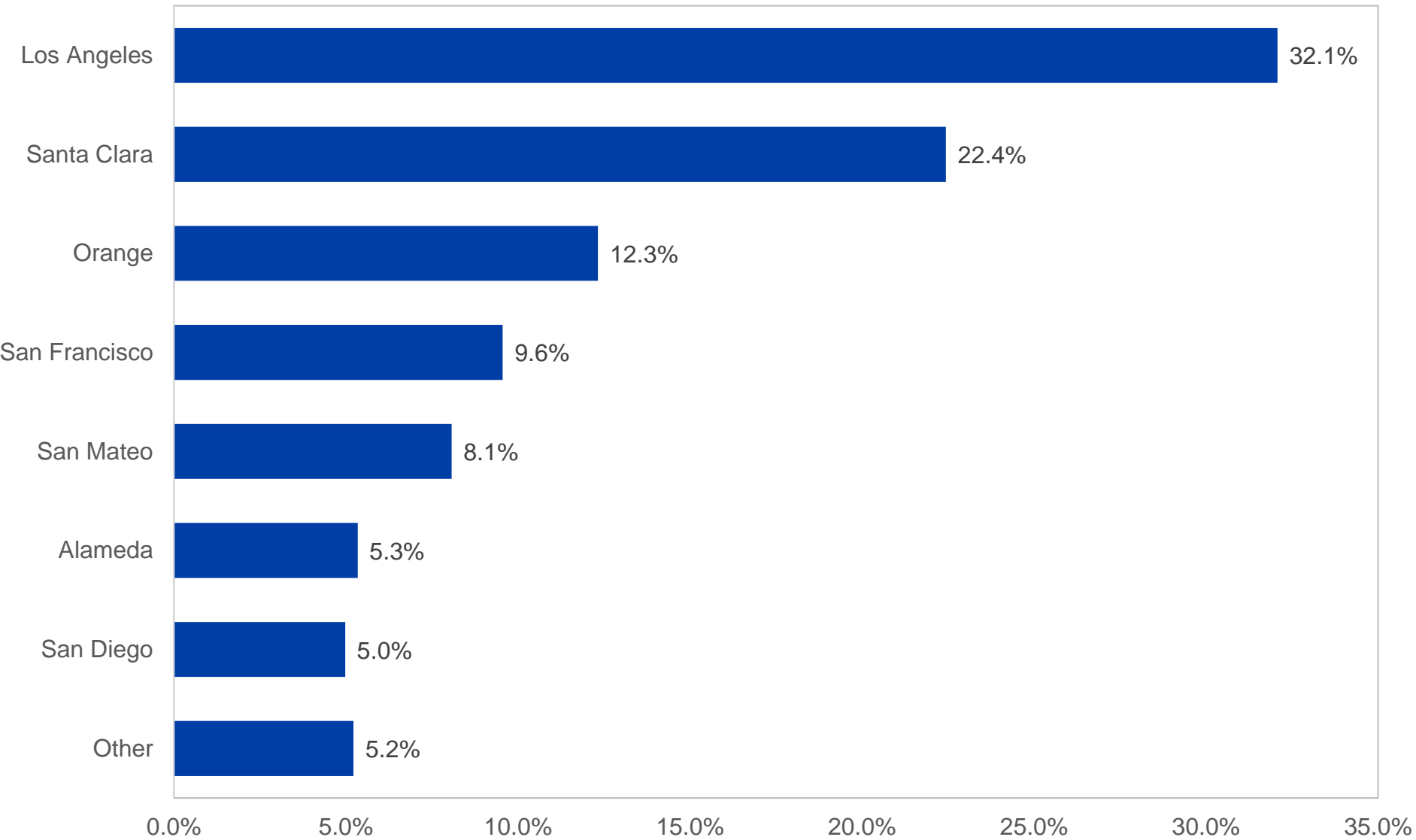
1. 2,491 Japanese companies are confirmed to be operating in California. The top three counties where Japanese companies are operating: Los Angeles(32.1%), Santa Clara(22.4%) and Orange(12.3%). The top three cities Japanese companies operating in are Torrance(13.0%), San Francisco(9.6%) and San Jose(9.1%).

2. Manufacturing(31.8%), Wholesale/Retail(12.0%), and Information systems(11.2%) are the top three industries of 2,491 Japanese companies. Manufacturing is the leading industry among these companies both in Northern and Southern California. Information systems is the #2 industry in Northern California, conversely, the #2 industry in Southern California is Wholesale/Retail.

3. Particularly in Northern California, 32.1% of Japanese companies are considering hiring out of state remote workers according to the responses. And 64.2% of them have already been offering “Full remote work” and 59.9% have already been offering “Flex time options”.

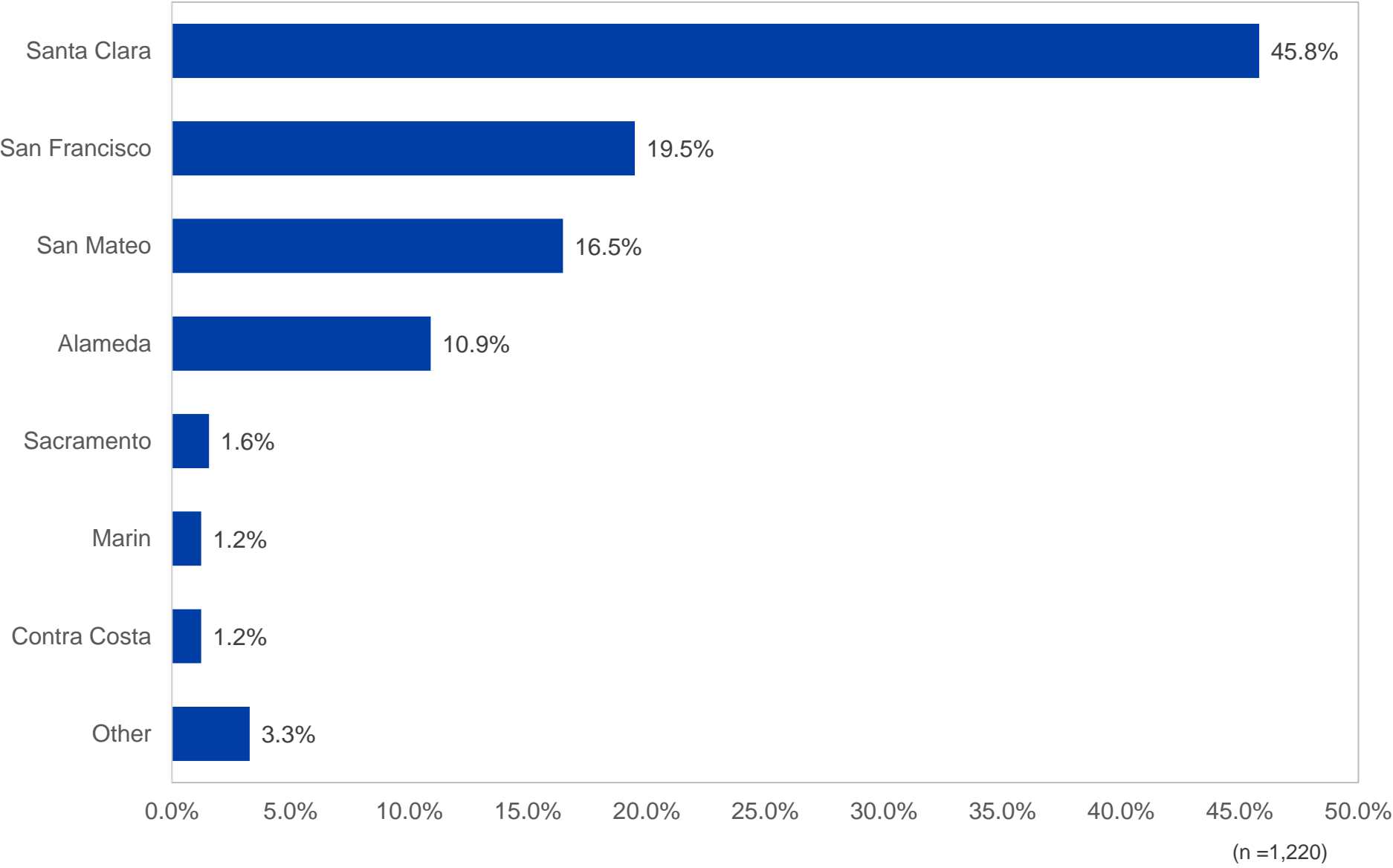
4. According to the responses of Japanese companies operating in Southern California, 51.5% of them expected an “increase” in hiring local employees for the next one to two years. 68.3% of Japanese companies reported operating income as “profitable” as of December 31,2021. 37.3% of them were concerned about the challenges of the “Supply chain crisis, including port congestion” on business operations in California.

1 | COMPANY LOCATION - COUNTY

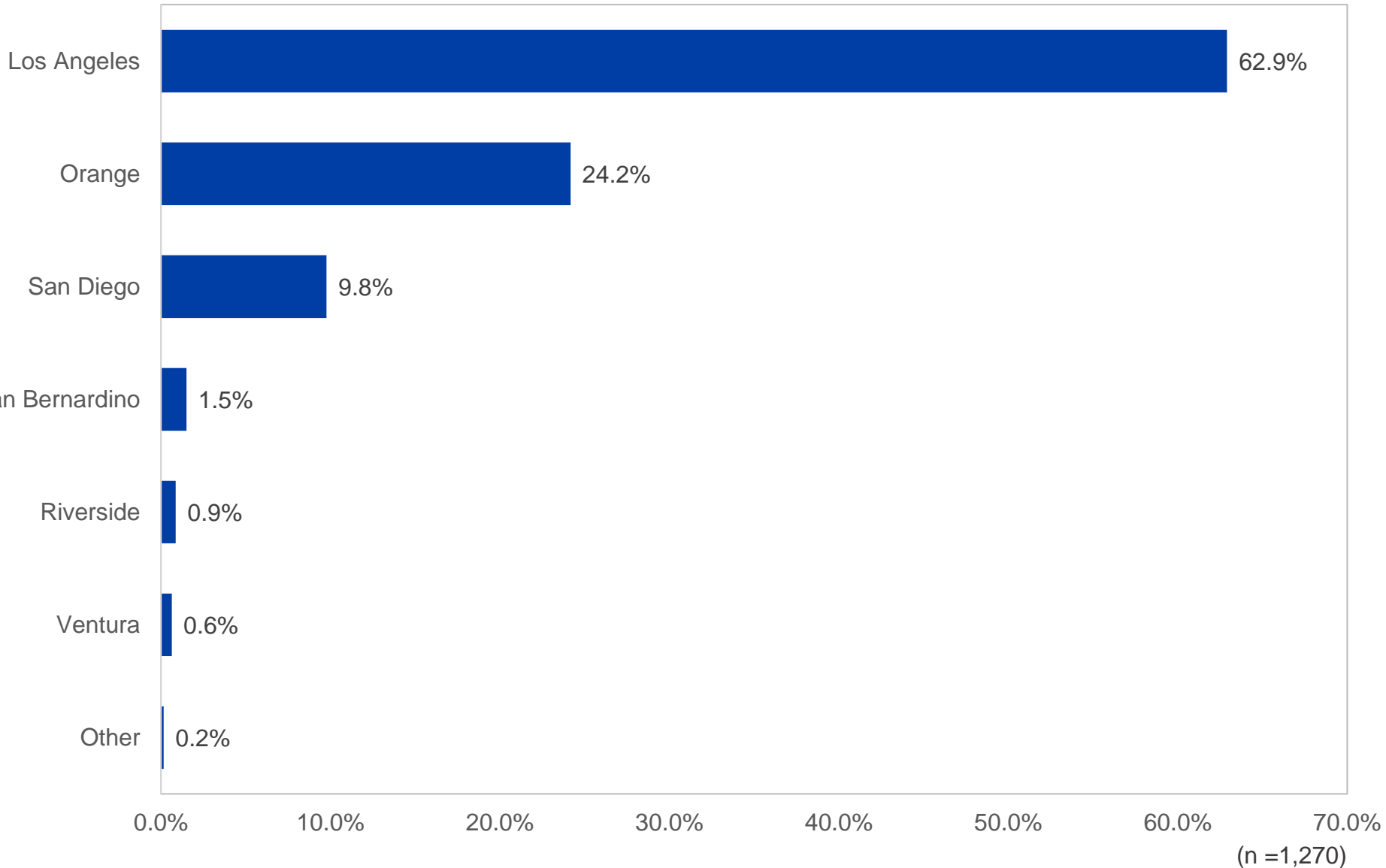


(n =2,491)

1 | COMPANY LOCATION - COUNTY

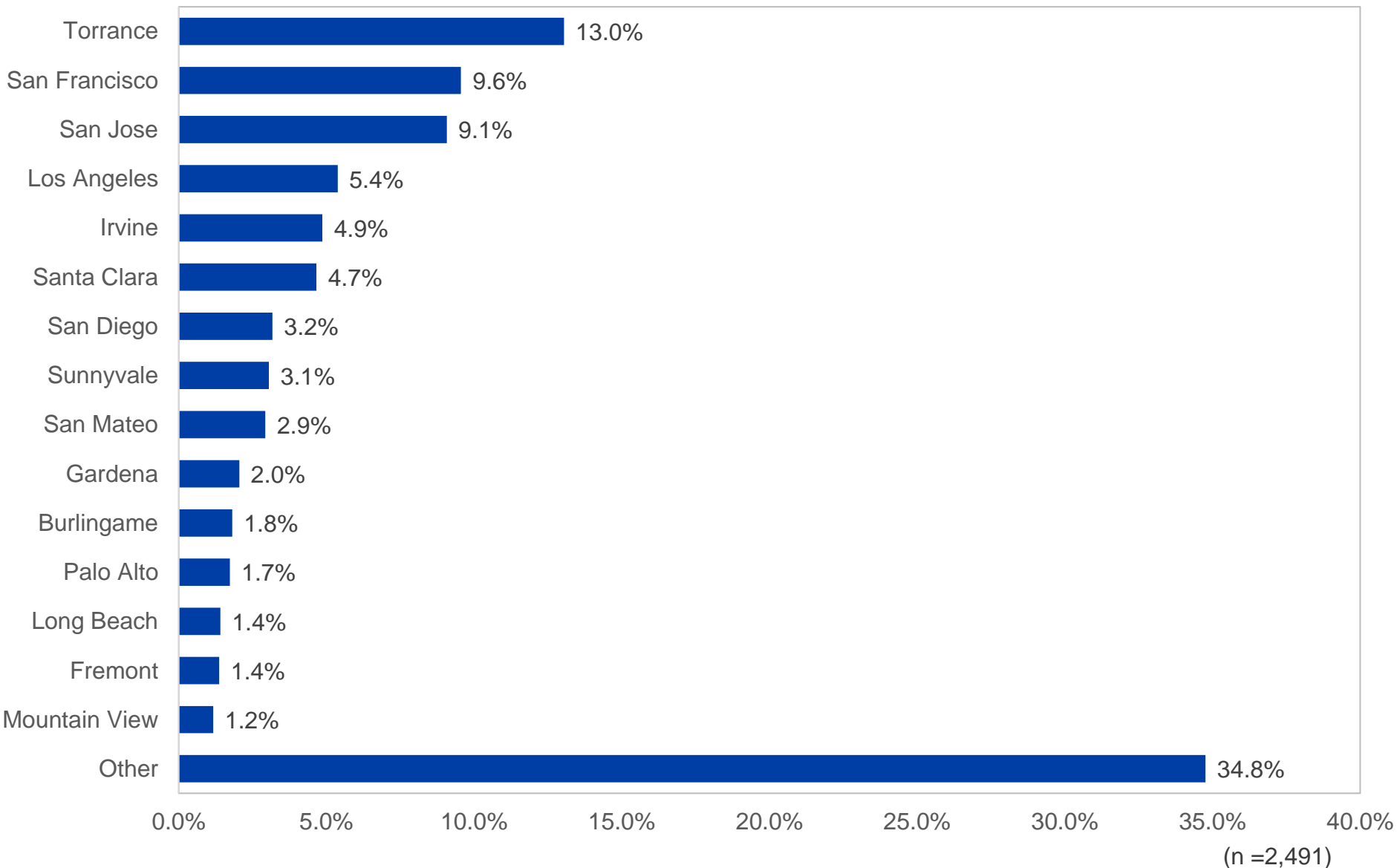


1 | COMPANY LOCATION - COUNTY

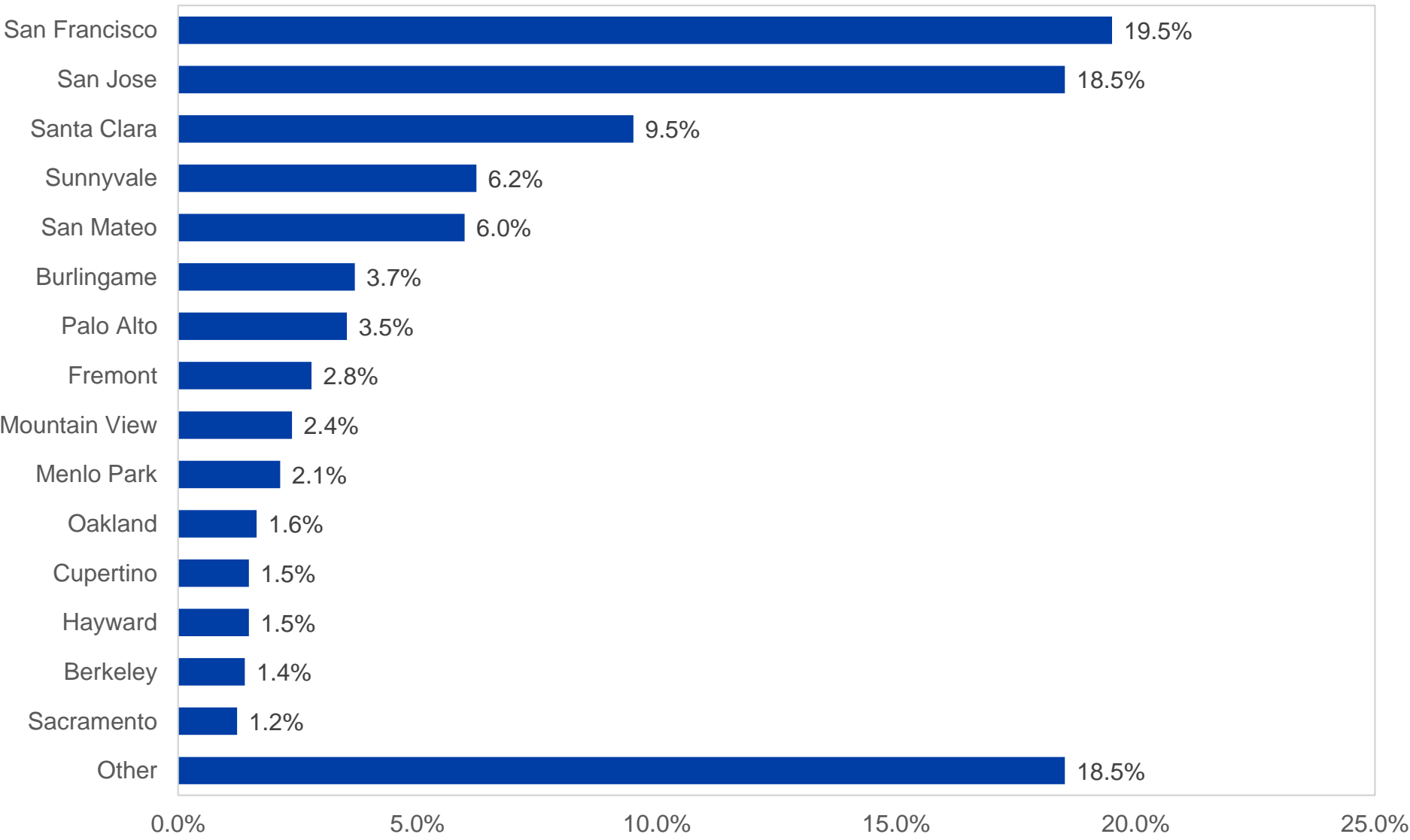


(n =1,270)

2 | COMPANY LOCATION - CITY

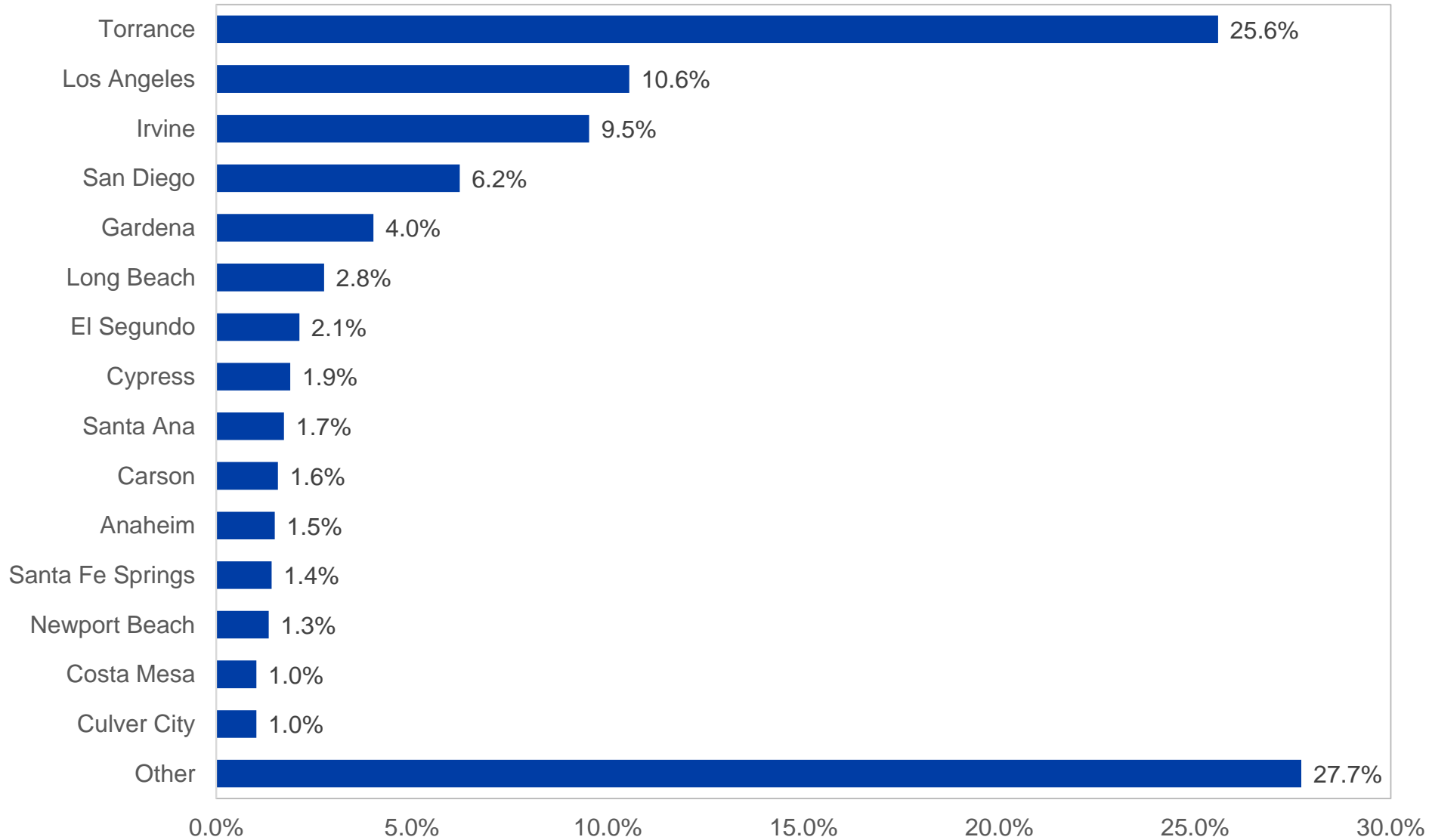


2 | COMPANY LOCATION - CITY



(n =1,220)

2 | COMPANY LOCATION - CITY



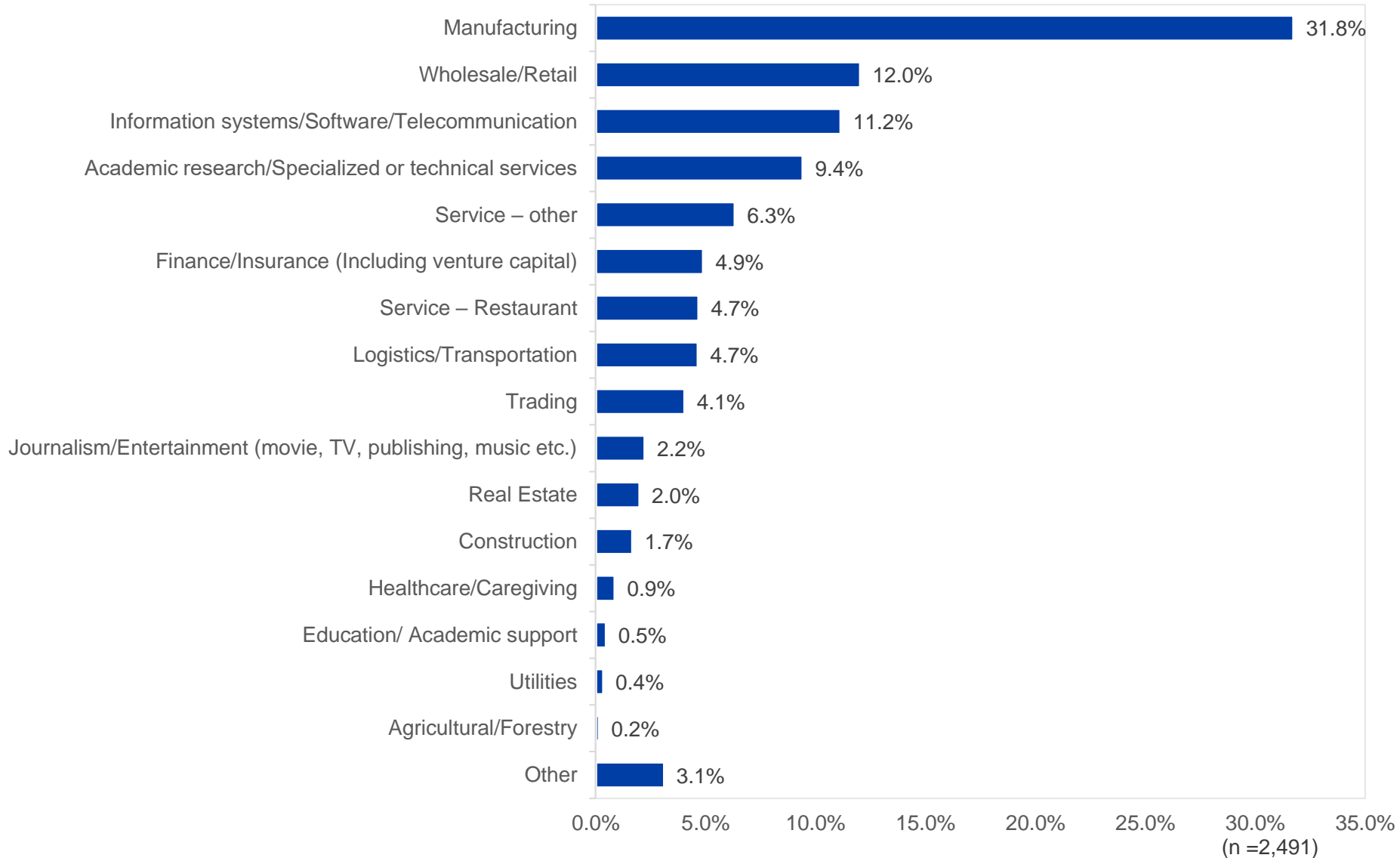
(n =1,270)

3

INDUSTRY CLASSIFICATION OF PARENT COMPANIES*

California

*if a company does not have a parent company in Japan, the company's industry in California is shown

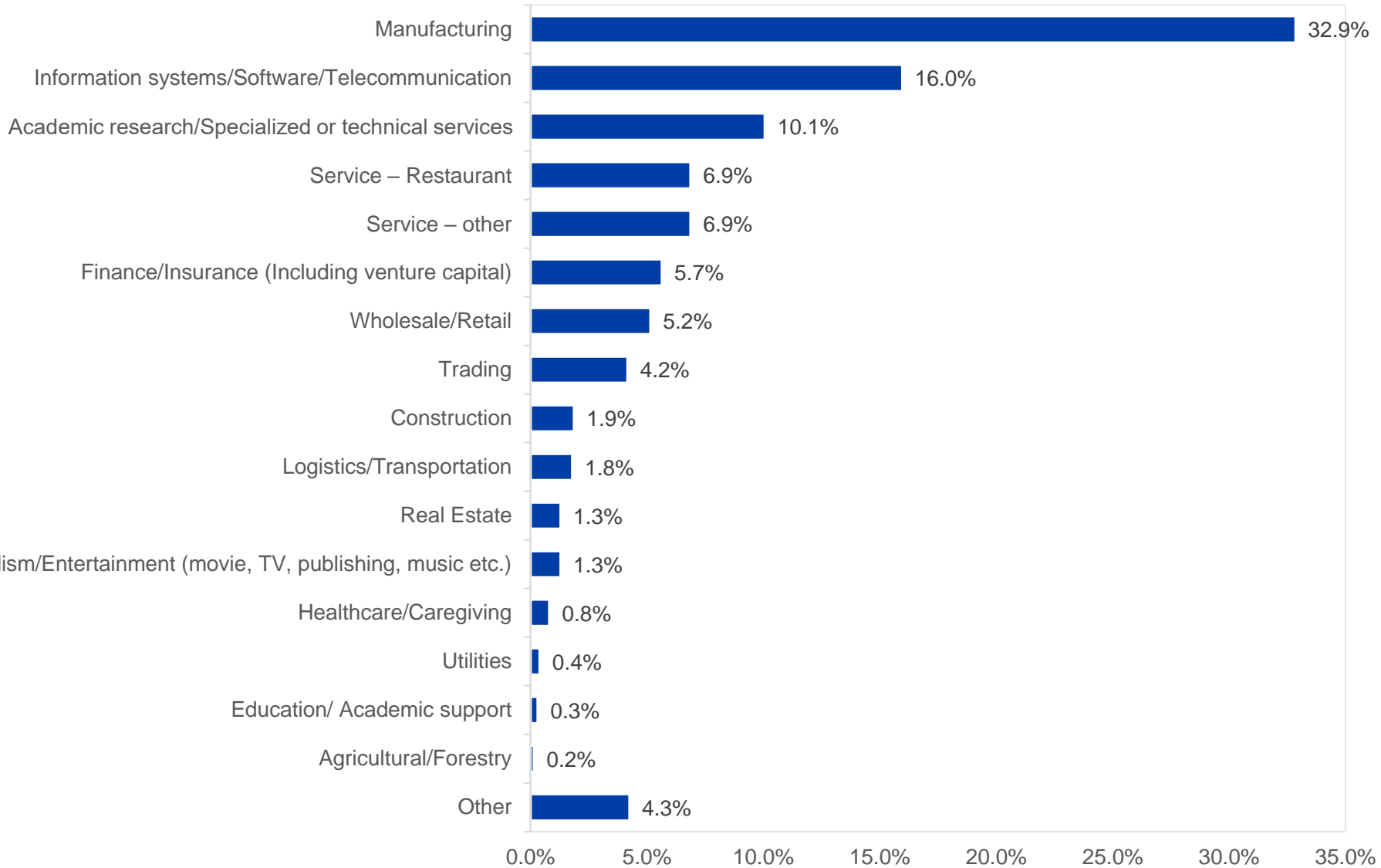


3

INDUSTRY CLASSIFICATION OF PARENT COMPANIES*

Northern California

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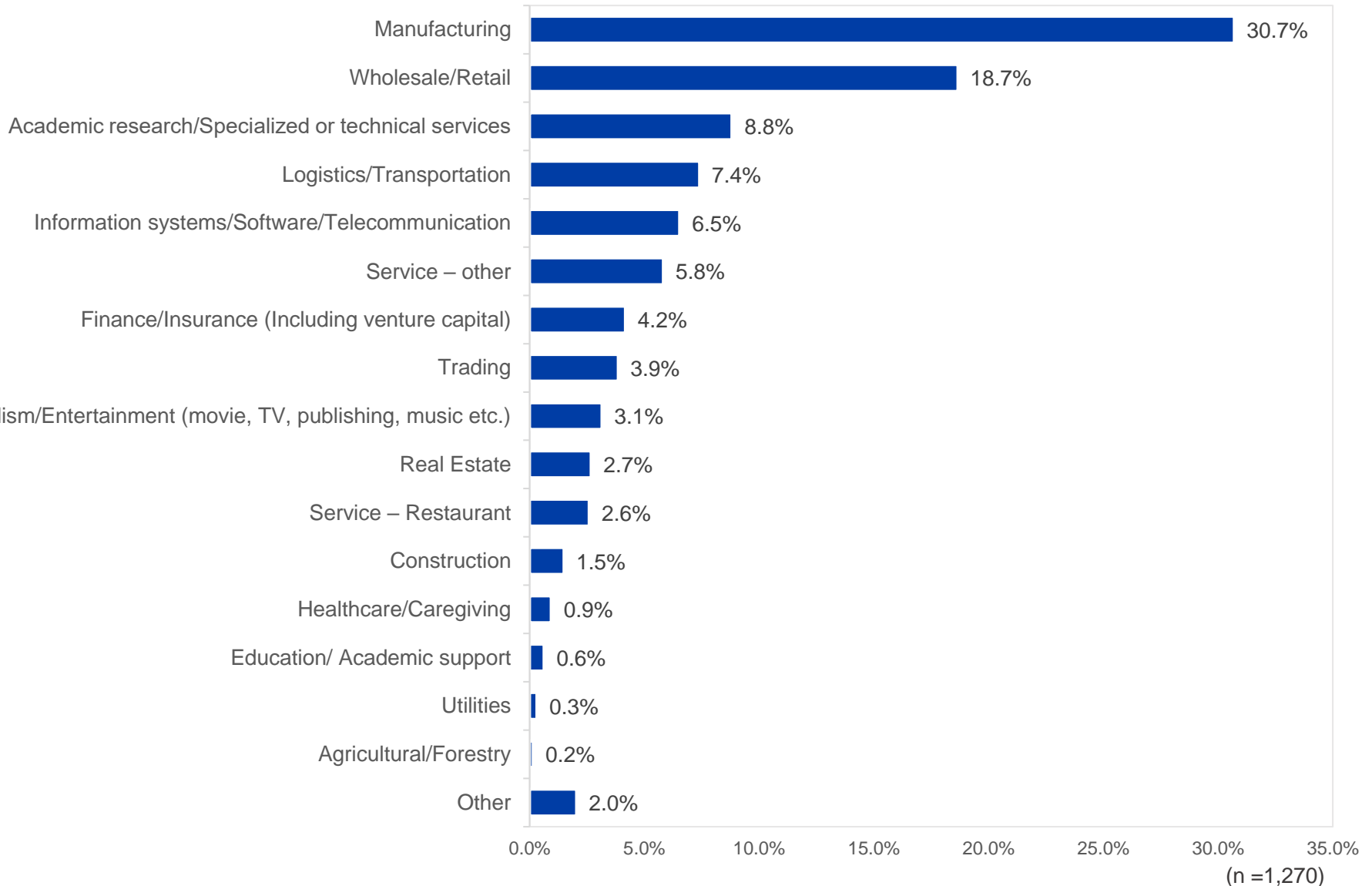
(n = 1,220)

3

INDUSTRY CLASSIFICATION OF PARENT COMPANIES*

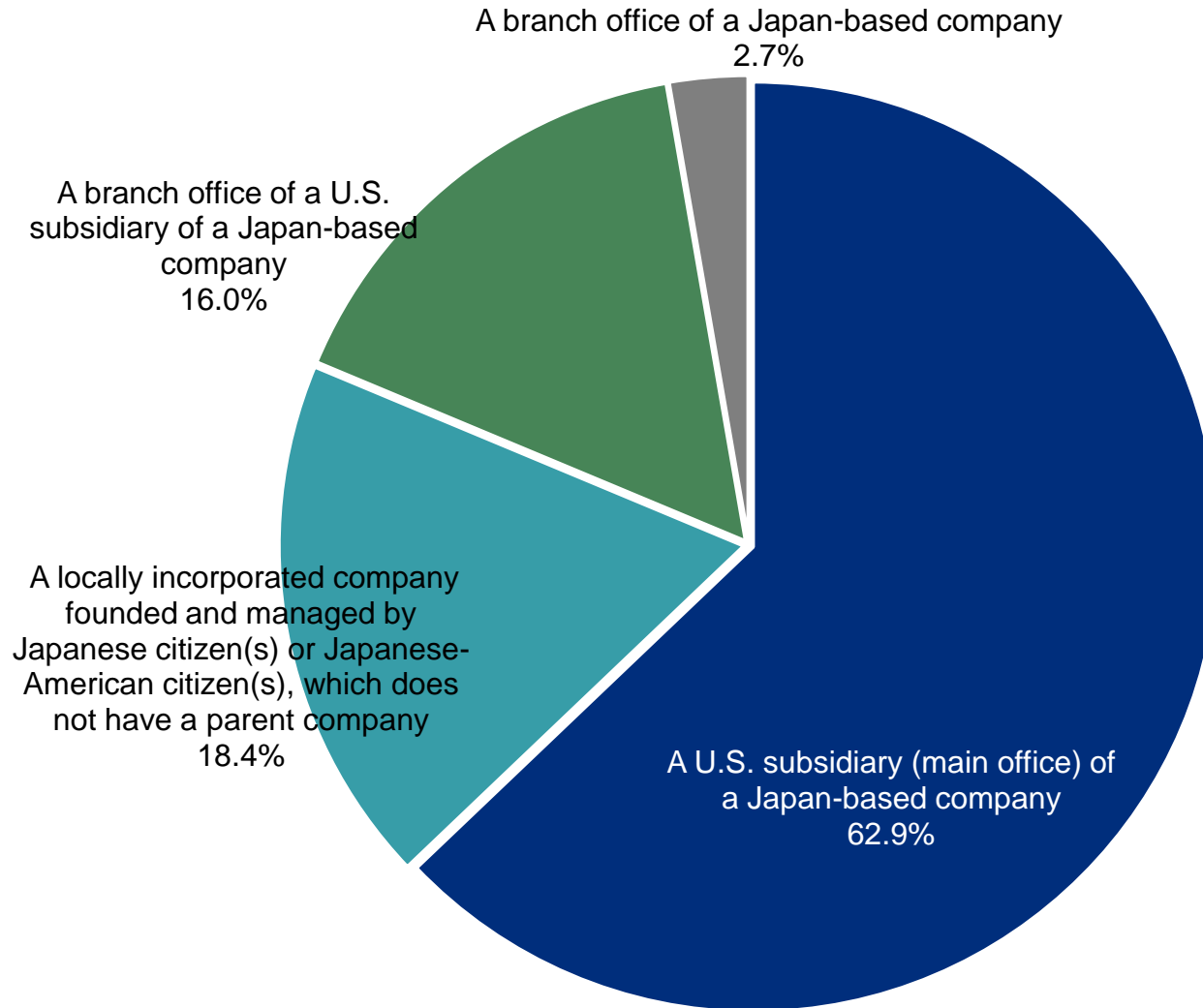
Southern California

*if a company does not have a parent company in Japan, the company's industry in California is shown



4

TYPE OF CORPORATE MANAGEMENT AND METHODS OF INCORPORATION



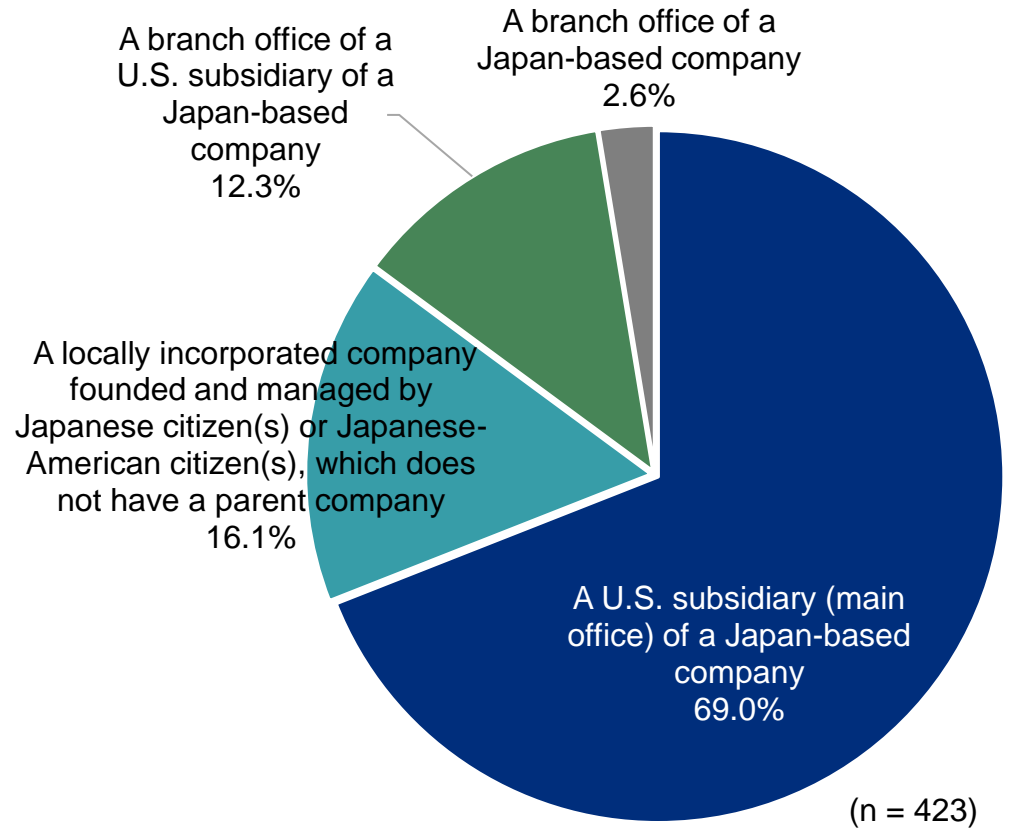
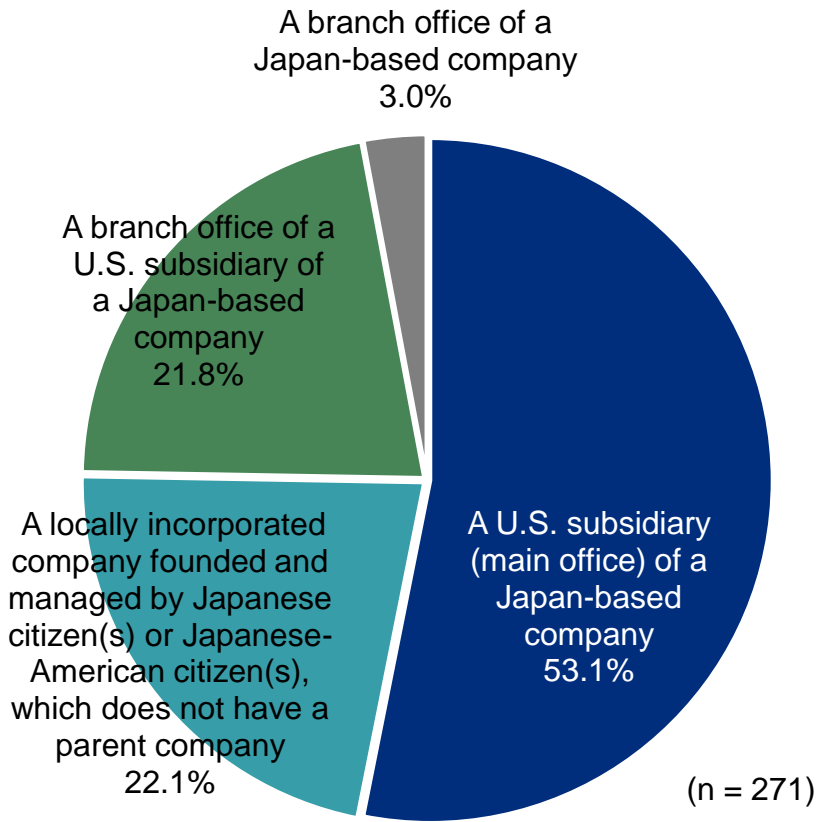
(n =695)

4

TYPE OF CORPORATE MANAGEMENT AND METHODS OF INCORPORATION

Northern California

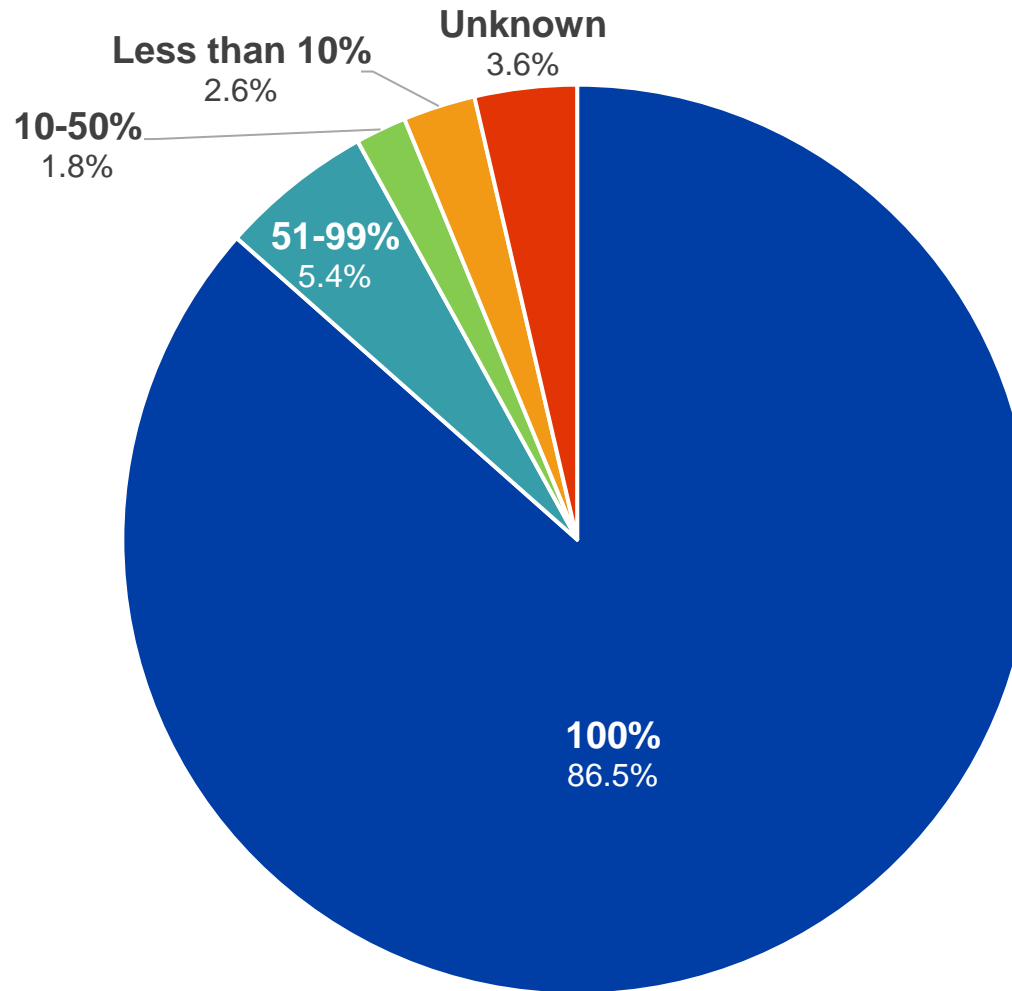
Southern California



5

PERCENTAGE OF INVESTMENT BY PARENT COMPANIES IN JAPAN*

*if a company does not have a parent company in Japan, the percentage of investment by Japanese and/or Japanese-American citizens is shown

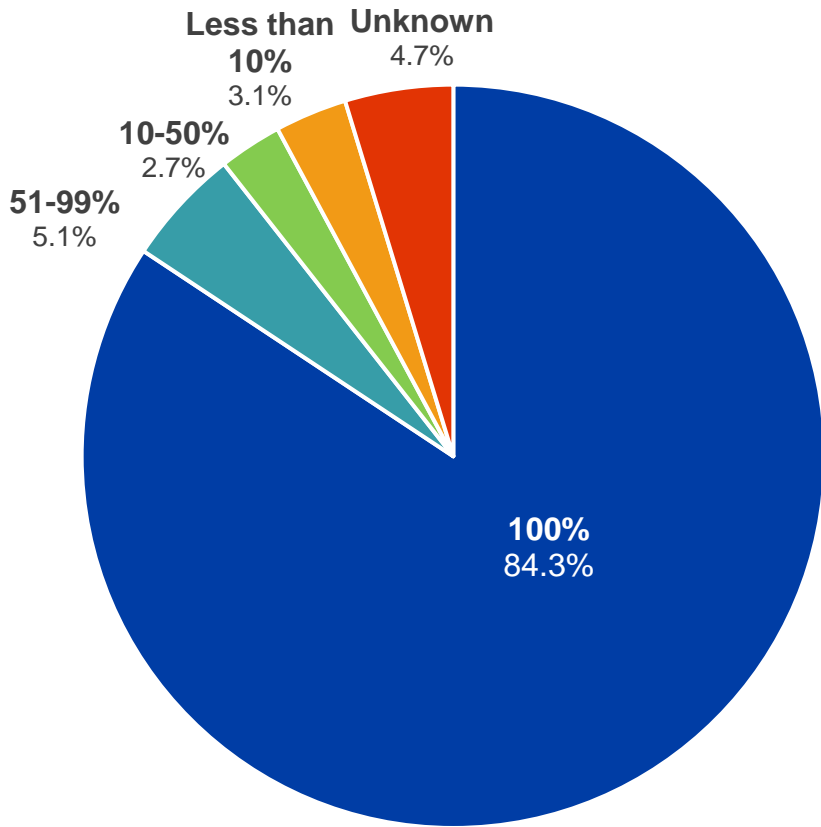


5

PERCENTAGE OF INVESTMENT BY PARENT COMPANIES IN JAPAN*

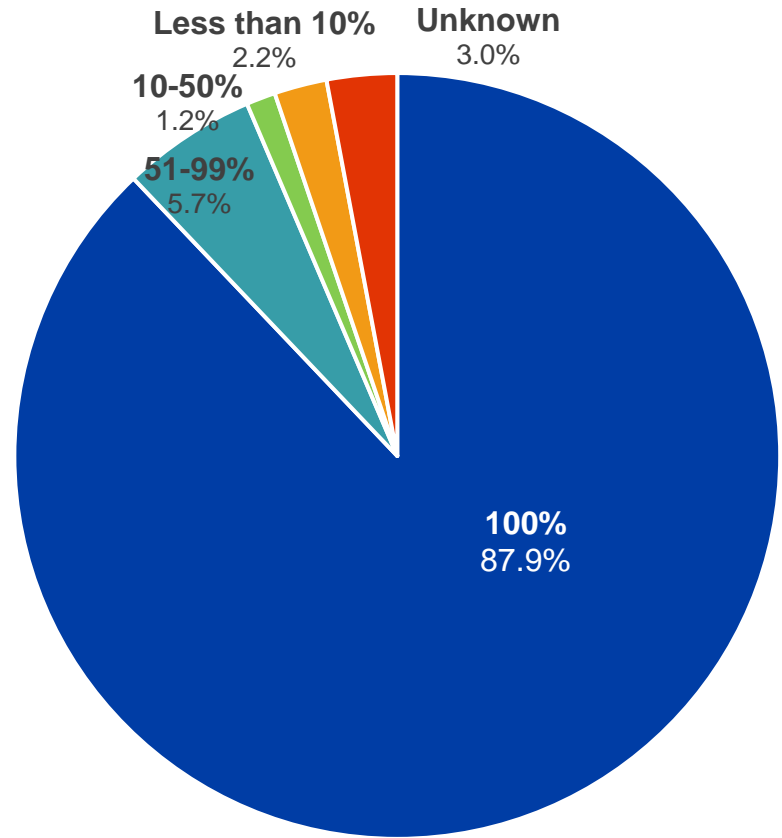
*if a company does not have a parent company in Japan, the percentage of investment by Japanese and/or Japanese-American citizens is shown

Northern California



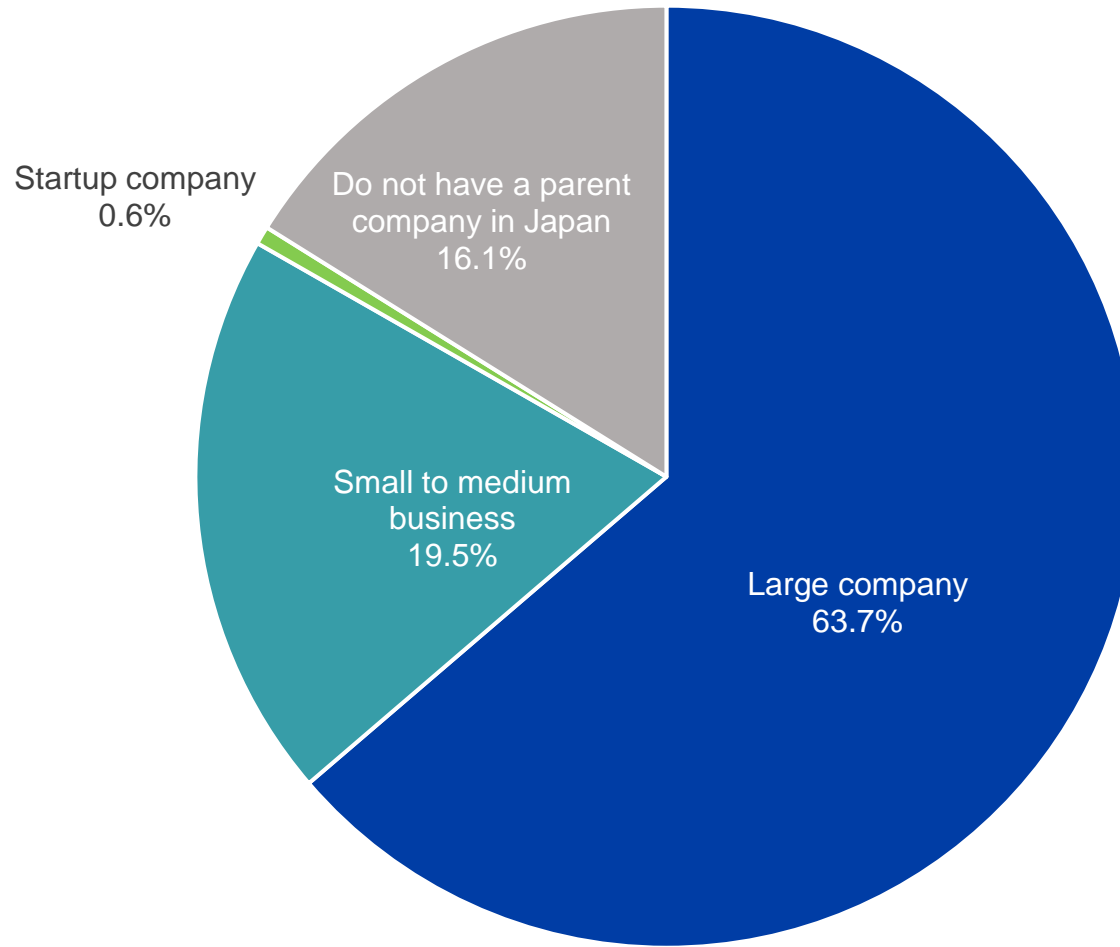
(n= 255)

Southern California



(n= 405)

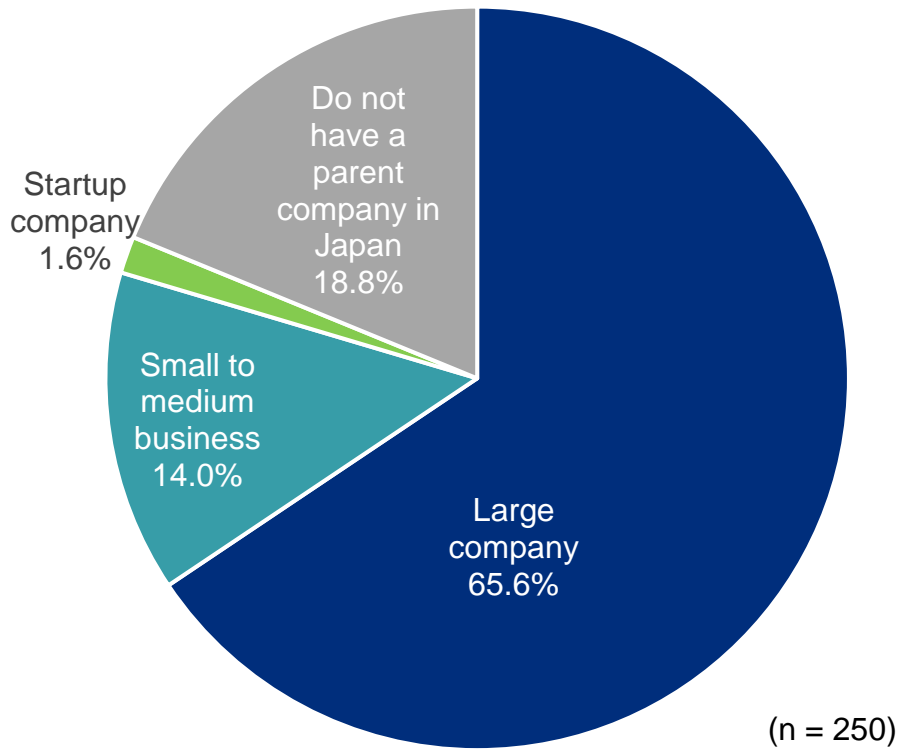
6 | SIZE OF PARENT COMPANIES IN JAPAN



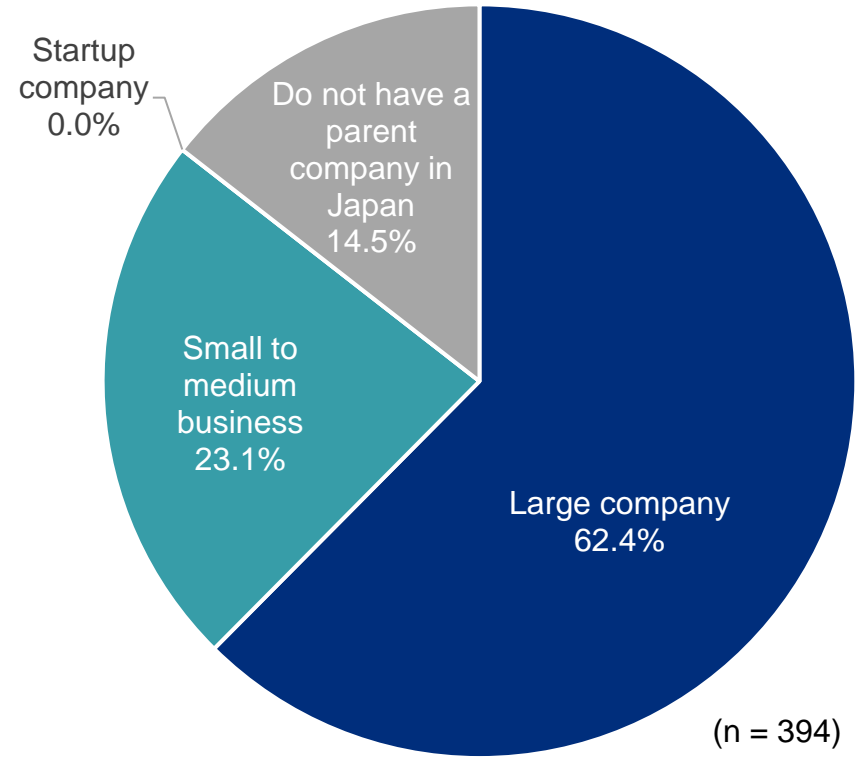
(n=645)

6 | SIZE OF PARENT COMPANIES IN JAPAN

Northern California

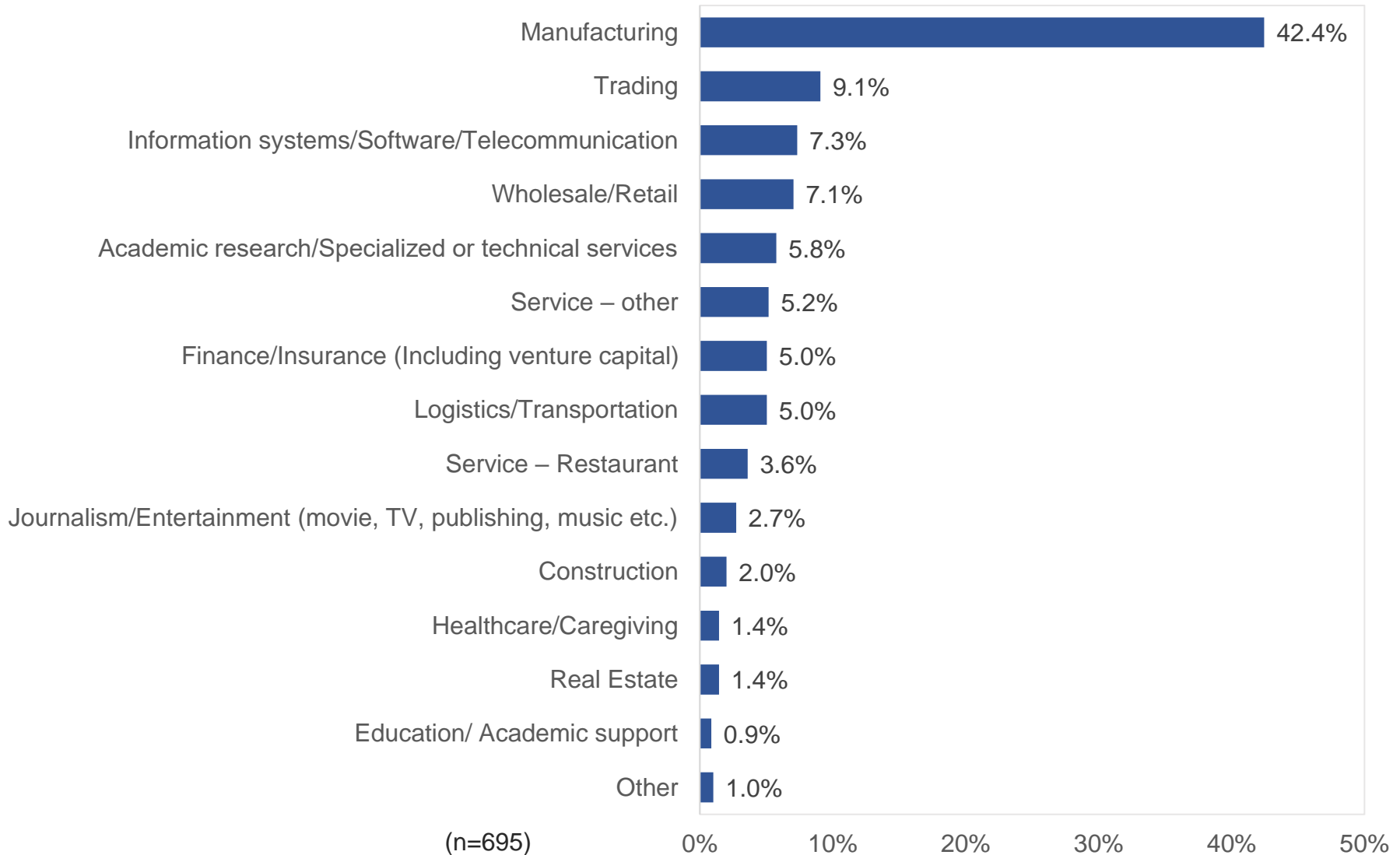


Southern California



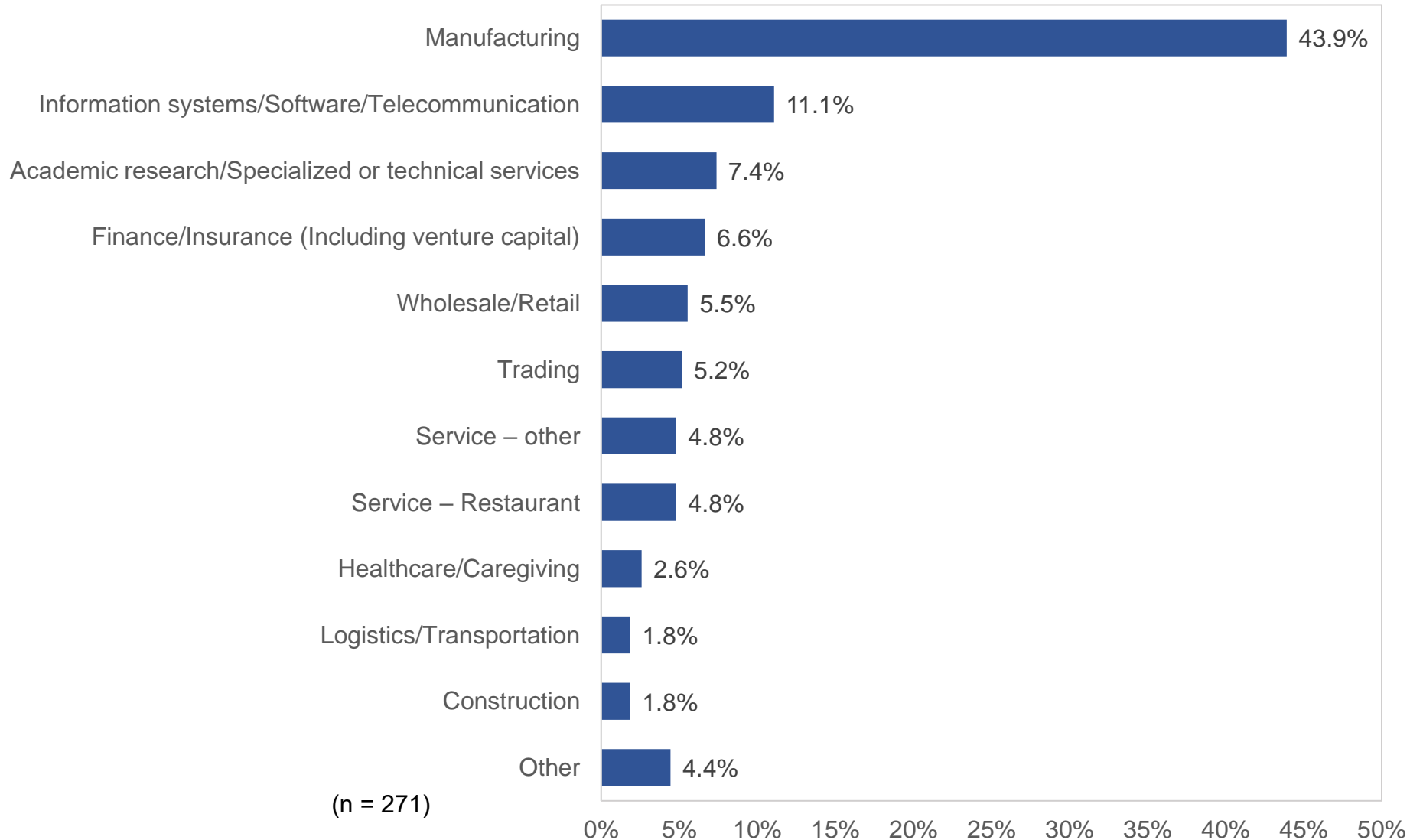
INDUSTRY CLASSIFICATION OF PARENT COMPANIES*

*if a company does not have a parent company in Japan, the company's industry in California is shown



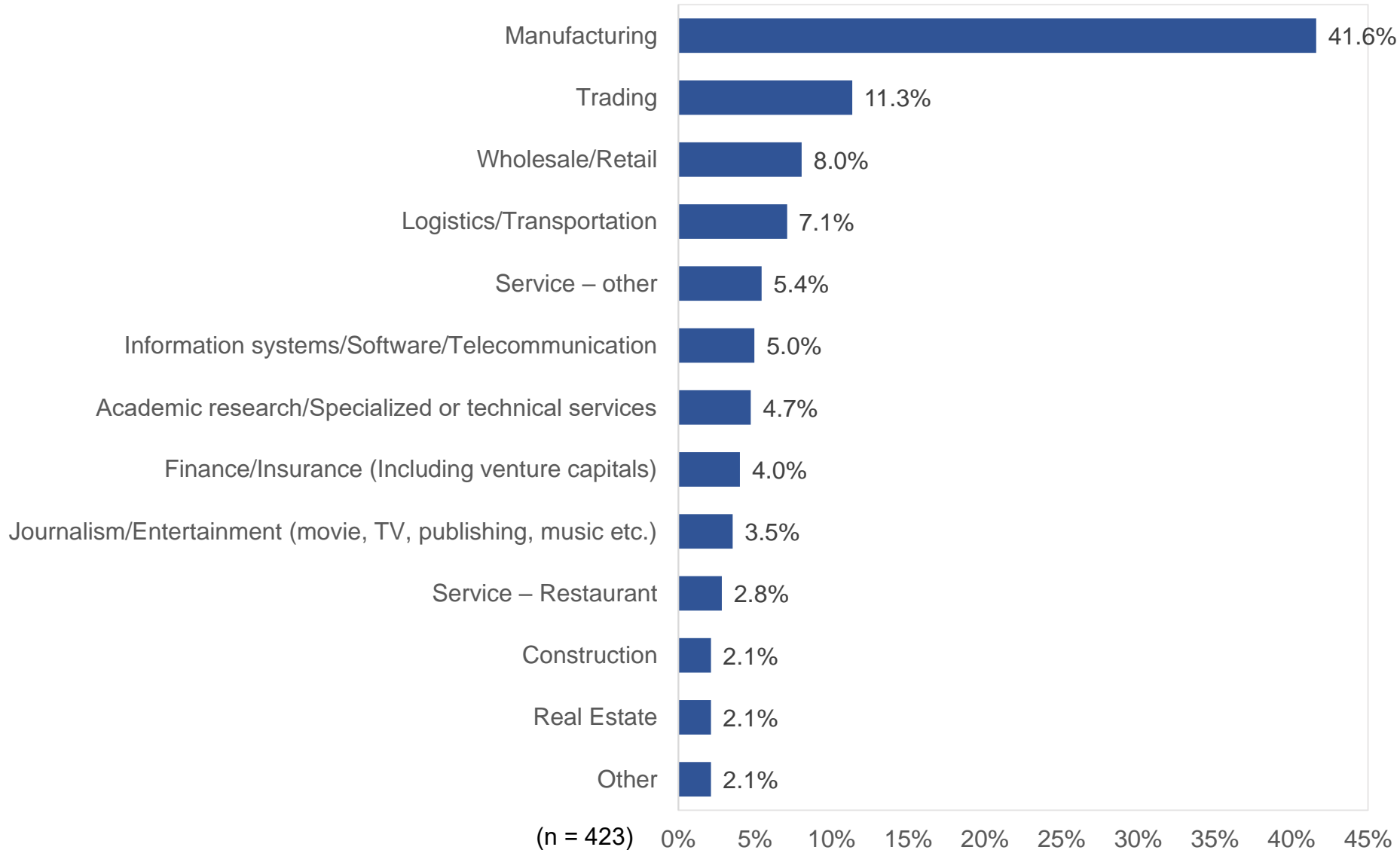
INDUSTRY CLASSIFICATION OF PARENT COMPANIES*

*if a company does not have a parent company in Japan, the company's industry in California is shown

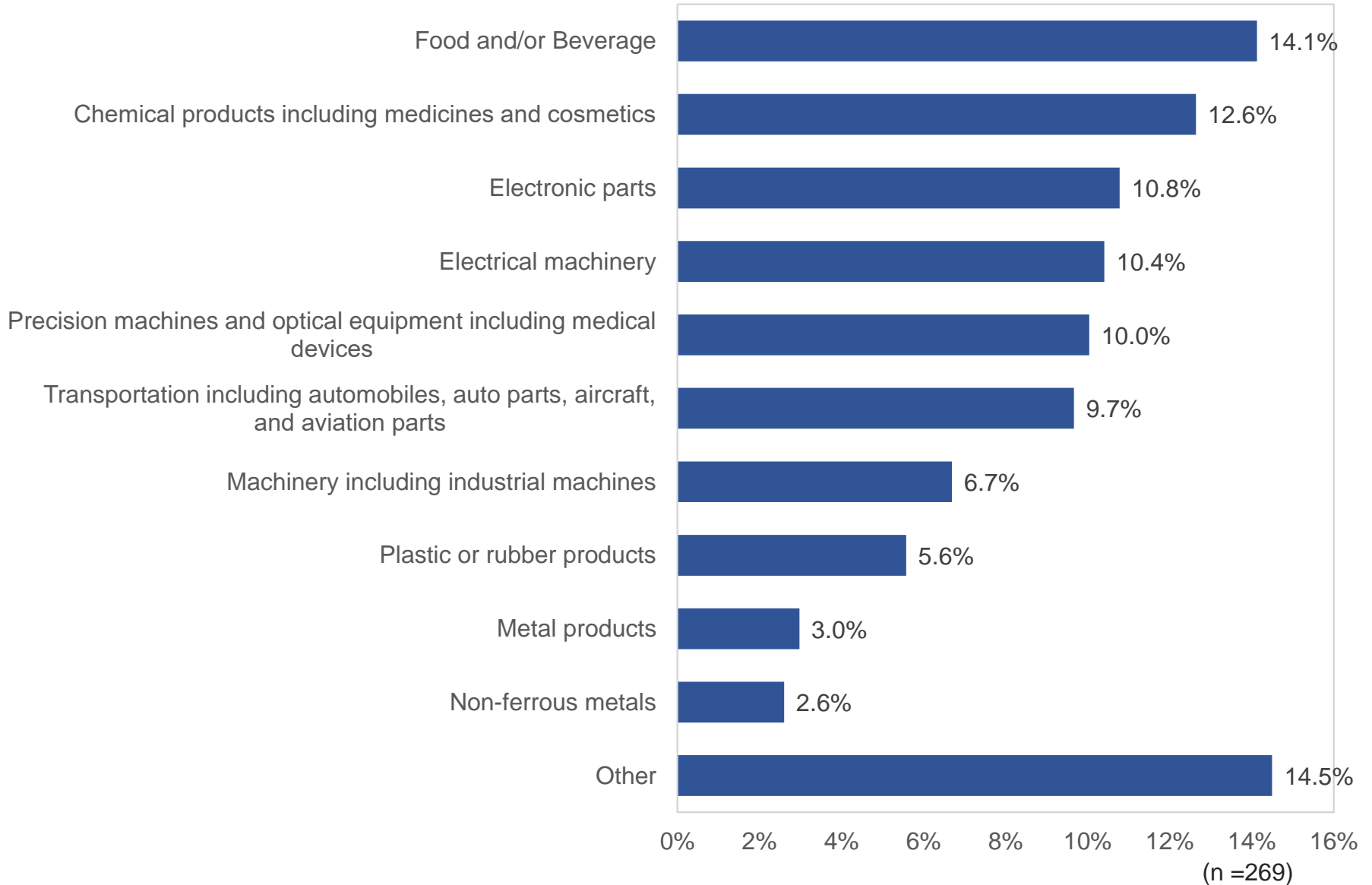


INDUSTRY CLASSIFICATION OF PARENT COMPANIES*

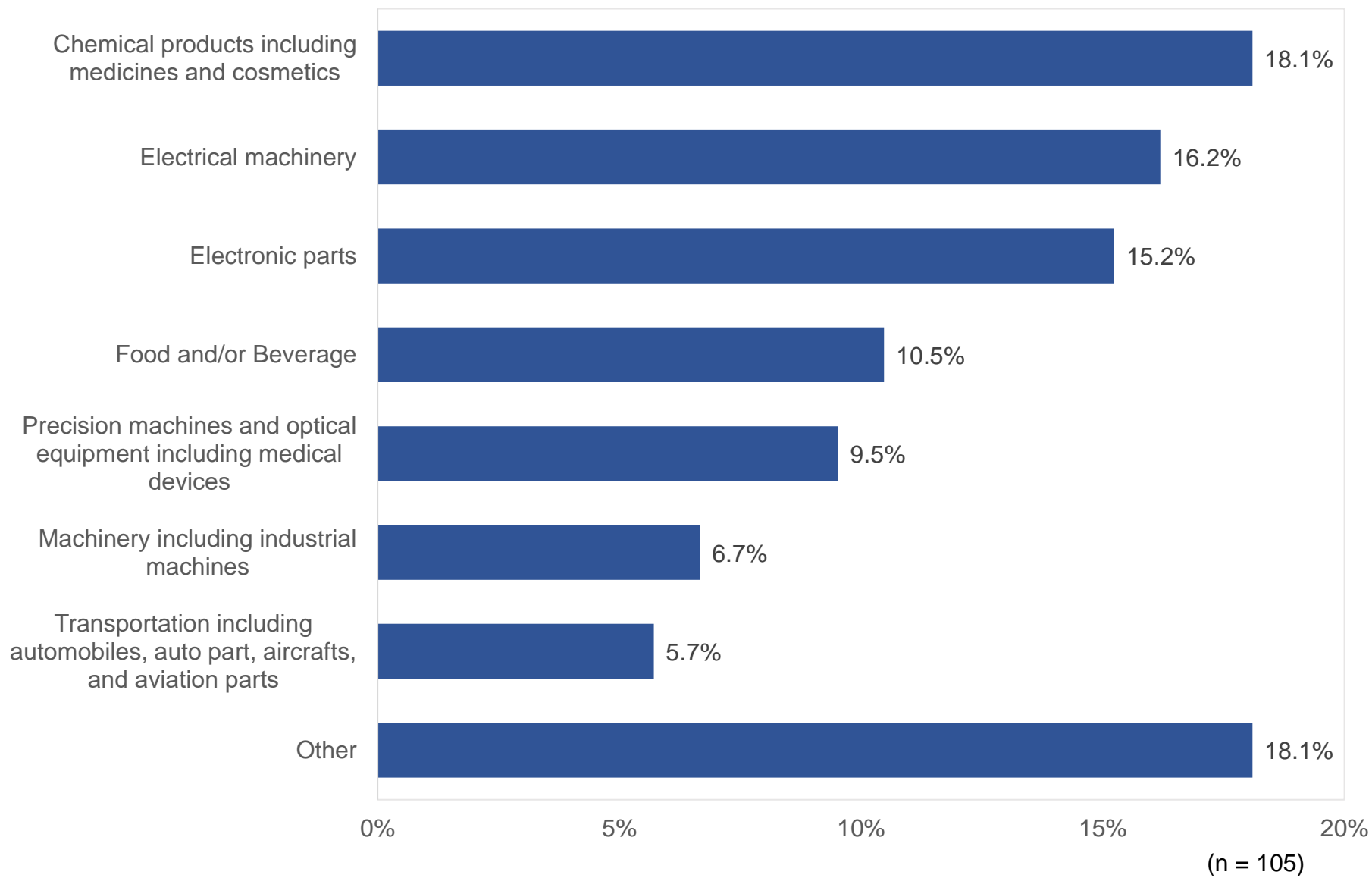
*if a company does not have a parent company in Japan, the company's industry in California is shown



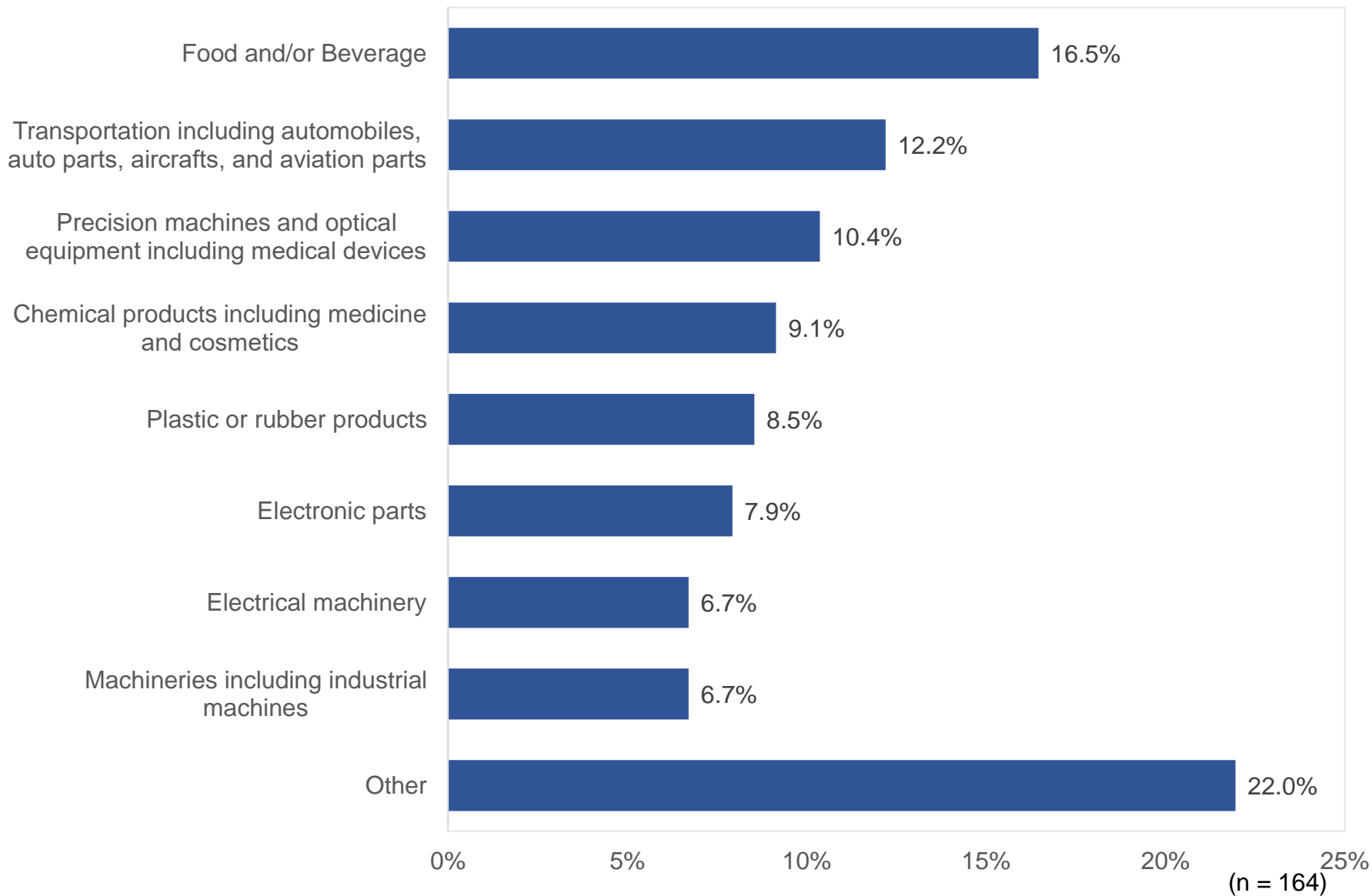
7 | MANUFACTURING INDUSTRIES



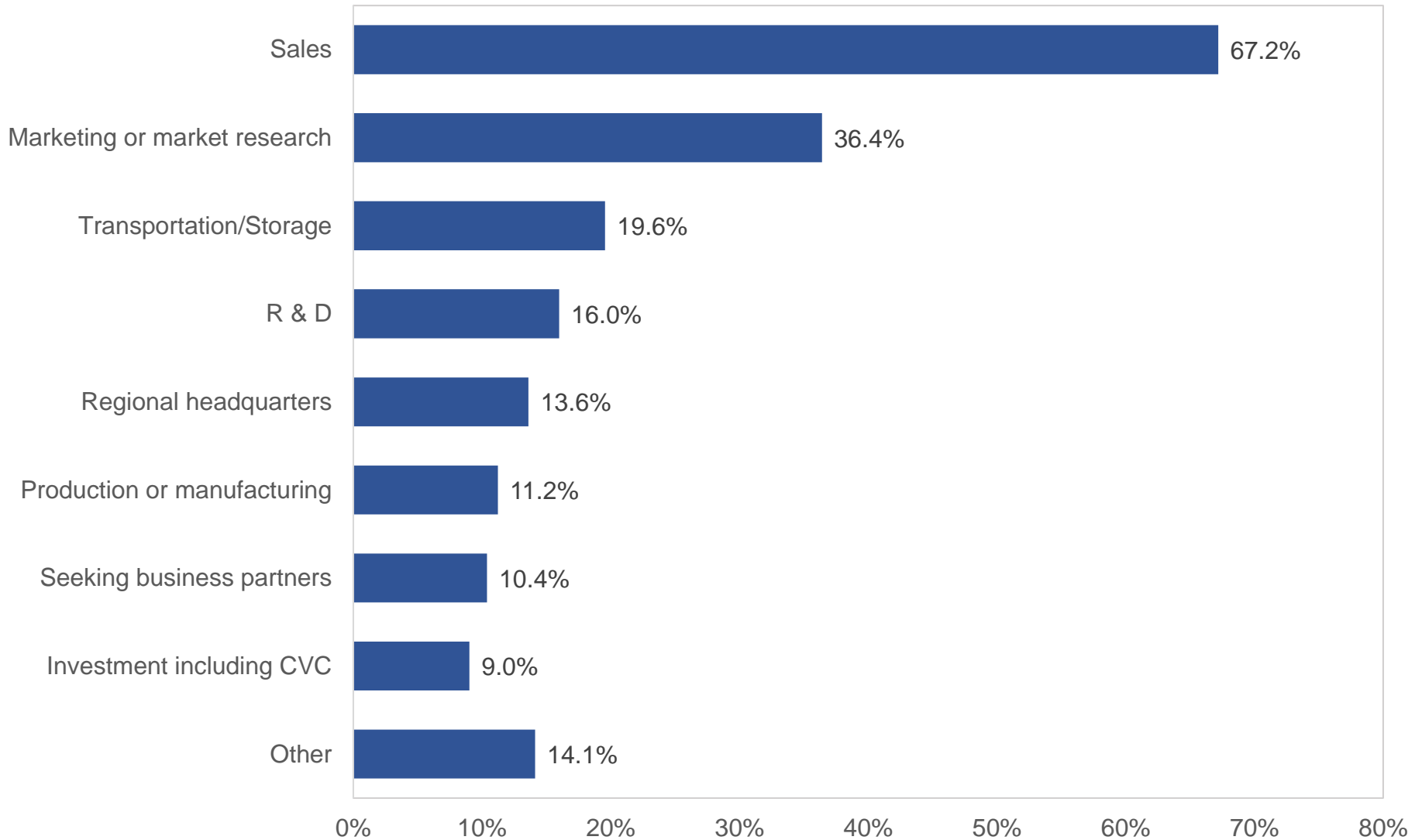
7 | MANUFACTURING INDUSTRIES



7 | MANUFACTURING INDUSTRIES

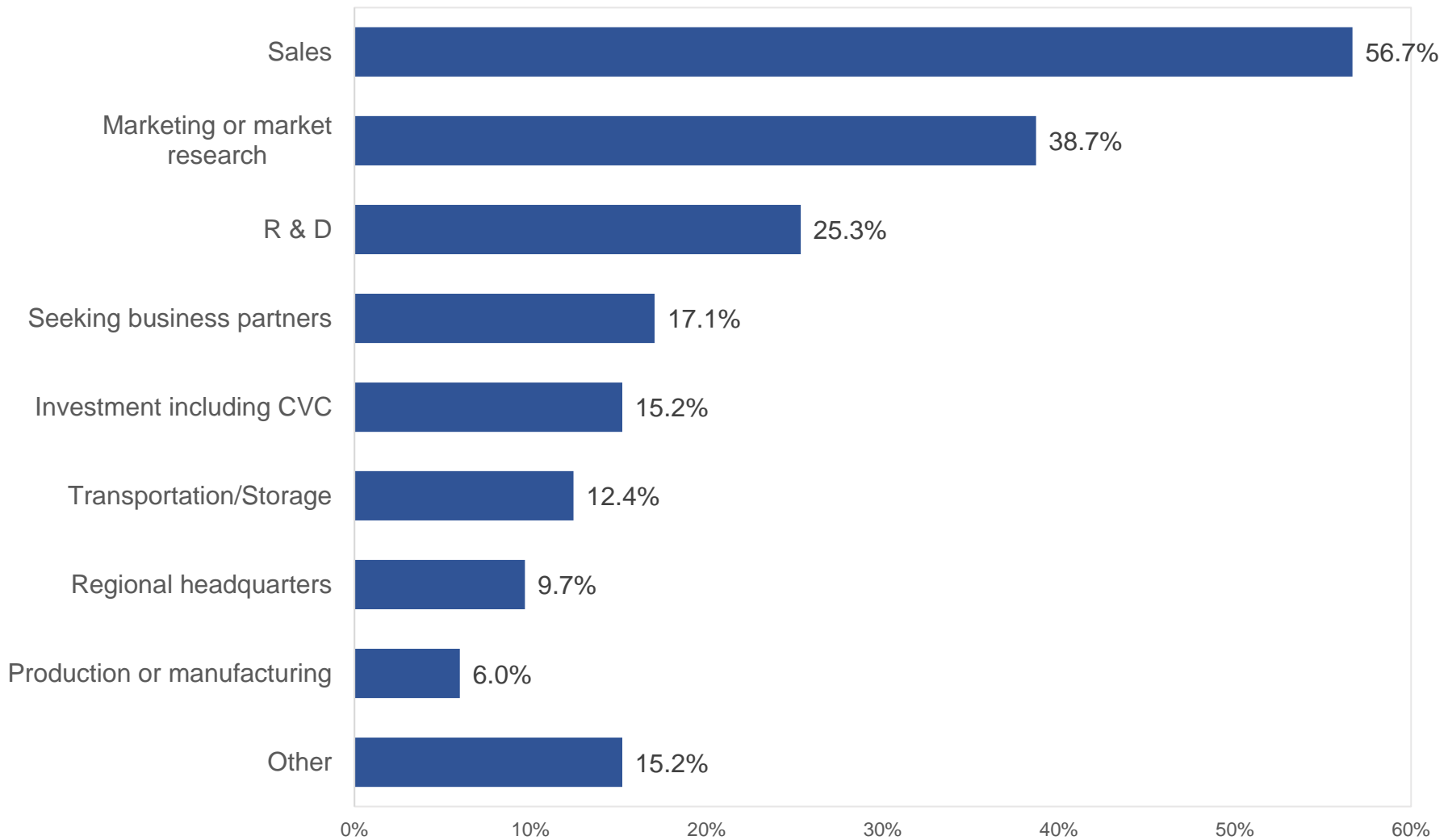


8 | FUNCTION OF CALIFORNIA OFFICES



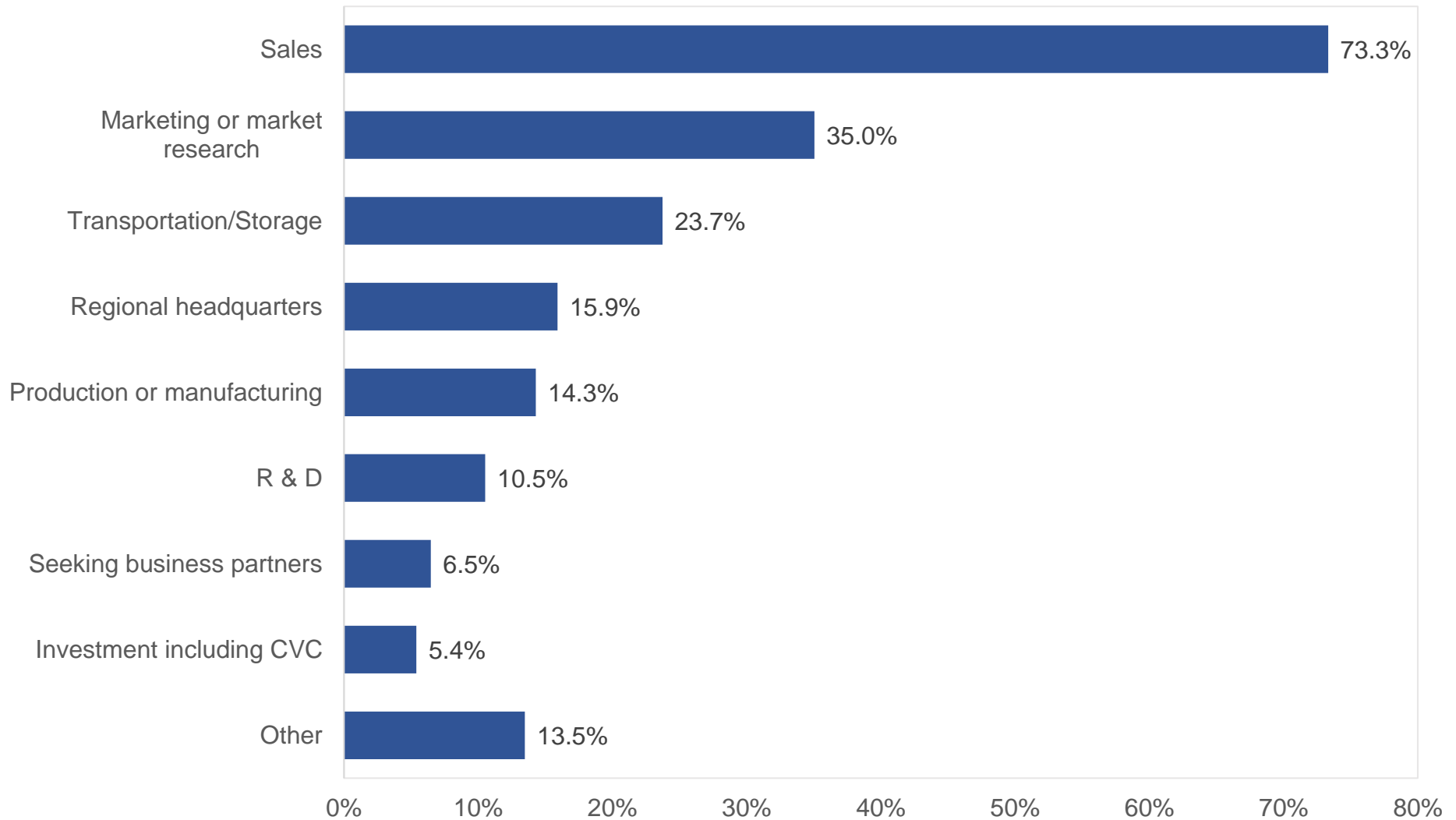
(n =588, Multiple Answers Allowed)

8 | FUNCTION OF CALIFORNIA OFFICES



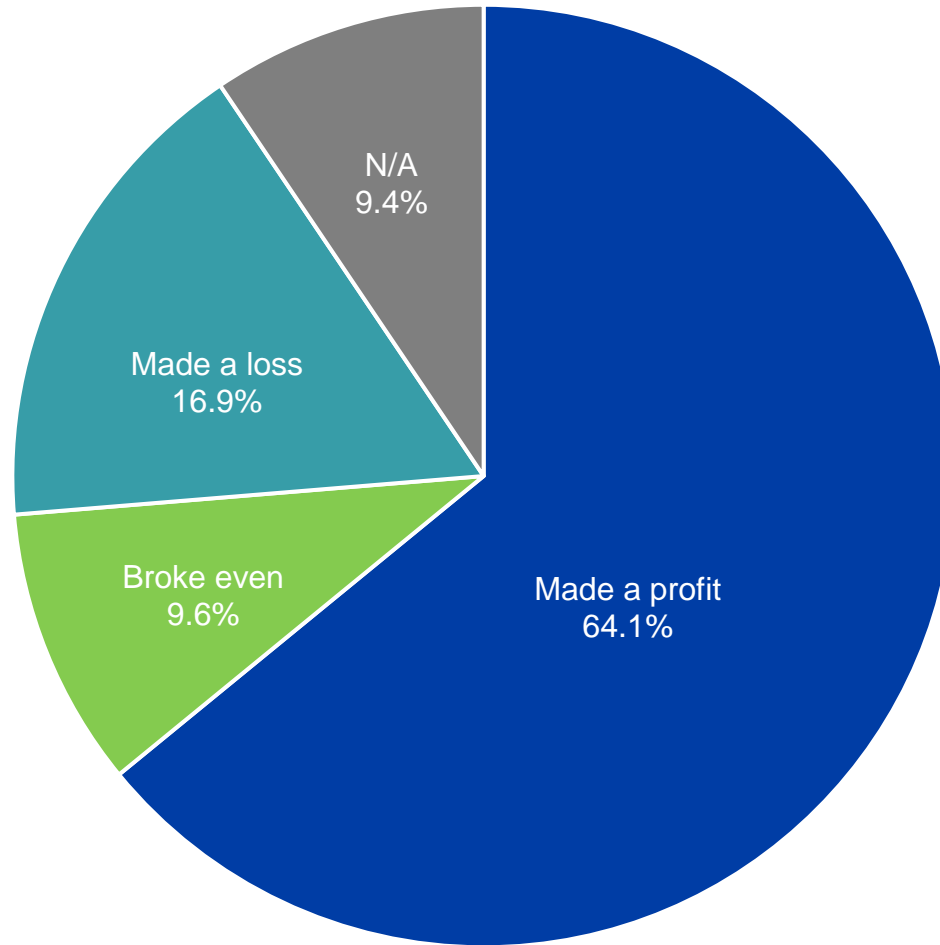
(n=217, Multiple Answers Allowed)

8 | FUNCTION OF CALIFORNIA OFFICES



(n=371, Multiple Answers Allowed)

9 | OPERATING INCOME (As of December 31,2021)

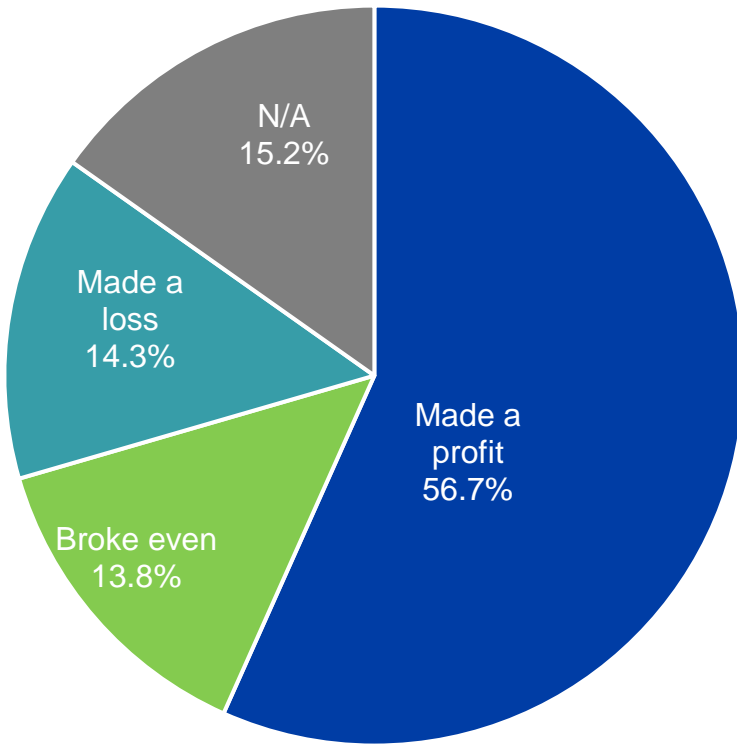


(n =593)

9

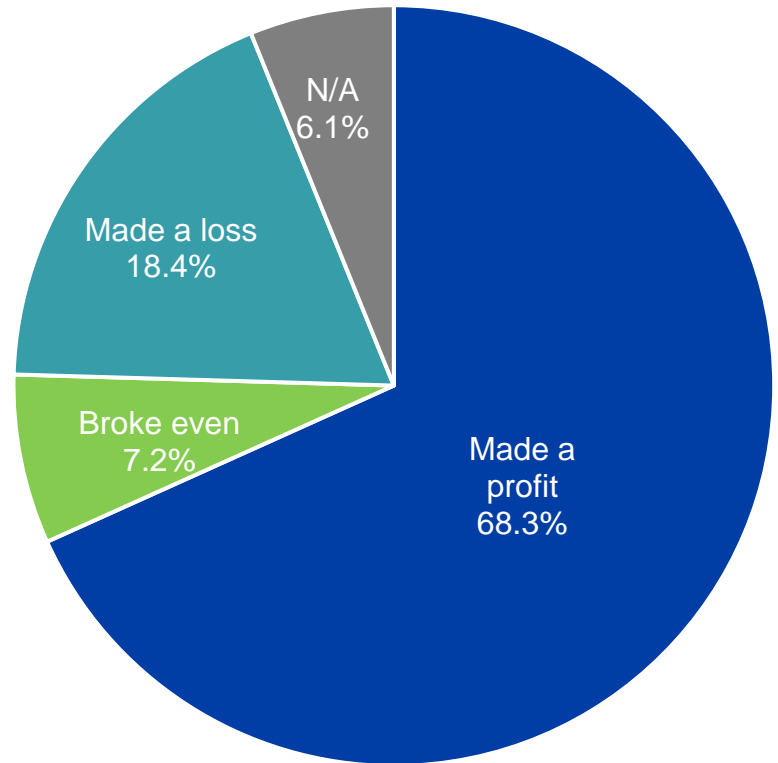
OPERATING INCOME (As of December 31,2021)

Northern California



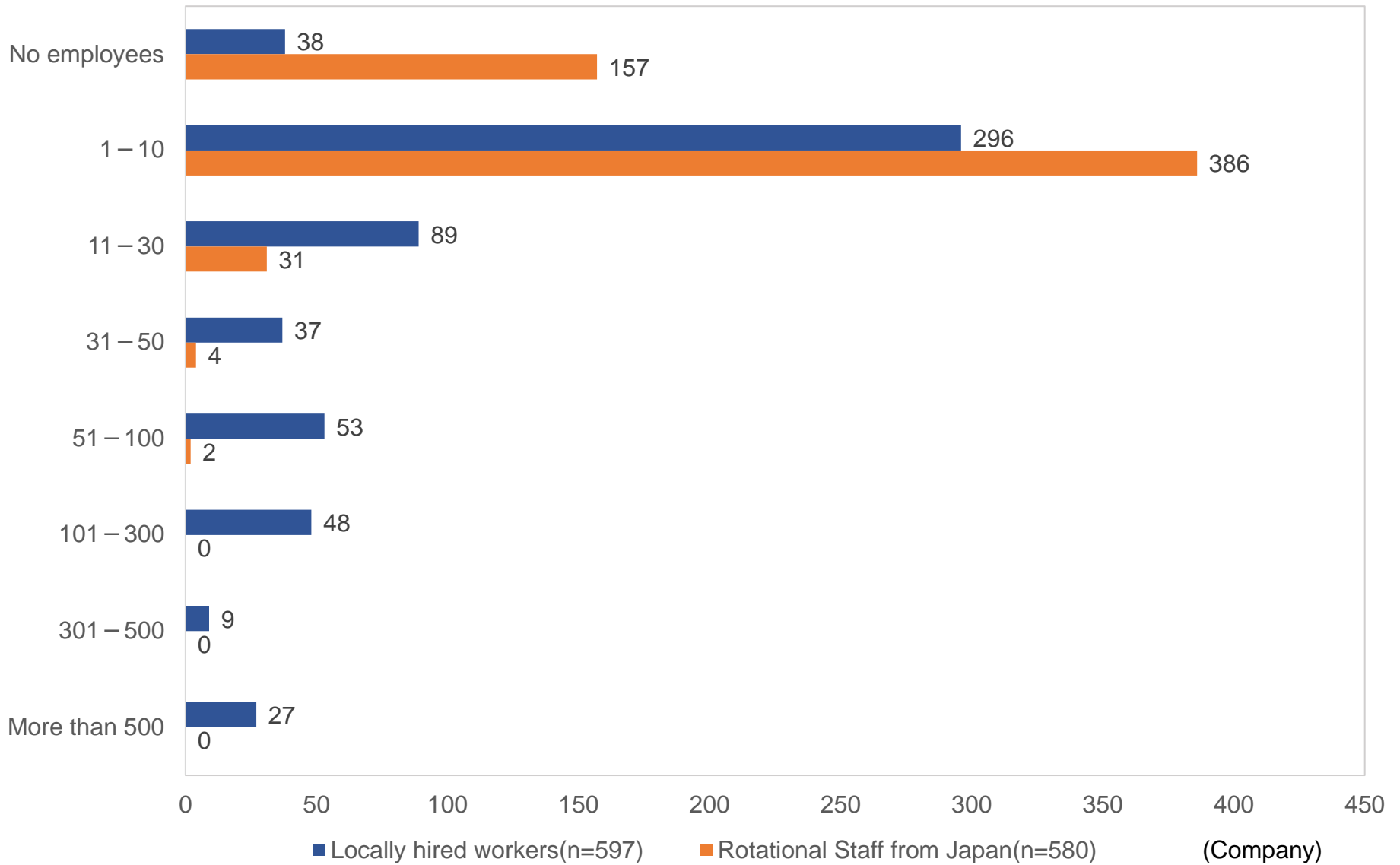
(n = 217)

Southern California

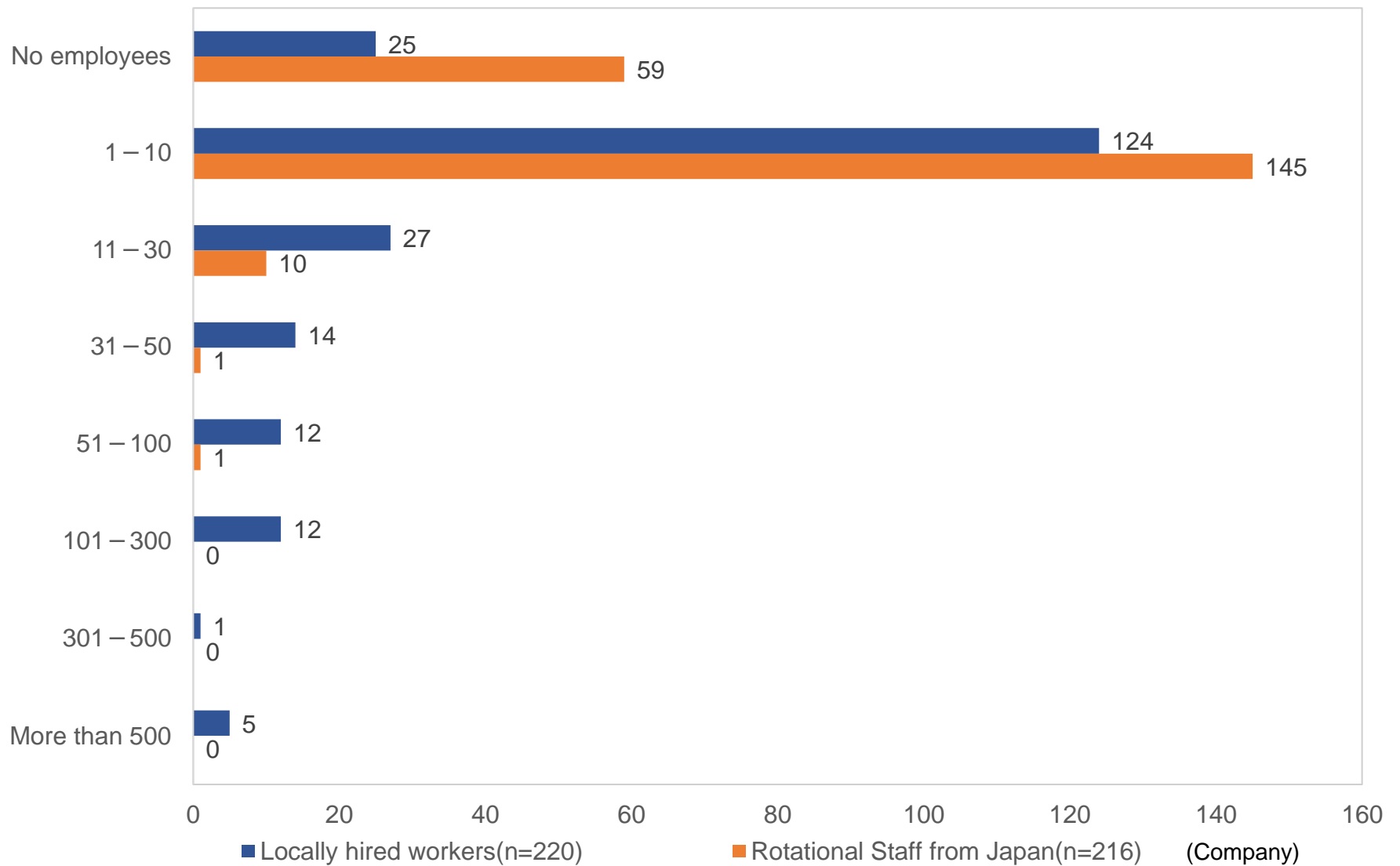


(n = 375)

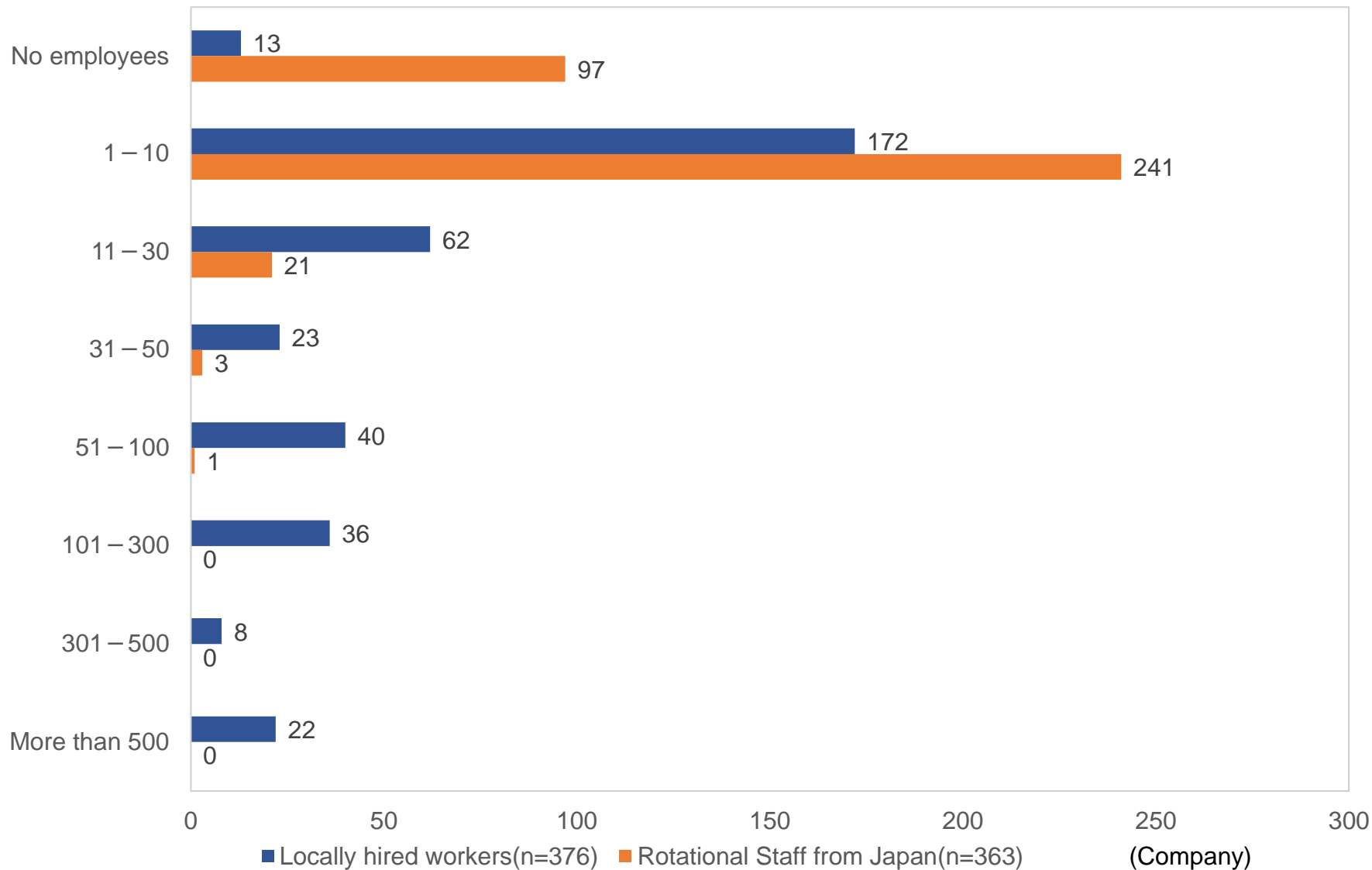
10 | NUMBER OF EMPLOYEES IN CALIFORNIA OFFICES



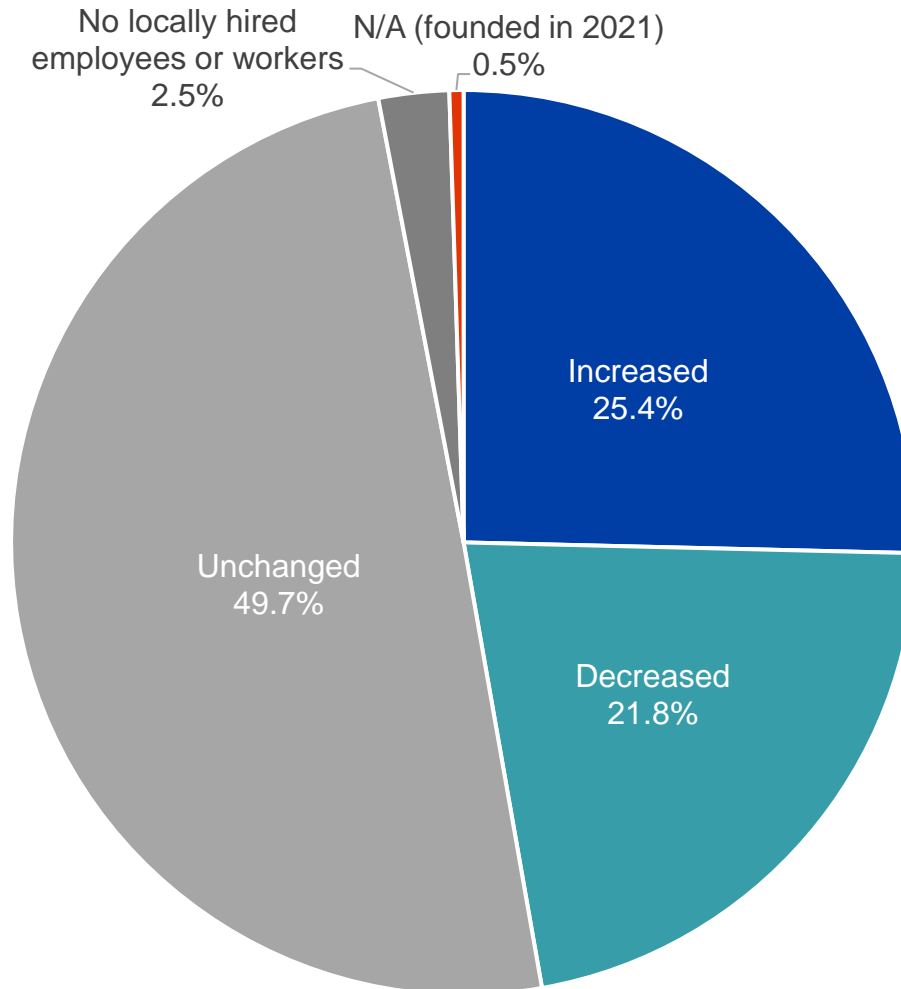
10 | NUMBER OF EMPLOYEES IN CALIFORNIA OFFICES



10 | NUMBER OF EMPLOYEES IN CALIFORNIA OFFICES



11 | CHANGES IN LOCAL EMPLOYMENT BETWEEN 2020 AND 2021

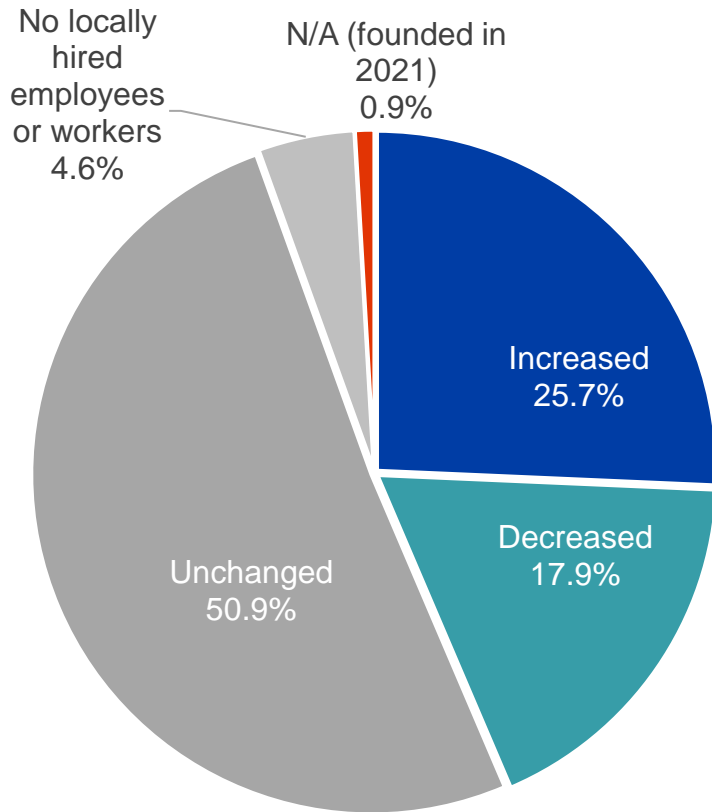


(n =595)

11

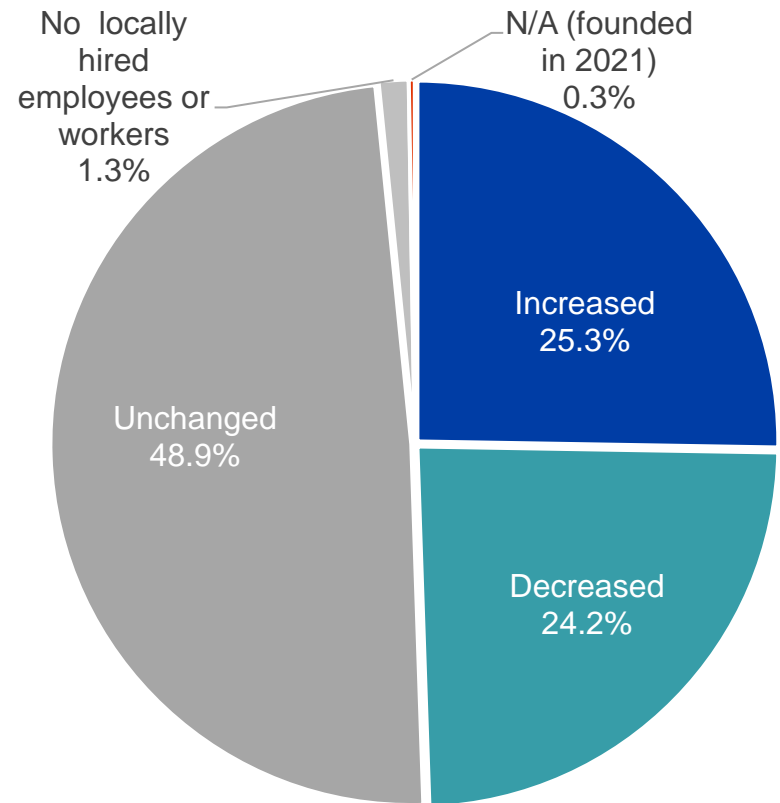
CHANGES IN LOCAL EMPLOYMENT BETWEEN 2020 AND 2021

Northern California



(n=218)

Southern California



(n=376)

12 | STANDARD ANNUAL SALARIES FOR COMMON POSITIONS

	Office Admin (n=483)	Manager (n=489)	IT engineer (n=396)
No Employees	23.2%	13.2%	60.9%
Less than \$43,000	9.7%	0.6%	1.0%
\$43,000 - \$60,000	29.2%	5.1%	3.5%
\$60,001 - \$80,000	20.5%	19.2%	7.1%
\$80,001 - \$98,000	5.6%	18.0%	7.8%
\$98,001 - \$126,000	6.4%	19.2%	8.1%
\$126,001 - \$155,000	2.1%	11.9%	6.8%
\$155,001 - \$180,000	1.4%	4.5%	1.5%
\$180,001 - \$200,000	1.2%	3.3%	2.0%
More than \$200,000	0.6%	4.9%	1.3%

(Note) Top 3 percentages for each positions are highlighted

12 | STANDARD ANNUAL SALARIES FOR COMMON POSITIONS

	Office Admin (n=172)	Manager (n=175)	IT engineer (n=139)
No Employees	31.4%	18.9%	63.3%
Less than \$43,000	7.6%	0.0%	1.4%
\$43,000 - \$60,000	18.6%	2.9%	2.2%
\$60,001 - \$80,000	19.2%	9.1%	2.9%
\$80,001 - \$98,000	5.8%	12.0%	2.9%
\$98,001 - \$126,000	7.6%	16.6%	7.9%
\$126,001 - \$155,000	3.5%	13.7%	7.9%
\$155,001 - \$180,000	2.9%	8.6%	3.6%
\$180,001 - \$200,000	2.3%	5.7%	4.3%
More than \$200,000	1.2%	12.6%	3.6%

(Note) Top 3 percentages for each positions are highlighted

12 | STANDARD ANNUAL SALARIES FOR COMMON POSITIONS

	Office Admin (n=310)	Manager (n=313)	IT engineer (n=256)
No Employees	18.7%	10.2%	59.8%
Less than \$43,000	10.6%	1.0%	0.8%
\$43,000 - \$60,000	35.2%	6.4%	4.3%
\$60,001 - \$80,000	21.3%	24.9%	9.0%
\$80,001 - \$98,000	5.5%	21.1%	10.5%
\$98,001 - \$126,000	5.8%	20.8%	8.2%
\$126,001 - \$155,000	1.3%	10.9%	6.3%
\$155,001 - \$180,000	0.6%	2.2%	0.4%
\$180,001 - \$200,000	0.6%	1.9%	0.8%
More than \$200,000	0.3%	0.6%	0.0%

(Note) Top 3 percentages for each positions are highlighted.

13 | BENEFITS OFFERED TO LOCAL EMPLOYEES

	Offering	Temporarily offering due to COVID	Considering	Not Offering
Medical/Dental Insurance (n=543)	92.6%	0.0%	0.4%	7.0%
401K plan/ Cal Servers (n=522)	74.9%	0.0%	5.7%	19.3%
Paid maternity / Paternity leave (n=488)	66.4%	0.0%	1.6%	32.0%
Life Insurance (n=488)	55.9%	0.2%	1.0%	42.8%
Full remote work (n=504)	54.6%	28.4%	1.4%	15.7%
Staggered working hours (n=484)	51.0%	7.4%	1.0%	40.5%
Flex time options (n=488)	49.8%	7.4%	2.3%	40.6%
Reimbursement for gas/parking (n=473)	37.8%	1.7%	0.4%	60.0%
Full/partial reimbursement for furnishing employees' home office (n=485)	37.7%	13.8%	1.2%	47.2%
Reimbursement for COVID-19 testing (n=473)	36.6%	9.9%	1.9%	51.6%
Additional paid sick leave (n=466)	36.3%	8.4%	1.3%	54.1%
Professional growth & class/tuition fee reimbursement (n=469)	34.1%	0.0%	3.6%	62.3%
Free meals and snacks (n=477)	23.5%	1.9%	0.8%	73.8%
Commute expenses reimbursement/ commuter allowance (n=482)	20.7%	0.2%	0.8%	78.2%
Housing Assistance (n=473)	10.4%	0.0%	0.0%	89.6%
Unlimited paid time off (n=472)	7.2%	0.8%	0.6%	91.3%
Stock options (n=465)	3.0%	0.2%	0.4%	96.3%

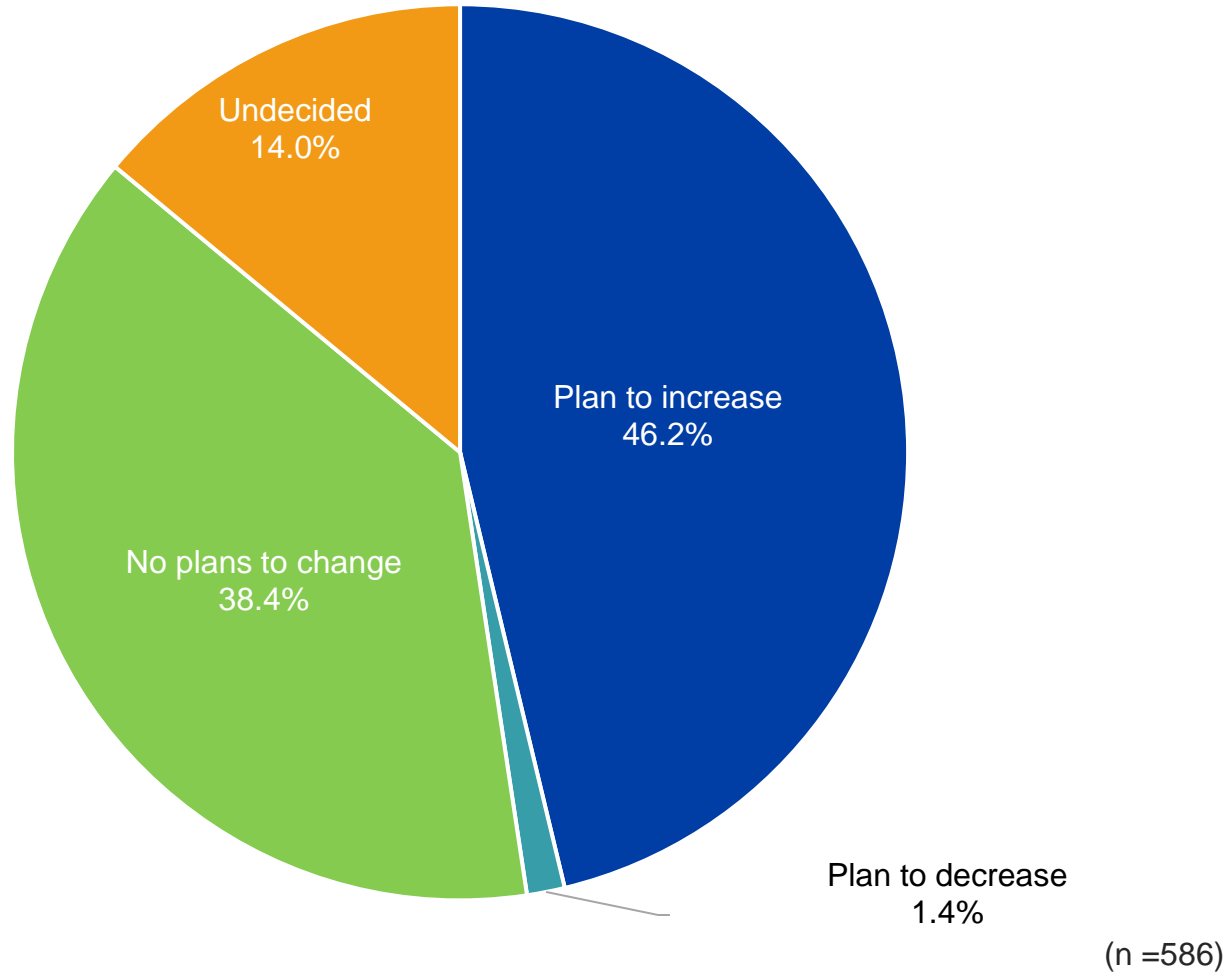
13 | BENEFITS OFFERED TO LOCAL EMPLOYEES

	Offering	Temporarily offering due to COVID	Considering	Not offering
Medical/Dental Insurance (n=190)	87.9%	0.0%	0.5%	11.6%
401K plan/ Cal Servers (n=182)	72.0%	0.0%	4.9%	23.1%
Paid maternity / Paternity leave (n=167)	67.1%	0.0%	0.6%	32.3%
Full remote work (n=173)	64.2%	23.1%	1.7%	11.0%
Flex time options (n=167)	59.9%	5.4%	2.4%	32.3%
Staggered working hours (n=166)	54.8%	5.4%	1.2%	38.6%
Life Insurance (n=167)	53.3%	0.6%	0.6%	45.5%
Full/partial reimbursement for furnishing employees' home office (n=166)	44.0%	9.6%	1.2%	45.2%
Reimbursement for gas/parking (n=163)	39.9%	1.8%	0.0%	58.3%
Additional paid sick leave (n=158)	38.6%	4.4%	1.3%	55.7%
Professional growth & class/tuition fee reimbursement (n=159)	37.1%	0.0%	6.3%	56.6%
Free meals and snacks (n=160)	30.0%	1.3%	0.0%	68.8%
Reimbursement for COVID-19 testing (n= 157)	26.8%	7.0%	3.8%	62.4%
Commute expenses reimbursement/ commuter allowance (n=165)	26.1%	0.0%	0.6%	73.3%
Housing Assistance (n=163)	16.6%	0.0%	0.0%	83.4%
Unlimited paid time off (n=161)	12.4%	0.0%	0.6%	87.0%
Stock options (n=156)	3.8%	0.0%	1.3%	94.9%

13 | BENEFITS OFFERED TO LOCAL EMPLOYEES

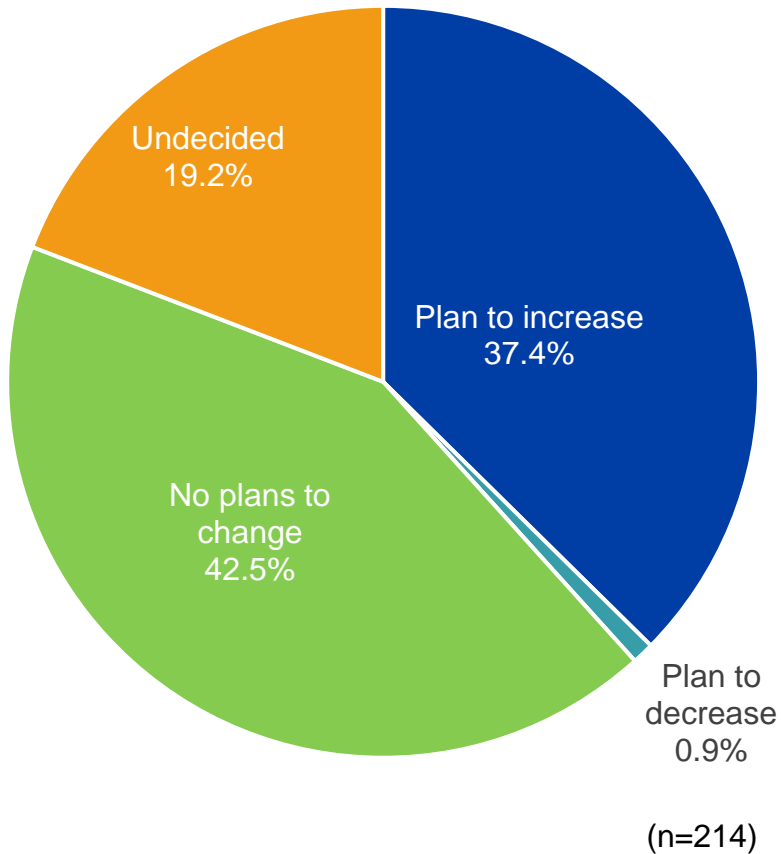
	Offering	Temporarily offering due to COVID	Considering	Not offering
Medical/Dental Insurance (n=352)	95.2%	0.0%	0.3%	4.5%
401K plan/ Cal Servers (n=339)	76.4%	0.0%	6.2%	17.4%
Paid maternity / Paternity leave (n=320)	65.9%	0.0%	2.2%	31.9%
Life Insurance (n=320)	57.2%	0.0%	1.3%	41.6%
Full remote work (n=330)	49.4%	31.2%	1.2%	18.2%
Staggered working hours (n=317)	48.9%	8.5%	0.9%	41.6%
Flex time options (n=320)	44.4%	8.4%	2.2%	45.0%
Reimbursement for COVID-19 testing (n=315)	41.3%	11.4%	1.0%	46.3%
Reimbursement for gas/parking (n=309)	36.9%	1.6%	0.6%	60.8%
Additional paid sick leave (n=307)	35.2%	10.4%	1.3%	53.1%
Full/partial reimbursement for furnishing employees' home office (n= 318)	34.3%	16.0%	1.3%	48.4%
Professional growth & class/tuition fee reimbursement (n=309)	32.4%	0.0%	2.3%	65.4%
Free meals and snacks (n=316)	20.3%	2.2%	1.3%	76.3%
Commute expenses reimbursement/ commuter allowance (n=316)	18.0%	0.3%	0.9%	80.7%
Housing Assistance (n=309)	7.1%	0.0%	0.0%	92.9%
Unlimited paid time off (n= 310)	4.2%	1.3%	0.6%	93.9%
Stock options (n=308)	2.6%	0.3%	0.0%	97.1%

14 | HIRING PLANS FOR LOCAL EMPLOYEES IN THE NEXT 1-2 YEARS

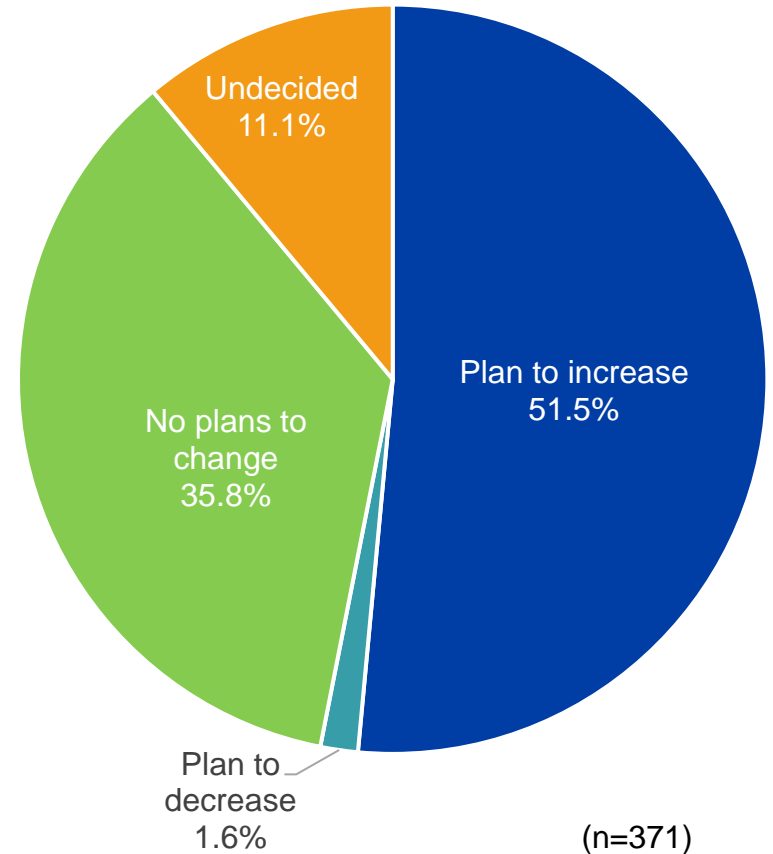


14 | HIRING PLANS FOR LOCAL EMPLOYEES IN THE NEXT 1-2 YEARS

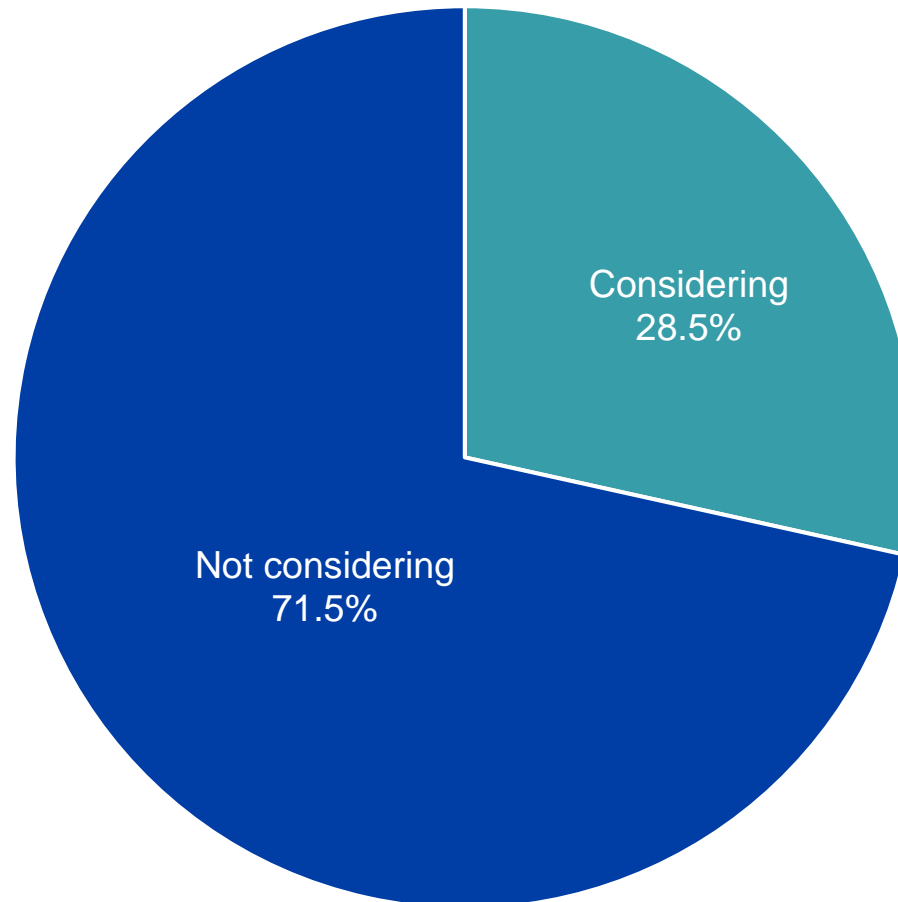
Northern California



Southern California



15 | HIRING PLANS FOR OUT-OF-STATE REMOTE WORKERS

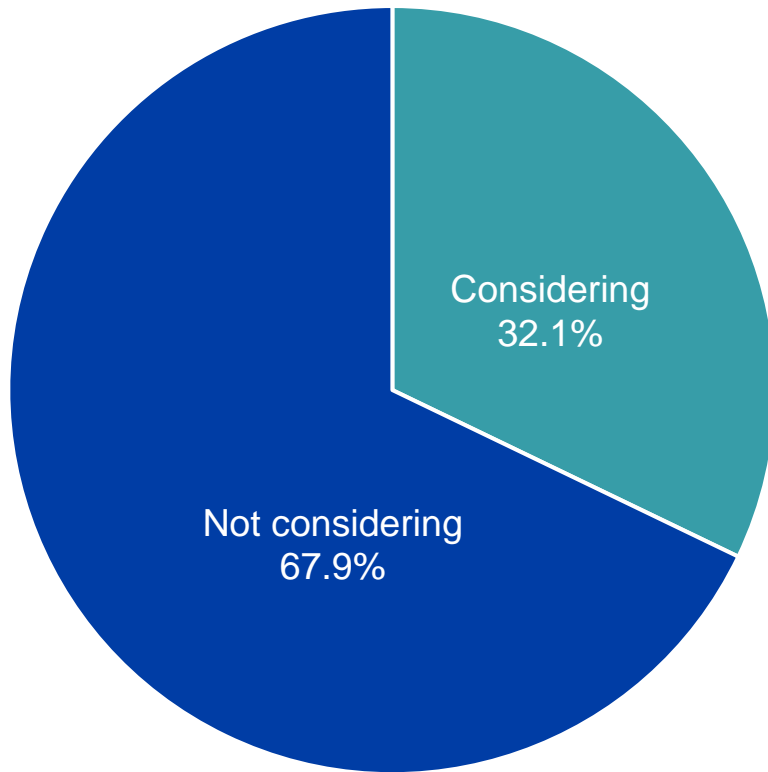


(Note) According to the survey, out of state hiring plans are: (e.g.) in Washington, Oregon, Arizona or Texas. Also, anywhere in the nation or in Japan.

(n =274)

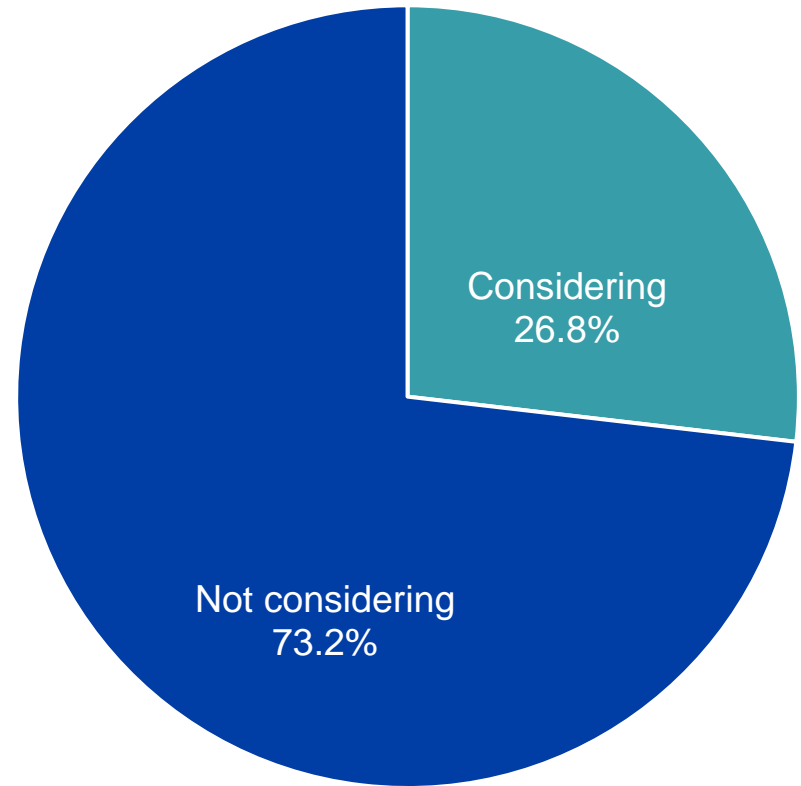
15 | HIRING PLANS FOR OUT-OF-STATE REMOTE WORKERS

Northern California



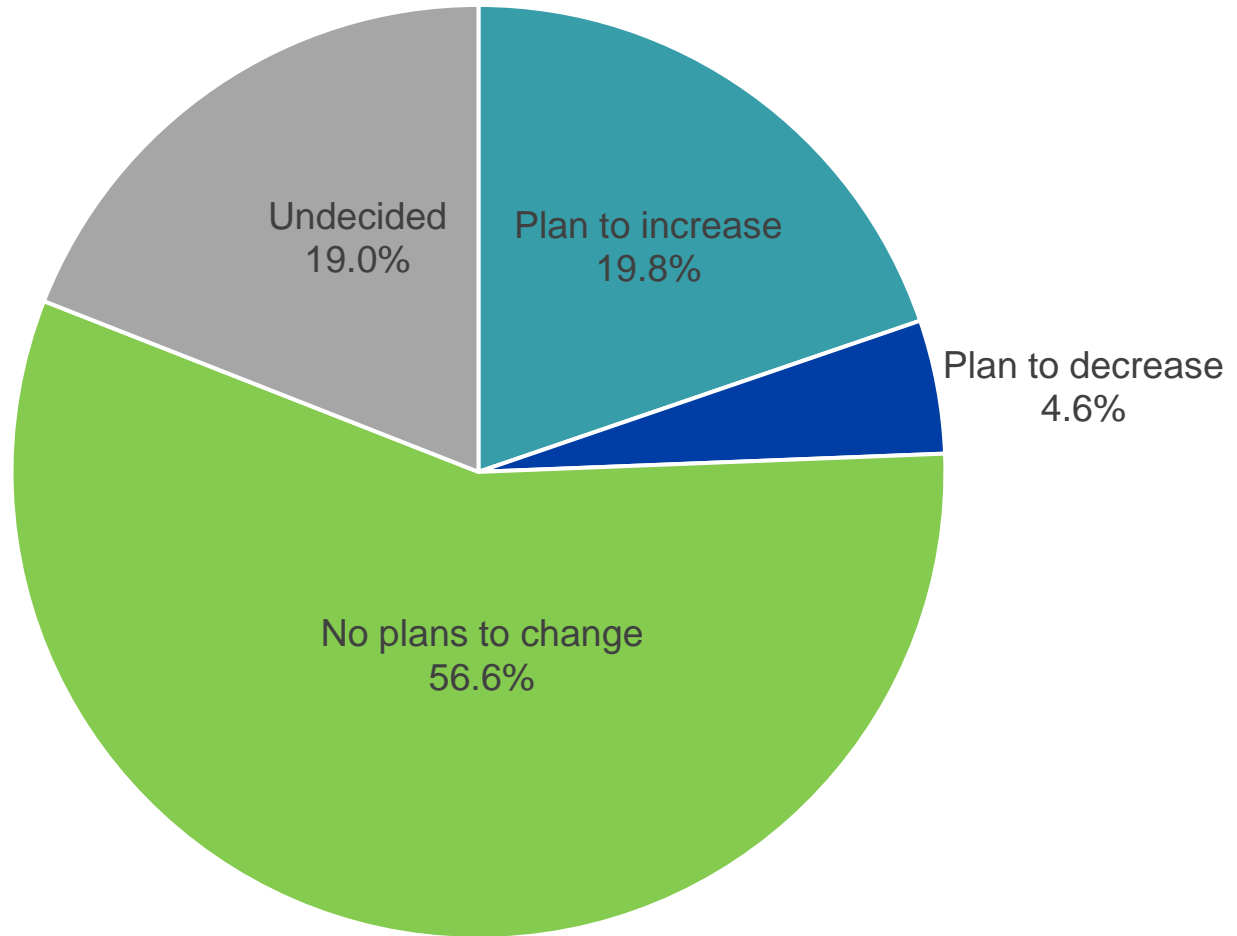
(n=84)

Southern California



(n=190)

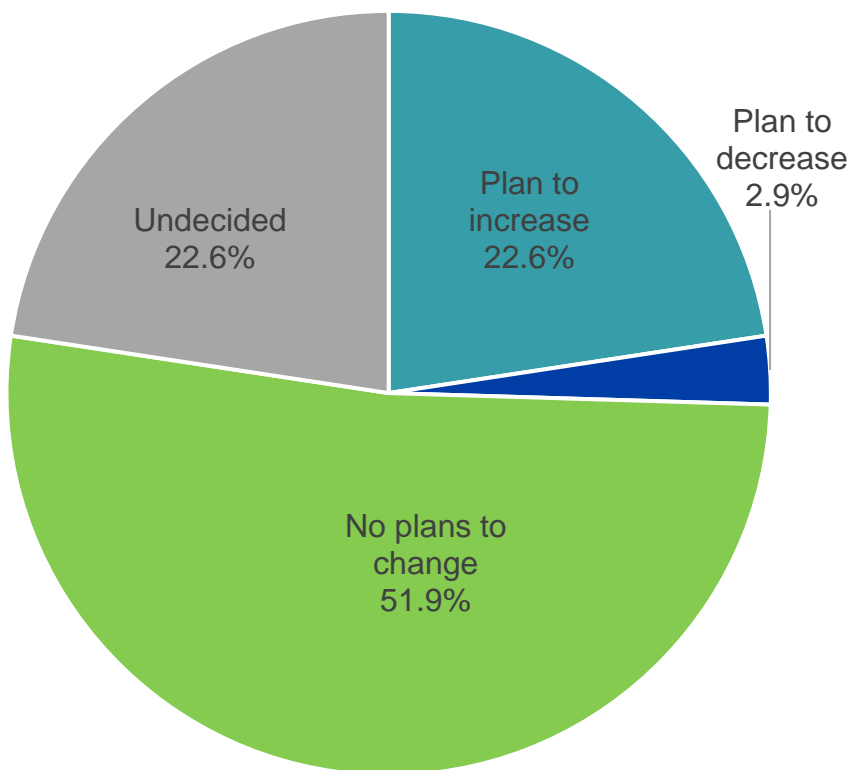
16 | ROTATIONAL STAFF FROM JAPAN FOR THE NEXT 1-2 YEARS



(n =562)

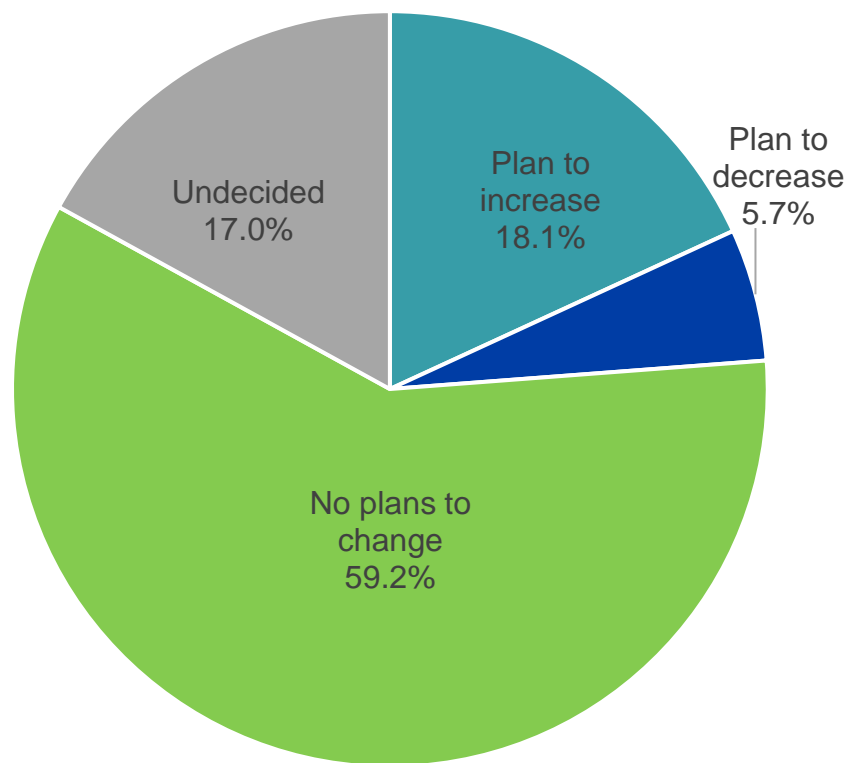
16 | ROTATIONAL STAFF FROM JAPAN FOR THE NEXT ONE OR TWO YEARS

Northern California



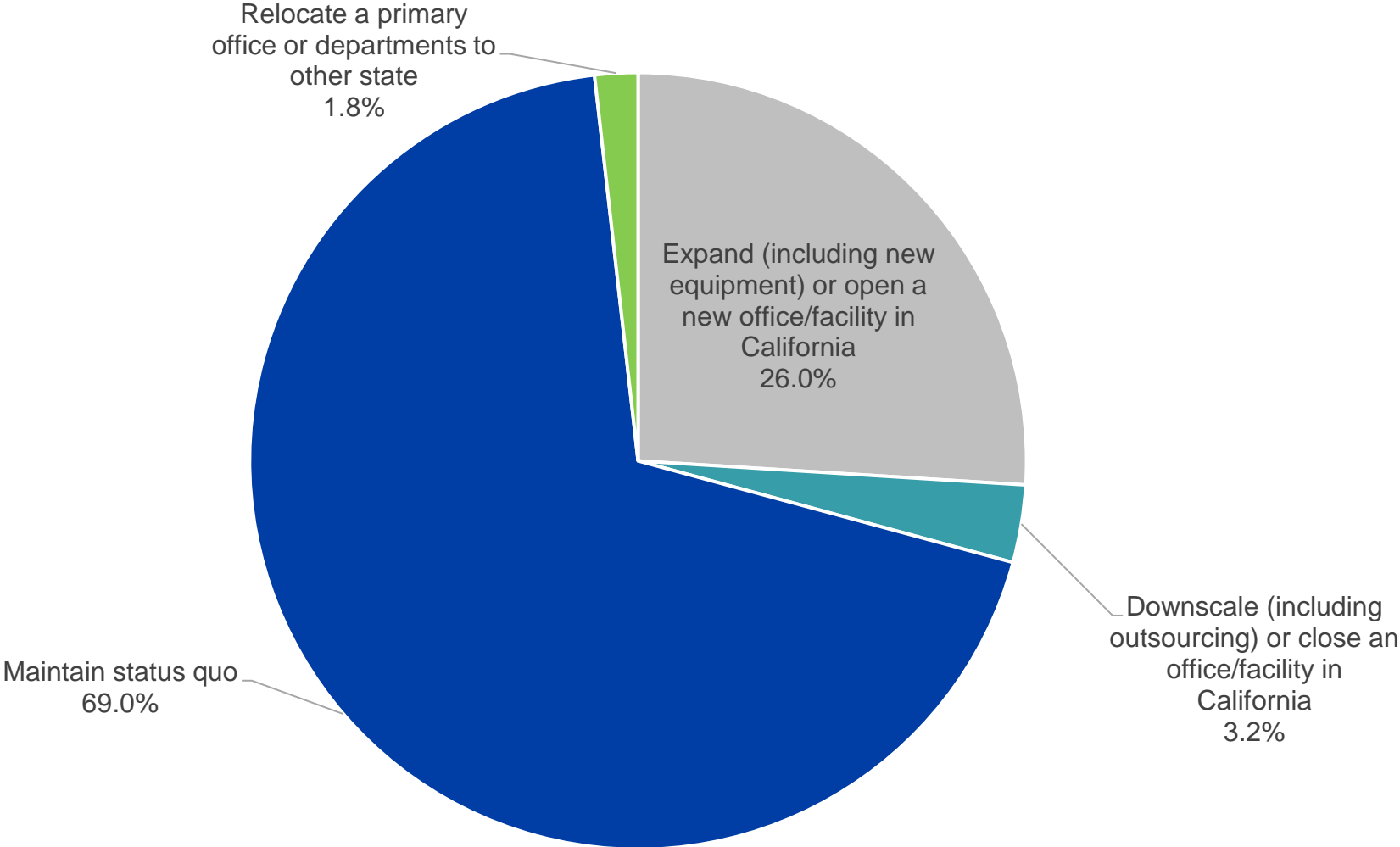
(n=208)

Southern California



(n=353)

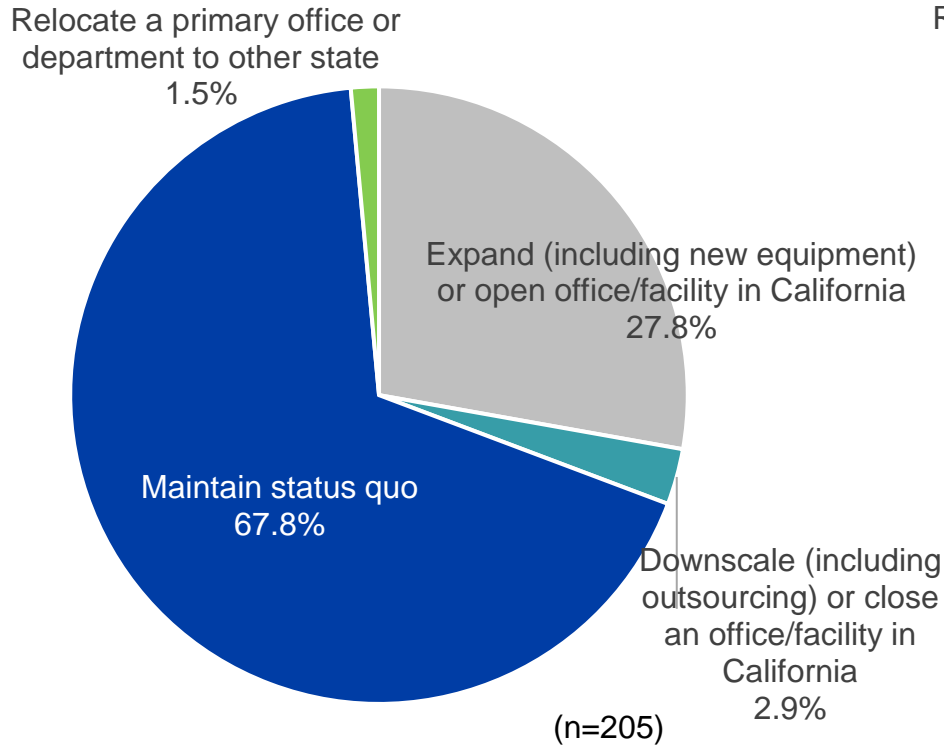
17 | INVESTMENT AND BUSINESS PLANS FOR THE NEXT ONE OR TWO YEARS



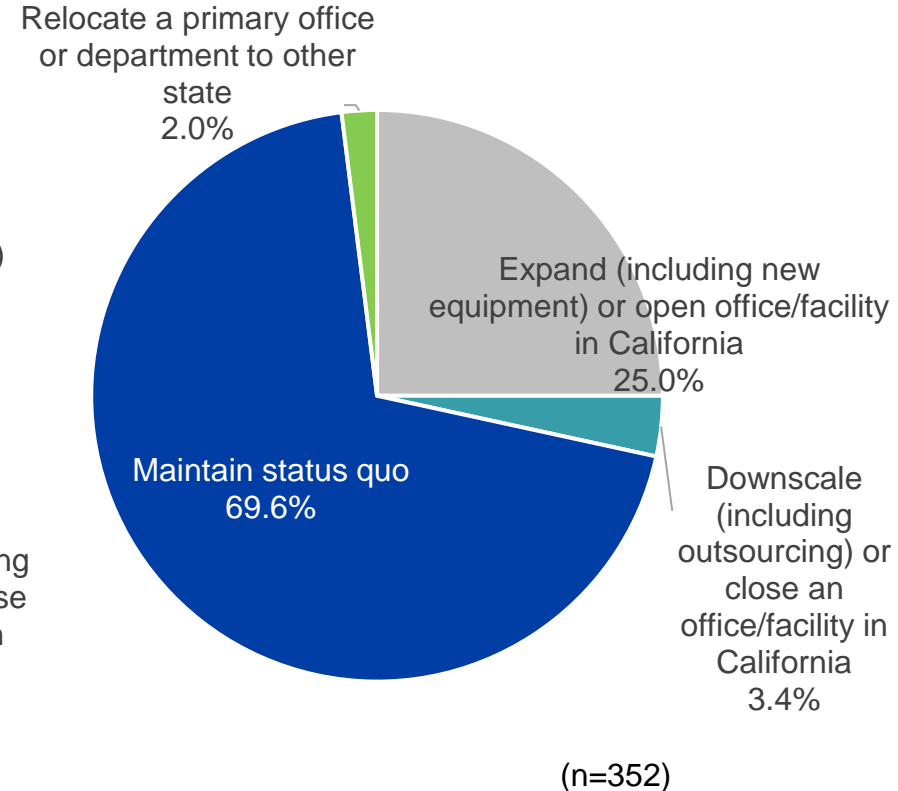
(n =558)

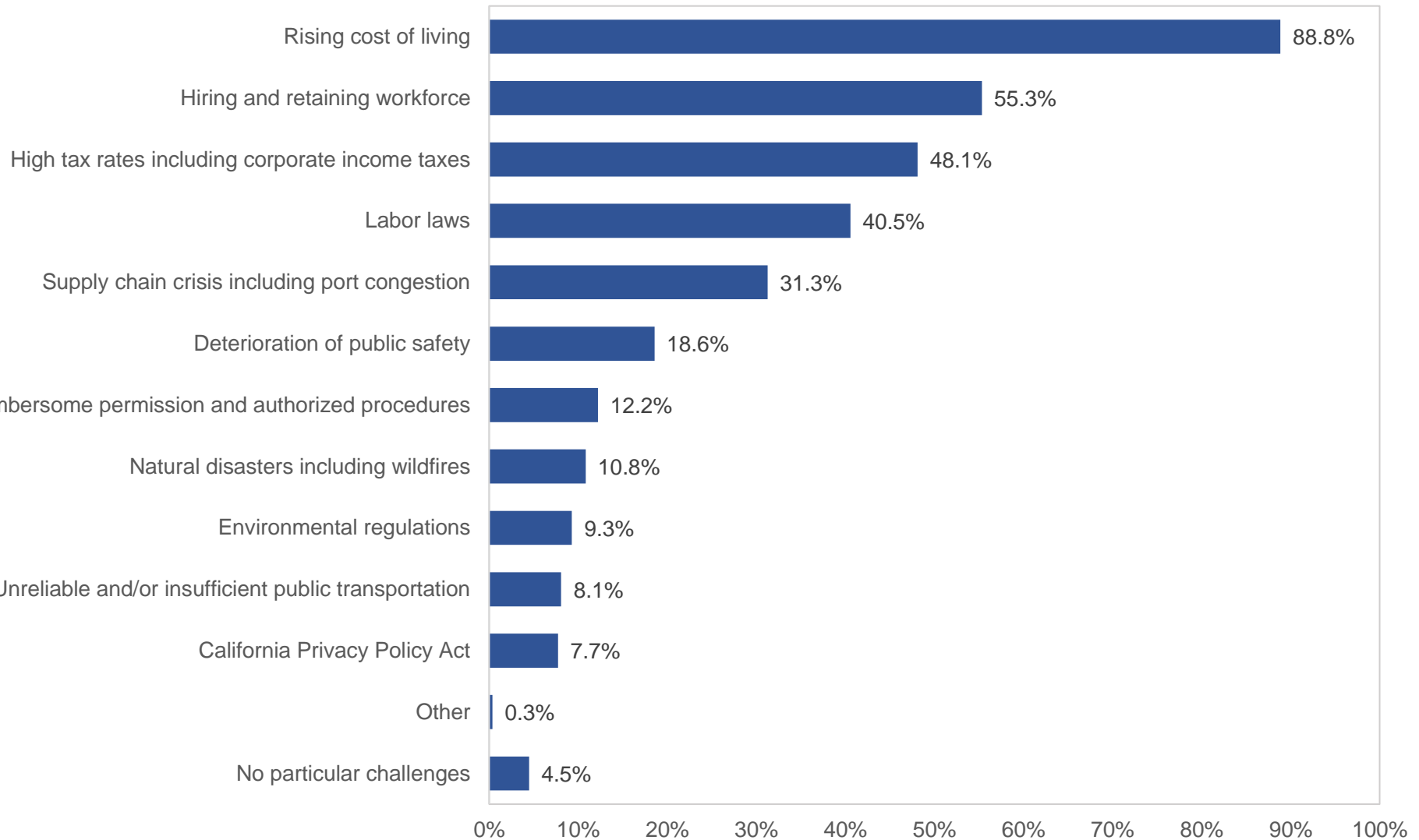
17 | INVESTMENT AND BUSINESS PLANS FOR THE NEXT ONE OR TWO YEARS

Northern California



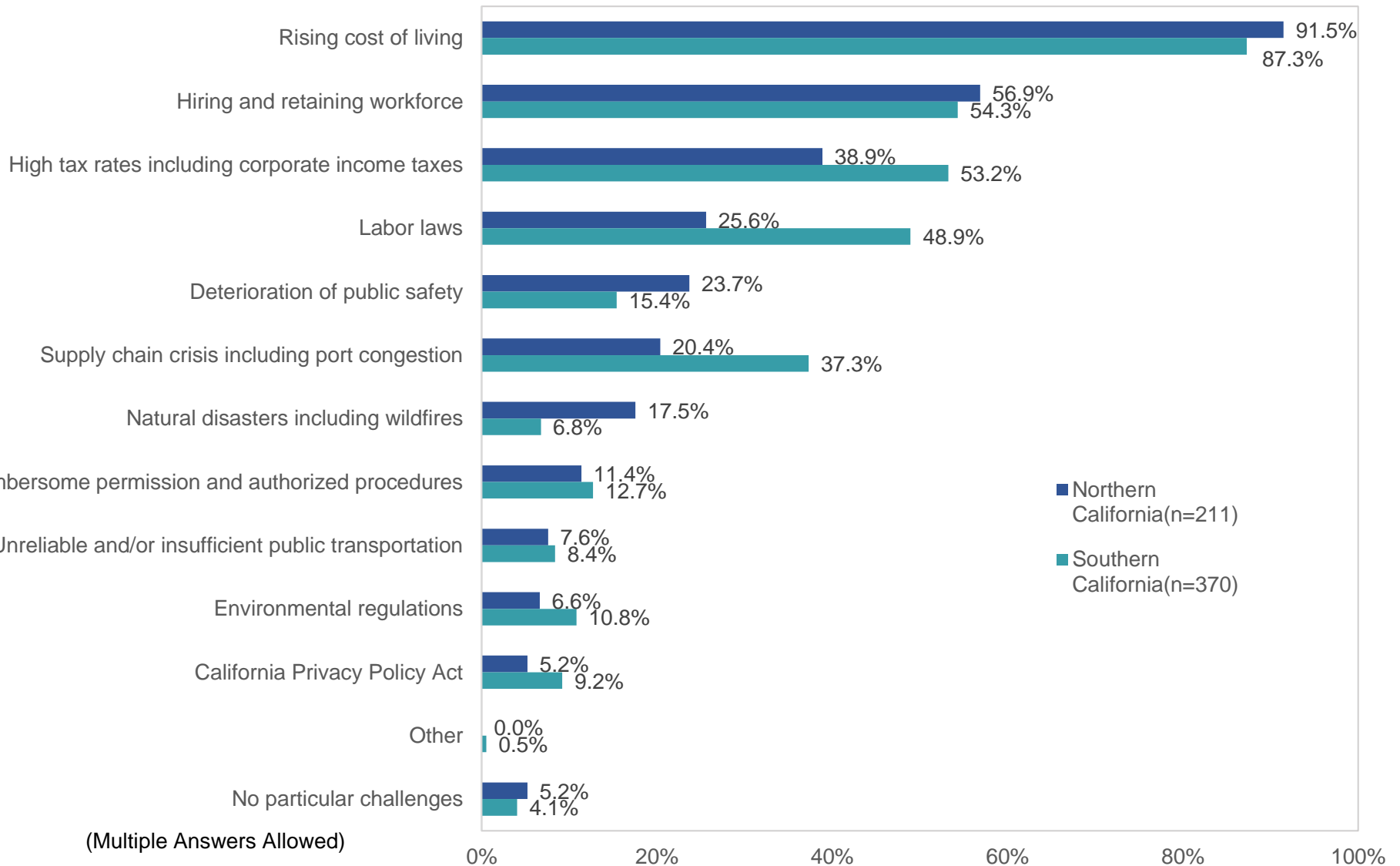
Southern California





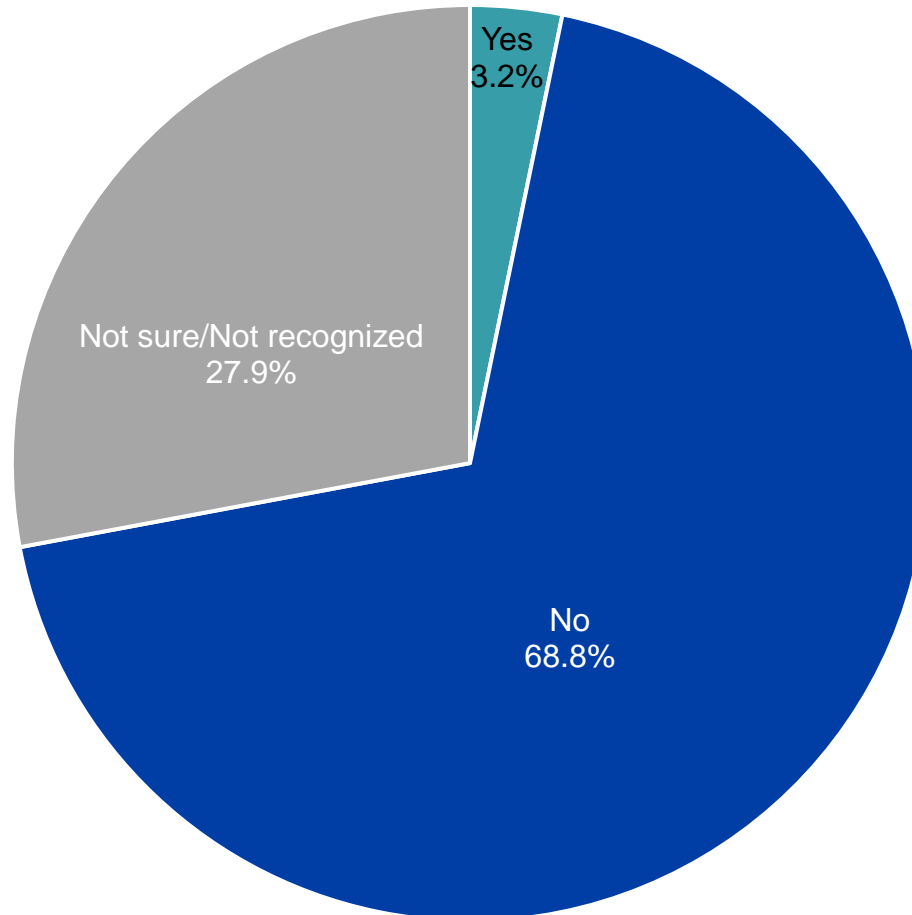
(n =582, Multiple Answers Allowed)

18 | CHALLENGES FOR BUSINESS OPERATIONS IN CALIFORNIA



19

BUSINESS DISADVANTAGES FOR JAPANESE/ASIAN COMPANIES IN CALIFORNIA

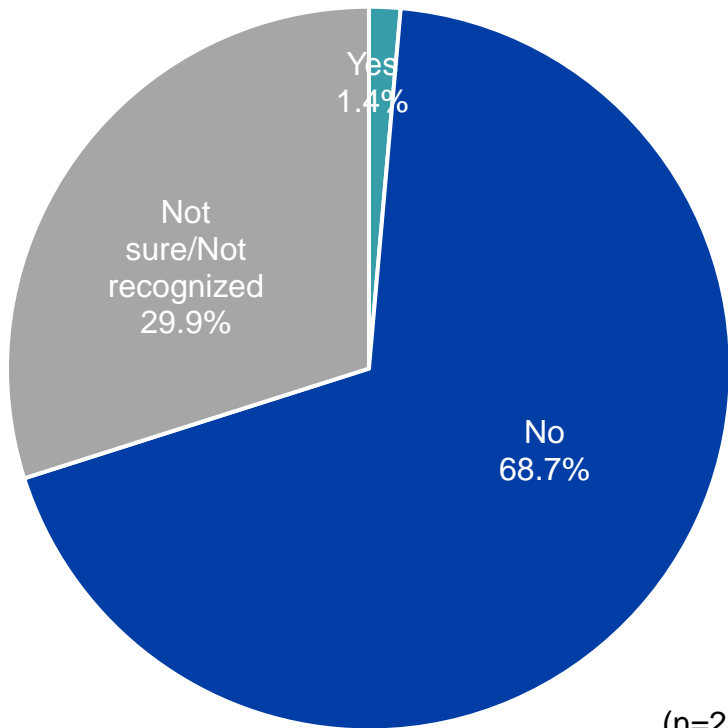


(n = 587)

19

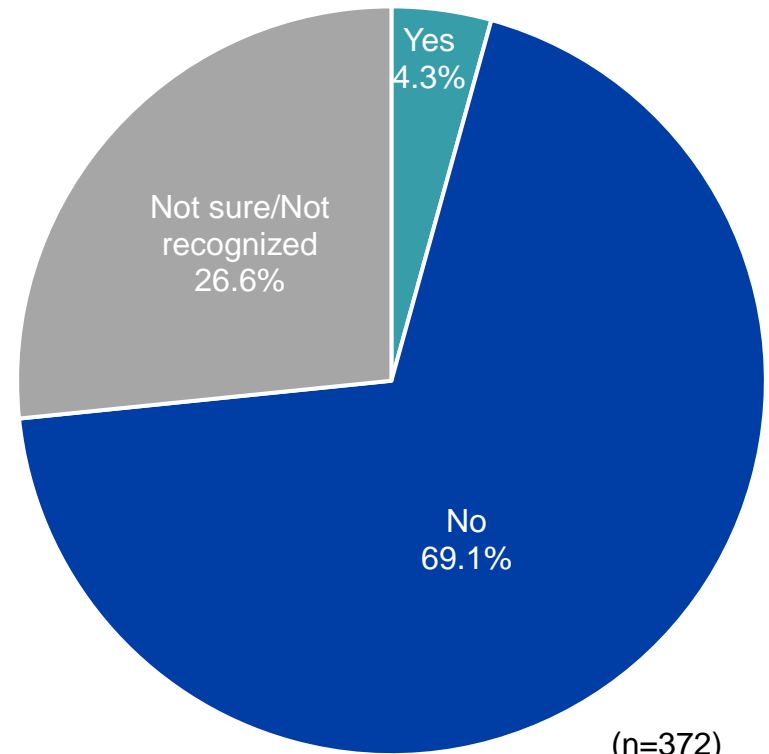
BUSINESS DISADVANTAGES FOR JAPANESE/ASIAN COMPANIES IN CALIFORNIA

Northern California



(n=214)

Southern California



(n=372)

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