Japan’s U.S. Investment Dynamic is published to highlight key facts of the significant and growing economic contributions made by Japanese companies to the United States. Japanese direct investment is on a phenomenal growth trajectory in terms of capital investment, employment, U.S. merchandise exports, and R&D expenditures.

The US Department of Commerce reports that foreign direct investment (FDI) has increased 104% over the past 10 years, and Japan has

39 STATES

[redacted]

A record number of 931,900 Americans

In 2020, Japanese manufacturing companies were the top employers of all foreign investors in 25 U.S. states. In 39 states, Japan’s manufacturing employment ranks as one of the top three foreign investors in U.S. manufacturing.

High concentrations of Japanese production facilities are in the Midwest, Southeast and Western regions of the United States where in fact, Japan is the lead investor.

Japanese companies continue to be the #1 contributors to U.S merchandise exports compared to all U.S. foreign investors.

U.S. Department of Commerce, “Activities of U.S. Affiliates of Foreign Multinational Enterprises (MNEs), U.S. Bureau of Economic Analysis (BEA).”

Characterized by Innovation and Creativity, the U.S. Economy is a R&D Platform for Japanese Companies

For Japanese companies, the United States is more than a market. It is a welcoming environment for open innovation from small and medium enterprises (SMEs), large global companies, university technology licensing offices, and federal government research institutes.

Japanese companies realized that to remain competitive they must accelerate investment in American ingenuity by pursuing research collaborations in the United States. Therefore, Japan’s deployment in the U.S. R&D sector reached a record level of $12 billion in 2020.

Key Findings from JETRO’s 2022 Survey on Business Conditions of U.S. Based Japanese Companies

As direct investment from Japan in the United States has significantly grown, JETRO survey data has become an important business indicator of Japanese companies having an investment presence in the United States. Survey results focusing on Japanese companies’ sentiment on their forward business guidance, investment expansion in the U.S and future procurement of parts and materials have become important topics for us all. The JETRO Survey

Business Trends

Approximately 50% of U.S. Based Japanese Companies are Planning a Business Expansion

Of the 783 Japanese companies who responded to our survey question regarding business expansion within the United States, approximately 50%

Decarbonization Efforts by Japanese companies

Beyond Capital Investment:

Japanese Companies are Focused on Their American Communities

Japanese companies recognize the importance of developing relationship building within their communities, with 86% of them indicating that they have an existing relationship with or have expressed a keen interest in developing a relationship with American community hometowns and with their local governments. Survey respondents indicated they are, “Building relationship through local chambers of commerce and industry.” or “Through participation in local community events, donations, and acceptance of interns.”

Of the 416 JETRO survey respondents from the manufacturing sector; 33% indicated they have a good relationship with their local communities where they have an investment presence and 34.6% indicated that they have an existing relationship within their local community. Additionally, 19.5% of the respondents from Japanese manufacturers indicated an interest in a developing a relationship with their local American community.

JETRO (Japan External Trade Organization) has an active

New York

Chicago

San Francisco

Los Angeles

Atlanta

Houston

Perspectives from
America’s Local
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Digital Investment
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2022 JETRO Survey

JETRO USA Website