



FREQUENTLY ASKED QUESTIONS

GUIDE FOR US BUSINESSES ENTERING THE JAPANESE MARKET

Japan is one of the fastest growing economies and a hub for technology and product innovation. Establishing a business is complicated and the process may require multiple private sectors and practitioners to be involved, even post-incorporation. Tricor has helped over 750 clients set up in Japan. We offer the necessary support US companies need to maintain compliance, and get their operations up and running quickly and smoothly.

Frequently asked questions:

- How long does it take from engagement with a service provider to the first payroll?
- What is the timeline for obtaining a work visa for a foreign employee?
- Has the COVID-19 pandemic made it harder to bring foreign employees into Japan?
- What is the most common business entity type for US technology companies operating in Japan?
- Is Tokyo the most logical place to establish a business entity in Japan, regardless of industry and business function?
- What commonly overlooked differences or requirements often trip up US businesses entering Japan?



How long does it take from engagement with a service provider to the first payroll?

Four to five months. Two for incorporation, one for bank set-up, one for payroll set-up. Add one potential month for unknowns.



What is the timeline for obtaining a work visa for a foreign employee?

Two to four months. Different types of visas can take significantly different times for approval. There is no guaranteed timeline from immigration and they can ask for additional support as they wish to.





Has the COVID-19 pandemic made it harder to bring foreign employees into Japan?

For a while it had. Foreigners were not allowed into Japan for a period of time. As we enter Q2 of 2021, visas are being approved and people with valid work visas are permitted to enter Japan. The process is returning to normal.



Is Tokyo the most logical place to establish a business entity in Japan, regardless of industry and business function?

Almost always, yes. Unless you have a specific customer based located somewhere else that the majority of your business is with, most business entities are set up in Tokyo.



What is the most common business entity type for US technology companies operating in Japan?

GK (Goudou Kaisha) is most common, although KK (Kaboushi Kaisha) is also still fairly common. GK is simpler and more cost effective to operate, but carries less prestige. The KK is considered to be a better option for more traditional industries.



What commonly overlooked differences or requirements often trip up US businesses entering Japan?

Employment is not at-will in Japan. Lifetime employment is the standard, so it is difficult to terminate employees.

Banking is very archaic and slow moving. The online banking websites that are available are difficult to use. Banking fees are high.

Rather than signatures, seals are used for executing corporate documents and processing in-person bank transactions.

The overall timeline for incorporation is longer than in the US. Companies sometimes expect to start an entity with a timeline that is not feasible.





EXPANDING INTO JAPAN WITH TRICOR GROUP

Making that first step into an Asian market is intimidating for most companies but the vast, growing region offers immense rewards for US businesses that can navigate the barriers and capitalize on the burgeoning opportunities. Whether you are a start-up or existing multinational, we provide personalized, scalable solutions to companies both large and small, across all sectors.

Japan is a leading center for innovation and is a highly attractive market for foreign investors. However, it has repeatedly ranked one of the lowest in the world for ease of doing business and there are numerous challenges and potential pitfalls to navigate. Having local help on board from a consulting partner like Tricor Group is essential to the smooth running of an overseas venture. Whether you are looking to set up shop or streamline your current operations, we can help you capitalize on the potential that Japan has to offer.



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OFFICES IN
21 MARKETS



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MULTINATIONALS
TO STARTUPS



2,700+

EMPLOYEES



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OF FORTUNE
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COMPANIES



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CERTIFIED
PROFESSIONALS



2,000+

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