

Yasuyuki Nanbu, President of Pasona Group Inc.

Profile

January 5, 1952 Born in Kobe, Hyogo prefecture

March, 1976 Graduated from Engineering department, Kansai University.

February, 1976 Temporary Center Inc. established one month before graduated from university, grew rapidly with an idea to meet the demand of the times “Introduce necessary human resources at necessary time.” Proposed “Business & Build(B&B) and established several group companies. As a theme of “Solve social problems”, developed domestic and overseas market based on diversified businesses. Succeed in expanding business rapidly.

December, 1985 Focused on educating entrepreneurs. Japan Incubation Capital Investment Union established based on his experiences of “Venture entrepreneur” to educate and support young venture. President of the union, Invested and provided know-how.

October, 1988 Visited the United States for global strategy of Temporary Group Inc.

Immigrated with his family into Connecticut, suburb of New York

January, 1993 C.E.O of Temporary Group

June, 1993 Corporate, Group names changed to Pasona Inc.

January, 1996 Kobe Harbor Circus established with twenty venture companies for industrial reconstruction and employment creation of Kobe damaged by Kobe earthquake. President, Entertainment department store, Kobe Harbor Circus opened on April, 28, 1996

Hobbies: Tennis, oil painting, pottery

His book: “Free worker”, Jitsugyo no Nihon Sha, “Venture-gata Ningen Ga Seikosuru(Venture-type people succeed)”, PHP Publishing, “Seinen Teiogaku(Youth Training for being the top)”, Kanki Publishing, “Kigyoka Seishin De Idomu(Challenge with entrepreneur spirits)”, Japan Productivity Center, “Atama-no-ii Jinzaihaken Kaisya No Katsuyohou(Smart use of Temporary personnel service)” Asuka Publishing, “Tyo Joshiki Power No Tyosen(Challenge Common Sense Power)” Jitsugyo no Nihon Sha, “*Jibunn Wo Ikase!* (Maximize yourself) ” Kodansha Ltd, April 26, 1996

Outline of Pasona Group

***Foundation** February 16, 1976

***Paid-in Capital** ¥495 million

***Sales:** ¥135.5 billion in total of Pasona Joint Venture and the whole group

***Business Activity:**

1. Social contribution business including temporary personnel service, Personnel consulting, Assistant service for overseas travelers and others
2. Cultural creation business, Operation of Entertainment department store, Art produce, Imported Sales and others
3. Social welfare business, Medical care, Employment promotion for the disabled, Child care and others

***Office:** Head offices in Tokyo and Osaka, 93 domestic group companies, 34 overseas branches in 15 countries

***Web site:** <http://www.pasonagroup.co.jp/>

Title: Think about Earthquake Restoration by Business

Try it if I hesitate to do.

Editor: When you heard news of Kobe earthquake, you came back to Kobe, your hometown soon, what did you think about it?

Mr. Nanbu: First, I went back there soon after the earthquake in Jan.20, 1995. While I was looking around all places with a big damage by the earthquake in Kobe and talking with lots of people, I thought very hard about what I could do as a business leader until I started up Kobe Harbor Circus. Of course it was urgent to arrange infrastructure such as housing and road however I found my job was to give people employment as soon as possible.

My first decision was to live in Kobe to make serious efforts to tackle the disaster of Kobe.

I learned various things by myself while I was dealing with Kobe Harbor Circus. What did I learn? I learned how I could accomplish my dream. We made all efforts to accomplish our dream through the Kobe Harbor land. Everybody has his dream. Students, retired people, all people of all ages have each dream. How do we accomplish our dream? For example, we want to go upstairs, but we can't go there without doing any actions. If we decide to go upstairs to have Japanese Botamochi, a rice cake, we will have an idea to go upstairs with a ladder. We can't accomplish the dream if we only think we want to go there. You have to make a decision to eat it to accomplish your dream. All people have their own dream to accomplish it. For example, I want to go abroad to study something in the future or I want to go to graduate school or I want to start a business. All we have to do to accomplish it is to make a decision to do it. I've had my action rule since before, "Try it if I hesitate what to do." We don't have life twice so that I will try it without regret if I hesitate to do. I spent my life like this up to now.

I want to talk about what I could do in Kobe. The earthquake victims encouraged themselves each other to live. Volunteers came to Kobe from all places in Japan and the world to support the victims. Everybody offered contributions to Kobe. Therefore, I thought about what I could do there. I was born and grew up there. Although I live in New York now, I'm one of Kobe citizens or Japanese citizens. I want to help the reconstruction of Kobe. I have a mission to report it to supporter all over the world as soon as possible that Kobe has already reconstructed like that through their help. My friends living in a small country near Philadelphia who called all people in the town to gather their little money from their poor life sent us \$90,000 cents. Americares, American volunteer organization sent us 100 tons of medicines. Northwest Airlines carried them for free and pilots who controlled an airplane and cabin attendants cooperated us as volunteer. The best way to reward their warm heart is to report Kobe has already reconstructed completely. By the way, Japanese government didn't receive such benevolent materials for the regulation. It seems to be something strange. Of course I hesitated to do so many times and worried about many things. However, I made a decision to go to Kobe. If I hesitate to do, I try it soon. This is my belief, that's why I decided to do action.

Postponed building the head office, Focus on the Reconstruction of Kobe

Editor: The place of Kobe Harbor Circus was used by other department store before. Why did you decide to run the department store in this place?

Mr. Nanbu: Total floor space of the site is 43,000 m², 15,000 acreages. This size equals a 7-story building with compressed a 30-story building which has 1652.89 m² of space on each floor.

It's huge space. So I was really worried about it and consulted with various people what to do. However, most of them said, "You don't have to do it. What are you thinking about? Japan is in the recession after bubble economy burst." "The industry of department store was in difficult condition. Seibu department store withdrew its business before the earthquake, let alone to enter department business after the earthquake. You must lose your wits." "Even if there is a good reason, it's difficult to run department store especially in Kobe." However, not me but someone in the business world has to make an effort to create employment which was lost there. Without anyone's help, the whole Japanese economy will be in serious condition including Kobe. Collapse of office building caused us not only to lose the physical places to work but also to lose something to live for which we received through working. So I had to do anything for it.

After the decision, I consulted with many people again. Whenever I asked people, I thought I need to find volunteers and companions first. Because I experienced many times I couldn't do anything alone. Same as this case, when I do this project in Kobe, I need to do it with volunteers and my companions. Suddenly I had an idea, "I have employees working in the Pasona group. Twenty-two years ago, I gathered those people to start business. We have 2,400 employees in our company*1.

I tired to persuade them first and gathered all employees in Kudan Hall, Tokyo. In fact, we had a New Year party in January 5 with all employees and told them to build the head office in Tokyo for the 25th anniversary of our company. The place is near Togo shine where Heihachiro Togo is enshrined. The land space is 3305.78 m². We will have a building of 33057.8 m² in space there. I just told them to do it in front of our two thousands and hundreds of employees. We had completed the design and model. After that, the earthquake happened. So I decided to gather all employees again. I told them there that I had two arrows in my hand, but wanted to fold one of them to make all efforts to do the other arrow. If I move the arrow a little in my hand, I will not put it on the track. If I try to find the best way, I can shoot the arrow at the target, I want to shoot

it to Kobe. I told it to them, I received a big hand from them. They said, “We can build the head office at any time, so we should go to Kobe to create employment for people first. This is our mission.” After that, about 300 volunteer staff members who had the upper level of managerial positions came to Kobe in turn.*2 They started a marketing research and found a place to rent to make Kobe Harbor Circus while doing voluntary works. They gave me a lot of voluntary helps first as a ladder.

*1 The company changed its name from Temporary Center Co., Ltd. to Pasona Co., Ltd, in June, 1993.

*2 “The disaster relief office of Pasona Group” was established to procure and send relief to the earthquake victims or support their employment. It held “Hold on! Kobe. Pasona Work Rescue Fair” on June, 1995 to provide job information.

Entrepreneur to support Kobe Harbor Circus

Mr. Nanbu: It is very difficult to have various attractive stores in the site, about 50,000 m². This time, my companions gave me a lot of helps. First Masayoshi Son, President of Softbank *3 called me to fund us and open a shop. He told me, “You will have an interesting and amazing place than you expected with various stores managed by your friends.” Next, Hideo Sawada, President of HIS*4 said to open the biggest shop in the Kansai area there and gave us funds. Kei Suzuki, President of Sofmap*5 would open a shop and invest money. I called my seniors, too. Ryo Iida, President of Secom*6 would undertake security guard. Takumi Okawa, Chairman of CSK *7 said to join tasks relating to computer. Yoshihiko Miyauchi, President of ORIX*8 said to sell ORIX goods. Hayao Nakayama, President of Sega*9 would open a small Sega world there. In order to make people happy, we had to give smiles or laughs. Therefore, I thought to bring Yoshimoto Kogyo*10 to Kobe and called Sanshi Katsura. I could meet him soon and he came to Kobe at 10:00 pm. I guided him to look around the inside of the building with him having a helmet. “This is a very huge place, Mr. Nanbu.” I remember he said like that. Two months after that, Yoshimoto Kogyo decided to come to Kobe. We decided tenants like that. But I felt something was missing and found we had no place to give children dreaming toys, so I wanted TOYZARUS*11 to come to Kobe. An owner of TOYZARUS is

Hajime Fujita, owner of McDonald*12. When I called him, I was told to go to Tokyo to explain it to him soon. I intended to meet him to talk only for 30 minutes, but I actually talked with him for more than an hour. However, his answer was “No.” he considered opening a shop there but the building of Kobe Harbor Circus couldn’t meet any conditions. The condition was it should open on the ground floor(the first floor). However it was inappropriate in this building. The second is to put a signboard on the building but this building prohibits it. The third is the building should have the height of ceiling above the standard. We couldn’t meet all standards, so I gave it up and went home.

Ten minutes later, he called me in a car, “Are you sure to do business in Kobe? You have to win if you do it in Kobe. And you have to fight regulations of Kobe, so I’ll introduce a strong lawyer to those regulations. If you really want to open a TOYZARUS in Kobe, you should call President in the U.S. directly. I’ll call him, too.” Two days after that, he called me in my office again, “When I called President of TOYZARUS, he wanted to see Kobe directly, so you will guide him by yourself”. Several months later, the President and Vice President came to Kobe from the U.S. The result was that they would open the shop in the middle of July although they wouldn’t make it until April 28, 1996, opening day, they would do it on the third floor, not the ground floor. They still don’t have any signboard there. The ceiling is still low. The condition didn’t meet any of their standards. However, they opened the first out-of-standard store in Kobe. That’s how I decided the main tenants and funds. The amount of each fund was ¥100 million, twenty companions provided it and I paid the rest of ¥2 billion. That’s how Kobe Harbor Circus with ¥4 billions of capital was born.

Corporate Philosophy of Kobe Harbor Circus “Give flowers to the Heart”

Mr. Nanbu: I didn’t intend to come to Kobe in order to open the department store. When I considered the best way to make all efforts to give people a lot of new employments as soon as possible, I made a decision to start running the Kobe Harbor Circus. I could say to be an amateur in the management of department store. I didn’t know difficult things however I knew how I made people happy. I thought very hard about how I would make a store that visitors felt it good to come or come here again. The victims would also come here and contact with people working here. So I would like them to feel that our staff

members were also victims of the earthquake however they work actively like this, so they should do their best with hopes to their future. Therefore, first of all I decided a belief of employees and attitude of staff members in the store. I thought the most important thing was corporate philosophy than how much the sales were. I made the philosophy, “Give flowers to the Heart”.

This is also the basic rule of our action on the backstage. We established a concierge desk to make customers happy which was generally placed in a hotel. I mean to build the place for customers to ask anything in Kobe Harbor Land. It's not a place for floor guidance. When they buy something on each floor, they can receive all things together at the concierge desk. We have various services such as arrangement of baby carriage, porter service to carry luggage they bought to their car and taxi or keep their luggage at the cloakroom and so on.

The locally-based “Hitotsubo shop”

Mr. Nanbu: I had lots of difficulties but could make most of the mainframe of the Harbor Circus. On the other hand, I felt something uncomfortable a little bit. Finally I knew the reason that the victims didn't engage in their same job as they had before the earthquake although we employed many victims. There were many people who wanted to continue to do the same job as they had before the disaster. When I considered how I could give those people business place as before and got an idea of “Hitotsubo shop (“Hitotsubo” means nearly 3.3 m²)”. We gave an opportunity for people who lost their stores to be independent and play active role in the Kobe Harbor Circus. Many of them couldn't rent even “Hitotsubo shop”, so we made them rent a wagon. We didn't have to receive any deposit and management fee but just requested ¥20,000 a month as an expense to use it. They could put many products on the three shelves of lower, middle and upper. However, some people couldn't rent even the wagon. For example, people who drew pictures in front of former residences of early foreign settlers at Kitano and sold them to customers, people who taught piano couldn't teach it to children because they lost their piano or classrooms. I proposed, “Why don't you draw pictures at ¥2,500 or 3,000 a piece for people who make a line in front of restaurant with your paper hanging on your neck? “ Some of them still make a small space on the basement of the Harbor Circus to draw pictures. For

musicians, we made a lot of small places such as exits or entrances of floor on the first or second basement or inside and outside restaurants, in various places to play piano, organ, flute or violin. I proposed that they should play various musical instruments such as piano, organ, flute or violin there. About twenty people still come there in turn to play various musical instruments on Saturday or Sunday. That's how we could make the original atmosphere of the Kobe Harbor Circus gradually. We would establish the citizen-based department store. And people in the Hitotsubo shop, wagon shop and artists gave souls to the department store.

We symbolized it as the original department store and called it "Entertainment Department store with a philosophy of "Give flowers to the Heart".

Mr. Shimoda running Octopus dumpling in the Hitotsubo shop and Mr. Fuji in the restaurant where I always order a bowl of rice topped with chicken and eggs, Oyakodon, I asked them how their business were. They said, "What are you talking about? We had a break for two years, so we have to work hard now. We have to work in no shifts from morning to night." (They never call me President or representative.) They told me like that. I was encouraged by them conversely. They told me to open the store on the next New Year's Day, so I said to hesitate to do it. They told me, "You are doing business, so you have to open it on the day. If you don't do that, you aren't a business person" They said to me like that, so I would open it on the next New Year's Day. Thanks to such people, this Harbor Circus is very busy. I mean my dream is coming true. Two years ago, I walked around the town while thinking about what I do and had to do something as business person. Then I decided to do this Kobe Harbor Circus. After that, employees, friends, seniors, and people in Hitotsubo shop, wagon shops and many artists helped me. All people gave me a ladder to go upstairs. Then I finally could receive Botamochi, "employment." In the Seibu department store, 800 people were working, now 1,500 employees work in this Kobe Harbor land. I did my best to come here, however only increased 1,500 employment. The number of people who lost the place to work exceeded 100,000. I have to make more efforts to increase it. I repeated it several times that everybody regardless of men and women of all ages has his own dream. The only thing to accomplish my dream is to make a decision to do it. I did my best to do various businesses up to now and can say like this while doing business. "Whatever we do to build our life, everything starts with our own dream and romance. This is the start of our life. Everything starts with a dream. Things start with our dream."

Prevent from accomplishing our dream

Editor: It's an ideal to do business with dream and romance, but actually we have a lot of difficulties in reality.

Mr. Nanbu: You're exactly right. There are many things to prevent us from accomplishing our dream, such as insufficient knowledge and funds, the wall of laws and regulations, social and people's disinterests and wrong thought. Such various difficulties give us the wall to prevent accomplishing our dream.

When we face it, we are going to lose our dream step by step. However, we have to hang in there and hold it on to accomplish our dream. In order to do it, we have to keep belief and enthusiasm. They will give us power to overcome the real problem and keep our dream. However, we face a problem to lose the passions and belief. What is that? It is a friction between our companions which will be produced while we meet with them for a half or a year. This causes us to give a lot of mental fatigues resulting that we hesitated to continue to keep our dream. What will we do to giving it up or not? Furthermore, other people give us more complaints or opinions when you are at a loss.

Three Business Domains

Editor: People tend to see business as a result profitably-oriented thing in any countries. Could you tell me what you think about business?

Mr. Nanbu: Our Pasona Group has about 50 domestic and ten overseas companies. We have distinct three domains in our business. We've never done anything inappropriate to that. The three business domains are social contribution, cultural creation and social welfare.

The basic philosophy of the first social contribution business is that we would like to find and solve social problems and potential needs to contribute to our society. Pasona, one of the biggest temporary staff agency, Pasona Elder, temporary staff agency for the elderly,

Personnel Exchange System Organization to support personnel exchange between venture and leading companies, Pasona Global Brain, JIC to support venture business, Pasona Softbank which was born from tie-up with Softbank. These are examples of social contribution business.

The cultural creation is that we solve difficulties of the existing concept or system to prevail cultural arts and overseas valuable products which are difficult to spread to the general people and widely penetrate them into our society to give people wealthy life. Designers Colazione which makes it possible to sell Western famous brands at appropriate price by reviewing complicated distribution route, Pasona A Tempo which makes us closer to classical music, Pasona Cruiser, “A cruiser called Concerto” where we can enjoy live music and meals, Pasona Art Now which totally produces art planning, setting and maintenance. Kobe Harbor Circus is one of the examples.

The third social welfare business is to support people who need social back-up and encourage social activity for the disabled and working mother. Pasona Sunrise which brings out the ability and characteristics of the disabled and helping them join social activity and backup to be independent, Art village Project which develop the ability of the disabled and provide them an opportunity to become independent, Pasona Medical giving medical care, prevention and health maintenance from the viewpoint of positive health, Pasona Foster to cultivate home care helper and Nanbu Foundation to give American students experiences and training in Japanese companies.

Necessary six points to create new business

Mr. Nanbu: We would like to aggressively challenge such business relating to the three domains however we can't do everything. Therefore I made the standard, “Six points for creating new business” to choose the best proposals among several new businesses. We call this B&B spirit. (It means to build business.)

1. Always have a playful spirit.
2. Don't be afraid of failure.
3. Never think there is only one answer.
4. Get rid of the habit of thinking by the rules.

5. Don't be afraid being criticized for not being realistic.
6. Don't expect to clear cut logical answers rather look for that which is vague and ambiguous.

I reject anything that doesn't meet the above six standards even if it's expected to be highly profitable. On the other hand, even if it isn't expected to be highly profitable for a short term but if it meets the standard at the highest level, we'll do it. Many of our businesses make high profits. However when you thought about social situation, various regulations, people's recognition at the time of startup of our business, we didn't have any business that were guaranteed to be profitable.

Something that belongs to three domains and clarifies six standards is established as business like now. Someone say we aim at doing business such as public business or something that makes no profits. We actually have such tendency in the Pasona Group. For example, Pasonet a private unemployment office is the typical example, which gives services as substitute for public unemployment office. It aims at securing employment for the victims. We visit each company to gather employment information and provide it through the Internet. Of course, we update the data every day and give applicant various advice and tryout for free. We will receive charges for assistance from company if the applicant decides his job. The office closes at eight at night and is very helpful for the victims. The first office is located in the Kobe Harbor Circus when people come to the place, they can visit the office.

Fight with Regulation

Editor: In the process to do business, you fought with many regulations and overcame various problems with your enthusiasm and belief. What do you think of it?

Mr. Nanbu: I'm very surprised to know how many people in the world think that people only work with desires and profits. I'm so disappointed to know it. In order to do the voluntary reconstruction project, I made various proposals to government or autonomy, but they said "Why can't we regard you as a good citizen?" If you a person who runs a stock company come to us and want to do voluntary work, who can't believe you?

I've ever discussed with them many times because we temporary staff agency do licensing business however we have experienced getting in over my head many times. We can't overcome them with enthusiasm and belief, but finally have to play our last card of mission to clarify all difficulties. All things start with dream, keep it with enthusiasm and belief and complete it with a sense of mission. My mission as a citizen of Kobe and Japan is to report the reconstruction of Kobe as soon as possible to all people who offered us contributions and came to Kobe from all places from Japan and the world as volunteers.

Is it strange to think that all corporate activities are done only for making profits? We involve in voluntary activity as a volunteer. Numerous companies involve in philanthropic activity. If we are different from those companies, we are challenging unconventional business of social contribution, cultural creation and social welfare which are thought as inappropriate to business.

Start as entrepreneur

Editor: When you look back on your experience, could you talk about your careers as an entrepreneur?

Mr. Nanbu: After graduating from university, first I started to think about what I should do. Do you know a TV program, "Doteraiyatsu"? In fact, I received notice of an informal decision from a firm in Osaka which became a model of this TV program however an incident caused me to lose my interest to this company.

I became more successful in running a cram school, Osaka Study Gakuin(YBS) than I expected, which I started in my school days. When I was 4th grade, I had 400 students there however I didn't intend to be a school head. At that time, I was thinking that mothers of those students didn't have any chance to make active use of their various abilities. Meanwhile, companies promoted personal reduction due to the recession of oil crisis. There are not enough human resources who can do necessary jobs at necessary time. Therefore I decided to start business to dissolve such mismatch, temporary work business. It was February, 1976, the time close to graduation from university. I founded a company of Temporary center. I went to leading companies to ask their respective needs

and introduced people with necessary ability to them. At that time, many companies need people who are Japanese typist or can delivery telex. There are also much needs of temporary work on certain time and weekends such as invoice arrangement at department store.

I rent a small office of about 26.44.m² at Minamimorimachi in Osaka, but I didn't have any money to pay a rent and deposit. An owner of the building said, "You are a student and have difficulty in managing for money, so you can pay me if you are successful." I could pay a deposit if I became successful. I remember to pay the rent four or five months after I rent it. After I did this business for three years, I wanted to go to Tokyo and do business as a lone wolf there. In fact, I've never been to Tokyo before. I was born and grew up in Kobe at Maiko, Tarumi district. I went to Mikage at Higashinada when I was a high school student. I went to Shinshu for school trip. I didn't know any places in Japan except for this area. When I went to Tokyo, I was really surprised to see a big forest in a big urban city. I knew it was Imperial Palace a while after going to Tokyo. I moved to Tokyo without knowing anything.

Go to Tokyo and the world

Mr. Nanbu: I chartered two two-ton trucks to go to Tokyo. Of course I didn't have any money to buy new desks, so I bought old chairs, desk and furniture in Shinsaibashi, Osaka however I didn't know where I should start business and didn't have locality and geography.

Therefore, I got a hint from a TV program, Mitokomon and Zenigataheiji. Mitokomon gives us a result soon. Zenigataheiji doesn't lose any money even if he continues to throw it away. Those programs were so lucky that I continued to watch them. I decided an office to rent soon. The place remembered in connection with Zenigataheiji was Hachobori. The space still had 26.44.m² which meant to be prosperous. "Tokyo was so big, why did so many people live here? What were they doing?" Such questions, dreams and hopes filled my heart. I remember I lived there and made an effort to do the business for about ten years until I was 35 years old. When I looked back on my life while I was doing business, "I've already 35 years old." I couldn't do like that. I wanted to stand on the world stage. If I go anywhere, I want to go to New York, one of the biggest cities in the world. So I

decided to go there with my wife and two children and lived in Connecticut located in the North about an hour away from New York.

If I live in the U.S, I want to live in New York. Global information is there, entrepreneur and everybody come to New York. At that time, all of my friends said, “America was over. It’s time of Southeast Asia, the time of Tokyo.” However, I said “I go to New York. New York had a lot of dreams. I’ll go there for dream.” About one and a half months after I decided to do it, I lived there.

When I lived in Tokyo, I lived in a apartment with the space of 89.25 m² at Minamiaoyama. I sold it to buy a land in Connecticut, the space was 26,400 m² has 20 rooms, a pool with 20 m in length and two horses. This price was the same as an apartment at Minamiaoyama. It was said that Japanese became rich. However, when I faced the reality, I felt Japanese only saw a pie in the sky and didn’t have it. I lived in New York for about eight years and had the third daughter there.

I did everything with a belief that I will try it if I hesitated to do. If I have hesitation, I absolutely try it. Even if my head or forehead becomes shiny, it’s still not enough for me. If my sole becomes bright, I can get my originality. A man of Nanbu would rather think on the sole or think with the whole body than in my head or on my forehead. My sole can play a role by itself without saying anything. It was my policy. Therefore when I started the business at the age of 22, when I went to Tokyo at the age of 25 and went to New York at the age of 35, I had various hesitations. Whenever I hesitated, I made a decision to do it, that’s why I’m what I am. Same as the previous turning point of my life, I made a decision again when I saw the disaster area with my own eyes.

Future stage of reconstruction

Editor: It was more than two and a half years since Kobe earthquake happened. It was more than a year since the Kobe Harbor Circus opened. What do you think of how the reconstruction is going?

Mr. Nanbu: I was in Milan for business, Jan.17 this year. I read various newspaper and magazines all over the world. I watched TV, too. Because I wanted to know how the world saw the earthquake. I found an article about Kobe among one of the newspaper called

“Herald Tribune”. I found it on the front page. It was really great to place the article on the front page of this newspaper. This said, “Kobe in Ruins” I was so surprised to see it. It said, “The arrangement of infrastructure completed perfectly(I doubted it was true),the highway was established last August, however, hundreds of thousands people still live in temporary housing in Kobe, (actually tens of thousands), hundreds of thousands of people were unemployed, several tens of thousands of people went away from Kobe.” It’s true that we hadn’t given those people mental cares yet. Kobe was reconstructed enough however the real reconstruction will come to the crucial stage. That’s why the newspaper said, “Kobe in Ruins” I recognized that was one way to looking at Kobe and I should take it seriously. Some people still live in temporary housing. What should we do for them? Until next year or this year, we will have various ideas, but we business people have many things to do with government. The future activities will be a turning point of how to reconstruct Kobe.

The other day, I said to a Minister who came to Kobe, “We should do various things for Kobe.” He said, “Mr. Nanbu, if you do more for Kobe, you will come to treat it specially.” When I heard about it, I said, “I don’t think so, although you say to treat Kobe specially, many people clearly remember how Kobe was before the disaster happened in their hometown. If you don’t reconstruct it completely, people don’t trust the politics.”

I had the same kind of story on business, so I’ll talk about it. The price of overseas cosmetics was very expensive in Japan. I wanted to sell them at appropriate price. I decided to sell the same price as that of France, Italy and U.S.A and persuaded our employees to buy them first. However, it was very difficult to do it because of the issue of regulation. Since I made a decision to do it, I had to do it even if I have difficulties. That’s me, Nanbu. Therefore, I rent the best place in front of Matsuzakaya at Ginza and announced that we started to sell overseas cosmetics there. Newspaper, TV and many mass media picked us up. The Nikkei Newspapers wrote on the general news page, “Pasona Discounts Cosmetics.” ASAHI Newspapers said, “Regulation Change”. There were pros and cons. At the news conference, I was told various things but I said, “I’ll talk about why I started to do this business. Have you seen many Japanese who made a line in front of the boutiques in France, Italy and Milan? Don’t you think it’s shameful? It’s valuable for us to do this business in Ginza.”

There are various regulations to sell overseas cosmetics in Japan. However, the Japanese custom doesn’t confiscate any cosmetics when we went abroad and brought them back. We can use it appropriately. For selling overseas cosmetics in Japan, there are strange

regulations including resale system, a Minister in charge said, “Mr. Nanbu, you know a word of “Wrong regulation is one of the laws.” I said, “Can you say like that? The government should play a role of changing evil into good for people. I can’t understand you, representative of people say such a thing.” What will I have if I lose the spirits of challenge? I have nothing left, Yasuyuki Nanbu. “Try it if I hesitate to do.” I’m still thinking about like that.

The other day, Mr. Son, President of Softbank told me he would make it without hesitation. He said like that. I thought a genius must be something different. He would make it without hesitation. I would try it if I have hesitation. There is much difference between them. We laughed it to hear that. We had different levels however the both made each policy to tackle each issue.

Revive people’s heart

Editor: How will you tackle the challenge for the reconstruction of Kobe?

Mr. Nanbu: We announced a plan “Kobe 555”. We will tackle five new businesses every year to create employment for 50, 000 people until January in 2001. If I have hesitation, first I’ll announce it, and then accomplish the dream. One of the 555 businesses is private employment office. People think public unemployment office is a difficult place to go and receive employment insurance, has no people in charge of sales and doesn’t create employment. In addition to that, it closes at 5:00pm and takes two days off on Saturday and Sunday. It has various problems like this. Then I decided to solve all problems. We opened “Pasona Net”, a private unemployment office on the first anniversary of Kobe Harbor Circus.” We will open the Second branch on the intersection of Sannomiya Kanocho, the third in Nagata district and the fourth in Ashiya without an unemployment office.

We make aggressive efforts to focus on cultural history of Kobe. Kobe is the birthplace of many things in Japan such as Jazz, film, golf and cake. Kobe was a window to prevail many things in Japan. Such connection gave me an idea to create Kobe original musical. I think to create more and more mini theaters in various places of Kobe such as many

vacant places, small coffee shops in various places.

Musicians play music in various places of Kobe and citizen or visitors to Kobe listen to them. I mean I thought whether I could make the whole of Kobe become a theme park. There are various theme parks such as Disneyland, Spain village and Huis Ten Bosch. There is no place that the whole town is a theme park. I decided to create musical suitable for such town. When I deal with business first, I try to make an announcement to know it everybody. If I do so, I will have various issues such as funds however I will overcome such various issues with enthusiasm, belief and mission. I'm not sure what level I can reach. There are many pros and cons for that. We don't rely on the government but cooperate to create waves of the whole society with everybody to accomplish our dream. Business people lead to create it with all citizens. If we only do this, I'm sure Kobe will be greatly reconstructed.

I'm going to Hong-Kong and Shanghai tomorrow, my Japanese friends, seniors and Japanese companies offered contributions to Kobe however they were still not enough. If I can't get money from Japan, I can do it all over the world. I'm looking for companies which invest Hong Kong dollars to Kobe. I wrote a letter to lots of consulting companies in the world and received many ideas from them. Tomorrow I'm going to meet President of Bank of Shanghai and executives of the financial group in turn to request them that they would invest money in Kobe post-quake project. After staying for a week in Hong-Kong, I'm going to Italy, France, U.K., to meet my companions, seniors, and various people there for the investment. I'm also going to the U.S. to request it.

Two days before Hong-Kong's return to China on June 29, Prince Charles brought a cruiser to Hong-Kong, we will have a party with 100 business people of the world on a cruiser. Mr. Son, Mr. Sawada and I will join there to have a little speech of the Kobe project. I don't know who will come to the party, but I'll try to do whatever I can do.

I think an idea to create a virtual electronic city in Kobe will be excellent. We are thinking whether we can establish a cyber city state. We don't know the result without trying it. We must not be afraid of it. We have to fight if we have to. This is also my policy. We should do it if we have to. Someone makes a complaint or criticize. However that is said or done by people who have no qualification. People who can be allowed to criticize or complain are ones who have successful result or decide to try it from now. Whatever people without such qualification say, it is meaningless. It doesn't make sense for us to listen to their opinions. I am allowed to say like this because I made it.

What is abundance?

Mr. Nanbu: Whenever I think about wealthy country, local area and rich companies, I consider what abundance is. In case of companies, they may have various things such as trillions of sales, 10 billions of profits, goodwill and histories however they are not the essence of wealthy companies. The genuine future wealthy company has challenged a social mission with enjoyable, warm working environment. The time that they relied on goodwill and the sales has been already over. The same things are said in the local areas. It is an ideal to create a town where everybody can have wealthy and enjoyable life. The government should focus on establishing the minimum rule and system for that. Now I live in the place very close to the intersection of Kano town. It is a big intersection however the only way to get across the street is to cross a pedestrian bridge. Why? Even women with holding a baby or young people with luggage as well as aging people and the disabled have to cross a bridge to get across the street. There is no other way to do it. It would rather be strange unless we think it strange. If we experience a life with a wheel chair for a day, we'll know it. In the U.S., school gives students opportunities to experience such thing for a day and makes them report where is inconvenient in the town. They know how inconvenient the life with a wheel chair is in our society (even in the U.S.). If we find anything wrong, we can fix it. It's really strange why we can't do such a simple thing. This is only an example. The town of Kobe collapsed once due to the earthquake, so it is considerably easier than other cities to make it barrier free. We have to start challenging such thing.

Not think tank but Do tank

Editor: As the representative of Pasona group as well as of the post-quake project, you have many opportunities to go on a business trip. I may change a topic a little bit. How do you use your own time effectively?

Mr. Nanbu: I have numerous things that I want to do, so I always fight with time. I

decided to divide a day into four groups. For one-quarter of 24 hours a day, six hours, I sleep very well for being healthy. The next six hours is used for input. I walk around on my feet to meet various people and try to get much information. The third is for output. I use this time to convey my thought to various people. I want employees to know what I'm thinking about. Therefore, I have a monthly meeting with employees in Tokyo, Osaka and Nagoya.

I always tell everybody in the meeting "I want to do it", such as the issue of Kobe, problems throughout Japan or what I want to do in the future through the Pasona Group. I always tell them to all employees. I wrote my message for customers and put it on the monthly advertisement of Kobe Harbor Circus. When I was asked to have a lecture by outside institutions, I'll try to do it as much as possible to communicate with participants.

The last one-quarter, I call it "Do tank" not "Think tank" is used for doing something for myself, having a party with my friend, playing tennis and swimming I use it like that. I do ceramic pottery twice a month. When my customer comes to my house, I put beer in my handmade glass and have them had hand-made salad in my hand-made bowl. I have such six hours. Then I want to draw a picture on all walls of coffee shop of the first basement of Kobe Harbor land during Do tank time. When I started to divide a day into four groups, I could live active life.

Editor: Thank you very much. Please make all efforts to reconstruct Kobe.

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[From editor]

What will we imagine with a word of "In Ruins"? It may be burned housing, collapsed

highway and many people's lost life soon after the earthquake. It was more than two and a half years since Kobe earthquake happened. Their daily life came back. We can use trains, cars and have plenty of food however, is it true? The area between Osaka and Kobe is called "Hanshin" has the original sound for people living in Kansai. All people think they want to live there once. However, I think the day is coming that the word will disappear little by little. The town lost employment for no less than 100,000 people suddenly. It looks like peaceful, but this is ruin.

The infrastructure has been arranged rapidly, voluntary activities has increased more and more and established in their daily life. However, something is still missing. It is industrial promotion and employment.

A man of Yasuyuki Nanbu born in Kobe is going to create employment for 50,000 people alone with many people's support. If there is another Nanbu, he will create employment lost in Kobe. However, is it correct? Are we satisfied with the situation? Can we only rely on a few leaders to reconstruct Kobe? How many business people seriously tackle the simple and clear issue to create new employment? I'm afraid that many business people think corporate activities and the post-quake projects are incompatible. First, if they secure their profitability, they can't do the activity. Most of them must think like that. However, I feel more people should try to keep these two issues like Mr. Nanbu. He applies his previous experiences there with which he became highly profitable in many projects inappropriate to business.

He thinks that he has a duty of reporting it to the world as soon as possible, "Kobe strongly reconstructed like this." All victims also think so. But if they just think of it, they don't have any future. Mr. Nanbu fights alone. Everybody, think and do actions together. We just go back to the basics that corporate energies will create energies of the town. I would like not alone, not ten but 100 people or more and more people to tackle the reconstruction through corporate activities, which results in giving energies to people who indirectly involve in corporate activities. "Hold on Kobe!"