

Darla Moore School of Business
University of South Carolina

Full-Time **MBA Programs**

International MBA • Accelerated MBA



Project Profile:
Jonathan Twiford

IMBA Class of 2010
Company: Yagami
Location: Nagoya Japan



UNIVERSITY OF
SOUTH CAROLINA
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Journal Entry #4

August 2009



This is the final week of my five month long internship at Yagami. The internship was a lot of fun, and I enjoyed being introduced to the Japanese way of conducting business.

In July, I was able to select the division that I thought was the most interesting for research. I chose to go to a branch office because I could study transactional sales again. For me, being able to watch customer and buyer interactions in Japan is fascinating and I also previously made many friends at the

branch office. Since I chose to go to the branch office, everyone really opened up to me and told me many things about the company that I did not know before. Most of the information I learned was about the company's competitive position in the region and some of the challenges that the business is currently facing.

The last week at the office the branch manager threw a going away party for me at his house. It was very interesting to see how managers live here! Back at USC I remember reading how Japanese employees are typically compensated less than their European and American counter parts. This may indeed be true, but Japanese employees also get many perks that we may not receive in the US. For instance, medical insurance here is generally free for employees; typically a company car is given as well. Transportation to and from work is typically reimbursed by the company, and job security does exist here. If company's fall on hard times, they may reduce workers salaries but they typically do not fire the employees. I found this to be a very fascinating thing to see first hand.

Since this is the last month in Japan, I was actually quite busy meeting friends and family on the weekends. My wife and I went to Oita prefecture in Kyushu for a weekend with her family. The landscape in Kyushu is breath taking, and there are small micro climates there. For instance, by the ocean it may be close to 90 degrees, but if one drives or hikes to the top of one of the nearby mountains the temperature drops to a cozy 70 degrees. We also went to some out of the way tourist's sites. My father in law wanted to go spelunking and that was indeed an interesting experience!

Last weekend, a few friends and I went to a Japanese onsen for a weekend. An onsen is a hot springs that people enter to relax. The onsen that we went to was fairly inexpensive but very beautiful. The service and the food that weekend was excellent.

In conclusion the internship and Japanese language training was a life changing experience for me. I would definitely recommend the Japanese track to anyone. As Sakakibara sensei says it is indeed a “Super” Track.

Journal Entry #3

July 2009

This month at Yagami, I was assigned to the three departments that all sell home health products, therapy products, and products for sports clubs.

During the first two weeks, the time was spent with the ladies at Yagami Home Health Center. It was unbelievable to me that I was the only male in the department. Everyday we went to visit patients in hospitals who were requesting home health medical products to make their stays more enjoyable and comfortable. Frequently we went to the customer’s homes and delivered products. The extremely elder frequently request sales women to come to their homes and consult them on having wheelchair ramps, and other fixture mounted mobility assisted devices. The experience was very interesting because the culture of selling in Japan is very fascinating.

After the two weeks with the Home Health Group, I went to the Health Development group. In this group, the sales staff travels to Universities, High Schools, Sports Clubs, and Public Wellness facilities and they sell and repair exercise equipment. Since sports clubs and gyms in Japan are spaced far apart, this group spends much of their time on the road. Yagami also services professional sporting teams in Japan and delivers products to the teams trainers. Fortunately, I was able to see some of the Olympic training facilities in Japan and actually met some famous Japanese ice skaters!

This past week, I was with the group that sells assisted breathing equipment. The group services hospitals, clinics, long term care facilities, and they also deliver products to individual’s houses. It was a good experience and I made several good friends with the group.

Besides work, my wife came down to Nagoya for a couple weekends and we went on a few local day trips to some places of interest. Also, the staff at the company had a couple parties on Friday evenings and invited me to attend. The parties were interesting because the subject matter of the conversations was very different than the discussions at the office. Everyone just wanted to relax and talk lightly about their jobs and about their plans for the coming weekend. A friend and I went to a local baseball game and it was very enjoyable. The game is the same, but the Japanese style is much more organized and respectful than things are back at home!

Journal Entry #2

June 2009

This is the beginning of the fourth month of the internship at Yagami. Things have been very busy at the office lately. This month, the swine influenza epidemic has been going around the globe and has increased our operations considerably. Of course this has come at a cost in terms of time spent on the job for the staff, and we have had cases where there just were not enough items on the shelf to meet all the demands of our customers.

So, it has been a great learning experience! I have been able to witness how customer issues are dealt with in Japan and how to say “no” in a very indirect manner. This may seem trivial to some folks, but in fact business here is done extremely differently than in the US. Briefly, I will expand on this.



The most important thing to consider in Japan when it comes to sales is the fact that the buyer here is always stronger than the seller. In the U.S. we say, “The customer is always right” or “The customer is first.” But in Japan they say, お客様は神様です.“The Customer is a god.” So, one has to be extremely careful how customers are approached. Also since communication here is done in an indirect manner, having long term relationships with customers is critical. Developing a relationship with a customer is not an easy task, and this in itself causes distribution networks to be very layered throughout the nation. A good skill to have here is “reading between the lines” of a conversation as most customers will leave some important things left unsaid. Sometimes, one visit to an office is not enough to resolve an issue. Occasionally, one may have to visit a customer over 4 to 5 times just to get a point across. This may all seem to be very slow and tedious, but once a course of action is determined then all parties involved immediately expedite the actions required to make a transaction move forward. Also, payment here is typically very fast. There rarely are any cases of credit sales. This is all extremely different than the U.S., and of course the process is fascinating.

Back at USC we studied this, but *it is very different experiencing these events firsthand!* The class in International Management with Professor Tatiana Kostova has proven to be extremely valuable during the internship.



This month the office staff showed me over their areas of responsibility and took me with them to several meetings where manufacturers were trying to move new products into the country. Also, we spent a lot of time at the prefecture's main emergency hospital.

At the hospital, the company is allowed to restock all the consumable supplies onsite. The hospital's allow companies to regularly supply the hospitals

because of the cost of land is expensive in Japan. The company essentially pays the holding costs of inventory for the hospital through the margins built into the products. Also, hospitals typically tend to rent surgical equipment rather than purchase it because in many cases this is less expensive than purchasing entire surgical units.

Another interesting fact that I discovered this month was about the legal system of Japan. Unlike the U.S., there are hardly any medical malpractice lawsuits in the country. Recently, the legal system here is changing to a lay jury system. It will be interesting to see how these legal reforms affect the nation in the near future.

For fun this month, I went on some biking trips around the prefecture on the weekends and went to Tokyo to visit some friends. We had an office party this month where everyone blew off some stress by having a couple of drinks and singing some karaoke. It was very enjoyable. The weather has been increasingly getting warmer and humid, but all in all it is still fairly pleasant here in Nagoya.

Next month it is back to Headquarters to work in the Home Health Department and then off to the Warehouse!

Journal Entry #1

May 2009

My name is Jonathan Twiford and I am a prospective 2010 IMBA graduate of the Moore School of Business in the Japanese language track. Since March I have been working an internship with Yagami Limited in Nagoya Japan. In this first entry I would like to introduce you to the Japanese track and the internship.

First, let me introduce myself. Before coming to the Moore School of Business I worked in the Maritime Industry as a contract engineer, and



as a Merchant Marine Officer. The reason for choosing the Moore School of Business and the Japanese track is both personal and professional. My wife is a Japanese citizen. So, together we decided that in order to enrich our personal and professional lives the Moore School experience would be right for us. The program's reputation is impeccable, and the ability to come to Japan and study Japanese for 18 months cannot be found at any other MBA program that I am aware of. These facts, combined with a long internship in country led us to our decision.

Japanese track students attend Waseda University in Tokyo Japan. The time at Waseda was very valuable because of the connections the University has in Japan, and due to the many wonderful language instructors there. Besides getting to spend a majority of the time in one of the world's largest cities and enjoy all the aspects of life there, studying Japanese was truly challenging and enjoyable. While attending Waseda University I made many new friends who introduced me to aspects of the Japanese culture that I was previously unaware of and I was able to try many new types of cuisine and learn all about ramen! Also, I traveled to many different places in the country, and I was even invited to attend a couple of my new friend's weddings this past year. The people in Japan are truly very warm and friendly if you can meet them in the proper manner. Being properly introduced to people is one of the many cultural differences in Japan.

Tokyo is a very international city. Every day there is something going on, whether it is professional or leisure. While studying at Waseda, I was able to go to many trade fairs, meet many people in industry, and attend recruiting events. There are many business opportunities in Japan indeed! Also, the alumni network in Japan is very strong as well. It was great to meet so many successful alumni while studying and learn about their experiences.

The internship company was introduced to me through Professor Yoshi Sakakibara. Before coming to Moore my interests in Japan were related to heavy industry, but as I studied the Japanese economy more in depth I developed an interest in the medical devices and medical products companies. As time went on I decided that a medical products distribution company would be the most interesting and beneficial. Thanks to Sakakibara sensei, together we were able to make the internship experience happen.

Nagoya is a large city in Japan and it is the hometown of Ichiro Suzuki, and the Toyota Corporation. It is also the home of the Yagami Company. Yagami is a mid-sized company that has offices throughout Japan, and a sourcing office in the US. In Japan the company is the second largest medical products distribution company and the company has a 139 year history of supplying medical equipment to health care organizations and private individuals. The company is currently experiencing a period of high growth due to demographic factors in Japan, and due to the superb leadership of the management at the company. Some of the management philosophies at the company are truly world class, and I feel extremely privileged to be able to learn so much here.

The first month of the internship was spent at headquarters. During this period I was introduced to the individuals who provide the day to day supplies that keep the local doctors and hospitals operational in Nagoya. The product focus was on consumable products. The staff showed me how products are moved from the company's warehouse to the customer's site. Also, lot size determination and the company's distribution methods were shown during March. On a more personnel note, the staff showed me around Nagoya, and we went to karaoke! Everyone was really good!

The second month was spent with the groups that do specialty medical equipment sales. During this phase I was able to learn how larger and longer term deals are made with customers, and I was introduced to the company's supplier relationship management philosophy. This month for recreation, I was invited to play on the company baseball team in a game against the local hospital staff. It was interesting because after we won the game, we had to apologize to our customer!

This month I have been dispatched to a local sales office away from the headquarters. The goal is to study transactional sales. So far, I have been able to experience collection issues in Japan and the various transactional styles of the different types of customers. The staff is very warm and has gone out of their way to make me feel welcome. Today was the most interesting day I have had since being away from the home office. We sold a fairly expensive item in the morning to a small customer who paid in cash in the morning and then in the afternoon we had to deal with some collection issues from a large customer in the afternoon. One would think it would be the other way around!
