WHY JAPAN?

• $58 billion defense budget ‘fifth largest in the world and second largest in Asia’
• Cyber security threat from China, N Korea
• Upcoming expend of $122 billion on infrastructure
• Niche market for cyber security; demand for innovative, environmentally friendly, low cost products or services
### JAPAN: CYBER SECURITY MARKET AT A GLANCE

#### Strengths
- Strong political and defense relationship with the US
- Open market access
- Member of WTO’s Government Procurement Agreement

#### Weaknesses
- Regulatory burdens
- Major cultural, language differences
- Need for agents or partners

#### Opportunities
- Niche market with demand for innovative, environmentally friendly products
- Cloud computing, Internet protocol systems, cyber security software
- Private sector opportunities

#### Threats
- Significant competition from other domestic and foreign companies
- Close relationships between domestic business and government
Demand for cyber security

- Cloud services market which was worth around $4.5 billion in 2010 to grow to $28 billion by 2015
- Recent change to digital technology in broadcasting
- Market for broadly defined security products and services worth $6.3 billion; expected to grow at 3% a year
MARKET OPPORTUNITIES

- Cloud services
- Internet protocol services
- Homeland cyber security
- Communications security
CYBER SECURITY STRATEGY

National Police Agency

Ministry of Internal Affairs and Communications

National Cyber Security Strategy

Ministry of Economy, Trade and Industry

Ministry of Defense
→ Main customer
MARKET ACCESS

- Strong, dependent defense relationship with US
- Collaboration with US on cyber security
- In negotiations for Trans-Pacific Partnership trade pact