

Success Stories: Ideas for Potential Players

S/C Service/Consulting

Sales / Services



CNC Japan K.K.

Taking an integrated approach to corporate communications



CNC's global headquarters are located in Munich's historic Palais am Lenbachplatz.

Consulting is a business field demanding deep knowledge of local culture, tradition, and economic factors. Compared with manufacturers whose products appeal to consumers in all regions, consultancies can therefore find it difficult to enter a new market. The German firm CNC AG is one company that has successfully launched operations in major cities around the globe. In August 2004 this firm, whose name stands for Communications and Network Consulting, added a Tokyo office to its list.

Dr. Jochen Legewie, president of CNC Japan K.K., explains the company's business focus: "We are a sort of 'brain factory' for our customers. We are communication specialists by experience and training; we leverage our expertise and human networks as we serve our clients. We intensively consult with them and assist in the implementation of their communication goals." Dr. Legewie clarifies that CNC does not primarily deal with advertising and similar product communications. It specializes in broader communications concepts aimed at building corporate image and crisis management, including media relations and messages delivered both to employees and to all other external stakeholders of the company. Also among the

consultancy's main tasks are offering litigation support and advising client firms on mergers and acquisitions. The company earns more than two-thirds of its revenues on a retainer basis, an indication of the strong trust clients place in it.

Founded in 2002, CNC is a relatively young company, but its partners boast deep experience in the communication business with some of the world's leading global firms, as well as long-time experience in legal,

- 2002 CNC AG established in Munich, Germany
- 2003 Becomes Germany's top consultancy by transaction value
- 2004 CNC Japan K.K. launched in August
- 2004 CNC AG becomes German market leader in IPO communications
- 2005 CNC Japan's number of clients rises to 10
- 2005 CNC AG selected European corporate consultancy of the year



Dr. Jochen Legewie puts his 12 years of Japan experience to work at this young consulting firm.

political, and related fields. Dr. Legewie has a lengthy Japan résumé: he worked for Nippon Keidanren, Japan's leading business organization, served as vice director of the German Institute for Japanese Studies in Tokyo, and was head of corporate communications at

central Tokyo location—was another advantage that JETRO support provided to this busy, nascent company.



Areas of CNC expertise:

- Corporate Communications
- IPO / Financial Communications
- M&A Communications
- Governmental / Public Affairs
- Crisis Communications
- Cross-Border Communications
- Litigation Support
- Multi-Brand Communications

The award-winning consultancy provides a complete menu of services for its clients.

CNC Japan had a simple goal for its first year of business: to break even. Thanks to two major projects that kept the company busy from the very beginning, this goal was an easy one to meet. The firm remains on a growth track thanks to many projects from European, Japanese, and Asian clients. CNC AG is the top consultancy in Germany and among the top 10 in Europe in terms of the value of transactions on which it advises. The Japan office looks likely to follow in those successful footsteps, as it is the only European consultancy offering such communication services in Japan via an established office.

Mitsubishi Motors Corp. headquarters until 2004. His studies at Hitotsubashi University and his language skills prepared him well for his work in Tokyo, which he says includes "assisting Japanese companies that are going abroad or that are already active overseas." He also stresses CNC's carefully tailored approach: "We serve these Japanese clients in different ways than we do our clients in Europe, in the United States, or in Russia."

Dr. Legewie notes the importance of the personal touch in the Japanese business world. "We invest a lot of time in relationship-building with the media, politicians, the financial community, and public agency representatives." This networking takes up a considerable portion of his time, but in the long run it leads to valuable new business opportunities, and he considers it a key to doing business in Japan. This personal outreach, along with CNC's dedication to its integrated approach encompassing all the key functions of management, operations, and communications, is building the company a foundation for lasting success in the Japanese market and beyond: Dr. Legewie also says that Japan will serve as a regional base of operations for the consultancy as it plans expansion into China, the Republic of Korea, and other Asian locations.

This does not mean that establishing the CNC office in the city was an easy task. The company started work for its first Japanese client, a major manufacturer dealing with a breaking scandal, in 2004. Dr. Legewie was putting in long hours advising this firm, leaving him little time to deal with the administrative tasks involved in setting up a company in Japan. A Japanese employee handled these duties in his stead, but a key source of support to the company in this hectic time was the IBSC, JETRO's Invest Japan Business Support Center in Tokyo. "The biggest advantage was the fact that we had an office there," notes the president. "I was very busy with the client, and it would have been a big problem if I had to take several weeks off to locate office space for CNC Japan." Having a steady address from the very beginning—and more importantly, a

Japanese Operation

- Established :** August 2004
- Capital :** ¥10 million
- Employees :** 4
- Business :** Corporate communications consultancy
- Location :** 4th floor, Sanno Park Tower, 2-11-1 Nagata-cho, Chiyoda-ku, Tokyo
- URL :** <http://www.cnc-communications.com/>
- Parent company :** CNC AG (Munich, Germany; employees: 50 worldwide)