

Gurbir Singh

A Fukuoka Success Story

by Eric M. Olson

With the Japan/U.S. trade dispute dominating recent business headlines, and several fall-outs having taken place between notable Fukuoka foreigners and their Japanese business partners, some may argue that the Japanese market is a closed and even prejudiced one. Gurbir Singh, Indian restaurant owner and founder of Nichi In Kokusai Boeki, refutes that claim, saying that while the Japanese market is extremely competitive, the requirements for success are the same as in any developed country.

The most visible evidence in Fukuoka of Singh's remarkable success is his flagship Indian restaurant Nanak, located at the entrance to Oyafuko-dori. Singh has since expanded to 15 locations across the country, making Nanak the largest Indian restaurant chain in Japan. His company also imports/exports and organizes trade fairs (among many other activities), employs 180 full and part-time workers, and generates sales of roughly US \$8 million a year.

Singh, now 44, left a comfortable job in his native India some 17 years ago to help a Fukuoka company import Indian goods. Singh says his work brought immediate success, yet whenever he appealed for a share of the profits, he was told the company was in loss. After four years of frustration, he finally stood firm and demanded a proper contractual partnership, only to be promptly fired for being "too demanding and overstepping his place." Singh says that although the company's success was largely due to his efforts, he decided to break cleanly and make no legal claim on the large back profit owed him. Though the experience was heart-breaking, Singh says it was vital to his success.

"Unless you suffer, you can't be a fit man. Success can happen in 24 hours if someone's idea clicks, but if he doesn't have the experience of how to meet diversified business challenges, he may not be able to survive for a long time. Business is not a gamble in Japan. It is based on very practical knowledge gathered from a variety of business experiences. Some foreigners want to be rich very soon without experience, without suffering. Let's be very frank. Speaking English

is not the criteria for success in Japan. You have to learn the basic culture, language, what they like and don't like. The environment has to be mastered. I learned a lot from my partner, even



though I lost a lot of money. The style of doing business in Japan, the way he spoke, the way he negotiated. That was my education."

Singh's experience and those of other friends in Japan lead him to strongly advise against any partnerships with Japanese. "The problem is not that they are bad people. They are very

smart. We foreigners feel, 'Oh yes, we have got a contact, he has got money.' We both are fooling each other. We think we are using him, he thinks he is using us. The partnerships starts from this place. Foreigners are used as a commodity to be learned from, and then they are cut loose. Even if you don't have capital, never rush into the promise of a partnership. It's better to do it alone."

After the fall-out with his Japanese partner,

Singh sold imported items on a consignment basis and used the capital to register his company (a move crucial to winning credibility, he says) and began approaching local banks. "What I personally feel is that without loans from banks it's only talk and imagination and plans on paper.

Japan is a good market and the people are wonderful. Once you have earned their trust, once they trust your capabilities, the sky is the limit.

And not just for foreigners. Even the Japanese can't do it without money. You see the incredible cost of things here, it's not like in our country. Without the banks, you can do business, but only a small, local level. You'll have one or two bars or shops, and only that. My dream was to succeed on a national level."

Despite being turned down for loans time and again, Singh never gave up. "A foreigner must know his handicap in Japan. Trust. When I first went to the banks, they wouldn't even give me bloody ¥100,000. What guarantee is there you'll pay back the loan, they asked. I said no guarantee, but I have good plans. They said everybody has good plans. If you have good plans, show us your past history. No sir, I'm just planning to start a company. What do you mean?! You have to explain yourself, your company's history and future plans, and how you intend to pay back the loan in a way they can trust. It's not difficult. But you have to give them a proper and detailed identification of who you are and how you'll pay them back."

Singh's persistence eventually won the loan that allowed his business to expand, but it took

three or four years of yen payments. Singh says he had to be patient with Nanak before things began to turn around. Singh says he had to be patient with Nanak before things began to turn around.

of the ease of being remembered by bankers and businessmen, was a relatively unexplored area. Singh says he had to be patient with Nanak before things began to turn around.

In June, Singh addressed a group of international business executives at a conference in Fukuoka, addressing the group hoping to create a distinct identity for the mostly dispersed foreign business community. Singh says he is not a business magician, however, and success is a matter of proper planning and hard work. "What I want to say is that you can't believe you straight away. You have to sign a contract with you, and it's the action of yours. That is the key to success in Japan. So foreigners should not be trusted, you will keep orders, regardless of your trust."

"For me, it's been a very hard journey. I've never faced any discriminatory rules, no harassment or discrimination. Of course, I had a tough time at first started, but everyone in Fukuoka is a market and the people are wonderful. Once you have earned their trust, once they trust your capabilities, the sky is the limit. There are very few areas left when you compete directly with the Japanese. They have the advantage of local networks, resources, language, and knowledge of Japanese customs and traditions. It's a very competitive market here and the business changes very quickly."

Singh continues to diversify his business with the help of his two brothers. Singh says he had to be patient with Nanak before things began to turn around. Singh says he had to be patient with Nanak before things began to turn around.



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