

MODEL STUDY FOR LINER AGENCY

はじめに

この定期船代理店業におけるモデルスタディは、当協会設立当時の急激な円高経済の下で、外国の定期船代理店を経営していくのに、そのコストは一体どれ程掛かるものか、従来から慣行的に決められているコミッション(輸出カーゴ=5%、輸入カーゴ=2.5%)がコンテナ時代になっても妥当な対価であろうか、と云う基本的な疑問から、色々なモデルケースを設定して、それぞれのラインを維持経営に必要な人件費、店費を細かく分析して絶対経費として最低限要求されるコストを求めたものである。

なお、この検討会は1990年前後に約1年余の時間をかけて行ったものであり、為替の換算率は当時のレート US\$1.00=¥130 としている。

INTRODUCTION

Presently, the liner agency business in Japan can hardly be said to be in a favourable condition from a structural view-point. The unfavourable conditions are: declining trend of freight rates, chronic high exchange value of the yen, rise in cost of commodities and soaring manpower cost. In fact, there has been instances of bankruptcies.

Moreover, a fundamental plan to improve the aforementioned severe environment, in the near future, is not even in sight. In these circumstances, we feel that the time has arrived, now, to amend the commonplace freight-base liner agency remuneration system.

One concept of an improved plan for liner agency remuneration calls for a 2-tier remuneration, considering of;

- (1) Compensation of actual cost incurred on liner vessel which called port(s) in Japan, including cost of all necessary manpower, utilities, services and materials.
- (2) Compensation of all marketing and other services performed on behalf of the Principal.

To evaluate the above mentioned plan for improved remuneration, JAFSA made cost calculations on the following three(3) models (assumptions):

- . Full Container Service.....(weekly sailings)
- . Semi-Container(break-bulk) service.....(2 sailings/month)
- . Semi-Container(break-bulk) service.....(1 sailing/month)

Unlike neighbouring Republic of Korea and Taiwan, Japan has many regular calling ports for liner vessels, in addition to greater origins of cargo. Taking these factors into considerations, locations of offices incurring costs have been assigned as follows:

| | |
|-----------------|---|
| Tokyo | Head office for general coordination work and Marketing Center, as well as CSP function |
| Osaka | Marketing office for West Japan (CSP) |
| Yokohama & Kobe | Regular Calling Port |
| Nagoya | CSP for Case- Regular Calling Port for Case- / |

Notes; "CSP" = off-dock Container Service Port

SUMMARY OF ANNUAL COST

| Descriptions | | Expenses(¥) | | | Remarks | |
|------------------------------|----------------|--|--|--|-----------|--|
| | | Case | Case | Case | | |
| Personel Expenses | Management | 31,214,000 | 20,333,000 | 11,643,000 | | |
| | Staff | 218,500,000 | 142,334,000 | 80,111,000 | | |
| | Sub-Total | 249,714,000 (US\$1,920,000) | 162,667,000 (US\$1,251,284) | 91,754,000 (US\$705,799) | | |
| Office Expenses | Office Rent | Tokyo | 19,404,000 | 12,474,000 | 7,623,000 | |
| | | Osaka | 4,050,000 | 2,430,000 | 810,000 | |
| | | Yokohama | 4,602,000 | 2,301,000 | 1,534,000 | |
| | | Kobe | 4,680,000 | 2,340,000 | 1,560,000 | |
| | Other Expenses | (34 - Persons x 12 - Months) 72,298,000 | (22 - Persons x 12 - Months) 46,780,000 | (13.5 - Persons x 12 - Months) 28,706,000 | | |
| | Sub-Total | 105,034,000 (US\$807,953) | 66,325,000 (US\$510,192) | 40,233,000 (US\$309,484) | | |
| TOTAL ANNUAL EXPENSES | | 354,748,000 (US\$2,728,830) | 288,992,000 (US\$1,761,476) | 131,987,000 (US\$1,015,284) | | |

Notes; Exchange Rate : ¥130 / US\$1.00

Data 1-a PERSONEL EXPENSES

“Case- ”
FULL CONTAINER VESSEL/WEEKLY SERVICE

| Offices | Include Off-Dock Function | | | | As on Dock Function | | As Off-Dock Function | | Total | | Remarks | | | | |
|------------------------|---------------------------|------------|--------------|-----------|----------------------|------------|----------------------|----------|------------|------------|------------|----------------------------------|-------------|--------------------------------|-------------|
| | Tokyo Head Office | | Osaka Office | | Yokohama-Kobe Branch | | Nagoya Branch | | Number | Expenses | | | | | |
| Job Description | Age/Numbere | Expenses | Age/Numbere | Expenses | Age/Numbere | Expenses | Age/Numbere | Expenses | | | | | | | |
| 1.Managements | | | | | | | | | | | | | | | |
| Total Amount | (1) | 31,214,000 | | | | | | | (1) | 31,214,000 | | | | | |
| Sub-Total | | 31,214,000 | | | | | | | | 31,214,000 | | | | | |
| 2.Business Dept. | | | | | | | | | | | | | | | |
| Dept./Branch Manager | 50 | 1 | 9,922,000 | 50 | 0.5 | 4,961,000 | 50 | 0.5 | 4,961,000 | 2.5 | 24,805,000 | Incl. port captn. in each branch | | | |
| Sect. manager | 45 | 1 | 9,286,000 | | | | | | | 1 | 9,286,000 | | | | |
| Sales | 45 | 1 | 9,286,000 | 45 | 0.5 | 4,963,000 | | | | 1.5 | 13,979,000 | | | | |
| - " | 40 | 1 | 8,381,000 | 40 | 1 | 8,381,000 | | | | 2 | 16,762,000 | | | | |
| - " | 35 | 1 | 7,179,000 | 35 | 1 | 7,179,000 | | | | 2 | 14,358,000 | | | | |
| - " | 30 | 1 | 5,988,000 | | | | | | | 1 | 5,988,000 | | | | |
| Desk | 30 | 1 | 5,988,000 | | | | 40 | 1 | 8,381,000 | 1 | 5,988,000 | Assist. for Sales/Conference | | | |
| Operation | 35 | 1 | 7,179,000 | | | | | | | 3 | 23,941,000 | Schedule/Terminal/Ship Control | | | |
| ContainerControl | 30 | 1 | 5,988,000 | | | | | | | 1 | 5,988,000 | Inventry/Traffic/Maintenance | | | |
| Planning | 40 | 1 | 8,381,000 | | | | | | | 1 | 8,381,000 | Assist. of Owners Planner | | | |
| Owners' Acct | F25 | 1 | 4,036,000 | | | | | | F25 | 1 | 4,036,000 | 2 | 8,072,000 | | |
| Customer Service | F25 | 1 | 4,036,000 | F30 | 1 | 4,690,000 | | | | F25 | 1 | 4,036,000 | 3 | 12,762,000 | Bs/L/Tariff |
| Port Agent | | | | | | | 40 | 1 | 8,381,000 | | | 2 | 16,762,000 | Contact with Government Agency | |
| Documentations | | | | | | | 30 | 2 | 11,976,000 | | | 4 | 23,952,000 | | |
| - " | | | | | | | F25 | 1 | 4,036,000 | | | 2 | 8,072,000 | | |
| 3.Administration Dept. | | | | | | | | | | | | | | | |
| General Aff./Accting | F30 | 1 | 4,690,000 | F30 | 1 | 4,690,000 | F25 | 0.5 | 2,018,000 | | | 3 | 13,416,000 | | |
| Communications | 30 | 1 | 5,988,000 | | | | | | | | | 1 | 5,988,000 | | |
| Sub-Total | 14 + (1) | | 96,328,000 | 5 | | 34,864,000 | 6 x 2 | | 39,753,000 | 2 | 8,072,000 | 33 | 218,500,000 | | |
| TOTAL | 15-persons | | 127,542,000 | 5-persons | | 34594000 | 6-persons | | 79506000 | equivalent | 8072000 | 34 | 249,714,000 | | |
| | | | \$981,092 | | | \$266,108 | each | | \$611,584 | 2-persons | \$62,092 | | \$1,920,876 | | |

- Notes ; (1) “F25” or “F30” means Female Staff the Age 25years or 30years.
(2) The Exchange rate be appliued US\$1.00=¥130.00
(3) The Expenses figures are annual amount.

Data 1-b PERSONEL EXPENSES

“Case- ”
CONVENTIONAL/SEMI- CONTAINER VESSEL/2-SAILING PER MONTH

| Offices | Include Off-Dock Function | | | | As on Dock Function | | As Off-Dock Function | | Total | | Remarks | | | |
|------------------------|---------------------------|------------|--------------|-----------|----------------------|------------|----------------------|-----------|------------|------------|------------|---------------------------------|--------------------------------|--|
| | Tokyo Head Office | | Osaka Office | | Yokohama-Kobe Branch | | Nagoya Branch | | Number | Expenses | | | | |
| Job Description | Age/Numbere | Expenses | Age/Numbere | Expenses | Age/Numbere | Expenses | Age/Numbere | Expenses | Number | Expenses | | | | |
| 1.Managements | | | | | | | | | | | | | | |
| Total Amount | (1) | 20,333,000 | | | | | | | (1) | 20,333,000 | | | | |
| Sub-Total | | 20,333,000 | | | | | | | | 20,333,000 | | | | |
| 2.Business Dept. | | | | | | | | | | | | | | |
| Dept./Branch Manager | 50 | 0.5 | 4,961,000 | | | 45 | 1 | 9,286,000 | | 2.5 | 23,533,000 | Incl.Port Captn. In each Branch | | |
| Sect. manager | 45 | 1 | 9,286,000 | | | | | | | 1 | 9,286,000 | | | |
| Sales | 40 | 1 | 8,381,000 | 40 | 1 | 8,381,000 | | | | 2 | 16,762,000 | | | |
| - " - | 35 | 1 | 7,179,000 | | | | | | | 1 | 7,179,000 | | | |
| - " - | | | | | | | | | | | | | | |
| Desk | | | | | | | | | | | | | | |
| Operation | 35 | 1 | 7,179,000 | | | 35 | 1 | 7,179,000 | | 3 | 21,537,000 | | | |
| ContainerControl | | | | | | | | | | | | | | |
| Planning | 40 | 1 | 8,381,000 | | | | | | | 1 | 8,381,000 | | | |
| Owners' Acct | F25 | 1 | 4,036,000 | | | | | 45 | 1 | 9,286,000 | 2 | 13,322,000 | | |
| Customer Service | 30 | 1 | 5,988,000 | F30 | 1 | 4,690,000 | | | | 2 | 10,678,000 | Bs/L, Tariff | | |
| Port Agent | | | | | | | | 35 | 1 | 7,179,000 | 1 | 7,179,000 | Contact with Government Agency | |
| Documentations | F25 | 1 | 4,036,000 | | | F25 | 1 | 4,036,000 | F25 | 1 | 4,036,000 | 3 | 12,108,000 | |
| - " - | | | | | | | | | | | | | | |
| 3.Administration Dept. | | | | | | | | | | | | | | |
| General Aff./Accting | F30 | 0.5 | 2,345,000 | F25 | 1 | 4,036,000 | | | | | 1.5 | 6,381,000 | | |
| Communications | 30 | 1 | 5,988,000 | | | | | | | | 1 | 5,988,000 | | |
| Sub-Total | 9+(1) | | 67,760,000 | 3 | | 17,107,000 | 3 x 2 | | 41,002,000 | 3 | 20,501,000 | 21 | 142,334,000 | |
| TOTAL | 10-persons | | 84,057,000 | 3-persons | | 17,107,000 | 3-persons | | 41,002,000 | Equivalent | 20,501,000 | 22 | 162,667,000 | |
| | | | \$646,592 | | | \$131,592 | each | | \$315,400 | 3-persons | \$157,700 | | \$1,251,284 | |

- Notes ; (1) “F25” or “F30” means Female Staff the Age 25years or 30years.
(2) The Exchange rate be appliued US\$1.00=¥130.00
(3) The Expenses figures are annual amount.

Data 1-c PERSONEL EXPENSES

“Case- ”

CONVENTIONAL/SEMI- CONTAINER VESSEL/ 1 -SAILING PER MONTH

| Offices | Include Off-Dock Function | | | | As on Dock Function | | As Off-Dock Function | | Total | | Remarks | |
|------------------------|---------------------------|------------|--------------|----------|----------------------|-----------|----------------------|------------|------------|------------|----------------------------------|--|
| | Tokyo Head Office | | Osaka Office | | Yokohama-Kobe Branch | | Nagoya Branch | | Number | Expenses | | |
| Job Description | Age/Numbere | Expenses | Age/Numbere | Expenses | Age/Numbere | Expenses | Age/Numbere | Expenses | Number | Expenses | | |
| 1.Managements | | | | | | | | | | | | |
| Total Amount | (1) | 11,643,000 | | | | | | | (1) | 11,643,000 | | |
| Sub-Total | | 11,643,000 | | | | | | | | 11,643,000 | | |
| 2.Business Dept. | | | | | | | | | | | | |
| Dept./Branch Manager | 50 | 0.5 | 4,961,000 | | | | | | 0.5 | 4,961,000 | Incl. Port Captn. In each Brabch | |
| Sect. manager | 45 | 1 | 4,643,000 | | | | | | 0.5 | 4,643,000 | | |
| Sales | 40 | 1 | 8,381,000 | 40 | 0.5 | 4,191,000 | | | 1.5 | 12,572,000 | | |
| - "- | | | | | | | | | | | | |
| - "- | | | | | | | | | | | | |
| Desk | | | | | | | | | | | | |
| Operation | 35 | 1 | 7,179,000 | | | 40 | 1.25 | 10,476,000 | 3.5 | 28,131,000 | Incl. Schedule/Ship Control/etc. | |
| ContainerControl | | | | | | | | | | | Assist. Of Sales/etc. | |
| Planning | | | | | | | | | | | | |
| Owners' Acct | F25 | 0.5 | 2,018,000 | | | | | F40 | 1 | 5,976,000 | | |
| Custommer Service | F25 | 1 | 4,036,000 | F30 | 0.5 | 2,345,000 | | | 1.5 | 6,381,000 | Bs/L, Tariff | |
| Port Agent | | | | | | | | | | | | |
| Documentations | | | | | | F25 | 0.75 | 3,027,000 | F25 | 1 | 4,036,000 | |
| - "- | | | | | | | | | | | | |
| 3.Administration Dept. | | | | | | | | | | | | |
| General Aff./Accting | F30 | 0.5 | 2,345,000 | | | | | | 0.5 | 2,345,000 | | |
| Communications | 30 | 0.5 | 2,994,000 | | | | | | 0.5 | 2,994,000 | | |
| Sub-Total | 5.5+(1) | | 36,557,000 | 1 | | 6,536,000 | 2 x 2 | | 2 | 10,012,000 | | |
| TOTAL | 6.5-persons | | 48,200,000 | 1-person | | 6,536,000 | 2-persons | | Equivalent | 10,012,000 | | |
| | | | \$370,769 | | | \$50,277 | each | | 2-persons | \$77,015 | | |

- Notes ; (1) “F25” or “F30” means Female Staff the Age 25years or 30years.
(2) The Exchange rate be appliued US\$1.00=¥130.00
(3) The Expenses figures are annual amount.

DATA-

NON PERSONEL EXPENSES (Results of investigated actual conditions)
[Per Head / per Month]

| Items / Company-wise | A-Company | B-Company | C-Company | D-Company | E-Company | Average | Amount Required |
|--|--------------------|--------------------|-------------------|---------------------|--------------------|-------------------|---------------------------|
| Office Rent (Space/Charge) | | | | | | | |
| Tokyo Head Office | 3.1 Tsubo/¥59,000 | 4.6 Tsubo/¥126,000 | 3.0 Tsubo/¥70,000 | 4.0 Tsubo/¥78,000 | 3.7 Tsubo/¥129,000 | 3.7 Tsubo/92,000 | ¥92,000x14x12=15,456,000 |
| (Current Market Rate) | @¥38,000=¥118,000 | @¥32,000=¥147,000 | @¥33,000=¥99,000 | @¥23,000=¥92,000 | @¥87,000=¥322,000 | ¥156,000 | ¥156,000x14x12=26,208,000 |
| Osaka Office | 4.9 Tsubo/¥88,000 | 3.5 Tsubo/¥58,000 | 4.4 Tsubo/¥96,000 | 4.9 Tsubo/¥75,000 | 8.9 Tsubo/¥82,000 | 5.3 Tsubo/¥80,000 | ¥80,000x5x12=4,800,000 |
| (Current Market Rate) | @¥32,000=157,000 | @¥16,600=¥58,000 | @¥30,000=¥132,000 | @¥17,000=¥83,000 | @¥13,000=¥116,000 | ¥109,000 | ¥109,000x5x12=6,540,000 |
| Yokohama Office | 8.5 Tsubo/¥119,000 | 3.5 Tsubo/¥47,000 | 5.8 Tsubo/¥52,000 | 3.3 Tsubo/¥34,000 | 5.2 Tsubo/¥61,000 | 5.3 Tsubo/63,000 | ¥63,000x6x12=4,536,000 |
| (Current Market Rate) | @¥14,000=¥119,000 | @¥15,000=53,000 | @¥13,000=75,000 | @¥16,000=¥53,000 | @¥14,000=¥73,000 | ¥75,000 | ¥75,000x6x12=5,400,000 |
| Kobe Office | 5.1 Tsubo/¥71,000 | 5.6 Tsubo/¥76,000 | 7.9 Tsubo/¥93,000 | No own office there | 7.4 Tsubo/¥71,000 | 6.5 Tsubo/¥78,000 | ¥78,000x6x12=5,615,000 |
| (Current Market Rate) | @14,000=¥71,000 | @¥17,000=¥95,000 | @¥15,000=119,000 | | @¥15,000=¥111,000 | ¥99,000 | ¥99,000x6x12=7,128,000 |
| TOTAL (Actual Level) | | | | | | | ¥30,408,000 \$233,908 |
| MARKET LEVEL | | | | | | | ¥45,276,000 \$348,277 |
| Other Expense (Stationery/Machine Rental/Travel/Entertainments/etc) | | | | | | | |
| | ¥122,700 | ¥167,000 | ¥145,400 | ¥185,000 | ¥265,400 | ¥177,000 | |
| | \$944 | \$1,287 | \$1,118 | \$1,424 | \$2,042 | \$1,363 | |
| | | | | | | | |

- Note4s ; Office Space is calculated basis “Total Rent Space ÷ Total Working Person”.
- The above figures of “3.1 Tsubo/¥59,000” means The Space Required / Cost by Yen.
 - The Monthly Expenses are also calculated basis “Total Rent Fee(including Heating/Lighting/etc) ÷ Total Working Person”.
 - The Unit of Space shown Japanese Standard Scale of “1 Tsubo=3.3Square Meter(34.8Square Feet ”.
- The above office rent is actual, of which is not reflect current market level , due to each office working since long time ago. We, in this connection, listed up current market level as the above, if made office rent contract at now by same office. According to the above, we decided to study the office space basis Tokyo/Osaka office=4Tsubo, Yokohama/Kobe=5Tsubo per head.

Data -a
REQUIRED DEPOSIT OR BOND FOR OFFICE RENT
[PER HEAN / PER MONTH]

| Items / Company-wise | A-Company | B-Company | C-Company | D-Company | E-Company | Total | Average | Required Deposit or Bond |
|----------------------|---------------------------------------|------------|-----------|-----------------|------------|------------|------------|-----------------------------|
| Tokyo Head Office | ¥1,138,700 | ¥1,979,900 | ¥680,358 | ¥1,371,250 | ¥1,814,215 | ¥6,984,423 | ¥1,396,885 | ¥1,396,885x14=¥19,556,390 |
| Osaka Office | ¥1,433,400 | ¥210,150 | ¥791,880 | ¥310,334 | ¥3,040,086 | ¥5,785,850 | ¥1,157,170 | ¥1,157,170x5=¥5,785,850 |
| Yokohama Branch | ¥153,500 | ¥137,100 | ¥457,008 | ¥474,308 | ¥1,857,182 | ¥3,079,098 | ¥615,820 | ¥615,820x6=¥3,694,920 |
| Kobe Branch | ¥606,200 | ¥660,000 | Own Bldg. | No Office there | ¥1,833,722 | ¥3,099,922 | ¥1,033,307 | ¥1,033,307 x 6 = ¥6,199,842 |
| | TOTAL DEPOSIT OR BOND REQUIRED | | | | | | | ¥35,237,002 |
| TOTAL | | | | | | | | \$271,054 |

Notes ; The above figures are actual conditions of respective company.
And the figures of the respective office are based on “actual Deposit or Bond ÷ working person” at each office.
For using as a Sample, “Required Deposit or Bond” are calculated by “the average amount x working person” on Data- -a
According to the above Result, we decided ADDITIONAL COST as INTEREST FOR DEPOSIT OR BOND as equivalent to the interest in Data- .

Data -b
MANAGEMENTS' SHARE IN ANNUAL PERSONEL EXPENSES

| items | A-Company | B-Company | C-Company | D-Company | E-Company | F-Company | TOTAL | Average |
|--|-----------|-----------|-----------|-----------|-----------|-----------|--------|---------|
| Number of Board | 7 | 4 | 5 | 7 | 6 | 6 | 35 | 6 |
| Case A, All Directors | 19.00% | 13.70% | 18.70% | 12.90% | 15.00% | 12.00% | 91.30% | 15.22% |
| Case B, Exclude Inter-locating Directors | 3.50% | 13.70% | 12.70% | 11.60% | 11.00% | 11.00% | 63.50% | 10.58% |

Notes ; According to the above result, we decided to study basis 12.5% in Total Personnel Expenses for Managements' cost in respective list (Data- -a/b/c).

DATA-

REQUIRED OFFICE SPACE/FEE (ANNUAL AMOUNT)

| Case | Office-wise | Space | Required Space/Fee (per head) | Total person | Interst for Deposit/Bond | Required Annual Office Rent Fee | (REFERENCE) How much will be required if made new contract |
|--|-------------------|-------------------|-------------------------------|--------------|--------------------------|------------------------------------|--|
| CASE Full Container Weekly Service | Tokyo Head Office | 4Tsubo | ¥92,000x4/3.7=¥99,000 | 14.0 | 2.0 Months Rent Fee | @¥99,000x14.0 x (12+2)=¥19,404,000 | @¥156,000x(4/3.7)x14x14=¥33,055,000 |
| | Osaka Office | 4Tsubo | ¥80,000x4/5.3=¥60,000 | 5.0 | 1.5 - " - | @¥60,000x5.0x(12+1.5)=¥4,050,000 | @¥109,000x(4/5.3)x5x13.5= ¥5,553,000 |
| | Yokohama Office | 5Tsubo | ¥63,000x5/5.3=¥59,000 | 6.0 | 1.0 - " - | @¥59,000x6.0x(12+1.0)=4,602,000 | @¥75,000x(5/5.3) x6 x13 = ¥5,519,000 |
| | Kobe Office | 5Tsubo | ¥78,000x5/6.5=¥60,000 | 6.0 | 1.0 - " - | @¥60,000x6.0x(12+1.0)=4,680,000 | @¥99,000x(5/6.5) x 6x13 = ¥5,940,000 |
| | Sub-Total | | | 31.0 | | ¥32,736,000 (\$251,815) | ¥50,067,000 (\$385,131) |
| CASE Conventional/ Semi-Container 2-Sailing Monthly | Same as the above | Same as the above | | 9.0 | Same as the above | @¥99,000x9.0x(12+2.0)= ¥12,474,000 | @¥156,000x(4/3.7)x9x14=¥21,250,000 |
| | - " - | - " - | | 3.0 | - " - | @¥60,000x3.0x(12+1.5)= ¥2,430,000 | @¥109,000x(4/5.3)x3x13.5=¥3,332,000 |
| | - " - | - " - | | 3.0 | - " - | @¥59,000x3.0x(12+1.0)= ¥2,301,000 | @¥75,000x(5/5.3)x3x13.0= ¥2,759,000 |
| | - " - | - " - | | 3.0 | - " - | @¥60,000x3.0x(12+1.0)= ¥2,340,000 | @¥99,000x(5/6.5)x3x13.0= ¥2,970,000 |
| | Sub-Total | | | 18.0 | | ¥19,545,000 (\$150,346) | ¥30,311,000 (\$233,162) |
| CASE | Same as the above | Same as the above | | 5.5 | Same as the above | @¥99,000x5.5x(12+2.0)= ¥7,623,000 | @¥156,000x(4/3.7)x5.5x14=¥12,986,000 |
| | - " - | - " - | | 1 | - " - | @¥60,000x1.0x(12+1.5)= ¥810,000 | @¥109,000x(4/5.3)x1x13.5= ¥1,111,000 |
| | - " - | - " - | | 2 | - " - | @¥59,000x2.0x(12+1.0)= ¥1,534,000 | @¥75,000x(5/5.3)x2x13 = ¥1,940,000 |
| | - " - | - " - | | 2 | - " - | @¥60,000x2.0x(12+1.0)= ¥1,560,000 | @¥99,000x(5/6.5)x2x13 = ¥1,980,000 |
| | Sub-Total | | | 10.5 | | ¥11,527,000 (\$88,669) | ¥18,017,000 (\$138,592) |

Notes ; According to the Data , Average Office Space is Tokyo=3.7Tsubo, Osaka=5.3Tsubo, Yokohama=5.3Tsubo and Kobe=6.5Tsubo per head. Therefore we studied basis required 4Tsubo at Tokyo/Osaka Office and 5Tsubo at Yokohama/Kobe Office per head. In this connection, we converted equivalent cost as the above column "Required Space/Fee". On the otherhand, we did not counted managements when when calculated the Required Annual Office Rent Fee.

According to Japanese system, House owners required big amount of Deposit or Bond. Therefore, we also included this interest as the column "Interest for Deposit or Bond".

The (REFERENCE) in the last column is shown how much Rent Fee will be required if made contract as new Client, as now, by same office and at current market rate.