

KIMAP Internship Report / KIMAP インターンシップ報告書

No. 2024-04

I. Basic information / 基本情報

- 1) Name / 名前 : ZHU ZONGLIANG
- 2) Enrolled year / 入学年 : 2023.10
- 3) Period of internship / インターン期間 : 2024.08.19-2024.09.13
- 4) Place of internship / インターン場所 : Tokyo Office, Kitahama Partners
- 5) Person who accepted your internship / インターン受入担当者 : Mr. Shintaro Hino
- 6) Content of work in your internship / インターン中の作業内容 : Translating legal documents related to Chinese enterprises' investments in Japan, participating in revising English contracts, and assisting drafting legal opinions ...

II. Details and impressions / 詳細と感想

Including the following points: merits, demerits, lessons, contribution to your future career, personal experience etc.

1. Details of my work

During my internship, I engaged in four significant law-related tasks, each contributing uniquely to my professional development:

The first was translating legal knowledge about investing in Japan, aimed at Chinese enterprises (mainly from mainland China). The document was in Japanese, and I was responsible for translating it into simplified Chinese. The document mainly involved corporate law, which is precisely my field of study. Under the guidance of Lawyer Chang, the translation process improved my Japanese proficiency and deepened my understanding of the differences in legal terminology between China and Japan.

The second task was participating in revising an English contract, supervised by Lawyer Huang, a PhD from Kobe University. Under his guidance, I revised the contract three times. Lawyer Huang explained in detail the specific process of revising an English contract. For this contract, it was first necessary to understand the client's business model, and then apply legal analysis skills to revise the contract. Lawyer Huang elaborated on the customer's business model and guided me on how to modify definition clauses, fee clauses, disclaimer clauses, obligation clauses, etc., as well as the importance of formatting. I benefited greatly from this. At the same time, while completing this work, I also learned about the Japanese law firm's pricing process and model for related businesses.

The third task was a case study on civil litigation. Under the guidance of Mr. Shintaro Hino (Partner Lawyer), I reviewed the relevant legal applications and factual determinations of this tort compensation case and learned about the relevant procedures for civil litigation in Japanese courts and the document formats for complaints.

The fourth task involved participating in the review of a legal risk opinion for a Chinese company overseas issuing a certain online product in Japan. The main legal area involved was Japanese criminal law.

2. Contribution to my future career

(1) My internship provided valuable insights into the development of Chinese legal services in Japanese law firms:

First, Chinese legal services in Japan are highly concentrated in Tokyo.

Kitahama Partners has three branches in Japan, with headquarters in Osaka and two others in Tokyo and Fukuoka. Only the Tokyo office has a legal team specifically focused on addressing legal matters related to Chinese clients. This is also generally true for other top Japanese law firms (Nishimura & Asahi; Anderson Mori & Tomotsune; Nagashima Ohno & Tsunematsu; Mori Hamada & Matsumoto; TMI Associates).

Second, Scarcity of Chinese Lawyers at Partner Level.

Based on a comprehensive analysis of lawyer directories from the top fifteen law firms in Japan, it's evident that Chinese lawyers at the partner level are rare.

Third, there is a significant increase in both the demand for legal services catering to Chinese clients in Japan and the number of lawyers engaged in providing these services. This trend is driven by complex economic factors originating in China:

The current income distribution system in China faces challenges in facilitating substantial changes, resulting in a situation where domestic consumers' income levels are insufficient to absorb the country's enormous production capacity. Consequently, many Chinese enterprises are compelled to seek overseas markets to utilize this excess capacity. Japan, with its advanced economy and geographical proximity, has become a prime destination for these expansion efforts.

This outward push of Chinese businesses into Japan has generated a substantial demand for specialized legal services. These companies require assistance in navigating Japan's complex regulatory environment, understanding local business practices, and ensuring compliance with Japanese laws.

Simultaneously, the legal services sector within China is experiencing a slowdown in domestic growth. This has prompted many Chinese law firms to look abroad for new opportunities. Prominent firms like Dacheng Partners have begun to establish branches in Japan, aiming to capitalize on the growing need for legal services among Chinese businesses operating in the Japanese market.

This dual movement - Chinese businesses expanding into Japan and Chinese law firms following their clients overseas - is reshaping the landscape of legal services in Japan. It's creating a niche market for lawyers who can bridge the gap between Chinese and Japanese legal systems, business cultures, and languages.

The trend reflects a broader economic strategy of Chinese enterprises and service providers to internationalize, driven by domestic economic pressures and the allure of established markets like Japan. This shift is likely to continue as long as the structural economic issues in China persist, ensuring a growing demand for specialized Chinese-oriented legal services in Japan for the foreseeable future.

Fourth, the work content of Chinese legal service teams is relatively more likely to be affected by the development of legal AI.

Given the development status of existing legal AI in the next three to five years, it is unlikely to replace the corresponding lawyer's work. However, it is certain that existing legal AI can significantly improve lawyers' work efficiency. Lawyers, especially those handling non-litigation business (Chinese legal services are mainly non-litigation business), are essentially selling their personal time for remuneration. The use of legal AI greatly improves work efficiency, allowing leading legal service teams to handle more cases. Lawyers who first engaged in Chinese legal services in Japan already have a first-mover advantage, and AI makes this advantage more solid.

Fifth, legal teams in Japan specializing in Chinese-related services should strategically focus on serving Chinese companies expanding into Japan rather than individual Chinese immigrants. This targeted approach offers several significant advantages:

- a) **Higher Value Clientele:** Corporate clients generally have more substantial legal needs and a greater ability to pay for comprehensive services compared to individual clients. This leads to more lucrative and stable revenue streams for law firms.
- b) **Efficient Communication:** Most companies have in-house legal teams or dedicated personnel handling legal affairs. This reduces communication barriers and streamlines the service delivery process, resulting in more efficient and effective legal support.
- c) **Ongoing Service Requirements:** Businesses typically require continuous legal support across various aspects of their operations, from regulatory compliance to contract negotiations. This creates a steady demand for legal services throughout the year, unlike individual clients who may

only need occasional assistance.

- d) Long-term Client Relationships: Once a company establishes a relationship with a legal service provider, they are more likely to maintain this partnership for an extended period. This loyalty stems from the complexity of changing legal representatives and the value of having counsel familiar with the company's specific needs and history.

While the number of Chinese immigrants in Japan is growing, their legal service needs are often sporadic and limited in scope. In contrast, Chinese companies expanding into Japan represent a more stable and potentially more profitable client base. Therefore, legal teams should prioritize developing expertise and services tailored to these corporate clients to maximize their competitive advantage in the Japanese legal market.

(2) The impact of this internship on my personal career development was significant and multifaceted.

This one-month experience provided me with a unique opportunity to observe the Japanese workplace up close, allowing me to draw insightful comparisons between Chinese and Japanese professional environments. The entire team of lawyers took great care to mentor me, patiently answering my numerous questions, broadening my understanding of potential career paths, and expanding my horizons for future professional development.

What stood out most was the daily opportunity to closely observe Lawyer Hino, Lawyer Chang and Lawyer Huang in their professional capacities. This proximity allowed me to understand and learn from their problem-solving approaches, analytical methods, and decision-making processes. I gained valuable insights into how they position themselves in the legal market, select high-quality clients, and communicate effectively with those clients. Furthermore, I observed the dynamics of the entire Chinese law affairs team, noting how they divided responsibilities, interacted with each other, and the specific roles each team member played.

Lawyer Hino's philosophy on nurturing junior professionals particularly resonated with me. I took copious notes on these observations, many of which left a profound impression. I look forward to reflecting on and internalizing these valuable lessons in the coming months and years, viewing them as intellectual nourishment for my professional growth.

Additionally, Lawyer Huang generously shared his entire career journey since graduation and his future professional aspirations. His experiences and insights were extremely beneficial, providing me with a concrete example of a successful career trajectory in the legal field.

This internship has not only enhanced my understanding of the legal profession but has also

provided me with role models and practical knowledge that will undoubtedly shape my future career decisions and professional development. The experience has broadened my perspective on the legal profession in an international context and has given me valuable tools to navigate my own career path moving forward.

3. Personal experience

Before coming to Tokyo for the internship, my knowledge of Japanese economy mainly came from three books: Andrew Gordon's "A Modern History of Japan: From Tokugawa Times to the Present", Masaaki Shirakawa's "中央銀行" and Takatoshi Ito's "The Japanese Economy". During this month of internship in Tokyo, I experienced the vibrant Tokyo life behind the numbers and words. In addition to maintaining research interest in Japanese economy at a macro level, I began to gradually explore the details of Japanese life at a micro level.

4. Conclusion

I can say with certainty that this internship experience was extremely valuable to me. It allowed me to learn a lot about Japanese lawyers' career development paths, the daily work processes of Chinese legal teams, and the pricing systems and processes of Japanese law firms.

Finally, I would like to express my gratitude to Professor Kawashima for recommending me to Kitahama Partners, and also thank Kitahama Partners for accepting me and giving me this opportunity to experience life in a Japanese law firm. I am very grateful for the care and guidance provided by all the lawyers in the Chinese legal team during my internship.



(Date / 記載日) 2024.09.13