
Universal Studios Japan (USJ)

Monthly TOPICS: HOT!

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"Universal Studios Japan (USJ)", a new movie based theme park was opened on the 31st March 2001, in the Osaka's waterfront (Konohana-ku, Osaka). USJ offers 18 popular attractions from US Universal Studios, such as "Jurassic Park", "Jaws", and "Water World", and is projecting 8 million visitors a year. USJ Co., the operator, is a quasi public company with many shareholders including the city of Osaka, Universal Studios, Inc., Rank Group, and Sumitomo groups. Total development fee was 170 billion yen and has a capital of 40 billion yen.



The city of Osaka and local businesses hope USJ to be the key force to revive the sluggish regional economy. Osaka municipal government estimates the total economic effect for the first year to be 860 billion yen for Osaka city and 1.3 trillion yen nationwide.

The Sanwa Research Institute and Consulting (SRIC) Corporation estimates the total economic effect of Kansai area to be 453.4 billion yen and 650.8 billion yen nationwide. And USJ would create 29,589 new jobs in Kansai area, 12,886 outside Kansai, total of 42,474 jobs nationwide. SRIC concludes that "USJ could revive the tourism industry of Kansai area". The SRIC's estimate of 453.4 billion yen amounts to 0.53% of Kansai's GDP, and I believe that this number is enough to change the trend of tourism industry.

It is crucial to attract the visitors repeatedly in order to succeed in theme park business. USJ has announced to increase one attraction every two years in next decade, and some 100 hectares of land are available for this purpose (current size of USJ is 54 hectares). USJ projects more than 400,000 visitors from overseas, particularly from Asian

countries. This would no doubt increase the demand of Kansai International Airport (passengers of international line was 1.26 million in 2000), hotels, and transportations. There are some concerns about the management of USJ since it is a quasi public company with many shareholders, which is said to have delayed the opening of the park, however, I hope USJ would overcome this issue through active sales and business developments.

Even though the development of USJ is yet unknown, I believe that it could help the Osaka economy to recover if USJ could attract the visitors continuously. I hope USJ would succeed in Kansai as Tokyo Disney Land (TDL) did in Kanto area.

Personally, I believe any theme park that allows beer is bound to succeed.
(alcohol is prohibited in TDL.)