

# Subsidiary Corporation

## Kabushiki Kaisha (KK)

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- A KK is similar to US public corporation, though not always listed on the stock market.
  - Often wholly owned
- Advantages:
  - Easier to arrange local financing, lease office space, attract local employees
  - Prestige
  - Indicates long-term commitment
  - Limited liability
- Requirements
  - Three directors; at least one must reside in Japan.
- A new alternative to KK came out in May 2006 called “Godo Kaisha” (GK), but this form is not as established and very few companies are GK.