

# Ryoyo Electro Corporation: a clear vision towards a bright future

Since its establishment almost six decades ago as a trader of semiconductors, RYOYO has evolved with the times and is now at the forefront of the latest technologies such as IoT, smart devices and cloud services.

Founded in 1961 at the dawn of the semiconductor era, Ryoyo Electro Corporation has grown in tandem with the electronics industry and today is a global leader in the sale of semiconductors, devices and ICT services and solutions.

Guided by the new principle 'Value and Pride', this Tokyo-based firm has thrived over the past half century by constantly adapting to an ever-changing market. From its roots as a seller of semiconductors for Mitsubishi, Ryoyo is now at the forefront of the development of the latest IoT, smart devices and cloud technologies, working with prestigious partners such as Microsoft, Intel, Hewlett Packard and NVIDIA.

In line with the new vision set by president Moritaka Nakamura, the company is moving forward with a comprehensive strategy, encompassing everything from semiconductor devices to networks, cloud computing, servers, software and operation and maintenance services for a broad spectrum of industries.

"Today, companies such as Microsoft are no longer discussing OS and simple devices, but the cloud; HP focuses not only on servers and storage, but intelligent edges. Hence, our solid working relationships with these important players and our expertise in IoT, AI and other technologies will lead to significant profits," explains Mr. Nakamura.

"In order to do so, we look forward to creating new technologies, which will entail a solid mechanism behind IT, human resources, employee commitment, and the training of future leaders."



"We are proud to say we have presence in Japan, China, Hong Kong, Taiwan, Thailand, Malaysia, Singapore, India and Germany"

Moritaka Nakamura, President,  
Ryoyo Electro Corporation

After some difficult years, in 2018, Mr. Nakamura, who came from the retail industry, was installed as president of Ryoyo and quickly moved forward with restructuring the company, implementing a new vision and initiating a three-year business plan in a bid to ensure that Ryoyo not only survived, but thrived in this new era defined by cutting-edge technologies.

"Having deeply explored problems and analyzed fundamentals, our three-year business plan now allows us to have a clear competitive advantage, and a clear strategy to ensure the best plausible outcome for the company," explains the Ryoyo boss.

The first part of the strategy entails taking advantage of Ryoyo's long-lasting relationships with its

local and international clients who hold a big share of the international market, supporting those clients by providing high-quality products on time and with the necessary volume.

"This allows us to firstly ensure our presence as a trader, but also focus our attention on other activities which will create value for these companies and will increase our competitive advantages – for example, by increasing the efficiency of and providing solutions to the factory automation (FA), retail and medical segments," says Mr. Nakamura.

The strategy's second pillar is focused around the idea of 'ONLY RYOYO', which involves the company developing more of its own unique ideas and products through larger investments in R&D. As such, Mr. Nakamura wanted to create the ideal workplace environment that allows the creativity and imagination of its engineers to thrive. A testament to the success of this initiative is the fact that since 2018, Ryoyo (which had never previously registered for a patent) has submitted a double-digit number of patents for registration, with four patents being successfully approved.

Part of this development strategy has also involved working in collaboration with other companies, such as Iris Ohyama Inc. Ryoyo developed the speech recognition device for the Iris Ohyama ceiling light. Speech recognition for consumer electronics can be used with a smart speaker, but generally requires Wi-Fi and a smart phone connection. However, Iris Ohyama's ceiling light can be used immediately after plug-in.



"Hence, the difference between Iris Ohyama and Amazon Echo, for example, is that we no longer need Wi-Fi or any other internet connection, therefore, allowing certain demographics to use the ceiling light with speech recognition," adds Mr. Nakamura.

"For a trader to collaboratively work together to create a product with a client is quite rare. Nonetheless, it is quite a valuable collaboration in the history of our company and a great milestone for us to be able to work with a company that is exceedingly respected in Japan and to have been praised and favorably evaluated by its executive director."

Moving forward, Ryoyo aims to expand partnerships and alliances, seek out M&A opportunities and grow its international presence, with sales offices already in place across Asia, as well as in Munich, Germany. The company is also considering opening an office in the USA.

"My vision is to be a company focusing on the client's business – a well-financed company with high consulting ability, under the unique brand of a solution provider that will support customers' business challenges and ultimately have an impact on the end-user," Mr. Nakamura explains. "I am proud to say, our employees are more motivated and excited about the future than ever."



# Tensho Electric Industries: leading the plastic industry since 1936

As the demand for plastic components from various industries continues to grow, pioneering Japanese firm Tensho Electric Industries will continue to push the boundaries of manufacturing in plastics.



"My dream is to increase our international footprint and become a more global company by finding partners or continue our M&A activities especially in the USA"

Tadahiko Ishikawa, President,  
Tensho Electric Industries, Co., Ltd.

With increasing plastics consumption across a range of industries worldwide, from automobiles and electronics, to packaging and medical devices, the global plastics industry is set to grow at 4% annually over the coming years, while the global injection molded plastic segment is projected to see 5.7% growth year-on-year.

With a strong foothold in both industries, Japanese firm Tensho Electric Industries Co., Ltd. is poised to benefit from this growth as a leading supplier of high-quality plastic parts and components to automobiles, home appliance and factory equipment manufacturers.

"Being the pioneer in the plastic industry and being a Tier 1 supplier to many clients involved in all the industries mentioned above, when there is growth globally, we are affected positively," says company president, Tadahiko Ishikawa.

Founded in 1936, Tensho has always been driven by innovation and was the first company to develop plastic cabinets for radios all those years ago. Several decades on and the company is also channeling its pioneering spirit to develop high-performing, light-weight and superior designed plastic parts for the next generation of automobiles.

Manufacturing everything from front grills, bumper guards, spoilers and windshield panels to instrument panels, glove compartments and seat panels, Tensho works closely with its clients and this collaborative approach has been one of the key pillars of the company's success in the fast-moving automotive industry.

"We are constantly in talk with automakers, which allows us to provide them with the right products at the right time. Therefore, whenever there are new changes, they come to us and tell us exactly what they need," explains Mr. Ishikawa. "Moreover, we often send our technicians and engineers to the automaker plants, so they can work hand in hand with their R&D departments. We call it co-development and it enables us to create new products."

When it comes to visible plastic parts for home appliances and factory equipment, beautiful design is just as important as functionality. As such, Tensho strives to create products that are not only of the highest quality, but also aesthetically pleasing to the eye of the end consumer.

Key to the company's success in this regard has been the wide range of molds and molding techniques, one-stop services for assembly and painting, and its integrated production system and cutting-edge production facilities that are the result of its 80-plus years' experience in plastics engineering.

"Tensho prides itself in total engineering which allows in-house, one-stop production, from planning and development to mold design and fabrication, evaluation of a prototype, molding, and final assembly. Based on best-in-class technical skills in the industry, we can manufacture high-quality products at high speed," says Mr. Ishikawa.

Having cemented its position as a highly reputable B2B parts supplier, Tensho now aims to put more focus on developing more of its own original products, such as 'Tentaru' containers, which were originally designed to replace the easy-rotting wooden barrels used in the pickle and fishing industries, but are now deployed in a wide range of industries due to their durability, strength, lightweight and cleanliness. Other flagship original products include 'TenRainScrum', a highly durable rainwater harvesting



Tensho Electric Industries new Yabuki plant.

system that reduces the impact of flooding; and 'TensertRacks', which are used to transport electric printed-circuit boards on automated factory lines.

With five domestic factories (and another under construction in Yabuki), two overseas factories in Mexico and China, a joint venture in Poland, as well as U.S. subsidiary Tensho America Corporation, Tensho wants to expand its global foothold in the coming years and

sees particular potential opportunities in the North American market.

"My dream is to increase our international footprint by finding partners and continuing our M&A activities especially in the USA, which is the market on which we would like to focus," adds Mr. Ishikawa. "If we are able to do so, it would represent an important step towards our goal to make Tensho a leading global company."

Containers designed for infectious medical waste

Rainwater harvesting system

Transport racks for electric printed-circuit boards

Automobile parts

Multi-purpose returnable boxes

Surface decoration technology

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www.tensho-plastic.co.jp/english

## Makino Seiki: putting the 'cut' in cutting edge

The leading machine tools company, which makes some of the world's highest quality tool and cutter grinders, provides an example of how the Japanese manufacturing sector's traditional value for craftsmanship combined with technological innovation continues to set its products apart.

For decades, Japan has been the mother of all machinery-producing countries – its machine tools industry a chief proponent of the nation's post-war economic boom and a symbol of its great *monozokuri* tradition for manufacturing that is admired (and often imitated) the world over.

Today, Japan remains a major global player in the machine tools sector, and in the last 10 years has set about reinventing one of its most important industries as it looks to fight off competitors and adapt to the challenges and opportunities brought about by modern technological advancements.

world's largest machine tools industry, it gained its status from producing low-end machine tools (though it is now shifting its focus to manufacturing mid to high-end products in order to meet global demand).

In Japan however it has always been about quality over quantity, says Daisuke Shimizu, President and CEO of Makino Seiki, the Kanagawa-based machine tool company which makes some of world's highest quality tool and cutter grinders.

"In the machine tool industry, the key is longevity. Our customers use our products for a period of 10, 20 or sometimes 50 years. Our goal is that our customers

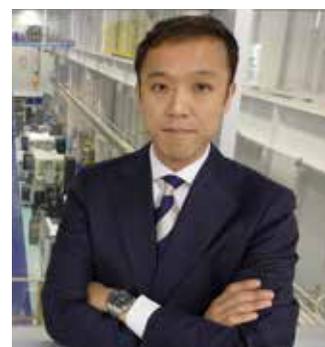
cess which requires high human skills. In Japan, when people enter a company, they intend to stay until their retirement. For this reason, we can train them continuously and these skills are precious for the company. This specific model is one of the reasons why Japan still holds an advantage compared to other countries."

The global tool grinders market is expected to grow at a rapid 4.52% annual rate over the next five years, driven by an increasing demand in automotive, electronics and aerospace. As Makino Seiki machines make cutting tools, rather than specific components, these tools can be used in a wide range of industries, meaning the opportunities for a further growth are everywhere.

"We need to make traditional cars as well as electric vehicles; we need to make new mobile phones to adapt to 5G for which new molds need to be made, and these trends are also found in many other sectors," says Mr. Shimizu.

"The number of potential customers is constantly increasing in Japan and all around the world. And the good thing for us is that the number of potential suppliers for quality grinding machines is limited. There are only two players in Japan, including us. The other competitors are mostly found in Europe and Australia. To compete on this market, we rely on the accuracy, longevity and stability of our machines. We seek accuracy not only through software, but also through mechanics – because this is the best way to ensure that precision will be consistent in the long run."

While Makino Seiki's faith in mechanics and the grace of the human hand is apparent, investment in technological innovation to complement this ethos also plays a key role in the company's



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Daisuke Shimizu,  
President, Makino Seiki, Ltd.

success. And with the market increasingly adopting solutions to automate operations and increase efficiency, the company's MSPS-II technology is a prime example of a solution that allows unattended and continuous operation.

"The specificity of our company is that we manufacture machines, but we also design our own software to work along," explains Mr. Shimizu. "For this reason, the collaboration between technology and mechanics is even stronger. Usually, companies use external software to support their production.

By doing both, the communication works much better between the production line and the software. This way, we can customize both the machines and the features of the software according to the customers' needs."



With the global machine tools market predicted to exceed 120 billion dollars in 2020, according to a report by Technavio, innovation is clearly already having a transformative effect on the sector, resulting in many countries across the globe to record higher growth. While regional rival China is currently the country with the

acknowledge that it was a good choice for them to buy Makino Seiki machines. And to accomplish this goal, we need to make quality and highly precise machines. Our competitors in other countries may be not as careful as we are in terms of accuracy, and this is the reason why their machines sometimes only last for a couple of years."

Indeed, what also gives Japanese products – and Makino Seiki tools in particular – their edge, is the respect the manufacturers have for their craft, defined by the Japanese as *monozokuri*.

"Machine tools are not just machines. They are made by people," says Mr. Shimizu. "And some techniques can still only be made by hand, such as the scraping pro-

