

Regional Industry Tie-up(RIT)

# **Success Stories of RIT Program**

Manufacturing and Environment Industry Planning Division,

Japan External Trade Organization (JETRO)

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Commissioned production successfully launched in Korea with a spirit of "Continuity is the father of success."

## Asia Giken Co., Ltd.

Company Outline As of January 2013

Representative: Junichi Mizoguchi, President Contact Person: Junichi Mizoguchi, President

Number of Employees: 29 Main Products/Service:

Stud Welding Systems & Industrial Fasteners

72-39, Nishiminatomachi, Kokurakita-ku, Kitakyushu 803-0801, Japan

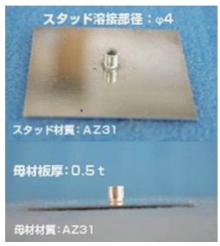
TEL: +81-93-562-0170

FAX: +81-93-562-0250

URL: http://www.asiagiken.co.jp/

Email: info@asiagiken.co.jp

#### **Products**



Example of stud welding

#### Motivation for participating in the RIT program

Asia Giken Co., Ltd. participated in the RIT Project because it was attractive to have opportunities of exchange and business matching with overseas local companies and preliminary investigations, all of which are difficult for a small or medium-sized company to conduct on its own.

### Continuous participation in RIT Projects bringing about an opportunity of trade with a Korean company

Asia Giken Co., Ltd.'s President Junichi Mizoguchi participated in the RIT Project in fiscal 2012, following that in fiscal 2011, and visited Nam youn Hi-tech in the mission to Korea in October 2012. Asia Giken became acquainted with this company through another company with which it had established a relationship in a mission in 2011.

Since Asia Giken had exchanged information on inquiries with Nam youn Hi-tech in advance, they understood each other well from the beginning of the mission. As a result, Asia Giken was able to confirm that the quality and other requirements for female screws for stud bolts that Nam youn Hi-tech manufactures met their standards and concluded an official contract to commission production during this mission program. Asia Giken plans to inspect products that Nam youn Hi-tech supplies in Japan and at the same time, commissioned production is going to start on a full-fledged scale.

Asia Giken Co., Ltd. will develop its business throughout Southeast Asia, promote local production and sales, and expand its sales network to the US and European markets.



A female screw for stud bolt

#### View from the supporting organization, City of Kitakyusyu

In the RIT Project, participant companies can utilize multiple support tools for one year. Further, if the results that a company produces over the year in the project are recognized, the company is allowed to continue the project over several more years. Asia Giken successfully concluded a contract with a Korean company with whom it became acquainted through another Korean company that it had established a relationship in the previous year's mission. This is an outcome unique to the RIT Project, in that it can provide several opportunities for business negotiations, as well as offering plans and missions that can meet the demands of local companies so that they willingly and repeatedly participate.

## **Engineering System Co., Ltd.**

#### Company Outline As of January 2013

Representative: Masumi Yanagisawa, CEO

Number of Employees: 25 Main Products/Service:

Designing, development and manufacturing of automatic assembly / inspection machines, experiment apparatus and industrial robots Designing etc

5652-83, Sasaga, Matsumoto, Nagano 399-0033, Japan

TEL: +81-263-26-1212

FAX: +81-263-26-1299 URL: http://www.engineeringsystem.co.jp/

#### **Products**



Nano-imprinter

#### Motivation for participating in the RIT program

Engineering System Co., Ltd. (ESCO) has been engaged in research and development of high precision desktop machine tools and systems as a member of a study group "Desk Top Factory (DTF)," organized by local companies to revitalize the Suwa Region where many factories are concentrated. As DTF used the support tools of the RIT Project, it was natural that ESCO came to participate in the project. Besides, the concept of the RIT Project conformed to the company's policy, believing that Europe was likely to be a favorable market to break out of the stagnation due to the shrinking Japanese market in 2009.

### Development of products by integrating Japanese and Swiss technologies

A specialist sent from Suwa visited École Polytechnique Fédérale de Lausanne (EPFL) to assess the possibilities of a business tie-up between companies in Suwa and Switzerland during the overseas investigation in March 2009. The specialist consulted a professor in the precision device field at EPFL about the possibility of a tie-up with ESCO in the development of its high precision applicators. The professor answered that he would be able to introduce a researcher in his laboratory who was likely to be interested in the device. Hearing the report of a possible tie-up from the specialist on his return from the overseas investigation, ESCO's CEO, Masumi Yanagisawa, participated in a business negotiation mission to Switzerland in May the same year and met with the professor to explain the details and capacity of the high precision applicator. The professor then began to consider application of the device to research conducted in his laboratory.

In January 2010, the professor proposed a joint development project



Q-Jet, a base device of the joint development

with ESCO and dispatched postgraduates in his laboratory to ESCO from October 2011 to January 2012 to develop a new device jointly with engineers of the company. Since an article about the findings of this joint research was published by EPFL, this device is expected to attract wide interest, not only from research institutions but also private companies across the world. Following success in this joint research, another new joint project is being examined. While ESCO's tie-up projects have so far mainly concerned joint development with research institutions, it intends to develop commercial products for private companies overseas. The joint research project with EPFL was conducted based on its "Q-JET" product.

#### View from the supporting organization, Nagano Techno Foundation

After participating in the RIT Project, ESCO has continued with inter-regional person-to-person exchange events twice a year; ESCO sends a mission to Switzerland and invites members of EPFL to the Suwa Area Industrial Messe annually. The successful conclusion of the tie-up agreement was largely due to ESCO's CEO, who has the right to make the final decision, for participating in the mission to make a presentation on his own to overseas organizations and showing a positive attitude about the development of new products to meet demands from overseas markets. Accepting human resources from Switzerland also facilitated the project because this strengthened the connection between the two organizations.

## Green Plus Co., Ltd.

#### Company Outline As of January 2013

Representative: Isao, Kato, President Contact Person: Isao, Kato, President

Number of Employees: 5 Main Products/Service:

Glass Protect Coating System

1-7-20, Kami-cho, Oji, Shimonoeki, Yamguchi 752-0916, Japan

TEL: +81-83-249-1878 FAX: +81-83-249-1875

URL: http://www.greenplus.jp/ Email: green-plus@mx51.tiki.ne.jp

#### **Products**





Actual demonstrations

### Motivation for participating in the RIT program

"GLASS PROTECT COATING SYSTEM" (a glass coating agent) is the main product of GreenPlus Co. Ltd., which first went on sale in Japan in 2002. Since then it has come to be used in various situations, including on cruise ships, automobiles and glass on large buildings. As the domestic market had started to shrink the company wanted to find ways to expand sales channels overseas. It was at this time that JETRO's Yamaguchi office introduced an RIT program with Taiwan and the company decided to take on the challenge and participate in the program.

### Using Taiwan as a base to develop new customers in Southeast Asia

Although GreenPlus had an excellent sales track record in Japan it had no experience of doing business overseas. It was for this reason that the company applied to JETRO in January 2009 for assistance under the Export Support Service for Japanese Firms, which JETRO provides to individual companies, and began its challenge to develop overseas business with the help of experts in the international business field.

In February 2009, directly after applying to JETRO to utilize the support service, President Kato of GreenPlus participated in a business mission to Taiwan and had the opportunity to meet with representatives of Comprehensive Auto Restoration Limited (CARL), a large car-washing company in Taiwan with a network of 70 outlets. Upon the advice of experts, in order to show the actual effectiveness of GreenPlus' product, which is something that could not be adequately conveyed through business meetings alone, President Kato actually applied the GLASS PROTECT coating to the vehicle of a representative of CARL, after which he returned to Japan. After returning home, with the help and support of experts and the interpreter who had accompanied him while in Taiwan, he continued his contact with CARL, with a view to launching sales of the glass coating products. The representatives of

CARL could see for themselves that the coating that had been applied in February continued to have a protective effect on the vehicle glass and were very enthusiastic about the product. In June 2009 a sales contract was concluded, resulting in GreenPlus' first successful overseas exports. After starting business with Taiwan representatives of GreenPlus visited Taiwan on frequent occasions, providing thorough guidance to CARL employees about how to apply the coating to achieve maximum effectiveness.

With business gradually growing through the sales outlets of CARL, in July 2010 GreenPlus also successfully engaged in exports to Malaysia and Singapore, via CARL in Taiwan. In addition, from June 2011 GreenPlus started participating in the Asia Caravan Program, run by JETRO to promote exports to

Thanks to these efforts, in November 2011 GreenPlus also launched exports to Shanghai. Stimulated by the expansion of sales channels in Taiwan the proportion of the company's revenue accounted for by overseas sales has rapidly increased to 50%. Moving forward, the company is seeking to expand beyond Shanghai in the Chinese market and also move to open sales channels in Southeast Asia by supplementing the CARL network. President Kato's dream to ultimately expand business to Europe and North America is starting to come to fruition.

### View from the supporting organization

This is a case in which a sales contract was concluded at an incredibly high speed, just four months after the initial business consultation. The main reasons that this was possible are as follows: (1) The product was a unique and self-developed technology and the GLASS PROTECT coating had outstanding performance, (2) GreenPlus was able to link up with a large car-washing company in Taiwan, and (3) there was outstanding teamwork among President Kato, the JETRO export advisor and the interpreter, who kept in regular contact, (4) discussions took place at the top level of each company, meaning that decisions could be taken very quickly, (5) there was effective communication support thanks to an interpreter who was aware of business customs in both Japan and Taiwan, and (6) there was office-level support for business talks and contracts, etc., from the export advisor. It is also thought that the study groups held by the supporting organization were effective in providing information.

## Kikkou Japan Co., Ltd.

#### Company Outline As of January 2013

Representative: Takaaki Yoshimura, President Contact Person: Takaaki Yoshimura, President

Number of Employees: 20 Main Products/Service:

**Branch Block Construction Method** 

1675-2, Hara, Nishiatsu-cho, Mine-City, Yamaguchi 759-2152, Japan

TEL: +81-837-58-0151 FAX: +81-837-58-018

URL: http://www.kikkouen.com/

Email: info@kikkouen.com

#### **Products**



Branch-shaped concrete



Construction method using branch-shaped

### Motivation for participating in the RIT program

Kikkouen Co., Ltd. (today's Kikkou Japan Co., Ltd.), spent more than 10 years successfully developing a construction method to build river walls and earth retaining walls using natural rocks and branch-shaped concrete blocks (branch-shaped block construction method). Although the company constructed about 15 such barriers in Japan since the company first put the method into practical use in 2003, it suffered from slow growth in new construction orders because of the unfamiliarity of the method. In this situation, the company was invited to join the RIT mission to Taiwan by JETRO Yamaguchi Office in Shimonoseki City, Yamaquchi Prefecture, and participated in it merely intending to be an observer.

### The method accepted in Japan following its high reputation in Taiwan

Kikkou Japan's President Takaaki Yoshimura experienced a typhoon that directly hit Taiwan when he participated in a business mission to Taiwan in August 2009. Seeing the serious damage caused by the typhoon, he was convinced that his branch-shaped block construction method could contribute to the restoration of the areas damaged by torrential rains.

In October the same year, when the Taiwan authorities drew up the budget for restoration of the areas affected by the disaster, he proposed the method to the department in charge of restoration work through a local specialized coordinator of the RIT Project. The high-ranking officials of the department recognized the effectiveness of the method and decided that Kikkou would provide technical guidance to a company (based in Dalin Township, Chiayi County) that made a successful bid for the construction work to restore the damaged area in Alishan Township, Chiayi County. Following this decision, Kikkou concluded a technical tie-up contract with the Taiwanese company in March 2010. According to this contract, Kikkou started providing technical guidance concerning its branch-shaped block construction method in April 2010 and the construction work was completed in December the same year.

Japanese media dealt with the successful results of this method in Taiwan, evoking a large reaction

in Japan. In November 2011, thanks to a call from a leading professor and other specialists in the civil engineering field, the Branch Block Construction Method Association was established in Japan. This method was also employed in restoration work in the areas affected by the Great East Japan Earthquake. Kikkou now has inquiries from Vietnam via Taiwanese companies and is looking at disseminating its method in Thailand, which was damaged by a great flood in 2011, China, and East Asian regions. President Yoshimura is hoping that Kikkou Japan will continue to carry out projects overseas in cooperation with local construction companies.

### View from the supporting organization, Yamaguchi Prefecture and Shimonoseki City

2The president of Kikkou experienced a typhoon that directly hit Taiwan on the day that he had a business negotiation session during the RIT mission in which he participated in August 2009. Seeing the serious damage to the country, he was convinced that his company's construction method using branchshaped concrete blocks could contribute to the restoration work. His passion and energetic actions led his company to the successful conclusion of a contract for a technical tie-up. In addition, fortunately, the high-ranking officials of Taiwanese authorities recognized the effectiveness of the technology in the method that JETRO's experts in charge of the RIT Project proposed. The agent organizing this RIT Project closely supported the company by introducing legal specialists concerning technical tie-ups and providing specialists' advice on Taiwanese business practice, even after the conclusion of the contract.

## Kyukyu Pharmaceutical Co., Ltd.

#### Company Outline As of January 2013

Representative: Hirohiko Inada, Ph.D., President

Contact Person: Tsutomu Kitayama,

General Manager, Business Strategy & Planning Dept.

Number of Employees: 222

Main Products/Service:

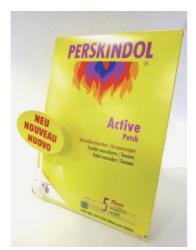
Manufacturing and Sales of Ethical Drugs

32-7, Hibari, Imizu City, Toyama 939-0351, Japan

TEL: +81-766-56-9901 FAX: +81-766-56-9911

URL: http://www.qqp.co.jp/ Email: kyukyu-pharma@qqp.co.jp

#### **Products**



Joint development with Vifor Pharma (product package)

### Motivation for participating in the RIT program

Kyukyu Pharmaceutical Co., Ltd. participated in the RIT program hoping to expand distribution channels for the adhesive skin patches and orally soluble films it produces. At the time, in pharmaceuticals markets outside Japan, the dosage forms adopted in our products were still limited in variety and market recognition. However, its benefits were already recognized by researchers and a sizable market for the products had been developed in Japan. Realizing that this gap would provide us with a huge opportunity to expand our business by selling our unrivaled products in almost untapped markets, we were seeking opportunities to contact local partners to help us advance into overseas markets.

### Combining Japanese and Swiss technologies

In October 2007, Hirohiko Inada, President of Kyukyu Pharmaceutical, joined a trade mission tour bound for Switzerland, seeking an ideal local partner. In a business matching session held there, he first met and talked with a representative from Vifor Pharma

Ltd. and a relationship between the two companies started.

In November 2008, 13 months after the initial contact, Kyukyu Pharmaceutical again participated in a business mission dispatched to the same destination to fulfill important tasks related to the partnership with Vifor. This included signing an agreement on a joint project combining kyukyu's proprietary poultice/plaster formulation technologies and Vifor's medicinal propertiesrelated technologies to develop anti-inflammatory painrelieving adhesive skin patches and starting clinical trials and submitting an application for development approval



Joint development with Vifor Pharma (adhesive skin patches)

regarding the new medicine in Switzerland.

In October 2009, then our third participation in the Swiss mission tour, President Inada received development and marketing approval for the joint development product (adhesive skin patches) from the national authorities. Following these and other necessary steps, manufacturing of the product commenced in our plant in Toyama prior to its introduction into the European markets in January 2010.

Kyukyu basic approach to overseas business is to form a tie-up with a local company to develop products and then undertake manufacturing and distribution of the jointly developed products. Aiming to expand supply to overseas markets, Kyukyu is working to develop new joint development partnerships while building and enhancing development and manufacturing capabilities that facilitate our overseas expansion. In order to increase production volume, Kyukyu is also examining the possibility of transferring part of the production function overseas, for which they are working on comprehensive analysis of the benefits and limitations of the planned move, based on domestic business trends, overall cost differences, and other factors.

### View from the supporting organization, Toyama Pharmaceutical Association

Kyukyu's Pharmaceutical has developed proprietary technologies to produce orally soluble films and other competitive products and has actively worked to expand business overseas. Building on its achievements in technology and product development, as well as overseas activities, the company is expected to achieve further growth. The success of the above-reported project should be attributed primarily to the company's efforts. However, our RIT program and other efforts, in which the company actively participated, contributed to a considerable extent to building and strengthening the successful partnership between Kyukyu Pharmaceutical and Vifor. For example, their initial contact opportunity came while the Japanese firm was visiting Switzerland in the course of our trade mission tour, after which they organized a company tour with representatives from the Toyama plant in the same year to visit the potential Swiss partner.

The company received orders for high-precision processing from a German company

## MIKAMI CO., LTD

Company Outline As of January 2013

Representative: Makoto Mikami, CEO Contact Person: Huan Zhang, Sales Group

Number of Employees: 37 Main Products/Service:

Precision machined metal / Assy, Semiconductor Quick Fuse

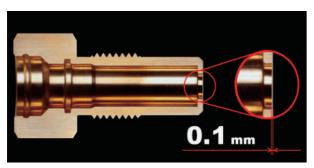
Address:

1-299-7, Hayashi, Tokorozawa, Saitama

359-1167, Japan TEL: +81-4-2949-9450 FAX: +81-4-2949-9475

URL: http://www.mikami-co.jp Email: info@mikami-co.jp

#### **Products**





Example of MIKAMI's metal processing technologies

### Motivation for participating in the RIT program

Around 2007, our company started to expand domestic sales channels for our newly-developed products. However, in making these efforts, we found ourselves facing the challenge of a Japanese corporate culture that would not accept the spirit of endeavoring to develop 100% perfect products. Then, we decided to shift our focus to overseas markets for selling our technology. As recommended by the Saitama International Business Support Center (SBSC), when we sought their advice, MIKAMI decided to participate in an RIT (regional industry tie-up) program, backed by Saitama City.

### MIKAMI's high-precision metal processing technology attracted significant attention from German companies

MIKAMI's President, Makoto Mikami, visited Germany in June 2011 as a part of a trade mission and had a business-matching meeting with company A (a manufacturer of surgical auxiliary tools and auto parts). There, Company A showed a strong interest in MIKAMI's excellent technologies. However, he eventually lost contact with the German company due to some communication difficulties. Although he did not hear from them for a while, staff of Company A came to visit his booth at a trade fair held in Munich, Germany, in November 2011, where he was showcasing his products with support from both Saitama and German supporting organizations, the Saitama City Foundation for Business Creation, and Cluster Mechatronik & Automation, respectively. There, he received from the German company an order for the processing of automobile-related parts, which was the technology the company had first become interested in at the previous trade show. In February 2012 the German company was invited to Saitama, Japan, as a potential business partner. On this occasion MIKAMI and Company A continued to have discussions deciding on the details towards a formal conclusion of a contract for the requested auto parts. Company A was very satisfied with the preciseness of MIKAMI's auto parts processing and additionally requested MIKAMI to process hydraulic parts (tightly-sealed ram) for auxiliary surgical tools, which require even higher precision processing technology. In the meantime, through the talks with Company A, President Mikami recognized that a lack of staff with foreign language skills was hindering MIKAMI from having smooth communications with the overseas client. To improve an ability to communicate with non-Japanese people, MIKAMI asked the SBSC to send German students to intern at our office, while also hiring Chinese employees.

MIKAMI has also aggressively utilized support programs, such as the JETRO Identification and New Market Development Program for Japan-made Products with Global Potential. Going forward, the company is considering to have its staff based in Nuremberg, Germany within three years. MIKAMI's also planning to expand into Switzerland, Russia, and the United States with the aim of becoming a global company.

#### View from the supporting organization, Saitama City Foundation for Business Creation

MIKAMI has a strong power of action that breaks the language barrier, which tends to be a hurdle when Japanese companies try to have business with overseas companies. As represented by its president, who has visited foreign companies many times to have face-to-face meetings, MIKAMI is a company with personnel motivated to take action. The company participated in a business-matching meeting at MedTech Pharma 2011, which was the first contact with the above-mentioned German company. Our foundation continued to provide support, such as the invitation of the German company to Japan under the RIT program as well as a trade mission dispatch program so that MIKAMI could continue to hold talks with the overseas company.

## **NITTOKU ENGINEERING CO., LTD.**

Company Outline As of January 2013

Representative: Nobushige Kondo, President Contact Person: Masayuki Yusa, Exective

Manager

Number of Employees: 556 Main Products/Service:

Coil winding machine Business

11-20 Shirahata 5-Chome, Minami-ku,

Saitama 336-8561, Japan

TEL: +81-48-837-2011 FAX: +81-48-837-2028

URL: http://www.nittoku.co.jp/

Email: yusa@nittoku.co.jp

#### **Products**



High-speed part conveyance equipment



Joint development products with EUTECT

### Motivation for participating in the RIT program

Nittoku Engineering Co., Ltd., a manufacturer of winding machines, is committed to producing ingenious equipment that can offer greater value to customers by using innovative technologies. One key option to this end is, we believe, collaboration with companies capable of developing brilliant technologies highly evaluated by the relevant, though small, market.

We also think that in order to achieve sustained growth by supplying equipment and machinery to the global market, approaches involving technology combinations, including cross-border efforts, are essential.

When informed through JETRO that German companies that might interest us were being invited under the RIT program to make presentations and hold matching sessions, we decided to participate in the program, hoping for opportunities to make contact with ideal partners who would share our vision.

### Introducing cutting-edge bonding technology from Germany

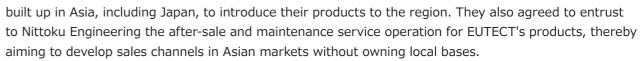
In January 2012, Nittoku Engineering had a business meeting with EUTECT GmbH, a German manufacturer of soldering equipment. The meeting was held in Saitama following the presentation and matching session involving the invited German companies, where Nittoku took great interest in the

company's precise soldering technology used for miniature electronic components, and promptly invited the EUTECT representatives to visit its manufacturing site to see the facilities, particularly production equipment and technologies and facility control systems, before EUTECT left Japan.

Following the second contact meeting in January, Nittoku maintained contact with EUTECT working on a partnership proposal until at last they concluded a sales and service agreement in May of the same year. Under this agreement, Nittoku Engineering purchases EUTECT's soldering equipment that features the firm's proprietary bonding technology.

This enables Nittoku to overcome a long-standing difficulty the company encountered in bonding a certain type of electronic parts, thereby enhancing its capability to deliver sought-after solutions that satisfy diverse customer needs through a broadened product lineup combining the excellence of Nittoku Engineering and EUTECT.

Meanwhile, the agreement allows EUTECT's to use the distribution network that Nittoku Engineering has



In addition, the two companies are planning personnel exchange programs designed to enhance production technologies, which they expect will help strengthen the partnership, not only in terms of technology but also through human resources development activities.

Nittoku's overseas expansion plan for the coming years focuses on redevelopment of bases in and around China and establishment of sales and service bases in India and ASEAN nations, including Vietnam and Indonesia. These are aimed to boost its local after-sale service functions targeting Japanese and other foreign companies operating in these regions. Nittoku also intend to expand its plans for strengthening local service functions to encompass Mexico, Brazil, and other South American countries.

#### View from the supporting organization, Saitama City Foundation for Business Creation

In our view, Nittoku Engineering's success in forming a partnership with EUTECT is attributable to its accurate determination of technological capabilities and speedy action, as was demonstrated when the company representative listened to the presentation of EUTECT, perceived in the company an ideal partner that could share their vision and promptly moved to invite the potential partner to visit their factory in Fukushima. Another strength of the company is its German-speaking staff, eliminating communication barriers that can often constitute a major obstacle for smooth business negotiations. Among others, one of the highlights of Nittoku Engineering are its strong competitive technologies, which are recognized in the company being selected as a core Saitama City Technology Brand Company. We will continue to support the further growth of the company.

## Office Yui Asia Limited

#### Company Outline As of January 2013

Representative: Yoshiaki Takahashi, President Contact Person: Yoshiaki Takahashi, President

Number of Employees: 15 Main Products/Service:

Yubidenwa, an application for iPhone & iPad

Tamahan building 3F, 1-1, Kugenumahigashi, Fujisawa, Kanagawa 251-0026,

Japan

TEL: +81-466-21-7446 FAX: +81-466-21-7996

URL: http://office-yui.co.jp/en/ Email: info@office-yui.co.jp

#### **Products**



Yubidenwa

### Motivation for participating in the RIT program

Office Yui Asia Limited participated in a briefing session for the RIT mission to Finland in 2010 held at Fujisawa Industrial Center (today's Shonan Industrial Promotion Foundation) in January 2011. Although the company had only a general interest at first, it decided to participate in the RIT Project in fiscal 2011, inspired by the words describing Finland as the closest European country to Japan.

### Spreading application software from Finland to the world

Office Yui Asia's President, Yoshiaki Takahashi, was in the midst of developing "Yubidenwa" (an application program that makes iPhone or iPad to speak on behalf of the user by touching words previously registered in the program). He was not sure if his company could launch the app in the Japanese market when he participated in the mission to Finland in 2011. However, he decided to launch the product in Europe, driven by the words "your idea is capital," spoken by a participant in the mission from Otaniemi Marketing, an organization supporting companies' business expansion in Finland.

Returning to Japan, President Takahashi started preparations for the establishment of a base in Finland in order to use an incubation center that Otaniemi Marketing introduced and to form a partnership with a university. In March 2012, he visited Finland in person to inspect candidate sites for the Finland office and for discussions with lawyers about the establishment of a local subsidiary. In May 2012, six months after

the participation in the RIT mission, Office Yui Asia founded Office Yui Europe (capitalized at 2,500 Euros) in Finland as a local subsidiary. He also participated in the mission to Finland in October 2012, in which Yubidenwa's user-oriented interface was appreciated. Office Yui Asia announced participation in a healthcare project to be held in Oulu City as a Finnish company as well as the decision to cooperate with an engineering company in Helsinki.

Looking at the expansion of business from Finland throughout the European market, President Takahashi has already concluded an agency contract for his company's products other than Yubidenwa with a Croatian company. Development of application programs cannot be a rapidlygrowing business that can produce results within a few months. However, Office Yui Asia focuses on ensuring to nurture the buds of business by making best use of their strengths in having bases in both Europe and Asia.



Office Yui's premises in Espoo City, Finland

#### View from the supporting organization, Shonan Industrial Promotion **Foundation**

Office Yui's ability to collect information, its eagerness for international exchanges and so forth, and its remarkable swiftness to take action may be factors in its success. The company puts out antennas to catch diverse information and utilizes appropriate support tools, making the best use of the advantage of occupying a room in the incubation facility that Shonan Industrial Promotion Foundation operates. The company's quick action and positive attitude are critical factors in developing business in overseas countries. With these strengths, the company has been able to make a remarkable achievement represented by the establishment of a local subsidiary in Finland within less than half a year.

## OTSUKA DIESEL CO., LTD.

#### Company Outline As of January 2013

Representative: Yoshitaka Otsuka, President Contact Person: Tomomichi Abe, Chief, Sales Div.

Number of Employees: N.A. Main Products/Service:

Stand-by, Prime Generator (Pump)

Address:

1-1-32, Nishishinchi, Oita City 870-0901,

Japan

TEL: +81-97-558-9271 FAX: +81-97-558-3931

URL: http://www.otsuka-diesel.co.jp Email: otsuka@otsuka-diesel.co.jp

#### **Products**



Diesel Engine



Uninterruptible Power System

### Motivation for participating in the RIT program

In order to beat the competition both in Japan and overseas and also to improve technological capabilities and reduce costs, Otsuka Diesel Co., Ltd. has been actively utilizing component parts for power generators that are manufactured overseas. In Oita Prefecture there is an organization known as Promotion Conference of OITA LSI Cluster, which is a collaborative venture among industry, academia and government. We learned about the RIT program from this organization and decided to participate.

### **Procurement of components from Korea**

President Otsuka of Otsuka Diesel participated in a business mission to Korea in December 2010, where he held a meeting with President Kim of Daeyoung Engine & Generators, discussing the possibility of importing component parts for power generators (engines and control devices). President Kim, who was also adept at Japanese, was very receptive and positive to the proposal and prior to a business mission being dispatched to Korea from July 20, 2011, President Kim travelled to Japan and held a preparatory meeting with President Otsuka on July 5. In that meeting, the two presidents broadly agreed on the import of component parts for power generators.

Following that agreement, on July 21, a business mission visited Korea once again and an MOU was concluded for the import of both engines and completed components for power generators and it was also confirmed that concrete consultations would take place with a view to engaging in actual business. Following the conclusion of the MOU a representative of Otsuka Diesel visited Daeyoung Engine &

Generators to confirm the technical specifications and requirements and in November 2011 a basic contract was concluded in a meeting held in Oita. Under this contract, Daeyoung would sell diesel engines for use in uninterruptible power system (UPS) generators for disaster prevention usage, which Otsuka would fit to its power generators, and Otsuka would also place a sample order for a Daeyoung diesel power generator.

In the future it is expected that individual contracts will be signed for the import of completed component parts for power generators. Otsuka plans to continue to import highly-competitive completed component parts for power generators and they are also candidates for use in gas and bio-mass engines. Furthermore, the company is also considering a move into the export of power generators to countries and regions overseas where power supply is poor and also developing a rental business. Efforts are currently being made to gather information about reliable overseas partners for such ventures.

### View from the supporting organization

Recently demand for power generations has increased sharply, amidst concerns over power stoppages in times of natural disaster. Otsuka Diesel had received many inquiries about its generators and was reaching the limits of its production capacity, including design. The business meeting with Daeyoung Engine & Generators arranged through the RIT program was therefore extremely timely.

Otsuka Diesel has a high level of technical expertise and had various complex demands concerning the introduction of technologies from overseas. The largest factor in this case ultimately being successful was that the two companies remained in regular contact and engaged in follow-up concerning whether they could sufficiently respond to each other's business needs. In order to get to know each other better there were mutual visits between the companies and in business meetings and other opportunities for interaction the presidents of both companies were requested to participate. For the compilation of the documentation and text for the MOU and MOA, JETRO provided support so that agreements could be drawn up that were acceptable to both sides.

## STK TECHNOLOGY CO., LTD.

#### Company Outline As of January 2013

Representative: Akira Marui, President

Contact Person: Tomohiro Himeno, Chief Business Officer

Number of Employees: 400

Main Products/Service:

Design & Production of semiconductor equipment, Semiconductor Test House and

Mechatronics production

Address:

2468-10, Misa, Oita City 870-0108, Japan

TEL: +81-97-527-2161

FAX: +81-97-522-3001

URL: http://www.stk-net.co.jp/ Email: t himeno@stk-net.co.jp

#### **Products**



Burn-in system



Micro-Electro-Mechanical-System (MEMS) Tester

### Motivation for participating in the RIT program

The semiconductor industry has been globalized at an accelerating rate in recent years and is rapidly shifting its focus to overseas markets. Therefore, STK Technology Co., Ltd. decided to participate in the RIT Project, aiming at strengthening its position in the industry, extending sales channels, and globalizing its suppliers.

### **Procurement of parts from Korea**

STK Technology develops and manufactures machines to produce semiconductors, as well as designing and manufacturing actual semiconductors.

In a mission to conduct business negotiations in Korea in October 2010, it held discussions with a Korean company, JUNTECH, concerning procurement of its processed sheet metal products and moldedresin products. In December the same year, several Korean companies, including JUNTECH, visited Oita Prefecture in Japan as part of a business mission from Korea. On that occasion, STK held negotiations with JUNTECH again and signed a Memorandum of Understanding (MOU) on the assumption of agreeing a trade contract. According to the MOU, they started exchanging information on their technologies and sales channels with each other and agreed to future trade-related discussions in order to prepare the business environment to conclude a contract. After that, a basic contract whereby STK Technology Co.,

Ltd. commissions JUNTECH to produce molded-resin products and import other products was agreed in negotiations conducted during the mission to Korea in July 2011.

#### View from the supporting organization, OITA LSI Cluster

STK Technology was eager to globally expand its business, participating in all events of the RIT Project with an active interest. With its excellent technologies of burn-in systems and testing and processing, the company is in an advantageous position to provide guidance about these technologies outside of the company.

The successful conclusion of the contract was a result of efforts to ensure that good communications were established between the two companies and appropriate follow ups undertaken. The agent organizing this project also encouraged the companies to promote their staff members' visits to each other's offices to deepen mutual understanding and asked both Presidents to attend meetings for business negotiations and exchanges. The MOU and Memorandum of Agreement (MOA) were prepared in a mutually satisfactory manner with both parties present and with support from JETRO. The two companies' management policies were similar in that they adopted a long-term perspective, which was beneficial to a smooth conclusion of the contract.

Developing markets through building a partnership with a public organization

## Takashima Sangyo Co., Ltd.

Company Outline As of January 2013

Representative: Takeo Oguchi Contact Person: Yoko Nishizawa Number of Employees: 220

Main Products/Service: Electric/electronic device parts, Medical equipment parts, Watch parts, FA

machinery and Jig

Address:

9656-6, Kanazawa, Chino City, Nagano

391-0012, Japan

TEL: +81-266-72-8825 FAX: +81-266-82-1286

URL: http://www.takashima.co.jp/en/

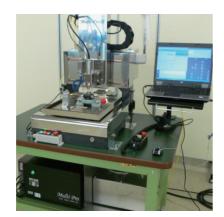
index\_e.html

Email: ynishizawa@takashima.co.jp

#### **Products**



MPX, Multiple Function Desktop Process Machine



Product delivered to CTDEC

### Motivation for participating in the RIT program

Takashima Sangyo Co., Ltd., engaged in micro-processing and micro-parts manufacturing, is a member of the Desk Top Factory (DTF), a local group of companies with operational sites in Suwa industrial parks. As the DTF was selected as an RIT program organizer, member companies, including Takashima Sangyo, were encouraged to join the program as part of the group activities. The company's primary interest in the RIT program was to explore opportunities to approach European economies, where at the time there was no substantial sales market for multiple function desktop process machines, its mainstay product.

#### Establishing a partnership with a French public organization, aiming to develop local markets

Takashima Sangyo's relationship with Centre Technique de l'Industrie du Décolletage (CTDEC) originated in its participation in a trade mission dispatched to France in September 2007. As part of the business tour, the company visited the government-established technical support center for the mechanical engineering industry based in Haute-Savoie, a French prefecture bordering Switzerland. The second contact came in 2009 when Takashima Sangyo joined a Switzerland/France-bound mission tour.

The tour included a business matching session held as part of at the 2009 Environment Professional

Micro Technologies (EPMT) trade show in Lausanne, Switzerland. While engaged in business meetings with potential local partners together with other representatives from DTF member firms, Mr. Endo, executive managing director of the company and mission delegate, encountered a CTDEC researcher.

In response to the reported encounter from the mission in September, JETRO made preparations for inviting the researcher to Suwa. For the researcher's visit to Takashima Sangyo, necessary coordination and arrangements were made by the Nagano Techno Foundation, which served as secretariat for the DTF's RIT program. The invited researcher listened carefully to detailed explanations on the concept of DTF products and activities, in which he showed a deep interest before leaving Japan.

The next move was made in January 2010 when an expert from the Suwa industry group visited CTDEC as a representative of Takashima Sangyo, during the course of his business trip to France, to provide follow-up explanations, focusing on the superior energy and space-saving properties of the precision company's multiple function desktop process machines. The DTF continued efforts to maintain contact with the French organization after completion of the RIT program period, meaning the end of government support, at the end of March 2010.

These persistent efforts were rewarded in May 2011 when Mr. Endo won an order from CTDEC while he visited France in a DTF-organized post-RIT mission tour. The first order was delivered to the French organization in October in the same year.

Takashima Sangyo expects that the company's products will be favorably evaluated by the government technical center, raising its recognition among local companies and leading to increased orders from the

### View from the supporting organization, Nagano Techno Foundation

The RIT program helped the DTF develop activities to approach overseas markets. Even after completion of the RIT program, the group has made continued efforts to maintain contact with the European business group, including organizing meeting opportunities on a semiannual basis. Specifically, we continue to dispatch the annual trade mission that started under the RIT program, while inviting European representatives to the annual Suwa Area Industrial Messe.

These regular face-to-face meetings were a vitally important process, in that only after repeatedly sharing presentations and opinion exchanges was it possible to have substantial negotiations and discussions on specific conditions for forming a partnership.

Another contributing factor is JETRO's sponsorship, as we view that the successful contact with the major local institution was largely attributable to the influence of public authorities under which we organized trade mission projects.

Takashima Sangyo's achievement was the fruit of the company's proactive efforts, particularly the company representative's regular participation in missions aiming to grasp opportunities for advancing into overseas markets, and taking effective action, including giving attractive presentations.

## YAMAMOTO INDUSTRIES., LTD.

#### Company Outline As of January 2013

Representative: Kazuo Yamamoto, President & Representative Director

Contact Person: Yukinobu Urvu,

General Manager (Overseas Business)

Number of Employees: 550 Main Products/Service:

Steel Drums, Bag Filter, Chain Conveyor & Others

1950-10, Oh-Aza Edamitsu, Yahatahigashi-Ku, Kitakyushu, Fukuoka 805-8514, Japan

TEL: +81-93-681-2431 FAX: +81-93-681-2432

URL: http://www.k-yamako.co.jp/

Email: soumu@k-yamako.co.jp



Bug filters manufactured in Vietnam

#### Motivation for participating in the RIT program

Our company is a large-scale manufacturer of dust collectors and bug filters in the Japanese market and we had worked hard until the very end to retain our manufacturing base in Japan. However, under an environment of extreme price competition we found ourselves in a difficult situation where we were no longer cost competitive. It was for this reason that like other companies we started looking into consigning our manufacturing to a neighboring country in Asia. As many Japanese manufacturers have focused their consigned production in China, we turned our attention to Vietnam, as a "post-China" option, and with the help of the Kitakyushu Vietnam Association we started seeking out possibilities. It was around this time that the Trade Promotion Division of Kiyakyushu City provided information about the RIT program and we decided to participate.

### Focusing on the potential of Vietnam as a "post-China" option

YAMAMOTO INDUSTRIES., LTD. had started its own independent search for a location in Asia where it could consign manufacturing operations for its large bug filters that are used in factories, which is one of YAMAMOTO's major products. YAMAMOTO was focusing its search in Vietnam.

It was around this time that YAMAMOTO decided to participate in a RIT program being implemented by Kitakyushu City and in September 2011 it participated in a business mission to Vietnam. Thanks to arrangements made by VIETRADE, the implementing body on the Vietnamese side, during the course of the business mission YAMAMOTO was able to have meetings with a number of companies in Hanoi.

Thanks to these business meetings and studies implemented by the company itself, YAMAMOTO identified a Vietnamese company that had potential as a partner. After returning to Japan following the business mission, representatives of the YAMAMOTO travelled independently to Vietnam, where they

concluded a contract for the manufacture of bug filters with Vietnamese LILAMA69-3.

In October 2011 LILAMA69-3 was commissioned to manufacture a small sample product, which was then imported to Japan and checked by YAMAMOTO for its build quality. After confirming the quality of the product the two companies concluded a contract for the manufacture of bug filters for actual use and sale in the Japanese domestic market. By the end of 2012 two large-scale bug filters had been imported to Japan. YAMAMOTO intends to continue consultations with LILAMA69-3 aiming for further sales in Japan.

In addition to continuing efforts to find candidates in China for consigned manufacturing of bug filters, YAMAMOTO is also planning to start considerations for the outsourcing of chain conveyor products also.

#### View from the supporting organization, CITY OF KITAKYUSHU

When manufacturers are considering consigning manufacturing operations overseas, it is necessary to visit the local sites overseas frequently and engage in studies of as many companies as possible.

This contract was successfully concluded as a result of a combination of multiple opportunities for study and assessment, including on the RIT program mission, a private sector organization mission and independent actions on the part of the company.

As the supporting organization and the implementing body for the RIT program, we stayed abreast of the developments in this case and also got involved in planning with other missions. This made it possible for business meetings to be provided at the appropriate time that were of a high quality and usefulness, which is one of the factors behind the success of this particular case.