ISSUE
177
June 2024

JETRO Switzerland Newsletter

Japan External Trade Organization

Exploring Cutting-edge Technologies and Innovations

Interview with Tsuyoshi Aomi, Chief Executive Officer at *AOMI Precision*

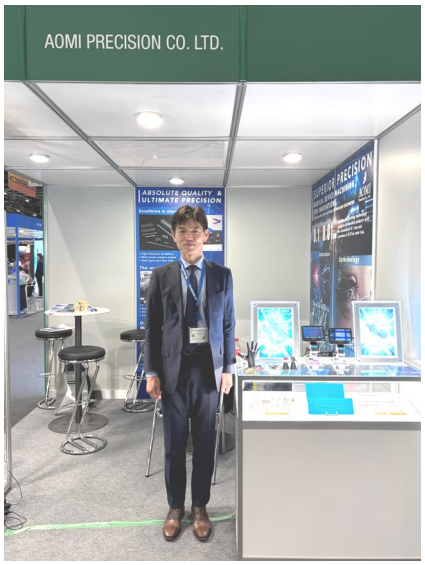
Inside this issue

会見
INTERVIEW

*AOMI Precision Co. Ltd. the leading player in Japan's manufacturing landscape, specializes in processing intricate shapes and challenging materials with unparalleled precision. The company's expertise lies in consistently providing high-quality fine devices. We had the opportunity to interview **Mr. Tsuyoshi Aomi**, Chief Executive Officer of Aomi Precision during this year's EPHJ High Precision Salon in Geneva.*

Mr. Aomi, could you provide an overview of AOMI Precision's history and core business activities?

AOMI Precision Co., Ltd. was founded in 1965 and currently has 130 employees. Initially, we specialized mainly in industrial components, IT, and electronics. However, over the years, we have expanded our expertise to include precise components for the medical, automotive, and semiconductor industries. Nowadays, we have a well-balanced portfolio encompassing medical, automotive, semiconductor, optical, and other sectors. We are an ISO 13485 certified and accredited medical device manufacturer. Our core business activities revolve around leveraging our superior precision cutting technology to deliver high-quality, complex parts and instruments to our clients across various industries.



Tsuyoshi Aomi is AOMI Precision's CEO
© *JETRO Geneva*

What are the key industries and clients that AOMI Precision serves?

We serve a diverse range of industries, with a strong focus on the medical, automotive, and semiconductor sectors. Our key clients include medical device manufacturers, for whom we produce high-precision components such as surgical instruments, implants, endoscopes, and robotic surgical equipment. We also cater to automotive companies, supplying critical engine components as well as next-generation parts for electric and hydrogen vehicles. Additionally, we serve semiconductor manufacturers, providing ultra-precise parts for semiconductor manufacturing equipment and specialized valves.

What is the aim of your visit to this year's EPHJ High Precision Salon in Geneva?

Our aim is to establish our presence in the Swiss market, find new customers and business opportunities, gather information on the latest advancements in microfabrication technology, and explore potential collaborations and partnerships in this field. While this is our first time exhibiting at EPHJ, we have been actively participating in exhibitions in other countries like the US and Germany for the last seven years. We are keen to tap into the thriving Swiss watchmaking industry and explore new markets for our high-precision machining capabilities.

What sets your company apart from other Japanese companies operating in precision cutting technology and how do you stay at the forefront of advancements in this field?

Our strong manufacturing capabilities, flexibility to meet production needs, and commitment to quality improvement sets us apart from other Japanese precision cutting technology companies. Over the past 20+ years, we have supplied over 300'000 parts to leading medical device companies.

(continue on page 2)

Exploring Cutting-edge Technologies and Innovations

Interview with Tsuyoshi Aomi, Chief Executive Officer at AOMI Precision

会見
INTERVIEW

Our company owns a wide range of cutting-edge equipment, including over 100 NC complex automatic lathes, 5-axis control machining, wire cutting, electric discharge machines, and various grinding machines. This diverse lineup allows us to handle a variety of materials, from resins to ultra heat-resistant alloys like titanium and cobalt. To maintain global quality standards, we have invested in top-of-the-line machinery and measuring instruments, for example a world-class 3D measuring machine. Our quality control and inspection staff ensure that every product meets the highest standards. AOMI Precision is committed to staying at the forefront of advancements in precision cutting technology through active collaborations with Japanese universities, which have significantly boosted our Research and Development (R&D) efforts.

Are there any new cutting-edge technologies or innovations you are currently exploring?

We are constantly exploring cutting-edge technologies and innovations. One area we are particularly excited about is the use of advanced laser technology to create ultra-precise parts for the medical field. Our investment in state-of-the-art laser processing systems allows us to produce intricate components for ophthalmology, orthopedics, dentistry, and vascular treatment with tolerances as tight as 0.0005 mm. This laser machining capability enables us to create features and geometries that were previously unattainable with traditional cutting tools. To accelerate the development of these innovative devices, we have also incorporated additive manufacturing into our prototyping process. By leveraging 3D printing, we can quickly produce complex prototype parts with minimal lead time. We have also invested in cutting-edge measurement tools such as high-resolution 3D optical profilers, air micrometers, and roundness measuring machines that can detect variations at the sub-micron level.

Can you share with our readers what AOMI's key growth areas or target markets for the coming years are?

We have identified several key growth areas and target markets for the coming years. The medical sector remains a primary focus, leveraging our expertise in micro machining, ultra-thin wall machining, and the ability to work with a wide range of materials. We aim to expand our presence in manufacturing medical components such as ophthalmic, dental, orthopedic, vascular treatment devices, endoscopes, and surgical support robots. Additionally, we are actively pursuing opportunities in the next-generation automotive industry, particularly in the development of hydrogen-powered vehicles and the ambitious goal of contributing to flying car technologies. The security and defense sector, specifically in anti-missile defense systems, has also emerged as a strategic growth area for us.

AOMI Precision exhibited their services and products at this year's EPHJ High Precision Salon in Geneva for the first time © *JETRO Geneva*

Furthermore, we are increasingly focusing on the watchmaking industry, with a particular emphasis on collaborating with small and independent watchmakers to create unique and specialized timepieces. Notably, we have also established a partnership with the European Society for Quality Research (ESQR), a Switzerland-based organization recognized with the best practice award in the category of quality and reliability of measurement, which underscores our commitment to maintaining the highest standards of quality and precision in our manufacturing processes.

Thank you for the interview!

Results of the Federal Vote of 9 June 2024

動向
SITUATION

On 9 June 2024, Swiss voters went to the polls to cast their ballots on four issues. While three health-related initiatives were rejected by the electorate, the Renewable Energy Act was approved by a clear majority of voters.

The Premium Relief Initiative by the Social Democrats aimed to limit mandatory health insurance premiums to no more than 10% of a household's taxable income. It was rejected by 55.5% of voters. The main arguments against it were that it would have led to higher premiums for the young and healthy to subsidize older and sicker people. Critics also said it would increase healthcare costs and bureaucracy. On the other hand, supporters argued it would provide financial relief for low and middle-income families struggling with rising premiums.

The Cost-Brake Initiative by the Center party sought to cap the costs of mandatory basic health insurance at the 2024 level, adjusted for inflation and population growth. It was rejected by 62.8% of voters. While Opponents claimed it would lead to healthcare rationing, lower quality of care, and undermine Switzerland's excellent healthcare system, supporters said it was needed to control increased healthcare spending driven by new treatments and an aging population.
economic uncertainty.

The Freedom and Physical Integrity Initiative aimed to ban mandates related to invasive procedures with physical and mental effects, such as vaccinations. It was overwhelmingly rejected by 73.7% of voters, with no cantons approving it.

The Federal Act on a Secure Electricity Supply from Renewable Energy Sources aims to secure Switzerland's electricity supply long-term from renewable sources like hydropower, solar, wind and biomass. It was approved by 68.7% of voters. Supporters said it will help meet climate goals, reduce fossil fuel dependence, and ensure a reliable, sustainable power supply. Opponents claimed it would raise electricity prices and argued for keeping nuclear power as an option.

Sources: admin.ch; SRF

Survey: Japanese Companies Report Negative Impact of Weak Yen on Profits

動向
TREND

*A recent **Teikoku Databank** survey reveals that most Japanese companies view the yen's weakness as detrimental to their businesses.*

The survey, conducted in May 2024 and which included responses from both exporters and importers, found that **64%** of firms reported profit erosion due to the yen's depreciation, while only **7.7%** experienced positive effects. Companies citing adverse impacts stated they couldn't pass on rising raw materials costs to customers through price increases. About half of the surveyed firms indicated that a yen trading between **¥110** to **¥120** against the US dollar would be appropriate. The yen's recent sharp movements sparked speculation about potential government intervention in the foreign exchange market. Analysis of Bank of Japan (BoJ) account flows suggested two likely interventions totaling around **¥9.4 trillion.**

Despite the BoJ's first interest rate hike in 17 years in March, the interest rate gap between the US and Japan is expected to remain wide, maintaining downward pressure on the yen.

While the weak yen has boosted earnings for exporters, it has negatively impacted domestic economic activity. Household spending has declined for over a year as consumers tighten budgets due to rising living costs. Japan's Finance Minister **Shunichi Suzuki** reassured that the government is making efforts to implement policies that would help mitigate any negative impact created by the depreciation of the yen.

Sources: Teikoku Databank; The Japan Times

Japan-EU Agreement on Hydrogen Demand and Supply

革新
INNOVATION

Japan and the European Union have joined forces to develop policies for clean hydrogen demand and supply, as well as advance related technologies. This partnership aims to promote sustainable energy solutions and reduce carbon emissions.

A hydrogen storage tank and loading system at a liquefied hydrogen receiving terminal in Kobe © *Bloomberg*

For Japan, hydrogen represents a cleaner alternative to liquefied natural gas, aligning with its 2050 carbon neutrality goal. The EU views hydrogen as a means to decrease reliance on Russian fossil fuels. Both regions have set ambitious targets, with the EU aiming to produce and import 20 million metric tons of renewable hydrogen by 2030.

To support this transition, Japan plans to invest **¥3 trillion** over 15 years in clean hydrogen production subsidies. Infrastructure development is crucial for creating demand for this new fuel. In line with this, Japanese trading house Itochu is exploring the feasibility of establishing a hydrogen and ammonia supply chain in Kitakyushu, a future offshore wind hub. This collaboration marks a significant step towards a cleaner energy future, fostering innovation and sustainable practices in both regions.

Source: The Japan Times

Agenda

日程
AGENDA

✓ **Stay tuned!**

JETRO is a government-related organization that works to promote mutual trade and investment between Japan and the rest of the world. Originally established in 1958 to promote Japanese exports abroad, JETRO's core focus in the 21st century has shifted toward promoting foreign direct investment into Japan and helping small to medium size Japanese firms maximize their global export potential.

The JETRO Switzerland Newsletter can also be viewed and/or downloaded online: http://www.jetro.go.jp/switzerland/newsletter

JETRO
Japan External Trade Organization

JETRO Geneva
80, Rue de Lausanne
1202 Geneva
Phone: 022 732 13 04
E-mail: SWG@jetro.go.jp

©Expo 2025