
Aiming at Further Technical Development



Tetsuji Ogiwara
Operating Officer

The initial year of the Third Mid-Term Management Plan, which started with the 21st century, is about to end. Domestic and global business environments have been experiencing unprecedented recessions triggered by plummeting IT business, which was successful two years ago. Sanyo Denki has not been spared the recession, which gave us no choice but make drastic changes.

Manufacturers need to continue to seek new technologies and new product developments without being influenced by recessions. We recognize the achievements of the Cooling Systems, Power Systems, Servo Systems, and Control Systems Divisions in 2001, which are published in this issue. These accomplishments are the result of the hard work of our engineers, who devoted themselves to these projects throughout the year. These latest products have been already released, and I am convinced they will become our newest profitable products.

It has been quite a while since we started hearing about “manufacturing drain,” i. e., many Japanese manufacturers relocate their manufacturing facilities from Japan to overseas where they can take advantage of inexpensive labor costs. Many Japanese have been concerned about the future of our manufacturing industries. Just as Japan followed the United States during its high-growth period, it is now China and other rapidly developing countries that are following Japan. Japanese manufacturers are looking overseas for material supplies and manufacturing facilities in order to be more competitive. Sanyo Denki is also expanding overseas with a focus on Southeast Asia for manufacturing. I am sure of this trend is becoming more apparent.

However, technology needs to constantly move forward regardless of changes in business environments. At Sanyo Denki, developing forward-looking technology has been our corporate philosophy since the company’s inception. The first step to realize this is to pursue high-quality technology beyond our competitors’ capabilities both domestic and overseas. Through realizing it, we can not only manufacture value-added products but also find ourselves well-prepared for globalization.

It is not easy to win a business war by providing strong products constantly. It can be achieved only through our steady efforts, foresight, good ideas, and actions. It is also necessary to be familiar with technologies and products of both present and past in order to develop new technologies and products. We need to first consider what needs to be done before making the full use of the latest technology.

According to Chinese philosopher Confucius, we need to first study past and successes to acquire new knowledge and views. This applies to our business, too. We need to understand our ancestor’s technologies and achievements before creating new technologies.

The success of IT allows us to get information far more quickly and easily than before. In addition, complex, difficult calculations and simulations used for designs and developments have reached a level where anyone can handle them with the help of support tools such as compact high-performance personal computers and software. Twenty years ago when I was a young engineer, we needed to design an uninterruptible power supply system with manual calculations and past data. In other words, it was done only with empirical rules. Because of this, we made more mistakes and wasted many hours. Thanks to IT, today we can design far faster and more accurately.

Products requiring new technologies involve many invisible elements. It is not very meaningful unless they are released before our competitors' products. Therefore, we cannot afford to spend too much time. There are many different methods available. It is most important that people and products be forward-looking.

This year, we are working on a new developmental theme with a new mind-set and activities.

Engineers have dreams. What they should do is to take action. We will make the technical achievements of 2001 a springboard for our future success so that we can move a step closer to realizing our dream.