



Contribution through Core Business

Monozukuri Headquarters

Message from the Senior General Manager of Monozukuri Headquarters

Tomozo Ogawa

Managing Executive Officer
Senior General Manager of Monozukuri Headquarters &
Senior General Manager of Procurement Division

Accelerate New Product Development and Achieve Accurate Response to Market Needs through Everyone Working with a Sense of Unity

At the meeting of the Board of Directors in January 2025, a resolution was passed for major organizational changes centered on the establishment of the Monozukuri Headquarters, which was aimed at further strengthening RIKEN TECHNOS’s manufacturing capabilities as a manufacturer. Together with this resolution, it was announced that Managing Executive Officer Tomozo Ogawa would be heading this Monozukuri Headquarters that will be responsible for value creation at RIKEN TECHNOS going forward. The newly appointed Senior General Manager Ogawa of the Monozukuri Headquarters explained in detail the background and purpose of these organizational changes.

Breaking Down the Walls Between Monozukuri-related Divisions and Integrating Them into One

The Monozukuri Headquarters is a large organization created by breaking down the walls between all divisions relevant to monozukuri as a manufacturer and integrating them into one. These divisions include research and development (R&D), manufacturing and processing, and quality control as well as procurement, intellectual property (IP), analysis, engineering, and logistics. There are divisions by product type—the Compound Division and the Film Division—under the Monozukuri Headquarters, each with its own functions for development, manufacturing, and quality control. By changing from the previous function-based organization to a business-based organization, we established a structure that encourages information sharing, cooperation, and human interaction.

We were especially particular about including the procurement division under the Monozukuri Headquarters. Besides the existing role of stable procurement at reasonable prices, we expect the procurement division to become a key member of our new product development process by quickly sharing information about suppliers’ new products with our R&D staff as well as conveying the development side’s

needs to suppliers. We also expanded the role of the procurement division so that it can be more actively involved in new product development and cost reduction.

“Be thorough in discussions” is a feature of RIKEN TECHNOS, and as part of this feature, we established the Monozukuri Review Committee to carry out thorough discussions at the stage when we embark on new product development. The purpose is to accelerate new product development and achieve accurate response to market needs through all relevant parties working with a sense of unity under my leadership as the committee’s chairperson. The Monozukuri Headquarters aims to be an organization where all members take responsibility over new product development and cost.

Background of Establishment and Goal of the Monozukuri Headquarters

Behind the establishment of the Monozukuri Headquarters was a sense of crisis felt by many of us in management, including myself. We felt our efforts in new product development were insufficient for RIKEN TECHNOS’s further growth. I also personally believed that our speed in the process from development to product supply lagged behind market changes. This was not just an issue with R&D, but an issue

with collaboration across the RIKEN TECHNOS GROUP, including manufacturing, quality control, and procurement.

There was a strong desire in our development staff to deliver good products, but we could not say they had strong cost awareness. Furthermore, a majority of our overseas sales came from Japanese companies in the past, but it is essential to expand sales to non-Japanese companies to further increase our earning power in the global market. Therefore, it will be important to speed up the processes from R&D to product supply.

To solve these management issues, it is necessary to heighten the unity of our entire value chain, including development, manufacturing, quality control, and procurement. We also need to enhance not just the speed of development but also other aspects—such as accuracy, cost awareness, DX, and environmental consideration—across the Group. I also thought that, in today’s rapidly changing business environment, it was important to establish a structure that can accurately understand the changing situation and respond flexibly and quickly according to the situation. The newly established Monozukuri Headquarters will seek overall optimization by smoothly sharing information between divisions and cooperating across organizational boundaries.

As a specific initiative based on our new three-year medium-term business plan “One Vision, New Stage 2027,” we decided to expand the Mie Factory to further strengthen our manufacturing system. This will allow us to enhance our production capacity, build an efficient product supply system, and establish the foundation for future growth investment. We will seek to achieve a manufacturing system that strengthens our competitiveness in the global market and addresses environmental and social issues.

Philosophy of Monozukuri to Be Shared across the RIKEN TECHNOS GROUP

The Monozukuri Headquarters will create new value based on the following basic policies.

- 1. Develop unity between R&D, manufacturing, quality control, and procurement divisions
- 2. Increase the speed of development, from start to finish
- 3. Be thorough in discussions when starting, and work until completion once started
- 4. Be particular about operating profit and cost
- 5. Enhance labor productivity
- 6. Contribute to solving environmental and social issues

I have personally shared these six policies with all employees through company meetings and as a message from the management in our company newsletter.

Based on the philosophy of the Monozukuri Headquarters that has been shared in this manner, in the new three-year medium-term business plan, we will seek to achieve the specific numerical targets of raising the ratio of new product sales from 11% in FY2024 to 23% in FY2027, and raising production capacity by 11% in FY2027 (compared to FY2021). Besides improving earning power, we also emphasize contributions in the aspect of sustainability, such as solving environmental and social issues. In particular, it is essential to respond to climate change, an issue on a global scale. We will continue to invest in environmental measures and develop environmentally friendly products wanted by the market, while carefully discerning the cost benefit. At the same time, we will accelerate our initiatives toward reducing environmental load across our value chain, such as reducing CO₂ emissions in our manufacturing processes and circulating resources.

I believe that we can only contribute to society after a product has been mass produced and is actually being used by customers. As the head of the Monozukuri Headquarters, I will be thorough in adopting a hands-on approach to create an organization where everyone faces the same direction and keeps taking on challenges.

