

MC's Management Professionals

Getting involved in real business in Japan and overseas fosters many future management professionals and improves MC's corporate value. Following the last issue of our INVESTORS' NOTE, we introduce our employees who are involved in overseas business management on the frontline.



To motivate employees, understand each other and say what you think

President, Tri Petch
Isuzu Sales (TIS)

Toshiaki Maekawa
Machinery Group

Staying humble in any situation

"My responsibility is to further enhance this company's corporate value and profitability of TIS, which my predecessors have garnered over years, and hand over the results to the next generation," says Mr. Maekawa, who became president of Tri Petch Isuzu Sales (TIS) in March 2016.

TIS was established in 1974 as an exclusive import and sales agent for Isuzu Motors in Thailand. In cooperation with Isuzu Motors and local partners, TIS group is involved in not only marketing and sales but also manufacturing, after-sales service, finance and leasing. TIS group, together with over 100 dealers, tackles expanding sales of Isuzu vehicles in the Thai market.

Ever since joining MC, Mr. Maekawa has been involved with Isuzu, spending almost half of his career at Thai companies in which MC invested. "How can we enhance the value of Isuzu vehicles,

increase sales volume, make profits, and grow the company?" ... Since he was young, he has been working in the field of business management, which gave him opportunities to learn close to CEO how to manage a company.

When he started to work at TIS, an expatriate from MC at the time who built the foundation of TIS told him, "Never misunderstand our position." Mr. Maekawa says he still remembers the words. "We have been given an opportunity to work and make money in Thai society. Never become arrogant. Don't forget to give back to the society." Mr. Maekawa says, "I am convinced that the words represent the very basic stance I should keep in my day-to-day management. I always keep in mind that I am managing this business, supported by plants (partners), dealers and customers."

Transforming ourselves responding to the changes of the times

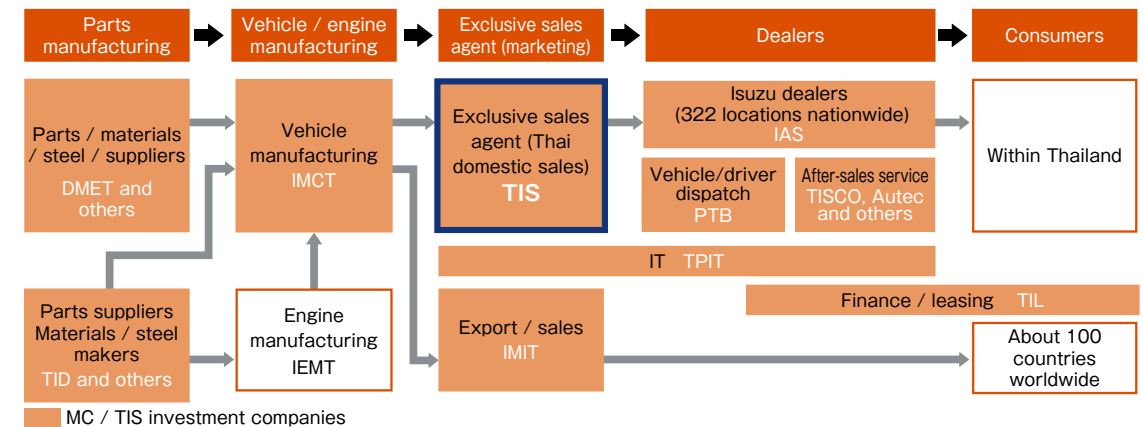
Mr. Maekawa, who is involved in day-to-day management of TIS, says those who are afraid of loneliness are unable to manage a company. "I listen to other views, of course, but making the final decision is my responsibility as management. Although an appropriate course correction will be made when the business environment changes, once a decision is made, management should carry it through to the end with a strong belief that the decision is right, no matter what others may say. Being able to make decisions independently of various vested interests is one of the strengths of foreign-national management," says Mr. Maekawa. At the same time, he values routine communications with his employees, sharing his own views and thoughts directly to over 700 employees and exchanging views with managers and young/old employees. Mr. Maekawa insists, "I have to understand that employees have different sets of views and positions. The role of management is to sincerely tell them his thoughts and make them focus on the goal. In the long run, communication among people is essential to manage business."



Mr. Maekawa communicating with his employees

The Isuzu business in Thailand will commemorate its 60th anniversary this year, and the performance of TIS is progressing steadily. Amid the changing environment surrounding the auto industry, Mr. Maekawa started a new challenge. He explains, "If we want this company to continue existing the next 10 years, and 60 years, we must take different approaches that we have never done before. We must transform ourselves responding to the changes of the times." Last year, as part of this challenge, TIS made its first single-handed foray outside Thailand to start the sale of Isuzu vehicles in Laos and Cambodia. He says, "We want to get this business on track to success as soon as possible, making it the second source of revenue growth for TIS Group." Mr. Maekawa, with his reliable employees, is opening a new page in company history.

● Thai Isuzu business value chain



No Matter How Tough Things Get, You Have to Stay Positive That's the president's job

Managing Director,
India Metal One Steel Plate
Processing (IMOP)
(at time of the interview)

Takeshi Mitsui
Metals Group



Passion and dreams are essential, but they are not enough to be a successful business leader.

"The experience of overcoming difficulties together with employees made me what I am today," Mr. Takeshi Mitsui, Metal One Department, Metals Group, says emphatically. For about five and a half years from September 2011, Mr. Mitsui was at the helm of India Metal One Steel Plate Processing (IMOP) as president.

IMOP is a joint venture company established in 2011 between MC Group's Metal One Corporation and Keiyo Blanking Kogyo. To respond to the increasing demand for steel plates in India, IMOP is offering construction equipment manufacturers a wide range of steel plate processing services, such as cutting, bending, machining, welding and coating/painting. In the year ended March 2017, the fifth year since the foundation of IMOP, Mr. Mitsui finally achieved a long-sought black bottom line. In the field of business management, however, he encountered many difficulties.

On the third year after its foundation, his company faced severe cash-flow challenge. Since

Indian economy was sluggish and his company could get less order than planned, several banks declined its new loan requirement. The viability of his company became in question. Mr. Mitsui says, "If the company went broke, it would cause trouble not only to our customers and suppliers, but also to our employees and their families who have trusted in my leadership and worked hard. I spent sleepless nights suffering from the pressure." During a meeting to discuss what to do, he was harshly asked if he was confident enough to turn around the ailing business, but Mr. Mitsui had to put his head down.

It was that time when his boss, Metal One's Division COO at the time, turned to him and said, "If you are all doom and gloom, you will bring down the morale of your employees who trust and follow you. No matter how tough things get, you have to stay positive and tell them clear visions." While Mitsui was about to lose his confidence, those words opened his eyes.



Snapshots of the IMOP plant located in the south of Andhra Pradesh, India, where about 450 employees are working.



All employees worked as one to overcome the crisis.

At that time, cost reduction was imperative to turn around the company, and Mr. Mitsui was pressed to decide on whether to cut his workforce. He thought, "We can't afford to keep all employees, but we don't want to lose the employees who we developed the talent through technical training and education." After struggling with that dilemma, Mr. Mitsui decided to introduce a work-sharing system, by which each employee is asked to work only two to three days a week for several months. Mr. Mitsui gathered everyone together and in front of them, he talked about the situation the company faced and what would lie ahead after this difficulty was overcome.

He said, "Our solidarity has never been more important, and we must work as a one to overcome these difficult times." The employees understood the strong intention of Mr. Mitsui to keep the company running, and the work-sharing system began. To improve productivity, he and employees were devoted to cost reduction and kaizen (improvement) activities every day. Though there were challenging times when it seemed that

no matter what they do, they could not produce results as they wanted, all employees worked as one and focused on the task at hand, with no one leaving the company.

Later, the cash-flow situation got improved with a capital increase, and IMOP made capital investment for business expansion. After that, sales have increased at a steady pace, with financial performance improving.

Looking back on his days at IMOP as president, Mr. Mitsui says, "There's only so much management can do. Presenting clear visions is an important role of management, but I keenly felt it critical to always try to understand employee competence and ability, drawing out their full potential."

Away from IMOP's day-to-day business, Mr. Mitsui is now, engaging in the business management of Metal One. Keeping in mind his hands-on experience in India, he is contributing to further improvements in Metal One's corporate value.