

Mabuchi's fusion of *monozukuri* and logistics

With its unique 'Integrated Logistic System', Mabuchi has been able to combine the best aspects of manufacturing and logistics to provide unbeatable solutions for their customers.

Founded 68 years ago, Mabuchi started out as a packaging firm and over time, in line with the needs of its clients, the company branched out into logistics, which led to the creation of its renowned Integrated Logistics System (ILS).

"We started with a mandate that allowed us to create the entire process, from receiving the freight, inspection and packaging, clearing the different customs obligations and approvals, and finally shipping to the destination factory," explains company president Mikio Sakamoto. "At that point, we make sure the whole process is taken care of by us and in the best way possible for our clients."

When it comes to transportation of often large and heavy industrial goods, clients require the highest level of service and expertise, which is why many turn to Mabuchi's ILS to ensure their needs are met. Having built up its experience serving clients in the automotive and housing-related industries, the company embraces the values of Japanese *monozukuri* (craftsmanship) and *omotenashi* (hospitality) to offer clients a truly superior service, both in Japan and abroad.

"We believe that the spirit behind *monozukuri* of always thriving to respond to the client needs, is very intrinsic to Japanese companies and is something that we must continue to provide to the world. This spirit of always placing the customer first and always thinking of the customer needs has always been the most important priority," explains Mr. Sakamoto.

"We pride ourselves on ensuring that we pay meticulous attention to all the details and that we're able to satisfy each specific client's requirements, making sure that our manufacturing and packaging is optimal at all times. One of our greatest strengths is that we are able to take care of packaging needs for large-scale products, as well as extremely heavy products of up to 60 tons, with high precision and delicate packaging."

This dedication to *monozukuri* and putting the customer first has ensured the company's place as a pioneer in its field, with innovations such as its steel packaging solutions,



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Steel packaging



Wooden packaging



Mabuchi Indonesia

which were a first for the Japanese market. "The reason why we focused on steel is that it can make the whole package much smaller than wood in terms of its cubic volume, without sacrificing its strength, and accordingly contributing to the cost reduction of logistics for our customers," adds Mr. Sakamoto.

Also ahead of the game in terms of digitalization, Mabuchi has embraced IT-related innovations such as automation, CRM (customer relationship management) and SFA (sales force automation) systems to enhance its processes and service



Packaging container production



Mabuchi brand materials



Mabuchi Thailand

offering. "By doing so, we are looking to systemize and digitalize in areas where we can make things more streamlined," Mr. Sakamoto reveals. "One of our recent developments in that realm is the Mabuchi Packaging Support System, 'MAPSS', which is a system that provides our factory workers with specifications of wooden and steel boxes designed for optimized packaging."

Having begun its first venture overseas in Singapore in 1978, today Mabuchi has bases in Thailand, Indonesia and Malaysia, where it works with many clients in the au-

tomotive industry. While Asia has been the focus of the company's international operations, Mr. Sakamoto has set his sights on expansion into Western countries, where he is confident Mabuchi's fusion of *monozukuri* and logistics could prove to be a hit on competitive markets like Europe and the U.S.

The company's overseas expansion has entailed the establishment of strong partnerships with local firms and, as such, Mabuchi is always seeking further partnerships as it pursues international growth, as well as M&A opportunities.

"When it comes to the expansion of the packaging and logistics business, I believe that M&As are incredibly important," explains Mr. Sakamoto. "If we could acquire a company that is dealing with a direct manufacturer of the materials or the logistics itself, then we can further expand and provide interesting products, such as packaging materials under our company brand and other types of developments where we can put our R&D skills to use to roll out our products."

It has been 68 years since the company's founding, but 46 years since the rebranding to 'Mabuchi', which marked the beginning of the journey that has led the company to where it is today. As such, it is the upcoming 48th anniversary of this important rebranding that has served as the benchmark when it comes to mid-term goals and strategy setting.

"Our goal is to expand our sales back to pre-pandemic levels by the time we reach our 48th anniversary," Mr. Sakamoto states. "However, on a more personal note, I'm really concerned with the wellbeing and the prosperity of all the employees and their families. I hope Mabuchi is able to provide for those in its network in more than 50 years', and even 100 or 200 years' time, and to have an environment where the staff can work cheerfully and provide for their families, so that all the employees are proud of Mabuchi. To achieve that, I think a lot about what we need to do."