

OPIC 2013 Special Presentations

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Special Presentations

10:00 - 10:40

Innovative Management in a Laser Importing Company in Japan



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1. Introduction

Right after the laser was invented in 1960 many Japanese electric companies started to try to develop lasers in Japan. However, all of those early manufacturers ultimately withdrew from the business.

I will discuss why the laser manufacturing business has not yet taken root in this country, and how the laser importing business has been contributing to both scientific and industrial markets in Japan.

2. Big Enterprises' Decision to Withdraw

JEOL, for which I worked for about 30 years, developed a ruby laser in the early 1960s, but after many trials and errors eventually withdrew from the business in the 1970s.

Other large electric companies gave up the business in the 1990s after the bubble economy burst. For them, sales were just too small in the laser business. Global companies in Japan need more than 100 million US\$ of annual sales from a single product line to justify the

very significant investment required.

3. Limitation of Small Companies

Although there are many small-sized laser manufacturers in the US and Europe, there are very few in Japan. Japan's small companies usually do not have the necessary technologies and talented engineers to develop competitive lasers and electro-optical products.

In addition, due to a business culture of isolation, management tends to focus primarily on domestic markets, not expanding business overseas from the outset.

4. Role of JIAL

Japan Importers Association of Lasers and Electro-optics (JIAL) was established in January 1991, 22 years ago. JIAL has been promoting the products developed and manufactured overseas and provided Japanese scientists and companies in various industries with a lot of information, knowledge, and support.

JIAL also organized and held its own exhibition of lasers and electro-optics from 1994 to 2011, entitled "The Advanced Optical Technology Exhibition".

Originating in 2012, JIAL has organized "JIAL Global Technology Seminar" in InterOpto, collaborating with ICS in October, and "JIAL Advanced Technology Seminar" in OPIE or Laser Expo, collaborating with Optronics in April.

My predecessor at Japan Laser Corp (JLC) was the president of JIAL for 2 years and I have been the president of JIAL since 1999, 14 years, totaling to date 16 years out of 22 years JLC has served as the head of the organization.

5. JLC's Collapse and Recovery

Japan Laser Corp is the oldest and the biggest trading firm specialized in lasers and electro-optics in Japan today, founded in 1968 as JEOL's wholly owned subsidiary to import lasers from overseas.

In 1993 the company was on the verge of bankruptcy. Coincidentally I was transferred to JLC from JEOL in 1994 to become president and rebuild the firm. I will discuss how the company nearly collapsed and then recovered.

6. Focusing on People

Fortunately, I successfully restructured the company with the collaboration and cooperation of our staff members.

Based on the experience I gained during my career, including a lot of successful reorganizations, I have entirely avoided reducing staff by layoff. Instead I try to motivate our people in many ways, including utilizing the principle expressed by the slogan, "As employees grow, the company grows."

After the bubble economy burst, many Japanese companies gave up the so-called "Japanese management system" and cut people to reduce costs under the guise of globalization.

However, JLC has been focusing on people and their motivation to grow.

7. Innovative Management

We are now financially healthy having no bank loans. JLC became independent from its former parent company, JEOL, in 2007 through the Management Employee Buy-Out (MEBO) without any outside investment, with only our own money and bank loans.

Today all employees and directors are stockholders. Even newcomers are also able to become shareholders one year after joining the company.

JLC is a company in the true sense of the word as defined in its Latin origin.

8. Conclusion

If you need to promote your laser and optical products in Japan, finding a good partner or distributor is indispensable.

If you want to establish your own subsidiary, a joint venture with a Japanese distributor is a better business model.

Our corporate mission says "We contribute to mutual understanding among global citizens and to world peace through mutually profitable relationships with overseas suppliers."