



Interview with Japanese Precious Metal Fastener Developer Maruemu Works



Q. First, please tell us about your company history, business scope, and main products.

- 1927: Established in Itachibori of Western Osaka and started business with the production of cotter pins and iron screws.
- 1951: Re-structured as a limited company.
- 1957: Started mass -production of stainless steel screws in Japan for the first time.
- 2003: Started mass -production of Magnesium alloy screws in Japan for the first time.
- Business Scope (Main Products):

Manufacturing:Stainless steel screws. Engineering plastic products, cold forged precision parts, medical device (orthodontics wire), molds and tools.

Trading: Sales of various industrial fasteners in stock.

Q. How do you position yourself in the fastener industry? What are the features and advantages of your company?

Japan's fastener production value was JPY 844,090 million in 2014, 5% of which was estimated to be contributed by stainless steel fasteners. It is estimated that our turnover roughly represents 10% of the market share in Japan.

In early 1970s when the use of stainless steel screws in aluminum window frames in the building industry continued to increase , our annual turnover grew from more than JPY 1 billion to 4 billion (in about 2000). After then, we expanded our business to new markets (e.g., solar energy, automobiles, etc.), and increased our sales with screws made of new materials, bringing our turnover to JPY 5.45 billion in the fiscal year ended Feb. 2015.

We not only regard the supply of screws as our responsibility, but also function as a "consultant" for solving customers' problems. We provide solutions (as our soft power) in anticipation of winning customers' loyalty to us.

Q. What is your company's technical strength? What is the reason that made you invest in the R&D of medical products, metal screws with glass material inside, and Magnesium alloy screws? What is your goal and belief?

Mold design (precision processing) technology/ Product design (numerical analysis) technology/ Product evaluation (various inspection and analysis machines)/ R&D technology for production equipment/ Surface treatment (modification) technology, etc. We continue to invest in our facilities and R&D talents with our awareness in establishing a more well-established corporate system.

Our growth strategy is to be the first company in Japan using highly cost-effective and high quality production methods to make and export medical related screws in new materials that are essential to the 21st century. We hope to directly manufacture and export these products instead of importing them from other countries.

Q. What is the current R&D trend of the Japanese fastener industry (e.g., low cost, new material, etc.)? What is the next R&D trend for the overall fastener industry of Japan? (e.g., aerospace screws, medical screws, etc.)

The Japanese fastener industry continues to face difficult challenges, such as "relocation of manufacturing bases to overseas countries", "customers turning to purchase



from local suppliers”, sluggish growth in domestic consumption, surging electricity price, and increasing material costs driven by exchange rates.

The Japanese fastener industry will continue to focus on the R&D and production of new fasteners, especially in the field for medical treatment, next generation of cars, and energy saving.

Q. Are you optimistic about the Japanese fastener industry this year and next year?

The industrial performance looks the same as the current status of Japanese economy. Development in this last April-June was in negative growth. We do not expect to see substantial growth or significant recovery for the second half of this year.

However, starting in 2016 the demand for reconstruction of the Great East Japan Earthquake and the building projects for Tokyo Olympics (2020) will definitely make the industry busy again!

Q. Your company has not only obtained ISO and JIS certificates but also received many awards. What is your next target for certification or industrial honor?

In order to sell products (medical products, etc.) abroad, our strategy will be to obtain other certificates (e.g., the European CE marking, etc.) for expanding our sales network worldwide.

Q. What is your target customer, market, industry and region? Do you have plans to invest and expand sales activities abroad? What type of partner and customer are you looking for?

Current status: Housing and construction (40%), automotive/marine (20%), environment and industrial equipment (13%), household appliance/electronics (7%), medical and welfare (3%), railway (2%), power (2%), solar energy (2%), corrosion resistance (1%), Others (10%).

Future: to develop new customers in new growing markets such as automobile, environment, healthcare, energy, and corrosion resistance.

For example, we will keep developing new customers related to growth products such as “anti-theft camera”, “household battery”, and “robots attendant”.

Before the advent of Tokyo Olympics (2020), the disaster area in northeastern Japan will be our current target for active sales expansion in response to the post-earthquake reconstruction.

Q. Is there anything else you would like to share with our readers?

All of our company members are aware of our responsibility as a “supporting industry” supplying screws and fastening parts to the whole sector. In the future we will do our best contributing to the prosperity of clients and the development of the industry!

Let’s work together to develop the most revolutionary new screws that can take the lead in the 21st century!

Establishing a well-connected partnership and relationship with customers!