

JATCO landed in the UK! JATCO UK Ltd. Vol.1



January 16, 2025. JATCO has announced the establishment of JATCO UK Ltd., its first production base in Europe, in Sunderland, England. At the announcement held on the day, many attendees offered words of welcome, giving a sense of the high expectations of the local community. My JATCO will be introducing this new base in two parts. We spoke with President Takahashi, one of the founding members who is currently based in the area, Mr. Tanaka, who handles everything from human resources to planning and management, and Mr. Watanabe, who is in charge of finance.



(From left) Tanaka, Takahashi, and Watanabe

Q. Please tell us about your job duties.

Takahashi: Not only am I in charge of overall management, but I'm also in charge of SQTC*1. Arrange human resources, things, and money to start a solid company. That is our biggest role. Furthermore, as this is our first time building a factory in the UK, we are planning to set it up mainly with local staff so that we can truly capture the unique British element. I have also had experience working in Mexico, and while Japanese staff return home after a few years, this is not the case for local staff. I think the most important thing is to create an environment that allows them to continue working for the same company. To achieve this, I believe it is important not only to meet delivery deadlines for our customers, but also to gain their trust. We currently supply to NMUK (Nissan Motor Manufacturing UK Ltd), but by spreading the quality of JATCO's products throughout Europe, I hope to become a company that receives inquiries not only from Nissan, but also from other automobile manufacturers in the future.



JATCO UK announces preparations to start production

Tanaka: My areas of responsibility are wide-ranging, and in a Japanese organization would include the human resources, procurement, corporate planning, legal and

intellectual property, and public relations departments. During the start-up, there will be a lot of work in the Human Resources and General Affairs Department and the Safety and Health Management Department. In terms of people, things, and money, it plays the role of promoting people. Naturally, a company cannot function without people, so we hire people who will work here for a long time and become core members, and then work together with local members to create an environment where they can work comfortably - in other words, a personnel system where those who produce results are evaluated, not just the office. In terms of the Occupational Safety and Health Management Department, we create the systems and environment for people to work long term unless they are safe and healthy.

Watanabe: In terms of human resources things, and money, my responsibilities are with money. In Japan, this would be the area of finance and cost departments. I believe there are two main pillars, the first of which is managing money in line with the implementation plan. The second is to maintain accounting records of the costs actually incurred. Finance and accounting are the major pillars. I am currently in charge of this together with a local member manager.

Q. When you made the announcement on January 16th, you could sense the expectations of the local community.

Takahashi: We had high-ranking government officials in attendance on the day. Even after the announcement, the Chamber of Commerce has been in touch, saying, "Please come and talk to us." We are recognized as an important partner, and we feel the high expectations of the local community.



The announcement on January 16th

Q. Please tell us about the difficulties you faced in launching the project.

Takahashi: I joined the project this year, but when I spoke to members who had been with the project from the start, it seemed like they had a hard time negotiating with the local city of Sunderland. I think it was particularly difficult in the UK, as JATCO had little experience there. We coordinated with relevant parties such as the British Embassy and NMUK as we went along, and we are extremely grateful to everyone who supported us. I think that people at JATCO, including Mr. Akahori from the Corporate Planning Department and Mr. Okamoto from the e-Powertrain Manufacturing Transformation Department, also had a hard time. It was really a start from zero.

In terms of production preparation, I felt that Europe had strict safety standards for equipment. The CE mark*² is a European safety standard, but there were many products that would not pass Japanese safety standards. This was JATCO's first time producing in Europe, so it was difficult for us to understand the standards and make the necessary preparations.

Tanaka: I joined the project in a part-time role in October 2023. At the time, I was in Japan and didn't have a strong understanding of the UK, so it was difficult to go

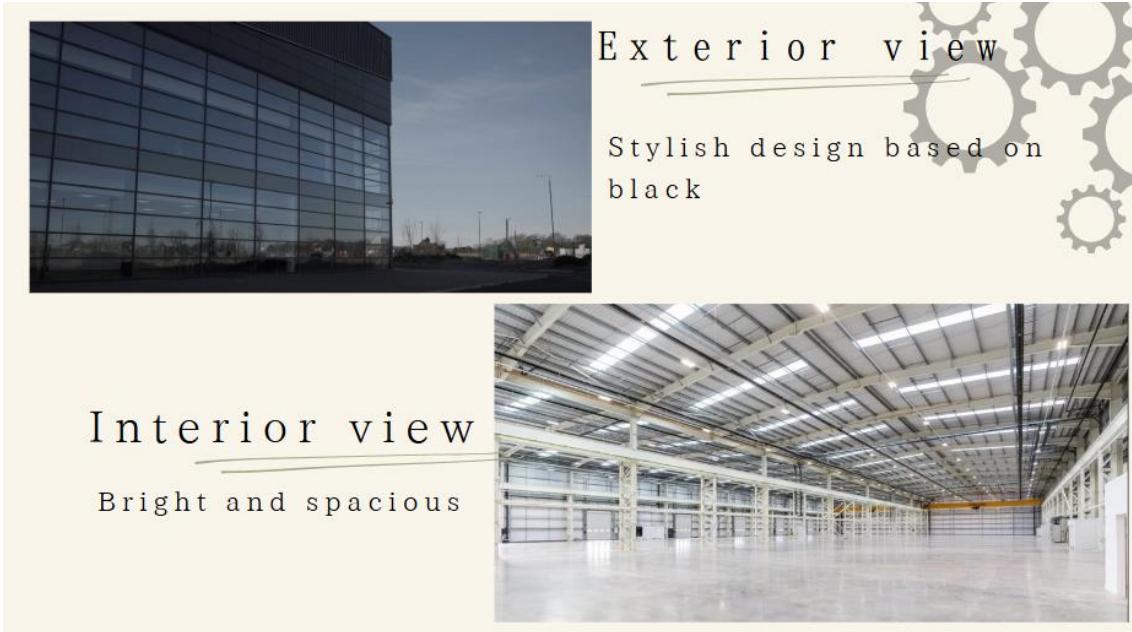
through the procedures for setting up a company and preparing to hire staff. We couldn't move forward without consulting people with knowledge, so we gathered information from people at NMUK, Nikkei companies in the UK, and external consultants, and then considered how to proceed. I think it took about five times as long as preparing to set up a factory in Japan. In addition, Europe is a contract-based society, so the number of contracts has become enormous. In just over a year and a half, we signed over 20 contracts, but each contract was roughly 30 pages long, in English and using technical terminology, so it was difficult. In that sense, I am truly grateful to everyone in the Legal and Intellectual Property Department.

We set up the office from scratch. I didn't have any pencils or a printer, so I started by buying everything and setting it up. I was reminded how blessed I am in Japan, where we take for granted everything we have.

Watanabe: I joined the project at the same time as Tanaka. When applying for government grants, Mr. Akahori and I went through a number of verifications to verify information such as the reliability and background of the project. I was desperate to keep this project going. Unlike the other two, I had no experience of being seconded overseas, so I was extremely nervous about opening a bank account, opening a cell phone service, and signing a rental contract for an apartment. The UK is a developed country, and the yen is currently weak, so I feel that prices are high in Europe. Eating out all the time costs money. Also, I used to live in Shizuoka, where it was warm all year round, but the cold here is hard on me. I hope spring comes soon.

Q. This is what's great about JATCO, a British company! Please tell me

Takahashi: The closeness between JATCO UK and NMUK. It's only a three-minute drive, so that's both a good and bad thing (laughs). The Kakegawa factory where I previously worked was also close to Suzuki, so if there was anything we could do, we could respond immediately. The exterior of the factory is mainly black and looks cool. The building originally belonged to Sunderland city and was very stylish.



Watanabe: Another good thing about the office area is that there are lots of windows.



Tanaka: Local members have been joining us since the end of January. Everyone is aware and proud of being involved in starting the company from scratch and is highly motivated. We work in good teamwork.

*1 Acronyms for Safety, Quality, Time, and Cost

*2 A mark that indicates that a specified product sold in the EU complies with EU

standards

<Video introduction>

<https://www.youtube.com/watch?v=FeXa2X4dyXY>

We'll have lots of content next time, including introductions to local members! Stay tuned!