



JARA NEWS

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JARA creates four expert groups

The Japan Automotive Recyclers Alliance (JARA) Group has recently created a series of expert groups in key business areas to further encourage sales promotion activities across the country. The move is seen as an effort to prepare for the recycling industry's future.

The expert groups were created in the "Front Staff," "Production," "Export" and "Material Recycling" areas. JARA Block Leaders in each region took the post of expert group leader. Group members can request to attend meetings held by other groups.

Goals for this fiscal year set up in four groups

In April, the first meeting of the expert groups took place. **The front staff expert group**, which is led by group leader Mitsuaki Miura, president of SIPS Corporation, Kanto Block leader, held the meeting attended by 28 people from 23 companies. The group focused on how to close the sales capability gap capabilities between employees. The meeting members agreed to find where the gaps

exist and then to use select measures to encourage employees with minor sales capabilities to close those gaps. The group also agreed to create a manual for sales, front staff and management.

The production expert group, which is led by Koichi Funakoshi, president of Technical Clean Co., Chushikoku-Kyushu Block leader, was attended by 24 people from 22 companies. They chose the parts production of import vehicles, commercial vehicles, and trucks as the theme for discussion. The choice of this theme was supported by many people in pre-meeting questionnaires. Although such vehicles presently represent a small share in the entire body of JARA transactions, the expert group aims to change weaknesses to strengths in the future. They plan to share information about good-selling parts and vehicles and aim to find a common method for system registrations of such vehicles and parts.

In the meeting of the **export expert group**, which is led by Isao Okano, president of Okano Jidousha Co., Chubu-Kansai Block leader, a total of 28 people from 24 companies participated. They discussed information sharing of past trouble cases and the criteria and priority for parts destined for the Japanese domestic market and those for export. They also acknowledged the need for a joint shipment of JARA members on a regional basis, as well as the need for a

list of export information by country, which would act as a contact list of buyers.

The materials recycling expert group, which is led by Kensaku Takahashi, president of Takahashi Shoukai Co., Hokkaido-Tohoku Block leader, held a meeting attended by 18 people from 17 companies. Japan Productivity Center's Kazunori Kitagawa gave a lecture on trends in the platform business of automobiles and future regulations to be enacted in the EU. In the group discussions, the members agreed to select the urgent issues for following meetings. To this end, they will create a sample of materials per vehicle by equivalent weight for the next meeting.

Expected synergy effect

By creating new expert groups, attending members can send the information to other groups and committees. They also bring issues that were broached in other group meetings to their own meetings.

Moreover, information gathered by a company is brought to block meetings in each region and shared with the meeting members. This could create a synergy effect whereby automotive recycling could be seen much more clearly and accurately from a group-wide perspective. (*JARA Public Relations*)



Some countries offer tax breaks for HVs as anti-pollution measure

Electrified vehicles account for over 10% in used vehicle exports

Electrified vehicles such as hybrid vehicles (HVs) and electric vehicles (EVs) have been increasing in the used vehicle export market in Japan.

In 2017, exports of used electrified vehicles surpassed 10 percent of the used vehicle export total for the first time. The demand is high in Mongolia, which offers

tax benefits for electrified vehicles in order to ease air-pollution. Sri Lanka and Russia are also big importers of such used vehicles.

In 2017, used vehicle exports totaled 1,289,833 units. Of that, 137,655 vehicles were electrified, accounting for 10.7 percent of all used vehicle exports. HV exports numbered 131,721 units, while those of EVs totaled 5,050 units.

The biggest importer of electrified

—Continued on Page 2



Toyota president steers toward building a mobility company

Akio Toyoda, President, Toyota Motor Corporation, unveiled the mid- to long-term company policy toward building a mobility company. In his address, he said, "I have decided to 'redesign' Toyota from a car-making company into a mobility company."

The move will be achieved by cost-cutting efforts and the company's Toyota Production System (TPS). In the mobility services, TPS's "just in time" will be transformed into "JIT Service," a way of conducting business that aims to connect all manufacturers, dealers, and alliance partners through waste-free, lean operations. In China and other fast-growing markets, Toyota's goals are focused on not only the "tree rings" effect, but also growth rate equivalent to each country's market.

On May 9, following a press conference on the company's financial

results for the 2018 fiscal year that ended on March 31, Akio Toyoda explained the company's mid- to long-term visions. "A mobility company is a company that provides services related to movement for people around the world. The significance is that it represents a fork in our current path of adherence to convention, as well as the choice of a future in which the path is created by one's own hands." He added, "One might say that it is comparable to switching the way one drives on a circuit to the way on drives in a rally. In a rally, a driver and a co-driver, in full coordination, compete in how fast they can drive on real roads full of changes."

Toyota is taking up the challenge of greatly reducing lead times needed for providing services by introducing TPS-based operations at all workplaces. To compete with US IT giants, Toyota will introduce JIT-based services through cooperation with dealers. (*Daily Automotive News, May 10, 2018 issue*)

METI supports "flying car" development in 2020s in view of commercialization

The Ministry of Economy, Trade and Industry (METI) recently unveiled their outlines for supporting a "flying car" project. The project is likely to be approved in the cabinet as "Future Investment Strategy 2018" and then buttressed by the FY2019 budget.

In March 2018, in a meeting of METI's advisory body at the Industrial Structure

Council, the ministry announced for the first time a plan to support the "flying car" project and created a cross-divisional team centered on its Manufacturing Bureau.

The project will be established as a national project, thereby requiring a liaison committee with the transport ministry, police agencies among others. At the same time, legislative meetings will be held to identify and resolve issues.

In the technical areas, safety standards will be established by forming a consortium. The participating companies include Toyota Motor Corporation, Cartivator, in which NEC Corporation invested to develop a flying car, Subaru Corporation, which makes drones, Honda Motor Co., which has an aircraft division, as well as other Japanese manufacturers of drones, batteries, and motors.

The U.S.-based Uber Technologies and the Airbus of Europe, pictured below, have already announced their intent to join in developing the flying cars. To keep pace with others, the Japanese METI intends to accelerate the development of flying car by combining the expertise of Japanese companies. (*Daily Automotive News, April 26, 2018 issue*)



HVs and EVs over 10% in used vehicle exports

Continued from Page 1

vehicles was Mongolia, which imported 26,373 units. Sri Lanka also offers excise tax breaks for HVs and imported 24,779 used electrified vehicles. Pakistan and Russia imported 18,759 and 17,263 units, respectively. These four importers accounted for 66 percent of total HV and EV exports from Japan.

On the other hand, New Zealand imported 2,695 units of EV, the most of any country to which Japan exports EVs. The figure was followed by Russia with

1,338 units and Georgia with 744 units. As for PHVs (Plug-in hybrids), Russia and New Zealand imported 394 units and 340 units, respectively.

In Japan, sales of electrified vehicles accounted for 39.1 percent in 2017. On the other hand, recycled vehicles such as end-of-life-vehicles (ELVs) only numbered about 10 thousand units per year. Many used HVs and other electrified vehicles are going abroad.

With the increase in electrified vehicle exports, the demand for scan tools for maintenance and inspection of high-voltage equipment might become strong. At the same time, recycling of such vehicles will remain an issue. (*Daily Automotive News, May 8, 2018 issue*)

CO2 Reduction Effect (based on JARA System)

The use of Reuse Parts saved
2,240 tons of CO2 emissions
in April 2018

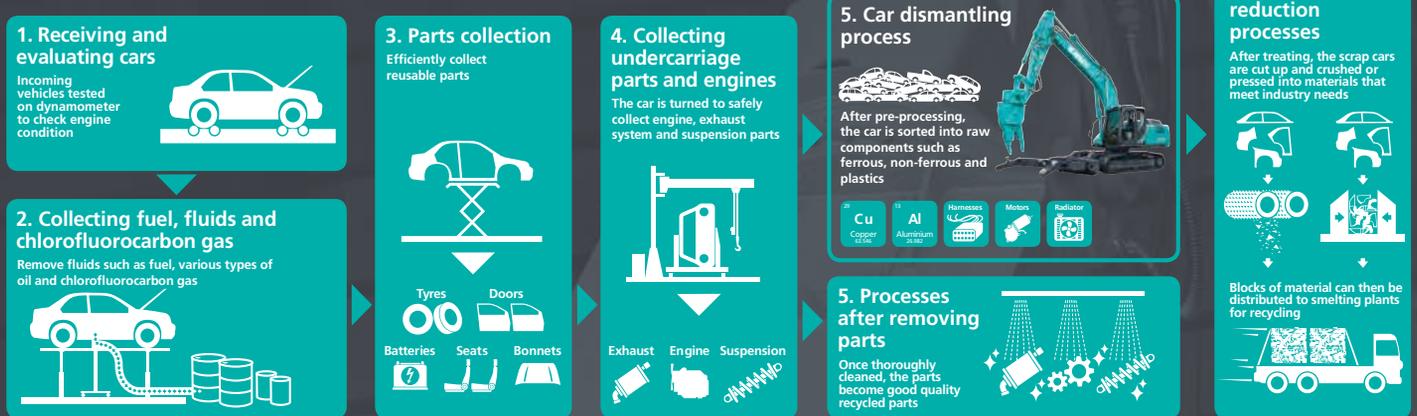
The reference figure represents the difference of carbon dioxide (CO2) emissions at the vehicle repair using genuine (new) parts and recycled parts.*

*: Based on "Green Point System", which was jointly developed by the Japan Automotive Parts Recyclers Association and Waseda University Environmental Research Institute using a life cycle assessment (LCA) technique.



Dismantling process flow chart

How the Car Dismantling machine works



The Evolution of car dismantling industry by Kobelco

Four times* the vehicle dismantling capability compared with hand dismantling.

*In one day (Kobelco test figures)

15 vehicles >
One operative working by hand.

60 vehicles >
One operative in a Kobelco Car Dismantling machine.

Engine, Catalytic Agents, Body Steel, Seats, Windows, Wheels/Tyres, Suspension, Radiator, Brakes, Front & Rear Bumpers, Transmission, Doors, Harnesses

The machine's special attachment is designed to strip materials from End-of-Life Vehicles (ELV) safely and thoroughly

Improved recovery rate of rare earth metals

| | | | | |
|------------|----------------|--------------|----------------|-----------------|
| Fe Iron | Al Aluminum | Cu Copper | Pt Platinum | Pd Palladium |
|------------|----------------|--------------|----------------|-----------------|

Separation of these valuable materials is quicker and easier and can be performed with one Kobelco machine.



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