



JARA NEWS

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日本自動車リサイクル部品協議会 BESTリサイクラーズ



Hiroyuki Kurihara delivers a message on behalf of the host groups

JAPRA and BEST hold joint New Year's Celebration

The Japan Recycled Auto Parts Association (JAPRA) and the BEST Recyclers Alliance (BEST) held their 2019 Recycled Parts Producers' New Year's Celebration in Tokyo on January 23. About 200 people attended the event to share their wishes for the further development of the recycled parts industry.

Hiroyuki Kurihara, JAPRA Chairman, delivered the following message to the attendees: "We are facing many problems, including a personnel shortage, a shredding residue problem, and rising transportation costs for recycled parts. Nevertheless, we must move forward with all of you to overcome the difficulties." Referring to ongoing merger talks between JAPRA and the Japan ELV Recyclers Association (JAERA), he added, "We need more time to carefully finalize the merger. JAPRA and JAERA will join forces to address common problems in the industry."

Nobuyoshi Fujioka, Automobile Recycling Office of the Ministry of Economy, Trade and Industry (METI) stated: "There are concerns about negative impacts on shredding residues (SRs) because China has stopped importing waste scraps. We will listen to opinions from various parts of the industry to help us take appropriate measures."

JAERA Chairman Tsuyoshi Ishigami stated: "JAERA is going to largely transform from a regional recycler-based group into a branch-based organization. We hope this challenge will help industry-wide efforts to change the business environment" (*Daily Automotive News, Jan. 31 issue*).

JARA holds a friendship meeting with partners in rebuilt parts and genuine parts production

The Japan Automotive Recyclers Alliance (JARA) Corporation held its 7th Friendship Meeting with Partners in Rebuilt Parts and Genuine Parts Production at JARA's Tokyo Headquarters on January 24. Thirty-eight representatives from 18 rebuilt parts and genuine parts producers, the JARA group director, and associated people, attended the event.

JARA Corporation's sale of rebuilt parts and genuine parts in 2018 increased 12 percent over the previous year, which was two percentage points higher than the original goal. To further increase these sales, attendees shared their knowledge of and attitudes toward sales-oriented activities.

JARA Corporation President, Soshio Kitajima, delivered the message: "Because JARA partnerships in rebuilt parts production are increasing, we will build a strong networking relationship with you. I believe that sales of rebuilt parts will increase more this year."

During the meeting, the results of JARA's 2018 activities were shared, such as factory visits, technical workshops, and events held for rebuilt parts and genuine parts producers at JARA's regional meetings. In addition, the JARA Call Center began promoting these parts to regular customers, and RECO Japan, JARA's online parts sales portal, began using banner advertising for these parts. Sales of these parts through the JARA Call Center increased 33.5 percent in 2018 compared to the previous year. Shipments also increased 23.2 percent in 2018.

For 2019, JARA plans to support public relations activities and campaigns undertaken by rebuilt parts and genuine parts producers. JARA will prepare six different leaflets about these parts to enhance user knowledge. Moreover, rebuilt parts workshops will be held for JARA members' front-desk personnel.

Non-profit organization JARA (NPO-JARA, Chairman Satoshi Takahashi) will help the rebuilt



parts producers. NPO-JARA will start new promotional activities exclusively for Excellent Rebuilt Parts that meet the criteria in terms of producer manufacturing performance and the guarantee period of the parts will be eligible for recognition as Excellent Rebuilt Parts. Takahashi stated the following: "People are owing vehicles for longer periods. Owners want to repair their cars with rebuilt parts. We want to join forces with rebuilt parts producers." He added: "We will globally promote Japan's rebuilt parts brands" (*Daily Automotive News, Feb. 7 issue*).

METI to establish CO₂ recycling technology

In light of the desire to reduce carbon dioxide (CO₂) emissions and the vision for a zero-emission society in the future, the Ministry of Economy, Trade and Industry (METI) will establish CO₂ recycling technology and disseminate its use. METI will establish the Carbon Recycle Office in its Agency for Natural Resources and Energy to promote the development of technologies for CO₂ separation, collection, and reuse, and to launch international collaborative initiatives regarding these technologies. The office plans to create road maps that include target periods and cost estimates until the summer of 2019, and, then, it will host an international conference for representatives from governments, industries, and academia.

In order to largely reduce CO₂ emissions, one possible solution is to separate, collect and reuse CO₂ as a resource. METI named a flow of reducing CO₂ considering economic rationality as "Carbon Recycle" concept. The ministry aims to reuse CO₂ as a resource not to seeing it as "evil".

One possible way to significantly reduce CO₂ is to separate, collect, and reuse CO₂ as a resource. METI labeled the reduction of CO₂ considered economically rational as the "Carbon Recycle" concept. METI aims to reuse CO₂ as a resource instead of defining it as an evil. Some potential ways to recycle CO₂ are: (1) reuse it as fuel, (2) add hydrogen to it and use it to refine methane or methanol, (3) reuse it with plastics, (4) reuse it as a concrete aggregate by absorbing it into cement, and (5) reuse it to support plant production in plant factories. Although METI envisions the eventual implementation of some of these technological developments, most of them are slowly developing or could be realized only at a huge cost. The new Carbon Recycle Office will be staffed by 34 people, who also hold positions in METI's Manufacturing Bureau (*Daily Automotive News, Feb. 4 issue*).

--- Welcome to JARA Partner Manufacturer ---



EARC location close to Nippon Steel & Sumitomo Corp.



President Yoshiharu Shimizu



Improvement activities are busy in the production workplace, above, automated warehouse system is introduced to the storage space, right.



East Japan Recycling Resources Co. (EARC)

East Japan Recycling of Resources Co., Ltd. (President Yoshiharu Shimizu) is engaged in the resource recycling of end-of-life-vehicles (ELVs) and used agricultural machines. The company is proud that its resource recycling rate of 95 percent. Moreover, EARC's recycling performance is on a par with the "TH Team" and "ART", in terms of the whole part recycling specified in the Automobile Recycling Law. The company's slogan is: "To contribute to the local community through recycling".

EARC was established in 1998 in Kimitsu city in Chiba Prefecture named as Renaissance, a wholly-owned subsidiary of Nippon Steel & Sumikin Logistics Co., Ltd. In 2004, the Yoshikawa Kogyo Co., Ltd., and Nippon Steel & Sumitomo Metal Corporation acquired capital in Nippon Steel & Sumikin Logistics, and then relocated to Futsu city under the new name of EARC.

Yoshikawa Kogyo has a close relationship with the Nippon Steel & Sumitomo Corporation Group because it evolved as a subcontractor of the former state-owned Yawata Steel Works. Yoshikawa Kogyo began the practice of automotive recycling in 1993, and entered the recycling business in 1996. In 1999, jointly with

the Nippon Steel & Sumitomo Corporation, it established West Japan Auto Recycling Co., Ltd. in Kita-Kyushu city.

Excluding parts for the reuse and recycling market, EARC supplies automotive parts and materials to Nippon Steel & Sumitomo Corporation's Kimitsu Plant in Chiba Prefecture. These parts and materials are processed and recycled into iron or vehicle body materials. Plastic parts are recycled as thermal energy or blast furnace reducing agents. Glass is transformed into a sludge by using a modifier, and then reused as cement aggregate or roadbed materials. These methods were recognized as a promotional project of the Japan Foundation for Advanced Auto Recycling (J-FAR) for the fiscal year 2018.

In terms of environmental protection, EARC has 860 square-meter of explosion-proof at its site and an oil-water separation tank. It also has a foam fire-extinguishing system.

Many ELVs that arrive at the EARC site are sourced from Chiba-based carmaker-affiliated dealers and independent dealers. Obtaining ELVs is highly competitive. According to

Shimizu, "We take good care of purchase prices and also have speedy acceptance procedures and easy one-stop document work for customers."

In November 2018, the trade price of resources dropped in the auto recycling industry, and transportation costs rose. Recycling businesses are facing hard times.

In the current business environment, EARC focuses on the sale of used parts. The company has approximately 8,000 items in the warehouse. Nearly two-thirds of sales go to the domestic market, while the remaining one-third goes to overseas markets. "Unlike resource recycling, we see potential improvement in the used parts production processes," said Shimizu. Recently, the company's profits began to improve and he hopes to increase the number of parts inventory items up to 10,000 as soon as possible. "Our staffs in the parts production department are becoming increasingly conscious of inventory turnover" (*Daily Automotive News, Jan. 31 issue*).



Scene at the front-desk room



Oil-water separation tank is installed

JARA holds workshop to strengthen front-desk staffs' capabilities

JARA Corporation held its Front-Desk



Staff Services Basic Course at the Aioi Nissay Dowa Automobile Research Institute (Higashifuji Center) in Susono city, Shizuoka Prefecture on February 5-6.

The two-day workshop was attended by nine people from nine JARA member companies. The workshop aimed to improve customer service (CS) and enhance product knowledge, both which are required for selling recycled parts.

In the workshop, attitude and skills required for CS improvement were provided by lecturers. In role-play lessons, participants took part in receiving inquiries from customers about recycled parts, which are uploaded on JARA's ATRS System and Super-Line System (SPL). In particular, the workshop focused on acquiring practical and technical information about the parts for Body & Paint (BP) repair work because

most vehicle body repair shops require these parts. Throughout the role-play lesson, all participants had the opportunity to improve practical skills and capabilities for customer service. (*Daily Automotive News, Feb, 14 issue*)

CO₂ Reduction Effect (based on JARA System)

The use of Reuse Parts saved
5,981 tons of CO₂ emissions
in January 2019

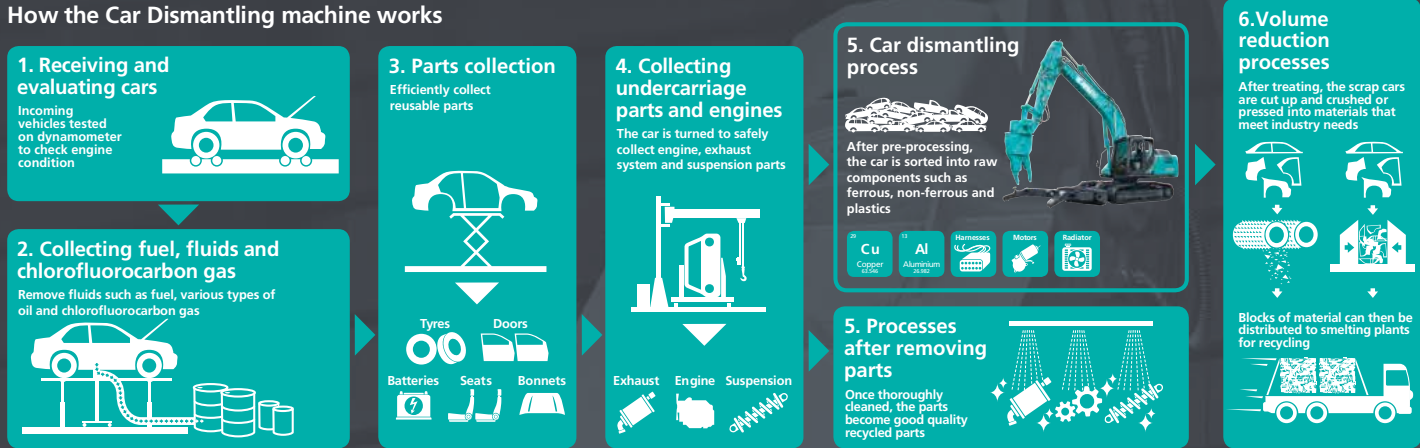
The reference figure represents the difference of carbon dioxide (CO₂) emissions at the vehicle repair using genuine (new) parts and recycled parts.*

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



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