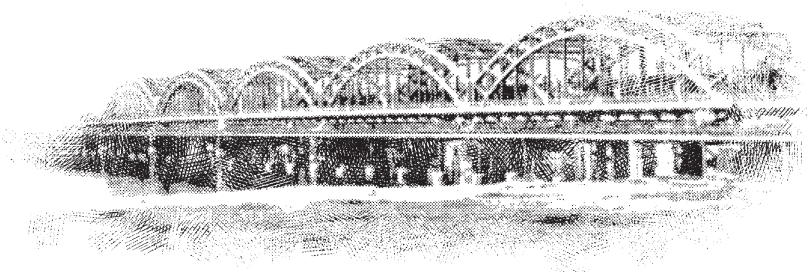
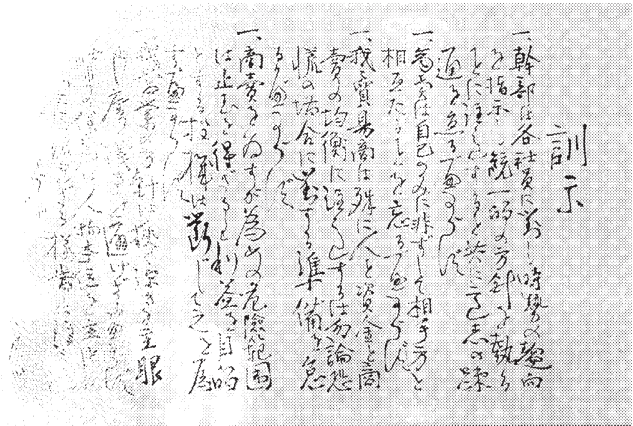


Chapter 4

Iwai & Co.

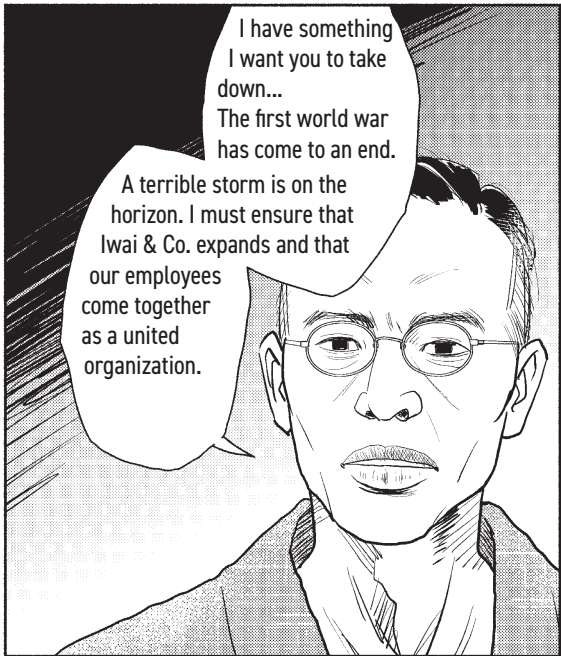
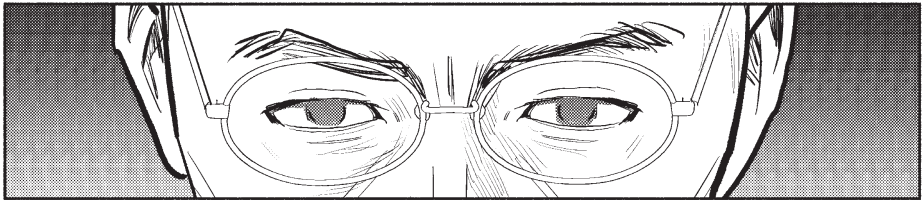
Katsujiro Iwai publishes the ten tenets of his business philosophy

Iwai & Co. establishes Japan Bridge Corporation

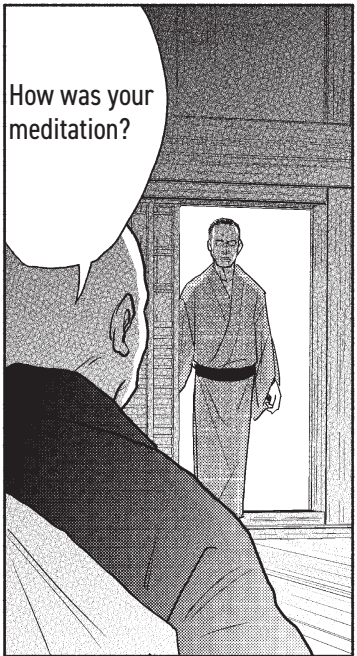




Katsujiro Iwai was well known for the way he incorporated his Zen ethos into his business management philosophy.



I have something I want you to take down...
The first world war has come to an end.
A terrible storm is on the horizon. I must ensure that Iwai & Co. expands and that our employees come together as a united organization.



How was your meditation?

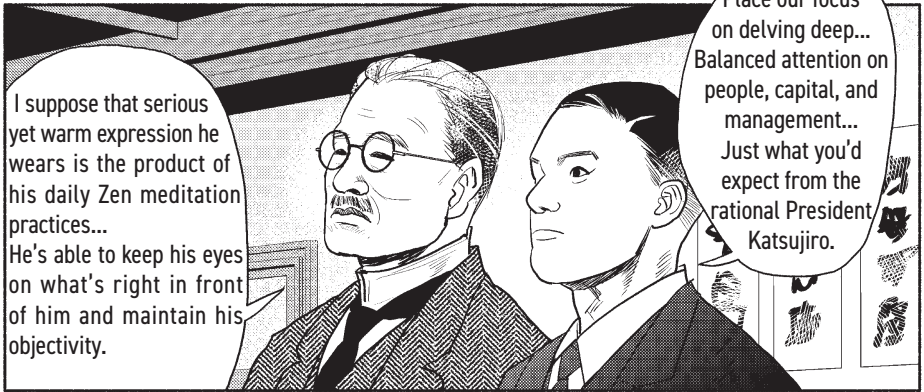
Business tenet 1:

As a trading company, we must strike a balance between people, capital, and management, and we must not fail to prepare for hardship.

Business tenet 2:

Our philosophy is to focus on delving deep into specific business fields, rather than spreading ourselves thin across many areas.

訓示
一、經營者應注意人、財、物之平衡，並應預備艱難之準備。
二、本公司之經營方針，在於專注於特定之業務領域，而非分散於多個領域。



I suppose that serious yet warm expression he wears is the product of his daily Zen meditation practices... He's able to keep his eyes on what's right in front of him and maintain his objectivity.

Place our focus on delving deep...
Balanced attention on people, capital, and management...
Just what you'd expect from the rational President Katsujiro.

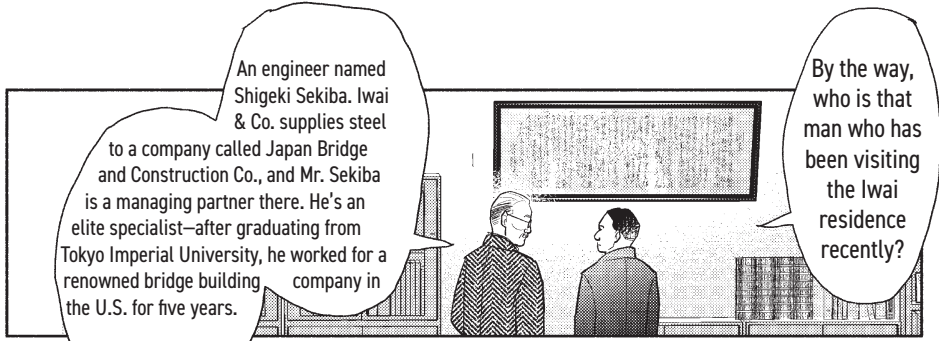


The economic boom after WWI produced many nouveau riche, but their prosperity did not last.

Unlike these upstarts, Iwai & Co. took a different management philosophy

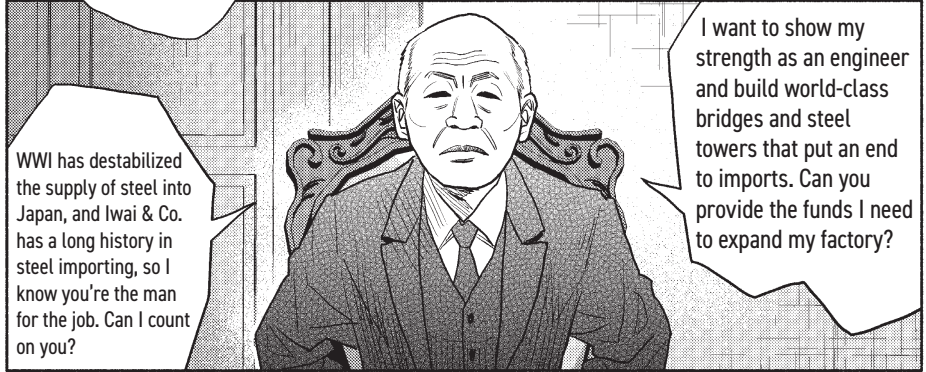


Mr. Iwai says that the secret to success in the trading business is to always put your clients first. Ensure that your business partners and clients can profit first and then secure earnings for yourself second. Give first, then take. He has a real "client first" mindset.



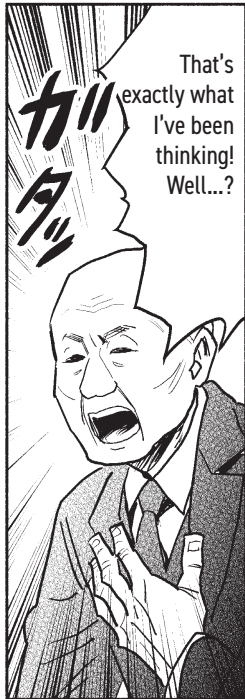
An engineer named Shigeki Sekiba. Iwai & Co. supplies steel to a company called Japan Bridge and Construction Co., and Mr. Sekiba is a managing partner there. He's an elite specialist—after graduating from Tokyo Imperial University, he worked for a renowned bridge building company in the U.S. for five years.

By the way, who is that man who has been visiting the Iwai residence recently?



WWI has destabilized the supply of steel into Japan, and Iwai & Co. has a long history in steel importing, so I know you're the man for the job. Can I count on you?

I want to show my strength as an engineer and build world-class bridges and steel towers that put an end to imports. Can you provide the funds I need to expand my factory?

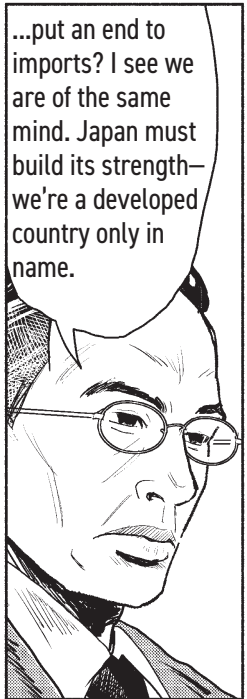


That's exactly what I've been thinking! Well...?

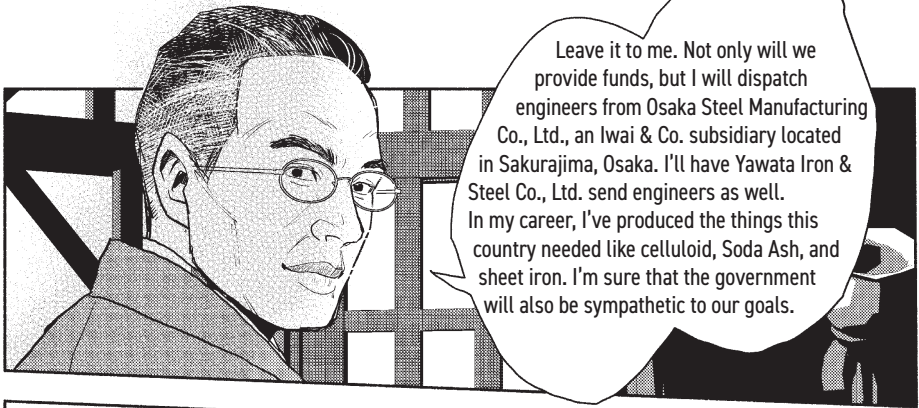


As electrification progresses, the need for steel towers will increase. The more the railways expand, the more bridges Japan will need.

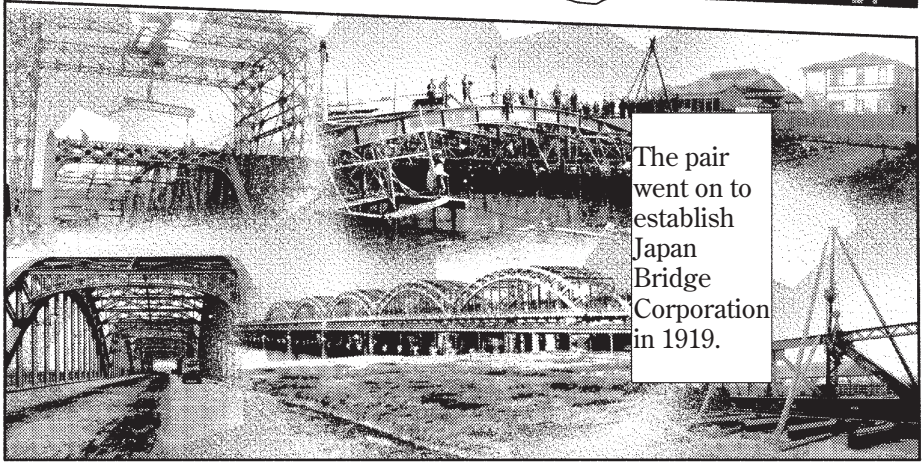
More automobiles on roads means the bridges will need to be stronger than ever before...



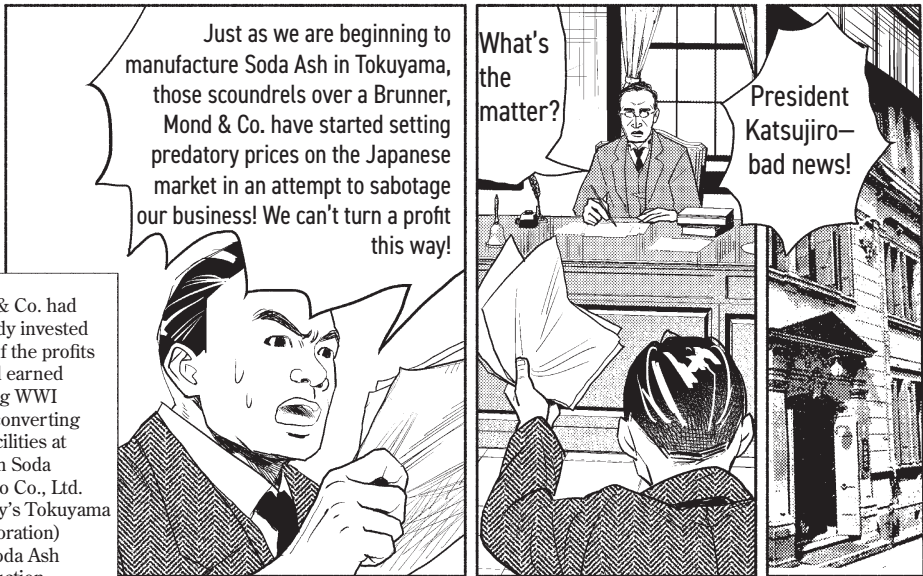
...put an end to imports? I see we are of the same mind. Japan must build its strength—we're a developed country only in name.



Leave it to me. Not only will we provide funds, but I will dispatch engineers from Osaka Steel Manufacturing Co., Ltd., an Iwai & Co. subsidiary located in Sakurajima, Osaka. I'll have Yawata Iron & Steel Co., Ltd. send engineers as well. In my career, I've produced the things this country needed like celluloid, Soda Ash, and sheet iron. I'm sure that the government will also be sympathetic to our goals.



The pair went on to establish Japan Bridge Corporation in 1919.

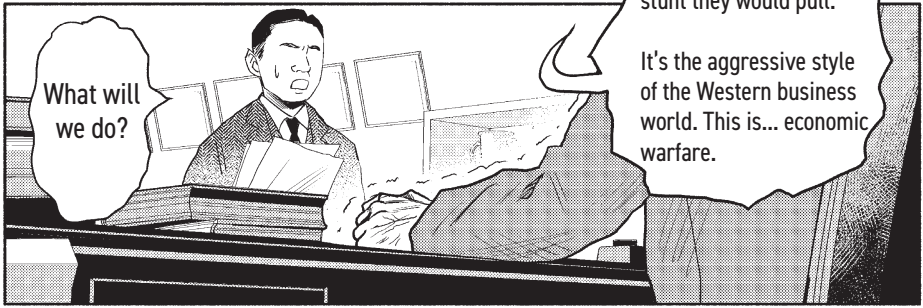


Just as we are beginning to manufacture Soda Ash in Tokuyama, those scoundrels over a Brunner, Mond & Co. have started setting predatory prices on the Japanese market in an attempt to sabotage our business! We can't turn a profit this way!

What's the matter?

President Katsujiro—bad news!

Iwai & Co. had already invested half of the profits it had earned during WWI into converting its facilities at Nihon Soda Kogyo Co., Ltd. (today's Tokuyama Corporation) for Soda Ash production.



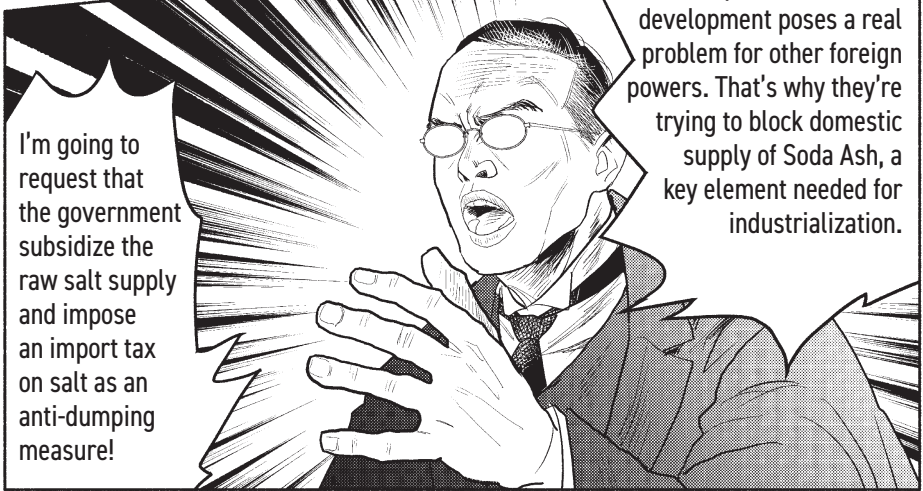
This is just the kind of stunt they would pull.

What will we do?

It's the aggressive style of the Western business world. This is... economic warfare.

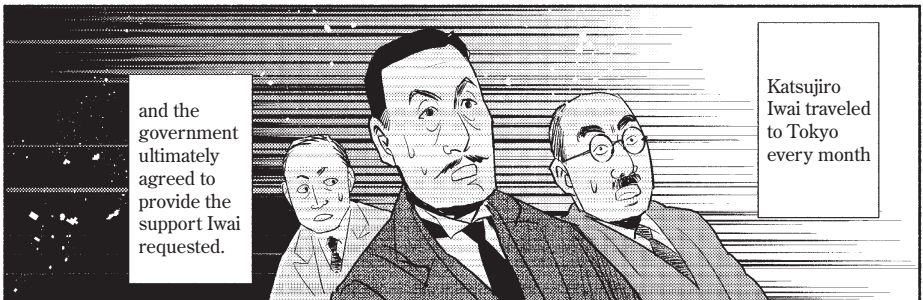


I'm going to Tokyo!!



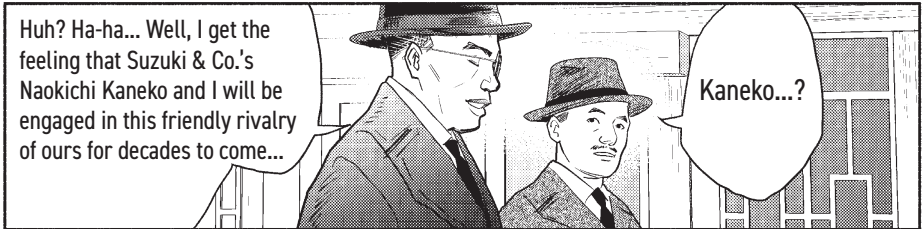
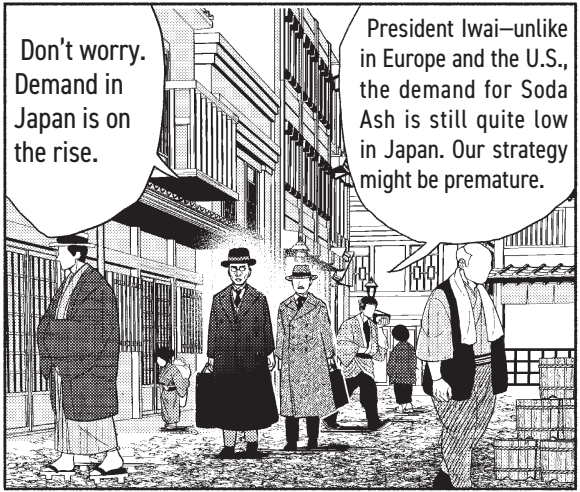
Japanese industrial development poses a real problem for other foreign powers. That's why they're trying to block domestic supply of Soda Ash, a key element needed for industrialization.

I'm going to request that the government subsidize the raw salt supply and impose an import tax on salt as an anti-dumping measure!



and the government ultimately agreed to provide the support Iwai requested.

Katsujiro Iwai traveled to Tokyo every month



*Iwai Sangyo Co. Ltd. and Nissho Co., Ltd. (a Suzuki company) merged in 1968 to form Nissho Iwai Corporation.

