



What Electrification Efforts Mean

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I often hear it said that “the automotive industry is in a once-in-a-hundred-year period of transformation.” In simple terms, it is understood that vehicles as a product and their surrounding environment are changing profoundly due to electrification. Naturally, like other companies, JATCO is moving ahead with various measures so that we do not miss this trend and can stay ahead of it.

Public announcements of new products and introductions of new technologies related to electrified powertrains called e-Axles are already increasing with each passing day. I constantly feel this trend is stimulating friendly rivalry that is forming an environment in which even better products can be put on the market. While JATCO’s true value as a “monozukuri” company is being questioned, it can also be said on the other hand that this is an excellent opportunity for us to demonstrate the actual capabilities we have accumulated to date.

To say it is a “period of transformation,” a key point that must also be considered is that it does not merely signify the use of electric motors to drive vehicles. It will not be surprising that the “use of electricity to power vehicles” will make it possible to easily achieve a wide variety of things that could not be readily attained before. I think we will only be qualified to talk about a “period of transformation” after those things have been incorporated into the business model. Dramatic advancements in convenience can be expected along an axis of so-called connectivity with respect to vehicle performance, quality, customer service and many other aspects. Above all else, it is perfectly clear that customers who use vehicles will have a more discerning eye and that their preferences will continually evolve. Once customers use something that is convenient, they can no longer go back to what they had before. One good example of this is the amazing speed at which music storage media for personal enjoyment have evolved from cassette tapes to CDs to memory devices and then further by riding on the waves of streaming services and digitization. The same is also true for mobile phones and PCs. Examples like these are too numerous to mention. Such evolution creates new business opportunities that can be expected to promote further development of the industries involved. This also applies to the automotive industry in which JATCO operates. I often get the impression when sitting in the driver’s seat of one of the various electrified vehicles already released that they are seemingly posing questions to users about product evolution, saying “this is how future vehicles will be,” similar to the examples cited above.

Meanwhile, as someone who works in the automotive industry that reportedly is the source of over 20% of all atmospheric emissions, I keenly feel we have an obligation to reduce the global

environmental impact and to minimize emissions, most notably CO₂, as a measure against global warming in view of recent climate changes. Aside from discussions of how electric energy should be generated, the replacement of internal combustion engines with electric motors is a principal measure that engineers should pursue. In parallel with that, developing production methods that do not emit greenhouse gases is another new challenge that should be addressed. Regardless of whether we like or dislike this once-in-a-hundred-year period of transformation, it is absolutely imperative that we also recognize and address these various aspects mentioned here for the continuation and future development of automobile manufacturing.

“Electrification” is the theme before us today, but what we ought to aim for is not just electrification that is imaginable now, as there are many more possibilities. In other words, it is desirable that electrification efforts should embody the pleasure of creating the future as a result of imagining, struggling with and contemplating what might be possible. Moreover, if we can contribute to the formation of a future world and environment that are not yet achievable today, we can feel proud to be a manufacturer. As one individual engaged in the automotive industry, I want to say to everyone: let us definitely make every effort to produce results that will ultimately be satisfying to society, customers and ourselves by working hard to search for and research solutions to today’s problems. After all, we are blessed with the good fortune of having an opportunity that comes once in a hundred years.