TRI establishes a new industrial hose company in Ayabe City, Kyoto. ~the group’s first new domestic production site in 7 years~

Tokai Rubber Industries, Ltd. (HQ: Komaki City, Aichi Prefecture, President: Yoshiaki Nishimura), informs that it has newly established an industrial hose manufacturing company in Ayabe City, Kyoto - which has decided to commence operations in autumn 2014. Following TRI Kyushu Co., Ltd. (Bungotakada City, Oita Prefecture) in 2007, this is the group’s first new domestic production site in 7 years.

The group's industrial hose business has been producing domestically at two locations, but because of their aging equipment, and also because of constraints on plant area - we had been carrying out an investigation covering tens of candidate factories up and down the country for the acquisition of the land and buildings of one of them. As a result, we have decided to purchase the land and buildings of a factory in Ayabe City, Kyoto Prefecture - and make it a production base of the company.

In Japan, with the great east japan reconstruction demand entering full swing, support coming for aging social infrastructure such as roads, and an increase in construction and civil works for the Tokyo Olympics to be held in 2020, increased demand for industrial hose is expected. In order to respond to these trends, the group plans to intensify its domestic production base at the new company in Kyoto Prefecture Ayabe City, and expand its production capacity. In addition to introducing new a manufacturing method which trebles the conventional production unit length of the hose, by realizing a substantial reduction of the process, we have strengthened our ability to supply quality products at low cost, and we will drive for a larger market share along with developing diversification of the business.

The new production base which is established and wholly owned by TRI, will be its own management entity. By purchasing the existing buildings and investing in new equipment there, it is able to succeed with sensible investment and a shortened construction period which will aid in pressing on with efficient business operation.

With regard to the supply of industrial hose, in addition to establishing this new company, we are currently constructing a factory in India too with aims of operation in 2014, and along with our existing base in Heifei, China, we continue to expand our global network.
<Outline of the new company>
Name: TRI hose manufacturing Co. Ltd. (provisional name)
Location: Kyoto Prefecture, Ayabe City, Toyosaka Town, Area 1 (Ayabe Industrial Park).
Business content: The manufacture and sale of industrial hose (hydraulic hose / cloth bound hose etc.) and related products.
Capitalization: 1 billion yen
Established: (planned for) January 2014
Representative: Company President Takayuki Tanaka
Investment ratio: Tokai Rubber Industries, Ltd.: 100%
No. of employees: Approx. 160 (planned for 2018)
Factory area: Premises approx. 130,000 m², Buildings approx. 71,000 m²
Investment amount: 2.9 billion yen (initial investment)
Revenue amount: 5.1 billion yen (forecast for 2018)
Commencement of operations: Autumn 2014 (planned)

<Overview of Tokai Rubber Industries, Ltd.>
Name: Tokai Rubber Industries, Ltd.
Location: Aichi Prefecture, Komaki City, East 3-1
Business content: Manufacture and sale of anti-vibration rubber, automotive parts such as hoses, IT related parts, and a variety of industrial materials.
Capitalization: 12 billion 145 million yen.
Founded: December 1929
Representative: President and CEO Yoshiaki Nishimura
Parent company: Sumitomo Electric Industries, Ltd.
No. of employees: 18,035 (Consolidated, current as at 2013 March 31)
Revenue: 2 trillion 637 billion 25 million yen (consolidated for the year to March 2013)

Industrial hose which will be produced at the new factory

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