

Preface

The machine industry in Japan worked hard to reduce manufacturing costs in 2007 and the first half of 2008 as there was fear that the North American market would become sluggish affected by the subprime loan problems in the U.S. that began to grow serious in the second half of 2007 and as crude oil and raw materials prices wildly fluctuated and exchange rates showed great changes. Moreover, the expectation that demand for household audio-visual electric appliances and other related products would be expanded by the Beijing Olympics held first in China in August 2008 was not realized.

In such a situation, the momentum of new business activities using technology for lightening environmental loads in Japan grew in the area of environment and energy especially because positive efforts were continued for photovoltaic generation systems and the development and manufacture of hybrid cars, green diesel engines, electric cars and the like were carried out at a high pace. Similarly in the bearing industry, demand for wind power plants increased remarkably mainly in Europe. In addition, the fact that since the development of the Mitsubishi Regional Jet (MRJ), hopes have been going up for the aircraft industry among not only big businesses but also small ones can be pointed out as a characteristic trend.

The Economic Research Institute summarized the trend of the machine industry in 2008 in this annual report “Machine Industry in Japan, 2008 Edition” entitled “**New Business Activities and the Buildup of Existing Industries toward a Low-Carbon Society.**” Aiming at covering the machine industry in Japan as broadly as possible, we analyzed supply and demand trend, export and import, trend of management, trend of the industry and other related subjects for the industrial fields listed below. The main industrial fields and business categories covered by this report are:- industrial machine fields: machine tools, injection molding/plastics processing machines, forge rolling machines, automatic vending machines, conveying and carrying machines and industrial robots, construction machines, device-related manufacturing appliances (semiconductor/FDP panel manufacturing appliances), farm machines, textile machines, freezers and applied products; industrial heavy electric machine fields: heavy electric machine, etc; electric machine fields: consumer electric machines and appliances, consumer electronic machines and appliances (including cameras), batteries, electronic devices, general electronic parts, telecommunication equipment and wireless-applied appliances, medical electronics, computers and office machines; transportation machine fields: automobiles, automotive parts, two-wheeled vehicles, industrial vehicles and aircraft; precision machine fields: electric measuring instruments, measuring equipment, analyzing equipment and electric controls; and machine element fields: bearings and dies. The section of statistics provides statistical information about main industries related to machine and information industries in the format based on the Machine Industry Statistics.

People at industrial organizations and businesses gave us valuable information and suggestions in the process of studying the trend of the industries and business categories described in this report. We would like to express our deep gratitude to these people for their cooperation. We hope that this report will be helpful to the reader in understanding the machine industry in Japan, planning business management and establishing industrial policies.

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