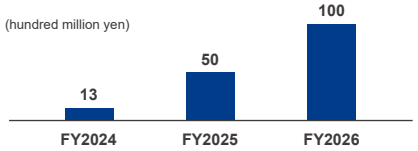
Best Practice Project

Best Practice Project is a project launched in 2024.
While we have tried to reduce costs based on the knowledge within the company, this project will help us tackle thorough reduction of costs by utilizing external knowledge, including the cost benchmark and optimal cost reduction technique, in the system directly managed by President.
Through promoting this project, we achieved an annual cost reduction of 1.3 billion yen in FY2024. Our goal is to achieve annual results of 5 billion yen in FY2025 and over 10 billion yen in FY2026. In addition to this, we will also facilitate human capital for operational efficiency and the growth of each employee.

Targets

We have also achieved greater efficiency in human capital aimed at operational efficiency and the growth of each employee.



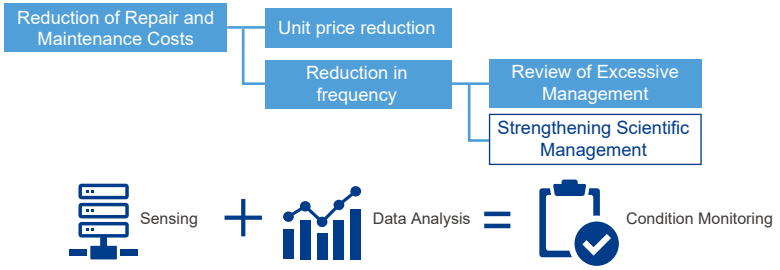
Achievements and Future Initiatives

FY2024	Achieved a cost reduction of 1.3 billion yen (target +0.3 billion yen) through fostering a competitive environment and reviewing utility contracts		
FY2025 and later	Measures	Overview of initiatives	Target value
	Cost reduction	• Optimization of raw material costs through design changes and standardization of components • Strengthening the purchasing organization and reinforcing the procurement system based on digitalization • Shift from time-based maintenance (TBM) to condition-based maintenance (CBM) using scientific approaches	¥3.0 billion
	Supply Chain Reform	• Optimization of logistics network (collaboration with other companies) • Optimization of logistics service levels	¥2.0 billion
	Reduction of Selling Expenses	• Reduction of unit prices through fostering a competitive environment and consolidation • Optimization of quantity and expense unit prices through the introduction and revision of company-wide rules	¥1.5 billion
	Improvement of labor productivity	• Zero-based review of operations, role allocation, in-house and outsourced production, and optimization of organizational hierarchy • Reallocation of surplus personnel generated above to areas requiring reinforcement	¥1.5 billion
	Optimization of Investment Costs	• Optimization of costs through necessity review, consolidation, and fostering a competitive environment	¥1.0 billion
	Deployment to group companies	• Full utilization of measures designed by the parent company at subsidiaries • Sharing cost reduction methods as knowledge across the entire group	¥1.0 billion
			¥10 billion

Case Study

(1) Reduction of Repair and Maintenance Costs

Due to insufficient measurement data on equipment wear and damage, equipment health is maintained through periodic maintenance, leaving room for improvement.



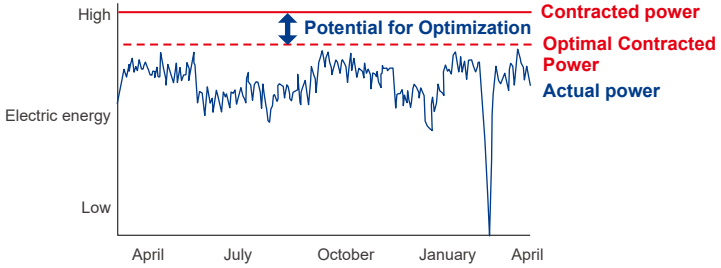
Equipment condition is monitored through sensing and data analysis

Shift from time-based maintenance (TBM) to condition-based maintenance (CBM)

Achieved cost reduction by optimizing the number of maintenance cycles

(2) Optimization of Contracted Power (Upper Limit)

There is a gap between contracted and actual power usage, indicating room for improvement by enhancing the accuracy of power consumption forecasts.



Production volume, equipment changes, and outside temperature fluctuations are reflected in forecasts based on previous year's results
Establishment of real-time power monitoring and response manual for power shortages

Achieved cost reduction by optimizing contracted power