

in October, 1967, the Karuizawa Plant will become the modernest and one of the most powerful bearing production plants in Japan with the annual production capacity of ¥2,000 million worth of products.

Vital statistics of the Karuizawa Plant as of the end of September, 1966, on the other hand, were as follows: 71,379 square meters of plant site; 2,596 square meters of plant buildings and constructions; 351 employees; 443 units of modernest production equipment; and 216 units of testing and inspection machines. The average monthly production of the Karuizawa Plant stands in the neighborhood of 500,000 units.

Located in a part of the Karuizawa highlands, one of the most representative summer resorts in Japan, the Karuizawa Plant is ideal for precision industries because of pure air. Abundant labor and geographical proximity to Tokyo also offer great advantages to Karuizawa as a seat of precision industries. In addition, as Karuizawa is covered by the Underdeveloped Area Industrial Promotion Law, any industrial plants operating there are able to enjoy special depreciation write-off favors on their machinery and equipments.

As can be seen from the accompanying table, Nippon Miniature Bearing has been enjoying an unusually brisk growth and high profits. It is true that the company had to pass its dividend in the full-year term ended September, 1964, partly because of the heavy burden of construction expenses of the Karuizawa Plant, partly because of the levelling-off of sales and partly because of still embryo stage of exports.

The company's business, however, immediately rebounded in the following year and chalked up a 30 per cent sales gain chiefly on the strength of extremely brisk exports which recorded an almost three-fold gain in that year. In more detail, Nippon Miniature Bearing registered total sales of ¥411,360,000 and declared profits of ¥17,520,000 after carrying out brisk depreciations amounting to ¥100,000,000.

In the following full-year term ended September, 1966, the company's sales and profits further advanced to ¥832,100,000 and ¥78,840,000 (after ¥100 million depreciations), respectively. This sharp improvement in Nippon Miniature Bearing's business results is partly due to the great technological advancement made possible by the company's conclusion of technical tieup contract with SNFA of France and partly because of a sharp increase in the number of U.S. customers. As a result, the company was able to write off all the red-letter figures carried over from the September, 1964 term and revived an annual 10 per cent dividend as from the September, 1966 term.

The company's exports in the same fiscal term totalled ¥567,760,000 or a sharp 3-fold advance over the 1965 performance with the export ratio finally topping the 70 per cent mark. By categories of foreign buyers, automation equipments led the way with 50 per cent of the total, followed by aircraft with 20 per cent, IBM electronic computers with 15 per cent and others with 5 per cent.

Recently, demands are particularly brisk for high precision super miniature bearings for aircraft uses.

Nippon Miniature Bearing's business results are bound to improve sharply in the current full-year term ending September, 1967. New orders received during the September, 1966 term totalled ¥998,650,000 or a sharp gain of 92 per cent over the previous term. This increasing trend of new orders has been carried over to the current business term and, as a result, the company's monthly sales has been growing steadily.