

Iwata Shokai president outlines goals for the future

The chemical trading company, established in the early twentieth century and known for its versatility, is targeting three specific sectors and looking to make transformative changes in the construction industry.



"It is our mission to create new products for people all over the world."

Takuya Iwata, Ph.D.,
President,
IWATA & CO., LTD.

Established in 1902 as a chemical trading company, Iwata Shokai has been dealing with acid and alkaline products in Japan and around the world for more than a century.

According to company president, Takuya Iwata, inorganic chemistry is at the heart of the firm's business: "Inorganic chemicals are not only valuable as materials themselves, but play an



High-quality sealant

important role in the production process as basic raw materials in all industrial fields."

And, while Iwata Shokai's priority is to provide customers with a stable supply of high-quality products, the firm differentiates itself from competitors through the presence of its own chemical manufacturing company, Auto Chemical. "We are not only a trading company; we also produce functional materials," Dr. Iwata explains.

The ability to manufacture new materials and create them in col-

laboration with other companies means that Iwata Shokai supplies products to a wide range of industrial sectors. The company's Auton sealant product, for instance, could lead to important developments in the construction industry, with Southeast Asia serving as a primary target for expansion.

But Iwata Shokai's immediate focus is on three sectors in particular: semiconductors, life sciences and plastics. The company



already caters to Japan's semiconductor ecosystem by selling machines to semiconductor and silicon wafer manufacturers.

The acquisition of a new factory in Kumamoto (a hub for the semiconductor industry) for maintenance purposes, meanwhile, should ensure that Iwata Shokai meets its stated aim of providing the "highest quality of semiconductors" to customers both domestically and overseas.

Issues related to the coronavirus pandemic may have caused disruption to supply chains, but they have also obliged Japanese companies, which, according to Dr. Iwata, have been "traditionally focused on expanding outwards", to switch their focus back to Japan. Creating strong domestic relationships is an advantage when it comes to maintaining a stable

supply system, while globally the phrase 'Made in Japan' is still a byword for quality.

Semiconductors and sensors are also related to CT scans and are used in diagnosis services, providing a potential access point to the medical or life sciences industry, the second of Dr. Iwata's aforementioned targets. To this end, a subsidiary of Iwata Shokai, TOSC, has recently been selling membranes that bring new pro-



cesses to the food industry as well as the medical industry.

The company's third area of focus is plastics. "Becoming carbon neutral is one of the main challenges that many companies and societies are now facing. As a result, firms are focusing on chemical recyclables," Dr. Iwata adds. "One example is the development of technology to produce polymers using carbon dioxide from conventional exhaust gases as a carbon source."

Carbon neutrality, however, doesn't mean the total elimination of petroleum and carbon resources. Rather, it is a question of making effective use of what is already there, to make "good use" of chemical reactions.

As an isolated, mainly mountainous country, Japan may find it difficult to produce a large



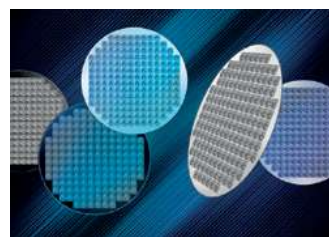
New-type sealant for buildings

amount of clean energy. The country's goal, instead, should be "to contribute to the global environment through the power of chemistry".

"We want to develop recycling technologies that can contribute to a recycling-oriented society," Dr. Iwata reveals.

Looking to the future, the company hopes to expand from Thailand to other countries in Southeast Asia and is actively seeking overseas foreign employees from countries such as India, China and Russia. As Dr. Iwata states, "diversity is key".

With Japan facing well-documented demographic issues related to its birth rate, aging population and subsequent shrinking workforce, it may be necessary for Iwata Shokai to replicate its col-



laborative domestic model overseas. Dr. Iwata is adamant that the company needs to research which countries make specific chemicals and build multiple supply chains based on its findings.

More broadly, of course, the priority is still the environment – an issue that has been at the heart of the company's endeavors since it began.

"We have been looking after the environment for 120 years," Dr. Iwata says, "and will continue to do so."