

Roundtable meeting

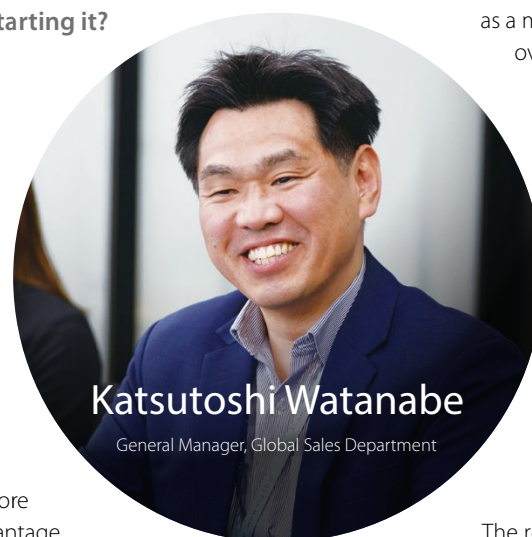
Connecting the world, uniting it, and leading it into the future

Q. What is the roundtable meeting, and what was behind your starting it?

In December 2023, the Global Sales Department established the roundtable meeting as a new forum for communication aimed at shortening the distance between ourselves and overseas subsidiaries and deepening mutual understanding.

Up to then, contact via e-mail and irregular meetings had been the norm. Sharing information in a timely manner was difficult, the discovery of issues was late, and new product information did not reach the sites where the products were to be sold until just before release, which hampered securing an advantage in markets. As a result, in some cases in which we normally would have been able to propose new products, due to this lack of information, old products were introduced, with unsatisfactory results.

In addition, culture, customs, and market structure differ greatly between Japan and overseas, and valid sales methods in Japan are not necessarily valid overseas as-is. In Japan, it's possible to adopt a strategy of the strong, premised on an already-established distribution network. In some overseas regions, however, it's often necessary to adopt a strategy of the weak, such as when a company has to develop buyers on its own. Based on such differences in



Katsutoshi Watanabe
General Manager, Global Sales Department

environment, we launched the roundtable meetings as a mechanism for solidly reflecting the voices of overseas sites in management and sales activities. Using this as a forum for regular dialogue that emphasizes an approach of connecting, uniting, and leading our Headquarters and overseas sites into the future, we are working to build up a shared understanding and significantly improve our flow of information.

Q. What are the features of the roundtable meetings and how are they run?

The roundtable meetings use English as our shared language in a discussion format that encourages the free exchange of opinions regardless of hierarchical relationships. We generally meet for about 60 minutes online, once a month. Country sales representatives, country managers, and members of the Global Sales Department take part. At the start, the main themes were sharing information on market conditions and cooperating on sales. We're now expanding the content to cover introductions to new products and key applications, planning of workshops for countries, and more.

Q. What have been the results of the initiative?

The continual dialogue has steadily strengthened the collaborative structure between our Headquarters and overseas sites, leading to improvement in work practices, too. In the past, we would receive orders for several hundred thousand units several times a year from one of our Group companies in China. By setting up a mechanism for sharing annual forecasts ahead of time, we resolved turmoil at manufacturing sites caused by sudden large-volume orders, and transitioned to a systematic production structure premised on staggered deliveries. In the U.S., we improved the accuracy of price and delivery date negotiations with customers through frequent meetings between our Headquarters and U.S. sales representatives, leading to large orders on the scale of 100 million yen. I think that the effects of strengthened cooperation originating in the roundtable meetings are becoming apparent.

Q. Have any issues come up in how the roundtable meetings are run?

Some issues can be seen, such as differences between countries in their willingness to speak, or the tendency of action items from each meeting to be ambiguous. However, by introducing mechanisms to determine the speaking order for each theme, and by running the meetings so that at the end what needs to be done and by whom by the next meeting is organized and shared, the quality of discussions is growing, as is a sense of integration in activities. On top of that, by providing opportunities for direct meetings with not only managers but also overseas sales staff for each project, it has allowed us to provide support aligned with real issues in the field.

Q. In addition to these adjustments in how the meetings are run, organizational changes were also reportedly made.

Through the roundtable meetings, feedback from the other countries has become more visible than ever. This led to the need for a more specialized and effective support structure. The Global Sales Department had operated as two teams, but was reorganized into four teams to subdivide work and clarify roles.

Since starting roundtable meetings, we've become able to both manage the progress of every project and approach users from an early stage. As a result, we're able to check for mistakes or delays in progress on a short time frame and quickly take necessary action. In one project, one of our application representatives took part in a roundtable meeting and shared a customer's layout diagram with the Global Sales Department. Doing so allowed us to quickly communicate the customer's needs and problems, after which we moved forward on the project without delay.



Salvador Rivera
President
OSG Royco, S.A. de C.V. (Mexico)

The first team, Marketing, is advancing the creation of ways to actively incorporate overseas perspectives into development requirements, which have tended to be oriented to the Japanese market. By also keeping overseas sales of catalog products in our sights from the development stage onward, we aim to prepare product lines applicable to global markets and narrow the sales gaps between regions.

The second team, Key Application, welcomed members who had previously belonged to the Design Center's Key Application Strategy team. There was a major gap in thinking between the Design Department's thinking of "if the performance is there, that's success" to the Sales Department's thinking of "success is determined by orders." We're encouraging a change in this thinking and promoting a shift to the sales perspective of "solidly deliver the performance that customers demand." We're also expanding a range of activities overseas that had been centered on Japan and are working to strengthen our global proposal capabilities to meet a wider range of needs.

The third team, Sales Support, acts as a contact desk for overseas subsidiaries by centrally managing quotations, orders, and delivery dates, and smoothly supporting sales activities.

For the fourth team, Trade Strategy, we set up a specialized organization that is well-versed in tariffs and trade rules. When the issue of U.S. tariffs occurred, we were unable to determine which information sources were accurate, and were left searching for a path even while inquiring to JETRO, contacts in the U.S., and elsewhere. From this experience came the recognition that as long as we are engaged in



trade, we should be professionals at trade. Accordingly, we launched an organization equipped with expertise. The team is working to become a true professional trading group that can analyze future-oriented measures to reduce tariff burdens, study optimal production sites, and do other tasks. We are aiming to establish an information communication structure linked to our manufacturing and production planning departments.



At roundtable meetings, we share information such as briefings on sales measures, and technical materials that can be used in sales activities. We also discuss specific initiatives related to expanding sales of the A-Brand series in Korea, which is helpful in sales activities. By being able to exchange information and have discussions, roundtable meetings have great significance and yield effects that I feel are directly related to practical work. I believe that continuing to engage in quick and on-target decision-making through roundtable meetings will contribute to further sales expansion.



Jang Juneyoung
Marketing Team Manager
OSG Korea Corporation

Q. What is the outlook for the roundtable meetings from here on out?

Looking ahead, we plan to hold roundtable meetings focused on specific countries and themes, create a database to collect videos and materials on success stories, and create mechanisms for holding roundtable meetings led by overseas sites.

For workshops, too, we intend to create an annual schedule and evolve the workshops into a structure capable of providing practical knowledge tailored to the fields in which individual countries want to grow.

At the core of roundtable meetings is a stance by which overseas sites and our Headquarters learn together and deliver results together while building relationships of trust that cross borders. By listening closely to the voices at overseas sites, we will further develop this initiative to enhance the quality of our sales activities and strengthen our competitiveness in the global market.



Rob Adkins
President
OSG Canada Ltd.

Before the introduction of the roundtable meetings, interactions were mainly by email. Often, intents were not fully conveyed and people were not understood. However, roundtable meetings are face-to-face and allow clear, two-way communication. This has sped up approvals in situations involving special delivery times, special pricing, and special product design for major customers. Outcomes depend on

whether people are able to communicate effectively, so we hope the Company will continue to hold roundtable meetings and support us and our customers.

Policy of the Global Sales Department



Global Sales ...

Connects the world

Unites it &

Leads it into the future