

sustainable japan

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Ishii Iron Works remakes self for workers, new energy

Unraveling Japanese companies

HIROKO NAKATA
CONTRIBUTING WRITER

Looking to take a longer-term perspective for its employees, Ishii Iron Works Co. Ltd. decided to delist its shares last year, the second year of the current president's term and a year before its 125th anniversary.

"Over time, the organization had become less flexible, a common trajectory for companies with a long history," President Hiroaki Ishii said in a recent interview, part of a monthly series conducted by Naonori Kimura, a partner for the consulting firm Industrial Growth Platform Inc.

"The first thing I thought I should do was motivate and energize the workers," Ishii said. Toward that goal, he took steps to review the company's organizational culture and human resource management, as well as create strategies to help it carry out its business.

In the past, the company had released medium-term management plans for the benefit of shareholders. "But what was more important for this company was to think about our purpose, vision and value. So we started out envisioning what

kind of company we wanted it to become and the reason why it exists," Ishii said. After the delisting, the president started to explain the new strategies to employees, and the company crafted a new management plan based on them last year.

The company began in 1900 when Ishii's great-grandfather Takichi Ishii opened an ironworks in Tokyo's Tsukishima district, part of a man-made island in Tokyo Bay that the Meiji government intended to develop as an industrial zone along with the neighboring Tsukudajima and Ishikawajima districts.

The company experienced significant growth as the global demand for iron increased, driven partly by the construction of bridges and industrial structures like chimneys as Japan developed. It was also an era when energy sources like oil and gas began to replace coal as the primary fuels for heavy industry.

"The transition led us to our company today, which builds tanks to store energy and plants to produce it," he said. The ironworks started to assemble plants for gas producers by using imported iron parts but later was able to source them domestically.

Ishii said the key to the company's growth was the trust the founder gained from customers with his devotion to the work plus use of technology to weld iron



Hiroaki Ishii, the president of Ishii Iron Works, poses for a photo near the company's offices in the Tsukishima district of Tokyo's Chuo Ward. HIROMICHI MATONO

parts instead of using rivets. Later, the founder left an anecdote about completing a commissioned iron work a day before leaving to take part in the Russo-Japanese War (1904-1905). His personality and the business network he created helped bring in more orders when the ironworks started to build domestic plants, supported by a gas company.

The company then expanded on the back of strong demand for storage tanks as major oil firms built energy complexes, including refineries and reserve storage for growing energy demand, Ishii said.

Domestic energy demand has declined in recent years along with the country's shrinking population, weakening demand for energy-related facilities. However, former Prime Minister Yoshihide Suga's pledge in 2020 that the country will go carbon neutral by 2050 created the potential for future business for the company in renewable energy as well as new energy sources such as ammonia, which does not

emit carbon dioxide, methane generated from CO2 and hydrogen, and sustainable aviation fuel. "The market has been shrinking, but is now seeing new opportunities," he said.

According to the latest data from before Ishii Iron Works delisted its shares in 2024, the company posted ¥1.48 billion (\$10.5 million) in operating profit and ¥1.20 billion in net profit on sales of ¥9.97 billion for the business year that ended in March 2024. The company carried out the delisting through a management buyout. But the delisting was not itself the company's goal, Ishii said; rather, it was a step toward what he hoped to achieve. "For one thing, I envision management with a long-term standpoint," he said. "For another, I was determined to make the company employee-centered."

He said the company used to be run solely for shareholders, which involved things like shareholder meetings, announcements of midterm business

plans and engagement meetings with shareholders. The time, cost and effort required were enormous for the medium-scale company, he said.

"The delisting made me realize that I had not communicated with the workers the same way as I did with the shareholders," he said. "I had not explained to them about what to invest in to make our business sustainable, how to grow, how to make profits and how to allocate them." That is why he told them that the company would now focus on employees rather than investors and disclose information to them in the way it once did for investors, he said.

For the future, while still constructing energy plants, the company plans to also work on carbon neutral-related businesses by improving technologies, developing human resources and cultivating vendors.

Among those technologies, there is potential for enhancing efficiency and automation by utilizing drones for inspection and artificial intelligence for plant construction. The company is also looking to apply its welding skills for wider industries, including nuclear energy and space-related businesses. In the future, Ishii said, he is interested in developing technological platforms by using AI and augmented reality, which integrates real-world information with digital overlays, in things like plant construction or human resource development.

There are hurdles to overcome. These include how to adapt to the transition to a carbon neutral-centric society, how to manage aging plants and how to construct plants resilient to natural disasters.

Ishii also said they need new welding technology and new metal materials to build large-scale ammonia tanks, with ammonia increasingly in focus as one of the next-generation fuels helping to reduce carbon emissions. He also said that how to secure enough labor is an issue connected to overcoming all these hurdles.

NAONORI KIMURA
INDUSTRIAL GROWTH PLATFORM INC. (IGPI) PARTNER



The 125-year history of Ishii Iron Works Co. indicates that the company has grown with Japan's economic and societal

development through its involvement in the energy infrastructure business. Therefore, the social challenges we face are also management challenges for the company.

To ensure a sustainable global environment, carbon neutrality is undoubtedly one of the top things to achieve. The company is actively working on business opportunities such as the development and manufacturing of ammonia tanks to promote carbon neutrality. However, its focus is not solely on that point. During the transition period, coexistence with fossil fuels is realistically indispensable for sustaining our lives and economic activities until the world becomes carbon neutral. This process faces numerous challenges, including aging infrastructure, a dwindling workforce and the risks of natural disasters in Japan.

President Hiroaki Ishii spoke sincerely about the delisting as a step to face employees and work together toward a sustainable future with a long-term perspective. Based on the accumulated trust from customers and mutual trust within the company, I felt the pride and determination of Ishii Iron Works to continue facing situations filled with various difficulties toward the realization of a truly sustainable world.



Ishii speaks at the Ishii Iron Works offices. HIROMICHI MATONO

Mauvaise herbe

French restaurant explores Okinawan ingredients



TAEIKO TERAO
CONTRIBUTING WRITER

The enigmatic French restaurant Mauvaise herbe keeps its phone number and address unlisted, disclosing its location in the Okinawa city of Uruma only after a reservation is made online. A little over an hour's drive from Naha Airport, it lies in an area packed with small Japanese-style bars — certainly not a location where you would expect to find a gastronomic restaurant.

Chef-owner Keiji Ojima explained his reason for choosing the site: "This is one of the narrowest parts of Okinawa's main island from east to west, and both the ocean and the mountains are close by, so it's easy to go and obtain ingredients."

Born in Miyagi Prefecture, Ojima was raised in the Kanto region and Shizuoka Prefecture and trained in Tokyo. Along the way, he worked in Okinawa and felt an affinity for the region. After living and working in France for three years, he moved to Okinawa. In 2008, he launched the catering business Nanae no Nai Ryouiten (Nameless Restaurant).

By the time he opened Mauvaise herbe, a restaurant with nine counter seats, in 2021, he was rumored to be the chef with the deepest knowledge of Okinawan ingredi-



Mauvaise herbe
Okinawa. Address and phone number will be provided upon reservation.
<https://mauvaiseherbe.okinawa.jp/>

ents. He said this came about because he had been perplexed by the scarcity of local ingredients available on the local market, and this motivated him to build closer connections with producers. Today he even accompanies fishermen on their boats, where he uses a technique called *shinkeijime* (literally, nerve-tightening) to preserve the freshness of the just-caught fish. He also goes on hunts with hunters and then processes the meat in his own slaughterhouse.

What is more, no salt is used in his dishes. Ingredients such as shellfish liquid and squid intestines do naturally contain salt, and Ojima also makes wide-ranging use of his original vinegar, produced from fermented Okinawan Chinese cabbage and apple peel. In cooperation with producers, he is currently involved in the production of Ayahashi beef, a process in which cows that have been retired from calf-bearing and would normally be euthanized are refattened for two years before their meat is sold. Ojima's Ayahashi beef roast is made without the use of salt or sauce. Instead, it is coated with vinegar and seasoned with the bitter and sweet flavors produced by pan searing.

It could be said that salt-free cooking is

a cutting-edge method in French cuisine that has been practiced in pursuit of lighter, healthier dishes since the nouvelle cuisine movement began in the 1960s. What does it mean to make the most of local ingredients? Mauvaise herbe inspires us to think deeply about this question.

DENNY TAMAKI
GOVERNOR OF OKINAWA PREFECTURE



I am delighted to announce that Mauvaise herbe has been selected for the Destination Restaurants 2024 list.

The ingredients, cultivated in the rich natural surroundings of Okinawa, are a true treasure. The dishes crafted from them offer a unique opportunity to experience the beauty of Okinawa's forests, seas, and mountains. Mr. Ojima's cuisine delivers a deeply moving culinary experience that can only be found in this special place. I sincerely hope this recognition will help share the charm of Okinawa with a wider audience and inspire many to visit both Okinawa Prefecture and Uruma city.

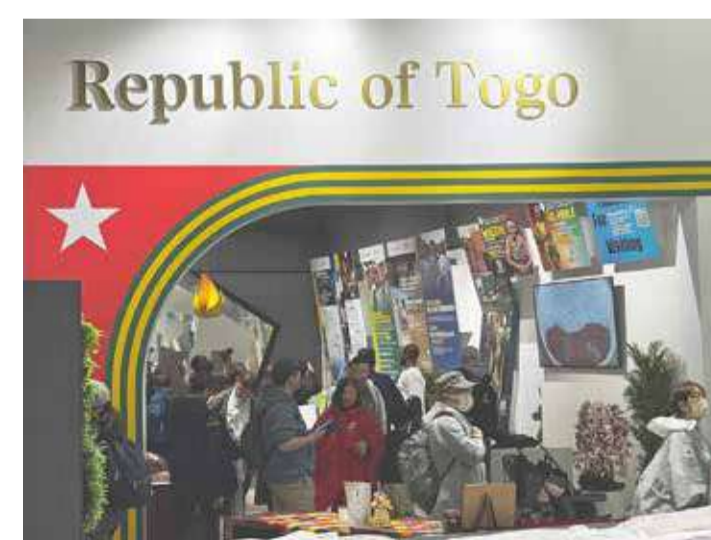
Osaka Expo Times Gallery



Jamaican Ambassador Shorna-Kay Richards and the commissioners general of Jamaica and Canada congratulate the governor of Osaka on the opening of Expo 2025 during the welcome reception. THE EMBASSY OF JAMAICA



Bolivia celebrates its Expo 2025 "national day" on April 21, with Vice President David Choquehuanca attending as the guest of honor. THE EMBASSY OF BOLIVIA



The Togo Pavilion draws visitors at Expo 2025 in Osaka. THE EMBASSY OF TOGO

Turkmenistan held its Expo 2025 "national day" event on April 14 from 11 a.m. to noon at the Expo National Day Hall, featuring cultural and business activities organized with the participation of representatives of Turkmenistan as well as honored guests from Japan and other countries. THE EMBASSY OF TURKMENISTAN



Destination Restaurants 2024 AUTHENTIC JAPAN SELECTION

