



# ***SE Wiring Systems Egypt S.A.E From Port Said***

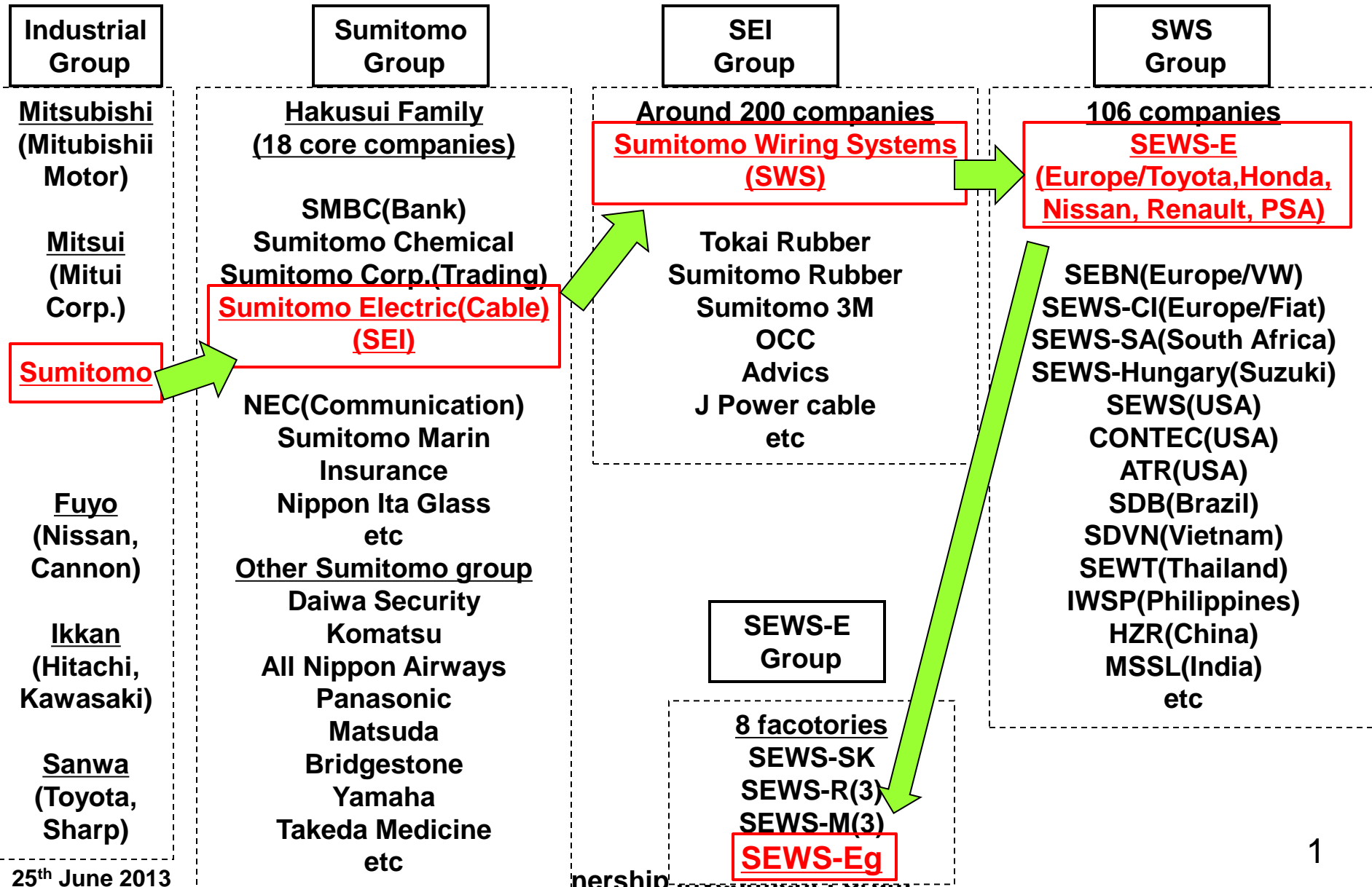
***N.Toyoda  
25<sup>th</sup> June 2013***



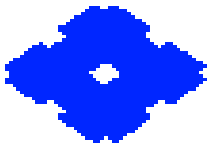
- 1. Industry structure in Japan**
- 2. Origin of Sumitomo**
- 3. Sumitomo Electric Industries ( SEI )**
- 4. Sumitomo Wiring Systems ( SWS )**
- 5. Global Network of SWS**
- 6. Global Sales and Production under SWS**
- 7. SE Wiring Systems Egypt ( SEWS-Eg )**
- 8. Customer location of SEWS-Eg**
- 9. Reasons why Sumitomo decided to invest in Egypt**
- 10. Our opinion about investment climate in Egypt**
- 11. Challenges faced Sumitomo during their project**
- 12. Government agencies support to Sumitomo to overcome problems/challenges**
- 13. Our opinion on how improve business climate in Egypt**



# 1. Industry structure in Japan



# 2. Origin of Sumitomo Group



The Sumitomo trademark is a well head, or igeta, which symbolizes the source of a constant flow of water.

The Sumitomo business was started in Kyoto, the historic capital city of Japan, nearly 400 years ago. by Masatomo Sumitomo (1585-1652).

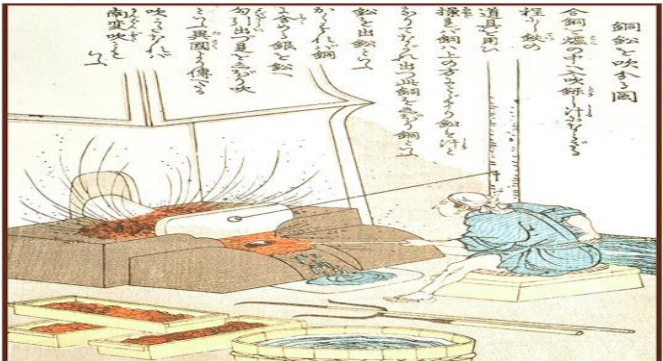
A technological innovation in copper refining started the Sumitomo family on its road to success. Today, Sumitomo Group companies still adhere to the business principles known as the Founder's Precepts:

1. Act in good faith to maintain the other party's trust
2. Monitor trends and actively respond to changes
3. Carefully investigate business viability

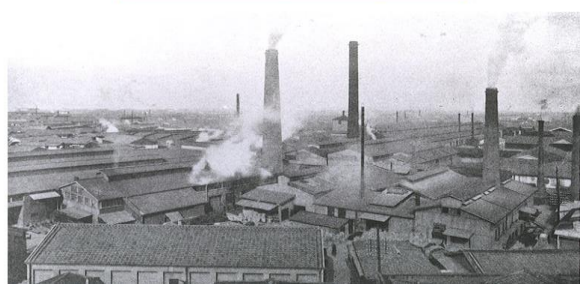
The Besshi Copper Mine



The original copper refining process



Sumitomo Copper Rolling Works







# 3. Sumitomo Electric Industries ( SEI )

SEI is originally Cable manufacturing Company

Osaka Head Office / Tokyo Head Office



Itami Works



Process-controlled continuous casting and rolling / Copper wire rod



500kV CV cable



1000-core optical fiber cable



Synthetic diamonds / Cubic boron nitride tools



New transit system in Kanagawa pref.



SUMIGATE, inflatable rubber dam  
SUMIFLON, PTFE-coated aluminu



Tokyo Metropolitan Police Department



Integrated communication system at Kansai International Airport



Bridges connecting Honshu and Shikoku  
Steel cords used for radial tyres





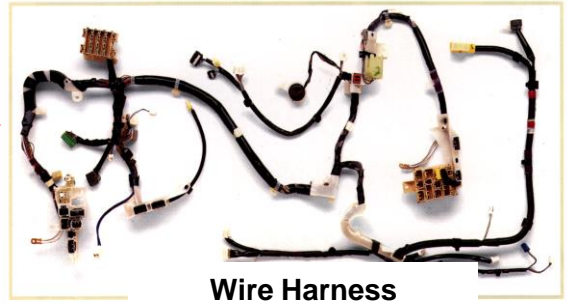


# 4. Sumitomo Wiring Systems ( SWS )

SWS is manufacturing Wire Harness for Automotive Industry  
Wire Harness is like Blood Vessel or Nerve in the human body



SWS HQ

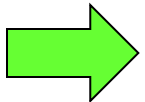


Wire Harness

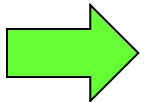
Wiring Harness



Cut & Crimp (C&C)



Assembly



Inspection

**Final Target** : Achieve uniform absolute quality worldwide through global production



Global Skill Olympic in July 2012



C&C competition

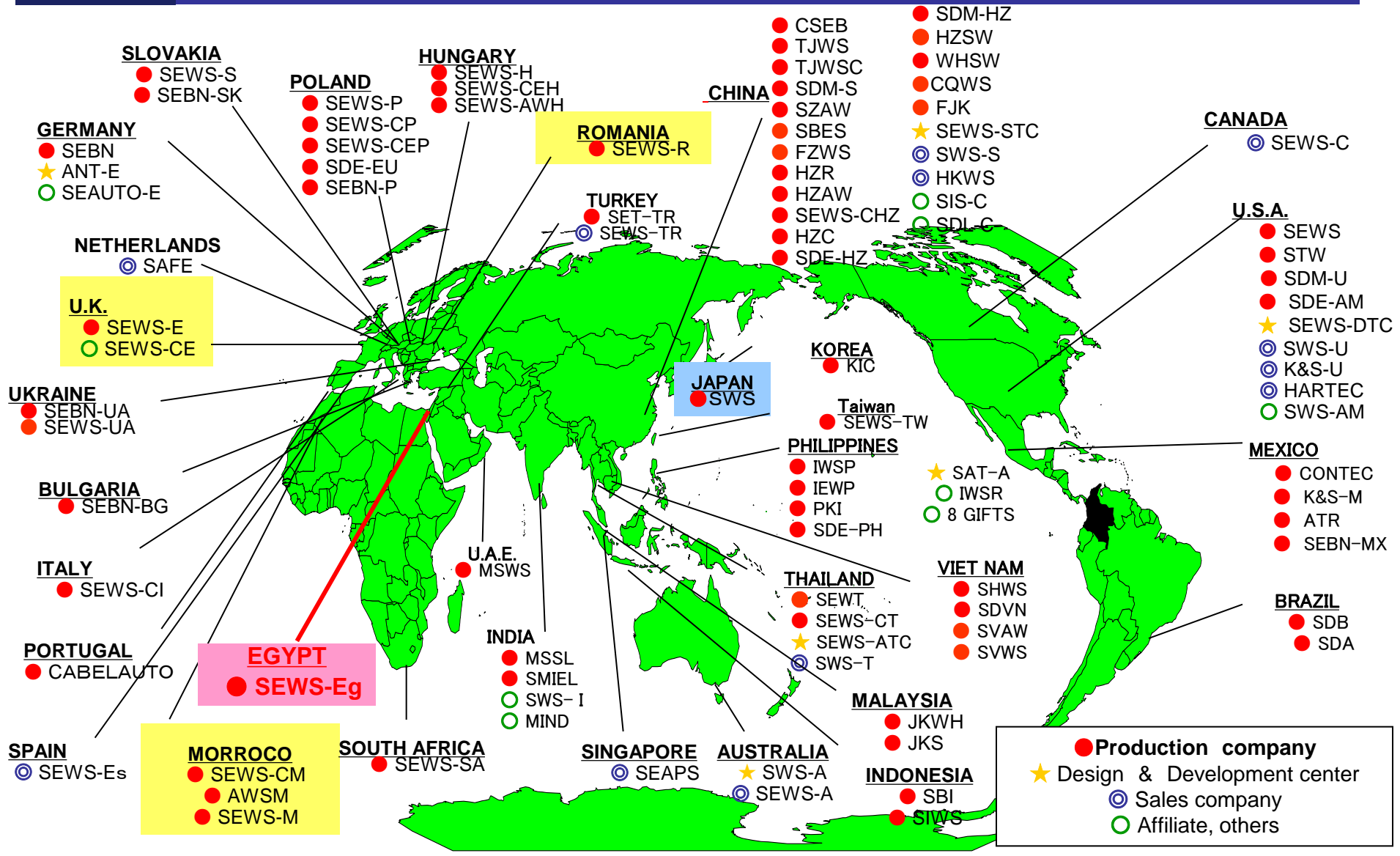


Assembly competition



# 5. Global Network of SWS

**Number of Group**  
**Companies: 106** Countries (Nov, 2012): **31**  
**Production, sales and technical bases**  
**Total employees: 210,000** people

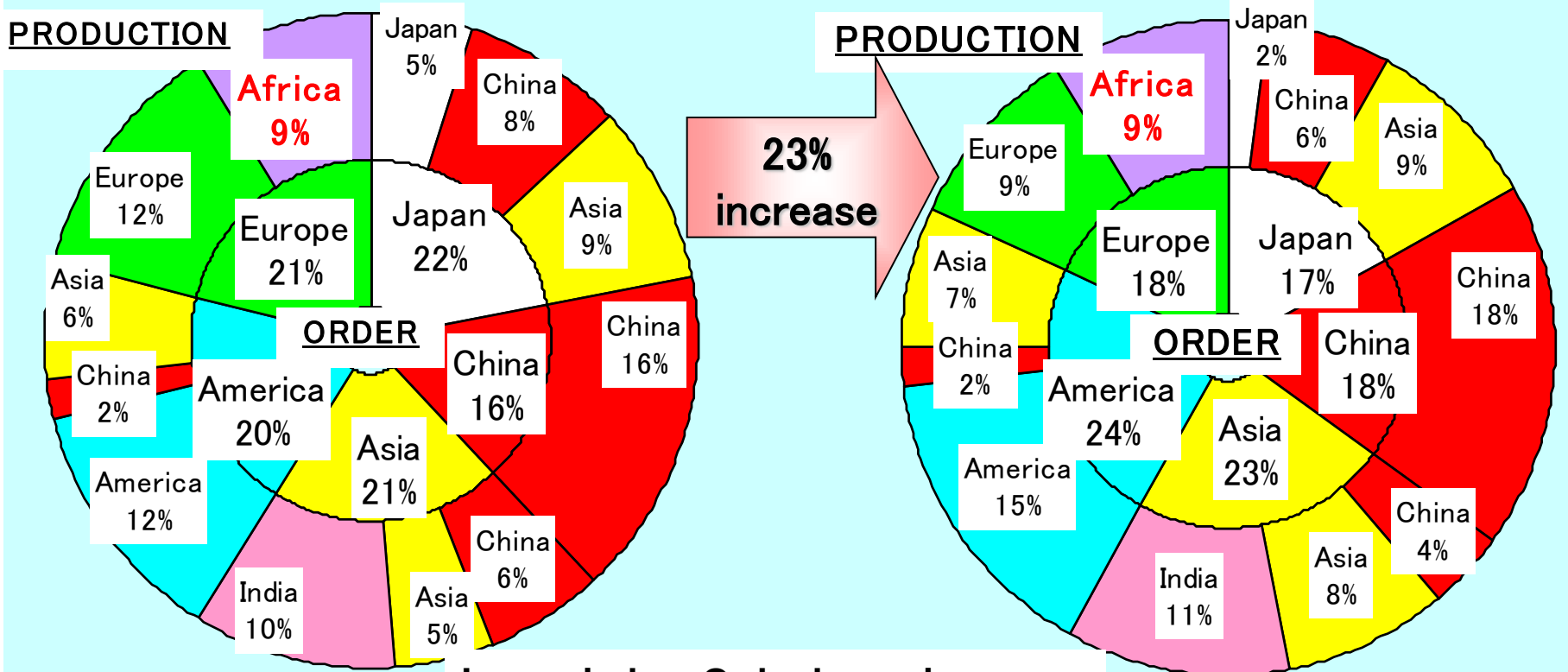


# 6. Global Order and Production under SWS

Actual result of 2011

Plan for 2015

Production in Africa will increase by amount



**23% increase**

Inner circle : Order by region  
Outer circle : Production by region





# 7. SE Wiring Systems Egypt ( SEWS-Eg )



Facility Start	Nov 2010
Building Size	20,000 m <sup>2</sup>
Manufacturing Space	11,184 m <sup>2</sup>



25<sup>th</sup> Cut & Crimping



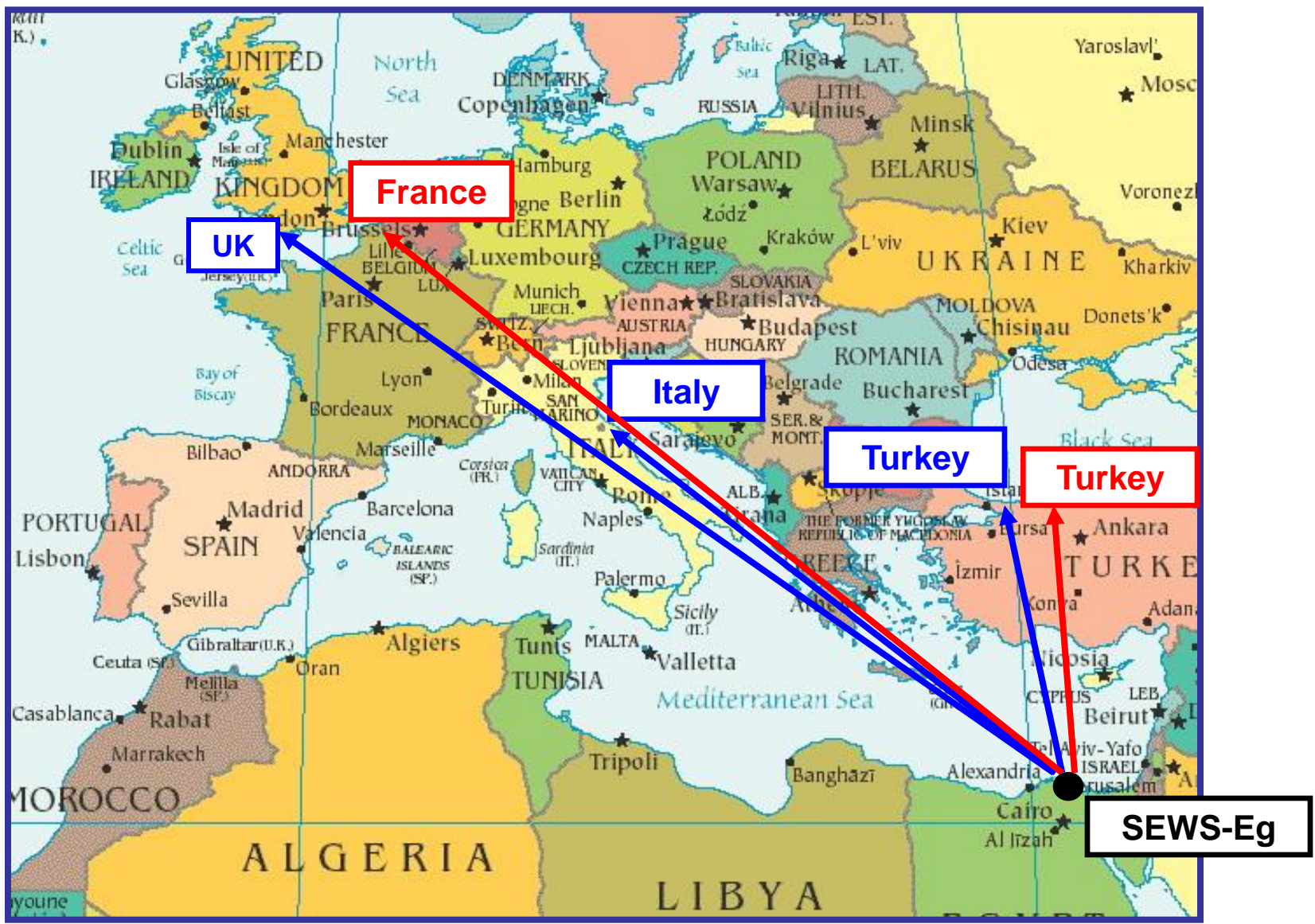
Deal Assembly 'ship Investment Forum



Stores

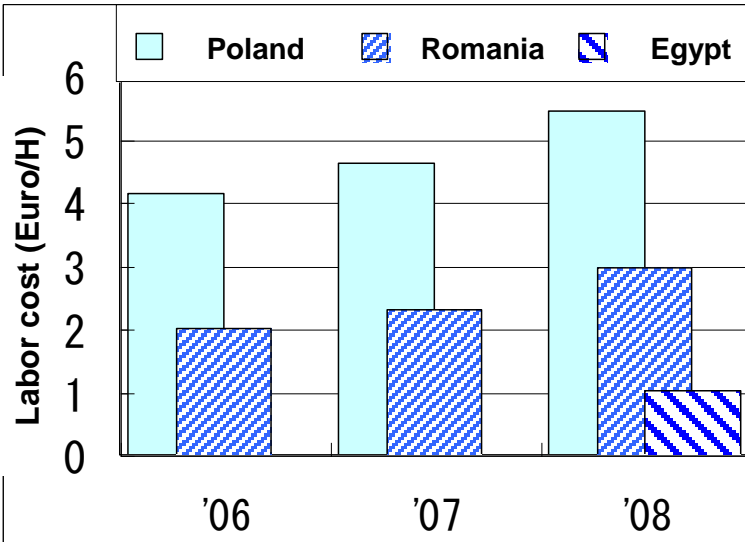


# 8. Customer Location of SEWS-Eg





# 9. Reason why Sumitomo decided to invest in Egypt



Labor cost increase by 15% annually in European production



UK → LCC (Poland / Romania)  
→ LLCC (Morocco / Egypt)



1. Lower Labor Cost
2. Shorter Lead Time of Parts from Japan  
Japan → Eastern Europe 25 days  
Japan → Egypt 18 days
3. Free Zone Benefit  
Industrial Tax, VAT, Import Duty (including Equipments)



New company was established in Egypt ( July 2008 )  
New Factory in Egypt started Operation ( April 2011 )





### **Currently**

**< Good for the labor market >**

**1. Large population in Egypt**

**→ No need to worry about the recruitment**

**2. Not bad quality of the people if we educate properly**

**3. Lower labor cost**

**< Advantage of the short Lead time of the goods transportation >**

**< Advantage of the incentive for the foreign investment >**

**< More English language understanding >**

### **Future**

**< Benefit as Consumer market >**

**1. Large population**

**2. Center location to access Middle East Countries**

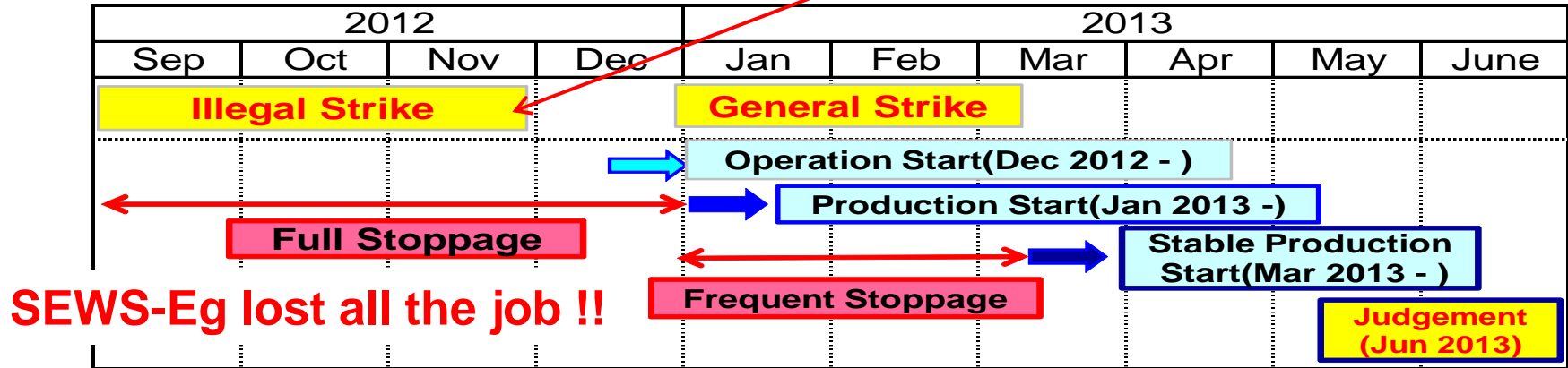
**3. Good location to access for African market**



# 11. Challenges faced Sumitomo during project

## 1. Past challenge in SEWS-Eg

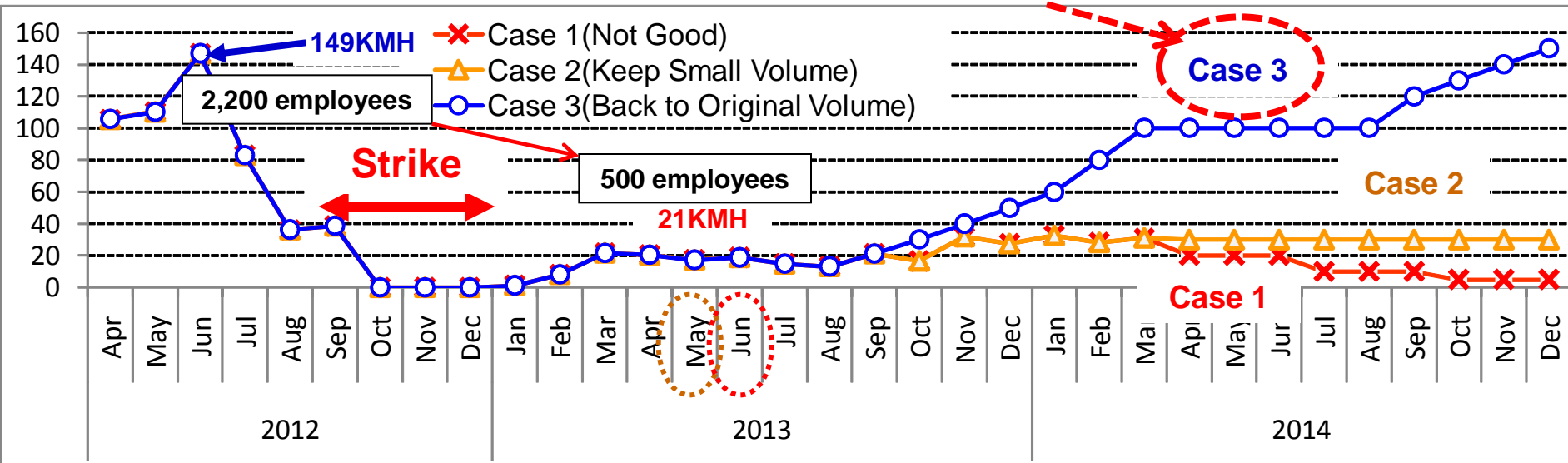
Manpower Ministry and GAFI helped a lot during Strike



## 2. SEWS-Eg Future → We will Never Give Up

Production Volume (KMH/month)

Decision -> Volume Increase from Oct 2013





# 12. Government agencies support to Sumitomo to overcome problems/challenges Request

## Desire for Future Production

### 1. Stable and safe operation

→ No interference from Bad people, Unstable city situation

### 2. World standard operation

→ Female majority factory

Wire Harness production needs Fine job, Repeated job

Female is more suitable over the world

	SEWS-Eg	SEWS-M(K)	SEWS-M(A)	SIWS	SVWS	SDVN	SHWS	HZR	TJWS	SDM-S	SEWT
	Egypt	Morocco		Indonesia	Vietnam			China			Thailand
	Islamic Country				Non-Islamic Country						
Male	438	410	431	609	591	2,425	1,442	451	1,048	1,196	1,719
Female	72	2,654	2,250	1,942	5,699	7,221	2,871	3,539	1,736	1,790	6,263
<b>Total</b>	<b>510</b>	<b>3,064</b>	<b>2,681</b>	<b>2,551</b>	<b>6,290</b>	<b>9,646</b>	<b>4,313</b>	<b>3,990</b>	<b>2,784</b>	<b>2,986</b>	<b>7,982</b>
<b>Female Ratio</b>	<b>14.1%</b>	<b>86.6%</b>	<b>83.9%</b>	<b>76.1%</b>	<b>90.6%</b>	<b>74.9%</b>	<b>66.6%</b>	<b>88.7%</b>	<b>62.4%</b>	<b>59.9%</b>	<b>78.5%</b>



## Request for Government support

### 1. Security of the city and the company environment

### 2. Understanding of Wire Harness industry and support for

New Recruitment with Female majority

Working Hour Extension for Female employee ( 7:00 – 23:00)



- 1. Continuous efforts  
for the stability and Safety all over Egypt**
- 2. Better education of the young people  
including the behavior, follow-the-rule**

Thank you very much  
for your attention.

