

KGK Back to the US and develop Mexican Market

Kanematsu KGK Corp.(KGK) is pleased to announce that it has resumed the business activities and operation of KGK International Corp.(KGKI) in the United States, which was dormant since 2009, in order to correspond not only to the US market but also further to the Mexican market.

KGK has developed its new 3-year medium term Management Plan, “Bridging the future through Global Development”, since this April 2014. The annual turnover at the end of the 3-year Plan will be J¥66 Billion towards the long term target of J¥100billion annual turnover, as the General Trading Company integrating 4 business units and function in machinery business, i.e. Machine Tools unit, Industrial Plant & Machinery unit, Energy and Environment-related Equipment unit and Engineering Function.

With regard to the Global development, KGK has local subsidiaries in China, Thailand, Viet Nam, and Indonesia in Asia, which are well-established for further growing up. In Europe, KGK is developing new business and market in Europe with the local subsidiary in Czech. On the other hand, in North America, our business is increasing owing to market expansion of the automotive industries, and our major clients in Japan have plans to expand their production capacity in US factories. In response to these demands, KGK has dispatched Japanese staff to KGKI and employed local staffs who have expertise in high technical services required for machining and automation facilities in accordance with the product drawings.

Furthermore, Mexico has a geological predominance to the US market and has already concluded FTA with many countries. In addition, under such situation as the political stability and economical labor cost in Mexico, Japanese, European and American car makers and its parts makers are rushing into this market. Judging from this movement, in collaboration with the local subsidiary of Kanematsu Corporation (parent company of KGK), KGK will provide with various customer services and develop new businesses by Japanese staff of exclusive duty for Mexico. At the same time, KGK is starting a procedure to establish KGK’s own local subsidiary in Mexico. Meanwhile, the total target annual turnover after 3 years is J¥3.4billion in US and Mexico.

Outline of KGK’s local subsidiary in the US

- (1) Business Name : KGK International Corp.
- (2) Location : Arlington Heights, Illinois
- (3) Representative : Hideaki Hamada