

Integrated manufacturing and sales strategy and business model capable of continuing to create new value through overwhelming innovation, anticipating market needs 10 to 20 years from now

Our group is focusing on research and development of safe and effective agricultural chemicals and promoting their wider use in order to contribute to development of agriculture and support stable production of safe and secure food worldwide. This is supported by the business model incorporating integrated manufacturing and sales that enables development of new chemicals, anticipating future market needs, and stable product supply. Based on a sure grasp of growers' requirements and their circumstances, we conduct R&D in anticipation of future markets and establish a stable production system through collaboration with factories from the development stage onward. Our partners in each country and our expert sales persons and engineers assigned across Japan promote the use of our products. Furthermore, information obtained in the field, such as new needs and changes in the agricultural environment, is fed back to R&D departments for the development of new agricultural chemicals. This business model, in which departments/divisions are organically linked, enables us to offer products that meet market needs.



Strengths in Research and Development



Strength 1 Vigorous Investment in R&D

As an R&D-oriented company, our group has continued to invest vigorously in R&D ever since its foundation. The accumulation of such investment has resulted in many products, supporting our group's current growth. Under the Medium-Term Business Plan launched in FY2024, we plan to invest approximately 22.0 billion yen in R&D in three years. We have been stepping up our efforts to further strengthen R&D capabilities.

Strength 2 Excellent Human Capital Creating Value

Our group's R&D is supported by human resources who possess a high level of expertise and are willing to take on new challenges. Whereas the probability of success in new agricultural chemical development is said to be typically 1 in 160,000, our group has been able to develop new agricultural chemicals at an extremely high probability of roughly 1 in 7,500. This is achieved by excellent human capital working in an open and comfortable working environment and in a corporate culture that values free and vigorous discussion. Even amid the ongoing innovation of R&D methods and techniques through the use of IT and AI, people with fresh concepts geared to value creation, who are capable of starting from scratch and able to think outside the box, are essential.

Strengths in Production / Procurement



Strength 1 Manufacturing Technology Established in Collaboration with R&D Departments

We have established the integrated system from R&D to production and sales, which is a characteristic of our group. By taking advantage of the system, our factories and research institutes study optimal industrial synthesis methods in a collaborative endeavor or from the early phase onward in the development of new agricultural chemicals. Specifically, we conduct tests at facilities that simulate actual production and examine industrial manufacturing methods. Such a collaboration between R&D and production leads to more efficient development of new agricultural chemicals and early establishment of a production system, enabling stable supply of high-quality products.

Strength 2 Global Supply Chain

Regarding procurement of raw materials, we have established a global supply chain including group companies in and outside Japan and our other overseas bases in order to reduce the impact of daily changes in market prices. In addition to securing alternative suppliers of raw materials, we are decentralizing production bases and strengthening our production system in readiness for global business development. Moreover, we are promoting CSR procurement in accordance with the Kumiai Chemical Group Basic Policy on CSR Procurement and CSR Procurement Guidelines.

Strengths in Marketing / Sales



Strength 1 Sales of Agricultural Chemical Active Ingredients and Products

Our group manages every phase from product development to manufacturing as well as sales within the group. This approach not only ensures profits but also enables prompt provision of products attuned to market needs. We pursue differentiation from competitors through sales of excellent products that offer unique performance, such as the field crop herbicide AXEEV® and MAMETSUBU® products, and enhance our competitiveness in the market. Furthermore, we can reflect the feedback received from customers in improvements to existing products and development of new products, leading to provision of products offering greater satisfaction.

Strength 2 Strong Sales System

In Japan, we are engaged in community-based sales and technical service through a sales system with expert sales persons and engineers assigned across Japan. We provide our proprietary agricultural chemical products through ZEN-NOH, which has strong relationships with growers.

Outside Japan, we have established a sales system in collaboration with group companies, affiliates and distributors that have strong sales networks in each market. Leveraging our globally competitive product capabilities and the sales network established in the course of many years of overseas business development, we supply our proprietary active ingredients around the world and are contributing to agriculture worldwide.

Initiatives to Improve the Value of Intangible Assets

Our group emphasizes investments in intangible assets to enhance its corporate value. In particular, we consider "human capital" related to all corporate activities and "intellectual property" that we, as an R&D-oriented enterprise, have accumulated as the fundamentals of value creation. We have worked out policies to maximize their value and is proactively promoting them.

Human capital

Considering "human capital" to be the important capital essential for sustainable growth of a company rather than viewing it as costs, our group is working to maximize its value.

Under the current Medium-Term Business Plan, our group has identified the human capital necessary for the implementation of plans. We have formulated a vision for the human capital strategy and an action plan based on the identified human capital and have been pursuing them. In order to realize sustainable growth, it is essential to foster an organizational climate in which diverse and motivated human capital can gather, develop, demonstrate their abilities, and work in a stress-free environment.

Our group is actively endeavoring to create a working environment where everyone is able to find satisfaction through work-life balance. We are promoting a "sense of existence," "sense of accomplishment," and "hope for the future" as we strive to improve the happiness of our employees by creating an environment that allows them to find fulfillment in their work.

Our group's slogan is "Dreams and Triangle for Happiness." We aspire to create a stream in which each individual has dreams and then works to achieve them, and where satisfaction can be experienced through accomplishment, resulting in happiness. To create a system such that human capital can achieve growth through their work and work sustainably with a sense of accomplishment and job satisfaction, we have formulated the vision for the human capital strategy whose essence is expressed by the slogan "Dreams and Triangle for Happiness" and have been promoting it.

Intellectual property

As an R&D-oriented company, we place a high priority on research results. Viewing intellectual property such as patents and know-how as the fundamentals of value creation, we will do our utmost to protect them.

We consider intellectual property such as patents, know-how, trademarks (brands), and designs as the most important intangible assets, and strategically acquire and manage these intellectual properties to maximize our business and ensure sustainable profitability. At the same time, we strive to minimize the risk of intellectual property disputes by respecting the intellectual property rights held by other companies and taking appropriate measures.

In order to promote such intellectual property activities, it is important to strengthen the intellectual property infrastructure of the entire company. We have assigned staff in charge of intellectual property to its Chemical Research Institute and Life Science Research Institute, which are at the forefront of research & development, not only to support invention discovery but also to improve the intellectual property mindset of its researchers.