

DAIFUKU Inspiring Society and the Future

Material handling refers to the efficient storage, transport, sorting and picking of goods.

Its essence lies in using automation technologies to reduce heavy work and repeated processes and create new value.

Starting with the use of leverage, pulleys and casters, material handling has developed dramatically through innovations in dynamic and information processing technologies.

It is now a system that supports the foundations of society, and as such is always close to the lives of people.

Daifuku will continue its Groupwide efforts to “inspire society, deliver prosperity and enhance well-being through our core competence—automated material handling technology.”

Path of Value Creation

A sound corporate culture that cultivates a chain of innovation

Since its founding in 1937, Daifuku has been committed to remaining at the forefront of the times and to meeting customers’ needs as a manufacturer and integrator of material handling systems and equipment. Underlying this is the following ① to ⑨, our traditional corporate cultures (so-called corporate DNA).

1 Responding to customers’ needs with sincerity

Our business cannot exist without maintaining customers’ systems in operation.

In 1959, we delivered an automobile production line system to Japan’s first passenger automobile factory. Any failure in the system we delivered would bring the customer’s business activities into a halt. Under this severe pressure, we learned that our products must never cause production lines to stop under any circumstances.

Providing quality products and services in response to advancing material handling needs

The 1980s saw a rapid increase in demand for cleanroom transport systems for semiconductor factories, resulting from the spread of personal computers.

In 2002, Daifuku received a first order for a fifth-generation LCD panel transport and storage system. This system later evolved into a transport system for glass substrates for large-screen TVs. We provide customers with one-stop services that encompass everything from proposals for logistics strategies to maintenance of distribution centers and other facilities. After e-commerce and other services rapidly proliferated, needs increased for material handling for high-mix, low-volume and high-frequency transport. We faced a need to provide solutions for temperature management in cold chains and hygiene management ensuring food safety and reassurance.



Cleanroom transport systems for semiconductor factory



Automated sorters in a distribution center

Global increase in the movement of people and goods

In 2007, Webb joined the Daifuku Group through M&A, enabling us to enter the airports sector. We have since expanded the business mainly to overseas markets. In 2018, we won our first project in Japan.

In recent years, airport security checks have become increasingly stringent, and boarding procedures are taking longer and longer. There is brisk demand for smart airports, such as self-service baggage check-in, facial recognition for passport control, automation of passengers’ procedures, and curtailment of time for security checks.



Self-service baggage check-in system

Developing and providing logistics solutions to help build new lifestyles

Changes to systems in society and people’s lifestyles are accelerating. Customers are faced with issues such as the expansion of e-commerce, advances in digitalization, the trend towards electric vehicles, mounting awareness of the environment, society and governance (ESG) issues, rising labor expenses and labor shortages. Daifuku will flexibly and sincerely continue to respond to their new needs.

2 A spirit of development in pursuit of cutting-edge technologies

Becoming an all-around material handling machinery provider. From human power to machines—modernization of material handling

Until around the 1940s, most materials at ports were handled by stevedores who carried cargoes on their shoulders, straining at the task. Daifuku began to introduce a range of material handling machinery designed to reduce physical burdens and enhance productivity, to the market.

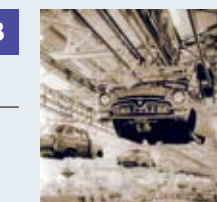
In 1947, the then president Kenjiro Masuda, who served in that role from 1947 to 1949 and from 1953 to 1967, was seeking a future direction for the Company. He made a decision to pursue the modernization of material handling. This marked Daifuku’s “Year One of Material Handling.”



Stevedores carrying cargo (photo credit: Museum of Logistics)

In time, a need will arise, even where none exists today. Motorization as the road to fortune and dramatic growth

“In the future, conveyors will not simply move or carry goods. They will develop into systems with advanced functions. Although they do not sell now, the day will surely come when they will be needed.” With this belief in the late 1950s, Masuda sought advanced conveyor system technologies for automobile factories from Jervis B. Webb Company, a U.S. material handling company that is now part of the Daifuku Group.



Japan’s first passenger automobile factory

The “living” warehouse brings a distribution revolution

In the 1960s, the volume of cargo began to exceed the handling capacity of delivery centers and it became common to see piles of goods waiting to be delivered. At that time, Daifuku began to explore new fields and developed the Rackbuil system, a pioneering automated warehousing technology in Japan, with the first system in 1966. Rackbuil was dubbed a living, moving warehouse and a revolutionary system that changed the concept of warehouses. It instantly became the Company’s mainstay product.



The first delivered Rackbuil system

Cultivating Daifuku’s sustainability through industrial park plans

In 1970, Daifuku acquired a vast site measuring about 1.2 million square meters with the idea of building an industrial park in the town of Hino-cho, in Shiga Prefecture. Today, this is the home of our Shiga Works. With an emphasis on harmony with the natural environment and ties with the community, we started building a production site with a function of developing a rich humanity. The Works has become one of the world’s largest production centers of material handling systems, boasting 12 factories. We are working to build a sustainable society, for instance with the Yui Project launched in 2014 to preserve biological diversity.



Yui no Mori forest
Yui no Mori was developed as part of efforts to protect biodiversity. In addition to protecting the endemic red pine forests and a rare species of salamander, Yui no Mori is used as a place of learning, both inside and outside the Company.

Society supported by non-stop logistics

Today, companies are facing challenges related to how to ensure non-stop logistics, and how to restore them quickly if they do stop. Daifuku offers preventive maintenance and regular inspection services for systems and operates a 24/7 system support center to ensure stable operation of customers’ facilities.

Since the 1995 Great Hanshin-Awaji Earthquake, severance of supply chains and the stagnation of physical distribution caused by natural disasters are now recognized as a major risk to society. We are working to introduce quake-absorbing systems to logistics facilities in a bid to help customers achieve a rapid recovery in business activities and to maintain the foundations of society.



Daifuku’s own sway-control technology developed at its high-rise testing tower within the Shiga Works

3 Diverse and positive corporate culture

Confidence in management from the early days

In those difficult postwar years, wages were overdue by up to 75 days. The sight of Masuda rushing around trying to raise money to pay their salaries increased the confidence employees had in the Company. At that time, factory staff were paid daily wages while office staff received monthly wages. Masuda abolished this and introduced a new system of paying all staff on a monthly basis, removing a wall that had existed within the Company. His successor, Toshio Hirotsawa, who served as president from 1967 to 1977, worked hard to improve the treatment of employees, introducing programs that were novel at that time, such as the five-day work week and mandatory retirement at the age of 60.

A good mentor

Kenjiro Masuda served as president for a total of 17 years and six months, and subsequently also served as chairman and advisor. Until just before he passed away at the age of 97 in 1996, he would speak about business vigorously. Our current management team occasionally heard his instructions when they were young. He was also a man of the pen. His contribution to the Company newsletter for six years acted as a core of the chronicle of Daifuku’s 50 years. Our corporate history vividly describes our 50 years of history based consistently on his views.

Provide proposals with clear introduction, development, turn, and conclusion

Katsumi Takeuchi served as president from April 2002 to March 2008. He always defined the creation of a diverse and positive corporate culture as part of the management philosophy. “Diverse and positive” never means that you can say whatever comes to mind. Rather, subordinates should organize their ideas logically to propose them and superiors should listen and communicate with them. Constructive proposals must have a clear introduction (raising of question), development (specific details), turn (exploration of solutions), and conclusion. He pushed strongly ahead with global expansion and was thus aware of the importance of expressing ideas



Active discussions based on customer needs

We receive a large number of orders for different projects. Accordingly, younger personnel have opportunities to work on the front lines. When conditions are difficult, they may need deliberations inside the Company at times. They are often seen involved in intense discussions on material handling and other subjects.

Sales trends

