

# *Innovation Emergence*

President & Representative Director  
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It has been two years since the Lehman shock. Partly due to the good performance in emerging countries, the automobile industry appears to be recovering smoothly. However, the recovery is still accelerating, accompanying changes beyond expectation in the business environment.

Among those changes, we are closely related to the growing market in China and the expansion of the net-related business such as smartphone. Both changes will go down in the history as great innovations. Increasingly adding value for consumers by opening free-for-all applications, Apple Inc. sells hardware products linking to those applications across the globe. While introducing the free economy ideology and gradually opening its market, China attracts foreign capital and advanced technologies under the strong leadership of the Chinese government.

Apple Inc. and China have drawn the world attention dominantly with the strategies utilizing their advantages: "technical capabilities of information processing related to personal computers" of Apple Inc. and "the world's largest population, rich resources", etc. of China. We will accept the current situation for a while but will search a new direction in the future.

Although the innovation scale is not as large as the ones created by Apple Inc. and in China, FUJITSU TEN has also created a new business area by introducing AVN products. In addition, we have been developing the millimeter-wave radar technology for a long time and the technology has high potential. For the future, we will need the environment where every section of our company shares creation of "sources of breakthroughs" that may develop into innovations. It seems that how to share the sources, including the role of this TECHNICAL JOURNAL, will become a key for the future growth of FUJITSU TEN.

Generally, the term innovation is defined as a process that public institutions and private companies convert knowledge, technologies, know-how, etc. into new products and services to create customer value. The process includes the following steps. We need to clearly understand "our advantages." Then based on the advantages, we

should think "products and services" that we can provide. The products and services that we will actually sell or provide must be objectively evaluated about whether they are "really valuable" to customers.

This process seems really reasonable but it is difficult to act. We sometimes feel relieved only by putting a work with deadline looming into a quick action. In many cases, the work done in such a manner eventually results in disappointment. It is important to share a habitual practice of thinking through and following the process when we make a plan in any phase of business from R&D, production to sales. I ask you not to move from the plan to action with leaving the plan ambiguous, and to exchange opinions vigorously until you reach a satisfactory conclusion. We must recognize that "thinking" is "the only method" for creating value in the knowledge society.

Five technical articles are introduced in this TECHNICAL JOURNAL. I expect these technologies introduced here to grow into great innovations through the above process. On the other hand, managers also have an important role to support activities for innovations.

First, share the commitment of engineers to "developing newborn ideas to big businesses." Generally, managers who have long experience in one field tend to show negative reactions to new ideas for products in the field because they foresee problems and challenges to be solved before the products are commercialized. However, it is important to take an attitude of willingness to search promising aspects of the ideas together with younger engineers, especially in the early phase of the development.

Second, provide promising staff with the environments which help them to produce new ideas. Engineers acquire the "attitude of thinking" spontaneously in the environment where highly diversified human network and expertise is provided and easy access to it is available.

When you take a look at successes made by Apple Inc. or in China, you can understand that an innovation does not come only from new technology. Recently-marketed digital products have been universalized before becoming innovations. Therefore, they do not give much impact to consumers in spite of including high level of technology.

I would like to expect innovation emerged from ideas of young engineers, who support the future of FUJITSU TEN by creating inimitable technologies, appealing products, and unique business models that our competitors cannot follow, etc.

A handwritten signature in black ink, reading "Takashi Shijima". The signature is written in a cursive, flowing style with a horizontal line across the middle.