

Message from the Management



“Citizen” is both our company name and the origin of our corporate philosophy. We also intend to continue operating as a company 100 years into the future.

Realizing Our Future Growth Strategies

Looking at the overall Group, I believe our activities for the two years in the first half of the medium-term management plan—organizational restructuring and human resource optimization, plant restructuring, and business portfolio revision—have been carried out largely according to plan. However, one aspect of our restructuring of overseas production bases—the liquidation of Citizen Precision Guangzhou Ltd., our production base in China—involved confusion in the early stages that led to inaccurate media reports. We apologize sincerely for any concern this situation may have caused our stakeholders. We are reinforcing our corporate governance structure to prevent this sort of situation from recurring. Although conditions in China are changing, we still see major possibilities in that market, so production bases there are a key component of our infrastructure. Personnel costs are rising sharply, which is an issue, but through manufacturing innovation and by introducing other measures, our marketing and production activities will continue to position China as an important region.

In fiscal 2015, we will allocate the profits generated through manufacturing innovation toward technology development and capital investment. Through the additional growth that results, we aim to realize the objectives of “Citizen Global Plan 2018.”

Cultivating Human Resources from a Long-Term Perspective

To become a truly global company, we need to foster ties with people in local communities. Doing so requires us to understand local cultures and customs. This understanding, plus language skills, should smooth communications. But in addition to skills, I believe that our appeal as individuals is important.

We have really only just begun our efforts to empower women. Recognizing that a change of awareness is needed to make further progress in this area, in fiscal 2014 we introduced career training for women and diversity training for department managers.

I believe that utilizing diverse human resources and providing opportunities for them to make full use of their skills will lead to innovation and value creation.

Resolving Societal Issues through Our Business

We have developed a host of socially and eco-friendly products, from 1976, when we introduced the world's first analog solar-powered watch, up to the present. We believe offering products that help resolve the societal issues we all face should be a matter of course for a company. Citizen believes that ultimately, companies play an extremely important role in society, and that companies need to rethink their raison d'être along the lines of creating shared value (CSV*) with society. Such initiatives take time, but we are convinced that our current efforts toward CSV are a natural part of the discussion that should take place at the marketing and development stages.

* CSV: Initiatives for creating new value that is shared by companies and society

Continuing Our Operations 100 Years into the Future

Given the dramatic pace of change, looking 100 years into the future is a difficult prospect. Companies need to adapt and progress in keeping with the times. We recognize the need to constantly reinvent ourselves and marshal our strengths to fit the needs of each era. We are convinced that this capability will lead to sustainable growth.

Maintaining a connection with society underpins and is essential to growth. At the same time, it goes without saying that employees are the core element supporting a company. Taking care of employees leads to the ability to deliver high-value-added products and services to customers. We believe that this truism must never be forgotten, as it forms the base for all business activity.

In keeping with our corporate creed, we aim to contribute to and be respected by citizens of the world.

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Toshio Tokura
President and CEO
Citizen Holdings Co., Ltd.