Shinji Takedagawa
President & Representative
Director of the Board

PROFILE
Shinji Takedagawa joined the former Nippon Paint Co., Ltd after graduating from Rikkyo University College of Economics in 1984. He built his career for nearly 37 years in sales, planning, and marketing in the automotive coatings business. He became executive in 2016 and Managing Director in 2018, and was appointed Deputy President and Executive Corporate Officer of Nippon Paint Automotive Coatings Co., Ltd. (NPAC) in January 2021. He was appointed President and Representative Director of the Board in August 2021 and has since been leading the automotive coatings business of The Nippon Paint Group. As President of NPAC, he will drive growth of the company to become the leading player in the automotive coatings industry as the most trusted partner for its customers.

Nippon Paint Automotive Coatings Co., Ltd. (NPAC)

NPAC is the world’s leading automotive coatings manufacturer capable of seamlessly providing the entire spectrum of automotive coatings from pre-treatment, electrodeposition coating, primer, base coat, and clear coat coatings for auto bodies to coatings for plastic bumpers and interior components. NPAC operates in 15 locations in Japan and 22 countries and regions around the world.

Market features and outlook
The automotive coatings industry is currently being strongly impacted by the reduced automobile production due to the COVID-19 pandemic. In addition, the impact of semiconductor shortages on the automotive industry may last until the first half of 2022. However, automobile production is projected to recover to 93 million units in 2023, exceeding the pre-pandemic level in 2019.

Following the global trend for tightening environmental regulations, the Japanese automotive industry is accelerating measures aimed at achieving GHG emissions neutrality by 2050 committed to by the Japanese government. As a part of this, automotive coatings manufacturers are being asked to develop products with less environmental impact.

With a wave of technological innovations called CASE sweeping the automobile industry, automotive coatings manufacturers around the world are advancing R&D activities to meet customer needs arising from those innovations.

The automotive coatings industry is facing major changes on various fronts, which in turn are opening new business opportunities to meet the new needs and serve new customers. At the same time, these developments make it essential that we review our current paint products, paint application processes, and value chains.

Growth strategy for FY2021-2023
NPAC is determined to become the leading company in the automotive coatings industry. To accomplish this, we will identify new customer needs, which are becoming increasingly complex while the auto industry undergoes a major transformation. At the same time, we will enhance our technological capabilities and reinforce our quality assurance system.

In Japan, we will focus on our business for Japanese customers, which is the core area of our business. We will improve our existing coatings and promote next-generation coatings, meeting new needs in the automobile industry by accelerating the development of environmental water-based paint, anti-viral paint, and paint products for the CASE concept. We will also further develop our Premium Color lineup of products with high designability and environmentally friendly coating technologies to continue raising user satisfaction with our products.

NPAC is also reinforcing its production and sales systems in all geographic regions so it can respond faster and provide higher quality services for Japanese customers with overseas businesses as well as with the aim of acquiring new customers overseas.

For the rapidly expanding Chinese market, NPAC is broadening its market reach by leveraging the extensive network sales capabilities in Asia and China of the Group partner company, NIPSEA, and by combining Group technological development capabilities of Japan and China to generate synergies.

In the Americas, we are constructing a new automotive coatings plant in Chattanooga, Tennessee, U.S.A. to be the base for business expansion in the region. The Chattanooga plant is designed with energy-efficient, environmental, and nature-friendly features meeting LEED Gold standards for sustainable manufacturing. The base will play a central role as we enhance customer support and increase our presence in the Americas region.

The business climate has been changing significantly in Europe and India due to factors including the impact of COVID-19. Under these circumstances, we decided that we need to take significant measures for fundamental business restructuring and enhancement in order to improve our corporate value in the medium and long term, and decided to transfer the shares of our subsidiaries in these regions to the Wurth Group. The transfer of shares has brought us an option to benefit from further growth in the European and Indian market in the case where restructuring measures are successful, as we have call options to buy back the subsidiaries in the future. On the other hand, this transfer can also shield us from any associated short term risk of the enhancement measures above, including expenses for business restructuring (for additional information, please see the relevant press release).

We are also mobilizing a full-scale entry into the film business with the aim of establishing it as a new core business. The film market is growing rapidly with the automobile industry’s shift to next-generation automobiles. NPAC has been developing coating technology for films (decorative films) as a new business since 2015. NPAC is fortifying its organizational structure to support the entry to the film business while also accelerating the global expansion of the decorative film business for automobiles and broadening its scope to other fields, including industrial coatings and decorative paints. We plan to add coated films to our array of offerings to meet the diverse needs of its customers.

1 Developed and operated by U.S. Green Building Council LEED is the leading program for high performance green buildings worldwide
2 Notice Regarding Transfer of Shares Accompanying Change in Consolidated Subsidiary (released on August 13, 2021)
3 Financial and Corporate Information
4 See Note to Financial Statements for additional information regarding the translation of the Group's foreign operations financial statements into Japanese yen. The notes to the consolidated financial statements are an integral part of these financial statements.