



# TSUNEISHI

THE OFFICIAL PUBLICATION OF THE TSUNEISHI GROUP OF COMPANIES

## Balita

VOL 10 JAN 2016

Cebu celebrates an annual festival in honor of Sr. Sto. Niño held every 3rd Sunday of January. This is one of the largest festival in the Philippines widely attended by people from different places. The festivity starts with a fluvial parade and a grand procession the Saturday before and then a street parade and presentation the day after. The word *Sinulog* comes from the Cebuano adverb *sulog* which roughly means "like water current movement," it describes the forward-backward movement of the Sinulog dance.

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Tsuneishi

Philippine Companies  
List of Board of  
Directors & Officers





**AKIHIRO MISHIMA**

Chairman & President  
Tsuneishi Heavy Industries (Cebu), Inc.

*"AS 2016 PRESENTS VARIOUS CHALLENGES NOT ONLY TO THE WORLD'S ECONOMIES BUT ALSO TO THE SHIPBUILDING INDUSTRY, WE ARE PREPARED TO COME FROM A STRONG PLACE TO FACE THE DEMANDS OF THE INDUSTRY."*

## WE NEED TO FOCUS ON DEVELOPING OUR HUMAN RESOURCES BY INVESTING IN THEIR TRAINING AND EDUCATION

Since our establishment in Balamban, Cebu in 1994, Tsuneishi Heavy Industries (Cebu), Inc. continues to hit more milestones as we work towards becoming Asia's leading shipyard.

In 2015, the year began with a management shift, appointing me as THICI's President and Katsuhiro Danjo as the Vice President.

This change has seen the appointment of the first Filipino presidents Tsuneishi Group. Silvino Oliamot of K&A Metal Industries, Inc., and Alex Alasco of ASian Craft (Cebu), Inc. took over as president of their respective companies. Whereas, Segismundo Exaltacion Jr. took over as

president and member of the board of directors of Tsuneishi Technical (Phils.), Inc. 2015 also saw a major milestone in three companies under Tsuneishi Group Philippines – the 20th anniversary of Asian Craft (Cebu), Inc., Tsuneishi Accommodation (Cebu), Inc. and Cebu Asiatic Shipping & Port Services, Inc.

As we celebrated this milestone, we also carefully reevaluated our commitment to our clients and our vision to be the best shipbuilder in the world.

As a testament to our strong commitment to provide outstanding products and services, THICI received the PEZA Hall of Fame for the Outstanding Exporter Award

## 2016 OUTLOOK

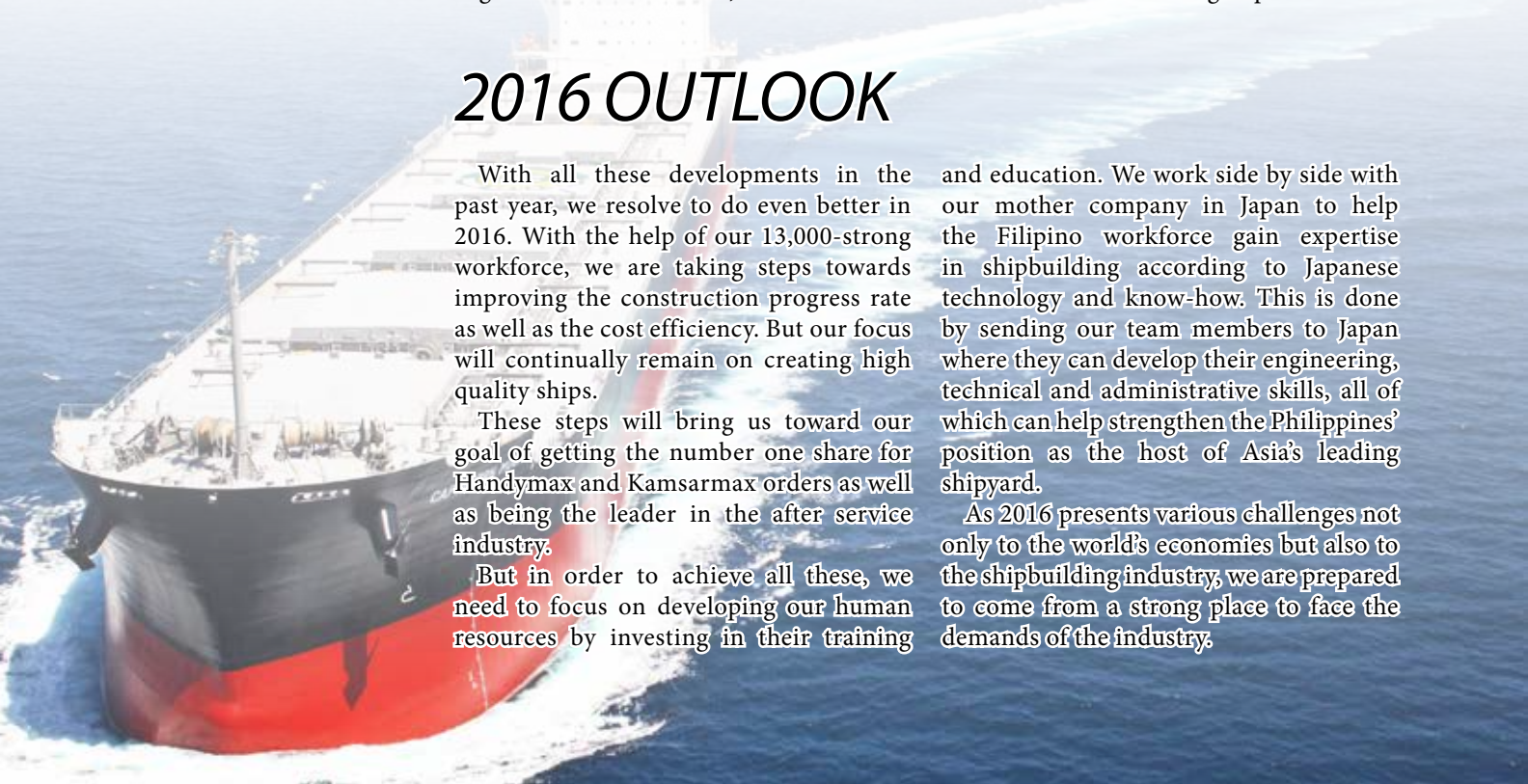
With all these developments in the past year, we resolve to do even better in 2016. With the help of our 13,000-strong workforce, we are taking steps towards improving the construction progress rate as well as the cost efficiency. But our focus will continually remain on creating high quality ships.

These steps will bring us toward our goal of getting the number one share for Handymax and Kamsarmax orders as well as being the leader in the after service industry.

But in order to achieve all these, we need to focus on developing our human resources by investing in their training

and education. We work side by side with our mother company in Japan to help the Filipino workforce gain expertise in shipbuilding according to Japanese technology and know-how. This is done by sending our team members to Japan where they can develop their engineering, technical and administrative skills, all of which can help strengthen the Philippines' position as the host of Asia's leading shipyard.

As 2016 presents various challenges not only to the world's economies but also to the shipbuilding industry, we are prepared to come from a strong place to face the demands of the industry.





**SEGISMUNDO EXALTACION JR.**

President

Tsuneishi Technical Services (Phils.), Inc.

*"TTSP HAVE HAD LOTS OF LEARNINGS AND REALIZATIONS FROM THE PAST, IT IS IMPERATIVE THAT WE NOW CAPITALIZE FROM THESE LEARNING EXPERIENCES, TO FURTHER HONE OUR CHARACTER, CAPABILITY AND COMPETENCY AS INDIVIDUALS AND AS A TECHNICAL ORGANIZATION."*

## CAPACITY, COMPETENCE, COMPETITIVENESS AND CHALLENGE — ARE KEY FACTORS FOR GROWTH & BUSINESS SURVIVAL

First and foremost, I wish to thank the entire TTSP family and its stakeholders for all the support extended and for the effort exerted last year in assimilating and for embracing our shared corporate culture of TLIFE.

This shared culture and values when practiced wholeheartedly are more than enough to help us strengthen our brand on quality and get our bearings going towards our intended direction.

2016 is another challenging year for all of us, as we set to tackle and carry-out design services for new types of ships. We are all expected to raise the quality level of technical service in terms of providing full or partial detail and production designs to Tsuneishi Shipbuilding Company's new projects such as the 44m-breadth AFRAMAX TANKER, 2700 TEU Container and the rest of its design version upgrading of the Group's mainstream Bulk Carrier products. We are also tasked to collaborate with Tsuneishi (Shanghai) Ship Design both Shanghai & Xiushan in the Design of its Livestock Carrier project which shall be built in Tsuneishi Group (Zhoushan) Shipbuilding China this year and will be followed by the 2700 TEU Container in 2017. These are indeed challenges that must hone TTSP to ably support THI in its new projects such as the 64BC, 38BC, the 3200ps TUG and the rest of its core products. Therefore, we must get rid of complacency and instead be more resilient in our pursuit to improve our processes and product quality. This is

our commitment towards excellence.

With all these challenges, we need to work on the enablers, by expanding our CAPACITY to more than 400 technical workforce and continue improving our COMPETENCE and reinforce our COMPETITIVENESS with respect to the industry's key success factors on Quality, the economics of cost & price and the timely delivery of goods and services.

I trust to have everybody's usual cooperation and cross-functional collaboration as we continue to take the challenges of the future.

Moving forward in our day to day tasks (with the thought of starting right in order to end right), geared towards attaining external customer satisfaction through the delivery of favorable & desired output QUALITY.

I believe that we must first ensure that we ably serve and support our INTERNAL CUSTOMERS. It is therefore highly expected that we all exercise an attitude that manifests the WILLINGNESS TO SERVE cross-functional Internal customers that will result to a more fluid and streamlined business process eventually assuring quality at its best.

TTSP have had lots of learnings and realizations from the past, it is imperative that we now capitalize from these learnings to further hone our character, capability and competency as individuals and as a technical organization.





**ALEX ALASCO**

President  
Asian Craft (Cebu), Inc.

*"WE EXTEND OUR AIM ON PRODUCTION EXPANSION THIS 2016 THROUGH INCREASING OUR PRODUCTION OUTPUTS IN ALL OUR FACTORIES."*

## MOTIVATE WORKERS ON NK LICENSING AND LEVEL UP THE SKILLS OF WORKERS TO ACHIEVE CUSTOMERS SATISFACTION

The company's focus on objectives achievement will place the company on a compass towards achieving performance success and maximizing profitability.

The aim on improvement of production for 2015 was farthest attained as Asian Craft (Cebu) Inc. (ACCI) Hull Fabrication Group (J1, J3, G3 and G4) surpassed 40 tons of the 24,397 targeted tonnage while Steel Material Cutting and Outfitting Group had exceeded actual 604 tons of the targeted 14,188 tons until the end of 2015.

ACCI with its twenty American Welding Society (AWS) licensed welders, also engages in the fabrication of Portainer Crane accessories and some structures of Mitsui Projects which are exported to Japan.

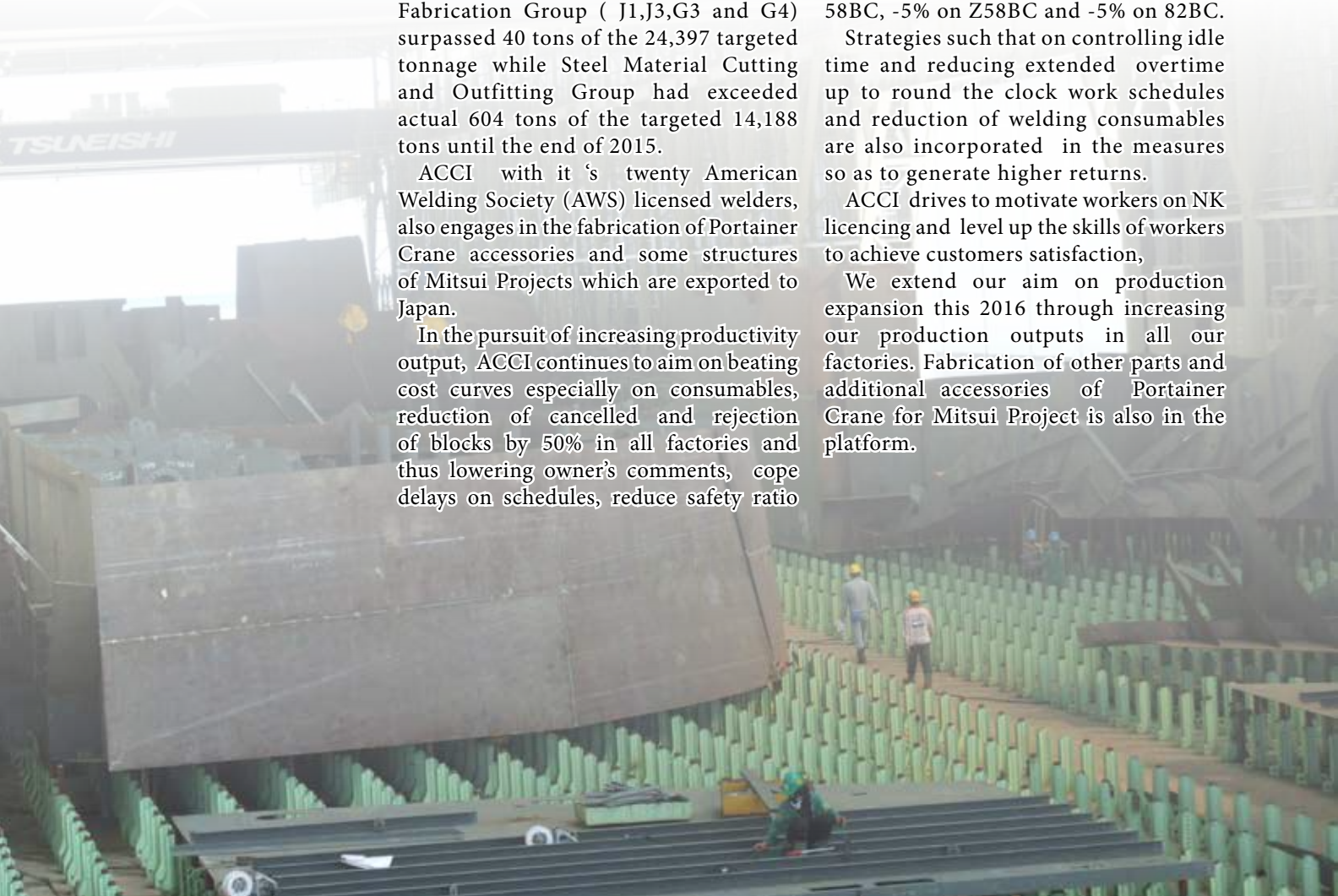
In the pursuit of increasing productivity output, ACCI continues to aim on beating cost curves especially on consumables, reduction of cancelled and rejection of blocks by 50% in all factories and thus lowering owner's comments, cope delays on schedules, reduce safety ratio

by half (DISR, DIFR, IRR), achieve good QC evaluation survey reports and accelerating workers' skills and efficiencies through trainings. In conjunction with the requirements of Tsuneishi Heavy Industries, ACCI foresees reduction in manhour per ship type as follows: -5% on 35BC, -11% on 58BC, -5% on Z58BC and -5% on 82BC.

Strategies such that on controlling idle time and reducing extended overtime up to round the clock work schedules and reduction of welding consumables are also incorporated in the measures so as to generate higher returns.

ACCI drives to motivate workers on NK licencing and level up the skills of workers to achieve customers satisfaction,

We extend our aim on production expansion this 2016 through increasing our production outputs in all our factories. Fabrication of other parts and additional accessories of Portainer Crane for Mitsui Project is also in the platform.





**SILVINO OLIA MOT**  
President  
K&A Metal Industries, Inc.

*"THROUGH OUR COLLECTIVE EFFORT THERE IS NOTHING THAT WILL STAND IN OUR WAY TOWARDS THE REALIZATION OF OUR GOALS."*

## OUTPACE PRODUCTION TONNAGE, MAINTAIN ZERO DELAY IN ALL OUR SCHEDULES, IMPROVE QUALITY STATISTICS, AND SAFETY OF ALL WORKERS

The year 2015 is a sort of feats. Production-wise, we achieved 11,994 tons of surplus in all our sections, broken down as follows: 3,496 tons from Assembly section, 5,308 tons from Sub-assembly, 168 tons from Outfitting, and 3,022 tons from T-beam section. We also attained 32,750 m<sup>2</sup> of surplus in our Painting Department. Equally important is realizing a zero (0) day delay in all our areas. This was reached through our unified endeavor and sharing of ideas with all our stakeholders.

We delivered a fair achievement with regards to Quality. Our U/T percentage in Assembly is 5.8% while our block acceptance and rejection ratio is 0.34%.

With regards to our production cost, we cut it to 6% less. In respect to our safety statistics, we registered a zero (0) fatal or serious accident.

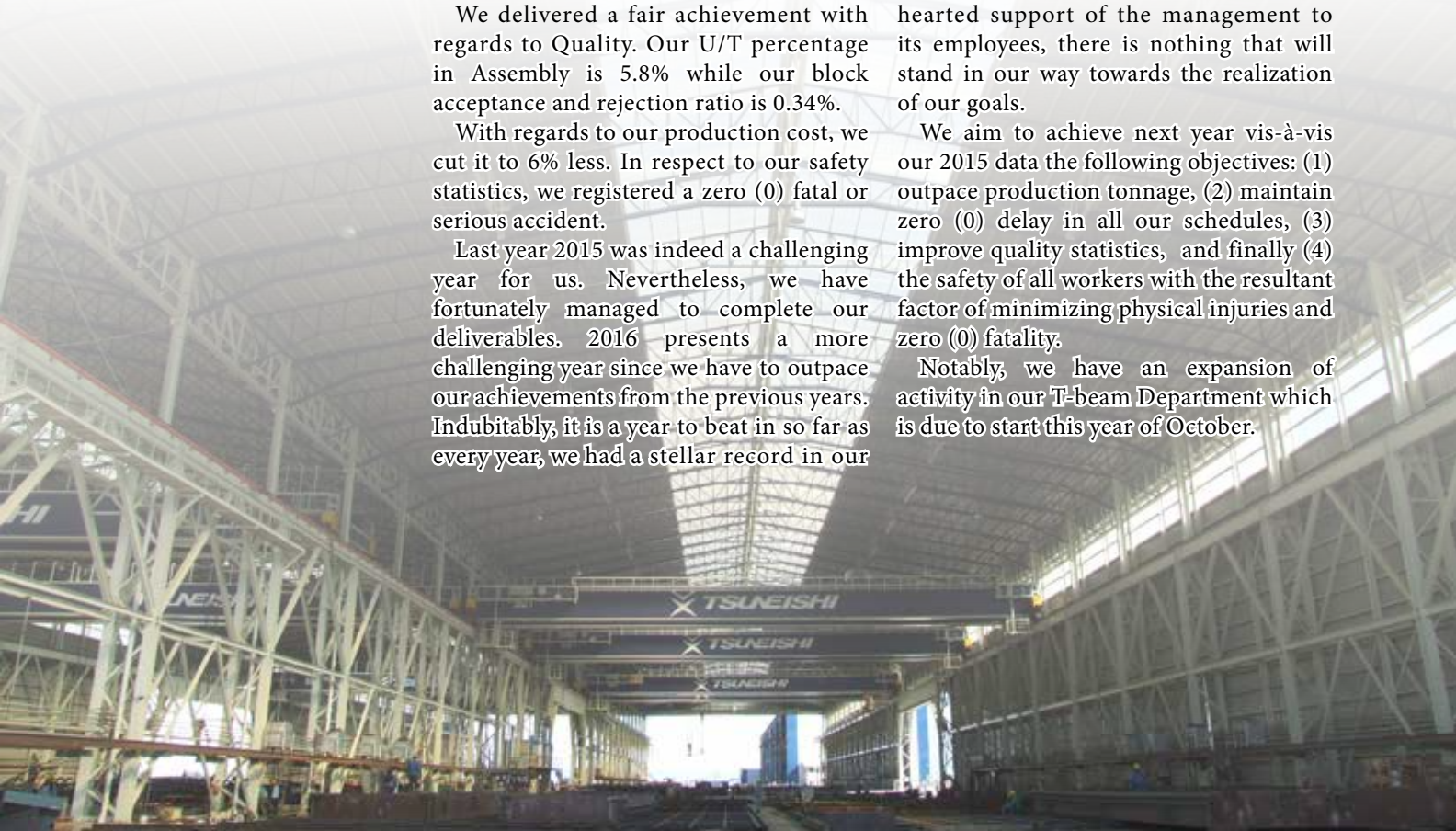
Last year 2015 was indeed a challenging year for us. Nevertheless, we have fortunately managed to complete our deliverables. 2016 presents a more challenging year since we have to outpace our achievements from the previous years. Indubitably, it is a year to beat in so far as every year, we had a stellar record in our

performance and accomplishments.

I am of the firm belief that we can still accomplish our targets this year. By harnessing the full potentials of every employee of K&A, there is more than meets the eye. Through our collective effort, unceasing cooperation and support from each other, through our inherent desirable work ethics, maintaining a good relationship with our internal and external customers, coupled with respect and compliance to all lawful orders, and the whole-hearted support of the management to its employees, there is nothing that will stand in our way towards the realization of our goals.

We aim to achieve next year vis-à-vis our 2015 data the following objectives: (1) outpace production tonnage, (2) maintain zero (0) delay in all our schedules, (3) improve quality statistics, and finally (4) the safety of all workers with the resultant factor of minimizing physical injuries and zero (0) fatality.

Notably, we have an expansion of activity in our T-beam Department which is due to start this year of October.







**SHINJI OKADA**

President

Tsuneishi Accommodation (Cebu), Inc.

*"WE HAVE PROMOTED OUR BUSINESS CONSIDERING Q (QUALITY) C (COST) D (DELIVERY) S (SAFETY) +E (ENVIRONMENT) AS THE MOST IMPORTANT PART."*

## WE WILL ACHIEVE THIS YEAR'S GOAL OF MANAGING QCDS+E AND THE PRODUCTION PROFESSIONAL GROUP IN MANUFACTURING THE ACCOMMODATION MODULE

First of all, I would like to talk about the management system of TACI.

We have promoted our business considering Q (Quality) C (Cost) D (delivery) S (Safety) +E (Environment) as the most important part.

Recently, I realized "cost reduction" system which came after EMS became established in each section.

This year, we take the next step which is based on the cost reduction from last year.

We are going to expand the cost reduction system and ask each one of you to create more efficient way of cutting the cost and it is going to be related to your target management.

Also, a revised edition of EMS/ISO standard has released last year. That dramatic change makes it easy to adapt to our current business contents. I take this as a big chance and I'm planning to develop our business system.

Secondary, I'd like to explain about the word "resource management". I had focused on the factory facility and worked on improving the work environment and

clean-up. As the result, I had constructed the new canteen, bathroom, spot cooler and the roof which is for the block outfitting and protect it from the rain. All these made our workplace cleaner and easier to work.

I believed such environment improving activities can support employees' motivation and it also influences the quality of our work and products, furthermore, safety: those things are the important basis of business management.

I'm going to continue the activities of improving the work environment: this year, I'm planning to repair /replace the old productive facilities.

Last year as the result of working for the company's goal, we could achieve 18 completions of accommodation module which got 96% of perfection.

This year, I aim at 20 completions of accommodation module which are 100% perfection.

We will achieve this year's goal of managing QCDS+E and the production professional group in manufacturing the accommodation module.





**JINGLE RAFOLS**

Chairman & President  
West Cebu People Solutions, Inc.

*"MAY THE HUNDREDS OF  
TECHNICAL INTERNS NOW ON  
TRAINING IN JAPAN FOR THE  
ENHANCEMENT, MASTERY  
AND TRANSFER OF SKILLS,  
KNOWLEDGE AND TECHNOLOGY  
FROM THE JAPANESE EXPERTS  
TO FILIPINO APPLICANTS BRINGS  
VISIBLE TRANSFORMATION AND  
INNOVATION THAT WE AIM FOR A  
WORLD CLASS SHIPBUILDING."*

## PROVIDING THE BEST EMPLOYMENT OPPORTUNITIES TO THE COUNTRY HIGHLY SKILLED WORKFORCE WITH CORE VALUES OF PROFESSIONALISM, INTEGRITY AND EXCELLENCE

**West Cebu People Solutions, Inc.** (WCPSI) is a land-based recruitment agency incorporated on the 3rd day of March 2011 and a corporation duly accredited by the Philippine Overseas Employment Administration (POEA) with full license no. POEA-024-LB-082813-UL, valid from August 29, 2012 to August 29, 2016 to operate in the engagement of recruitment, placement, introduction, promotion, assistance and processing of workers for domestic and overseas employment, deployment of technical intern under the Skill and Technology Transfer Program of the Japan International Training Cooperation Organization (JITCO) and other related manpower services.

Our operations are mainly rooted and evolved on the rules and regulations set by Technical Education and Skills Development Authority (TESDA), POEA and JITCO with objectives:

- ▶ To upgrade the skills/talents, knowledge and technology know-how of the Filipino workforce by undergoing the extensive Technical Internship Training Program (TITP) of the Japan International Training Cooperation Organization (JITCO) in Japan. Through the said training program, Filipino Technical Interns can pose significant contributions when they return to the Philippines;
- ▶ To provide quality programs, services

and facilities for the qualified Technical Interns;

- ▶ To uphold the welfare of the Technical Interns while they are in Japan for the training; and,

- ▶ To help in the country's industrial growth through fully equipped Filipino workforce.

As of 2013 - 2015 we already deployed interns to our principals: 238 interns for Tsunezo Cooperative Association and 75 for Tsuneishi Cooperative Association in order to support the shipping management and business of Tsuneishi Shipbuilding, Japan in the line of scaffolding, welding and painting skills.

As of 2016 and onwards, We, the team of WCPSI drive ourselves to aim to be among the leading manpower recruitment agency fully aware of its duties and responsibilities to clients, candidates, business partners and government agencies, committed to its professionalism, integrity and excellence in order to provide the best employment opportunities to the country highly skilled workforce with core values of professionalism, integrity and excellence.

May the hundreds of technical interns now on training in Japan for the enhancement, mastery and transfer of skills, knowledge and technology from the Japanese experts to Filipino applicants bring visible transformation and innovation that we aim for a world class shipbuilding.



## NEW APPOINTMENTS

# TSUNEISHI PHILIPPINE COMPANIES LIST OF BOARD OF DIRECTORS & OFFICERS

We are proud to announce the re-appointed and new Directors and Officers of TSUNEISHI PHILIPPINE COMPANIES, effective January 1, 2016.

### TSUNEISHI HOLDINGS (CEBU), INC.

- ▶ Chairman Akihiko Mishima  
**REAPPOINTMENT**
- ▶ President Katsuhiro Danjo  
**REAPPOINTMENT**
- ▶ Director Hirohisa Kinoshita  
**REAPPOINTMENT**
- ▶ Director Kenji Kawano  
**REAPPOINTMENT**
- ▶ Director Yasunori Kohatake  
**REAPPOINTMENT**

### TSUNEISHI HEAVY INDUSTRIES (CEBU), INC.

- ▶ Chairman & President Akihiko Mishima  
**NEW APPOINTMENT**
- ▶ Vice-President Katsuhiro Danjo  
**REAPPOINTMENT**
- ▶ Director, Factory General Manager Masatoshi Date  
**REAPPOINTMENT**
- ▶ Director Kenji Kawano  
**REAPPOINTMENT**
- ▶ Director Hitoshi Kono  
**REAPPOINTMENT**
- ▶ Director Yasunori Kohatake  
**REAPPOINTMENT**
- ▶ Director Masahiro Kawakita  
**REAPPOINTMENT**
- ▶ Director Roberto E. Aboitiz  
**REAPPOINTMENT**
- ▶ Director Andoni F. Aboitiz  
**REAPPOINTMENT**

### TSUNEISHI TECHNICAL SERVICES (PHILS.), INC.

- ▶ Chairman Akihiko Mishima  
**REAPPOINTMENT**
- ▶ President Segismundo F. Exaltacion Jr.  
**REAPPOINTMENT**
- ▶ Director Kazuhiro Kitamura  
**REAPPOINTMENT**
- ▶ Director Teruaki Kambara  
**REAPPOINTMENT**
- ▶ Director Masatoshi Date  
**REAPPOINTMENT**
- ▶ Director Takuma Ashida  
**REAPPOINTMENT**

### K&A METAL INDUSTRIES, INC.

- ▶ Chairman Katsuhiro Danjo  
**REAPPOINTMENT**
- ▶ President Silvino M. Oliamot  
**REAPPOINTMENT**
- ▶ Director Masatoshi Date  
**REAPPOINTMENT**
- ▶ Director Minoru Tanimoto  
**REAPPOINTMENT**
- ▶ Director Haruki Terashita  
**REAPPOINTMENT**

### ASIAN CRAFT (CEBU), INC.

- ▶ Chairman Akihiko Mishima  
**REAPPOINTMENT**
- ▶ President Alex Alasco  
**REAPPOINTMENT**
- ▶ Director Hiroyuki Okutani  
**NEW APPOINTMENT**
- ▶ Director Atsushi Kobatake  
**REAPPOINTMENT**
- ▶ Director Takahiro Takezume  
**REAPPOINTMENT**
- ▶ Director Iwao Nishiyama  
**END OF TERM**

### TSUNETETSU (CEBU), INC.

- ▶ President Masanobu Miyaoki  
**NEW APPOINTMENT**
- ▶ Director Akira Okamoto  
**REAPPOINTMENT**
- ▶ Director Katsuhiro Danjo  
**REAPPOINTMENT**
- ▶ Director Naoya Shimomura  
**REAPPOINTMENT**
- ▶ Director Tatsuyuki Takahashi  
**NEW APPOINTMENT**
- ▶ Director Takayuki Kobayakawa  
**NEW APPOINTMENT**
- ▶ President Takahiko Hiraga  
**END OF TERM**
- ▶ Director Katsushi Takada  
**END OF TERM**

### TSUNEISHI ACCOMMODATION (CEBU), INC.

- ▶ President Shinji Okada  
**REAPPOINTMENT**
- ▶ Director Takeo Danjo  
**REAPPOINTMENT**
- ▶ Director Katsuhiro Danjo  
**REAPPOINTMENT**
- ▶ Director Masatoshi Date  
**REAPPOINTMENT**
- ▶ Director Minoru Tanimoto  
**NEW APPOINTMENT**
- ▶ Director Yusuke Tsugayasu  
**END OF TERM**

### CEBU INDUSTRIAL PARK DEVELOPERS, INC.

- ▶ Chairman Roberto E. Aboitiz  
**NEW APPOINTMENT**
- ▶ President Andoni F. Aboitiz  
**REAPPOINTMENT**
- ▶ Director Patrick Reyes  
**NEW APPOINTMENT**
- ▶ Director Akihiko Mishima  
**REAPPOINTMENT**
- ▶ Director Katsuhiro Danjo  
**REAPPOINTMENT**
- ▶ Director Anton M. Perdices  
**END OF TERM**

### WEST CEBU FOUNDATION, INC.

- ▶ President Andoni F. Aboitiz  
**REAPPOINTMENT**
- ▶ Vice President Roberto E. Aboitiz  
**REAPPOINTMENT**
- ▶ Director Romeo A. Rosalejos  
**REAPPOINTMENT**
- ▶ Director Ivy M. Villegas  
**REAPPOINTMENT**
- ▶ Director Jingle G. Rafols  
**REAPPOINTMENT**

### TSUNEISHI FOUNDATION (CEBU), INC.

- ▶ President Akihiko Mishima  
**REAPPOINTMENT**
- ▶ Vice President Roberto E. Aboitiz  
**REAPPOINTMENT**
- ▶ Director Augusto P.I. Carpio III  
**REAPPOINTMENT**
- ▶ Director Katsuhiro Danjo  
**REAPPOINTMENT**
- ▶ Director Hirohisa Kinoshita  
**REAPPOINTMENT**

### WEST CEBU PEOPLE SOLUTIONS, INC.

- ▶ Chairman & President Jingle Rafols  
**NEW APPOINTMENT**
- ▶ Vice President, Ivy Villegas  
**NEW APPOINTMENT**
- ▶ Director Katsuhiro Danjo  
**REAPPOINTMENT**
- ▶ Director Crisna Indolos  
**NEW APPOINTMENT**
- ▶ Director Felma R. Yap  
**REAPPOINTMENT**
- ▶ President Napoleon Pe Jr.  
**END OF TERM**
- ▶ Director Anton Perdices  
**END OF TERM**
- ▶ Director Richel Mahayag  
**END OF TERM**

### CEBU ASIATIC SHIPPING & PORT SERVICES, INC.

- ▶ Chairman Yosio Wada  
**REAPPOINTMENT**
- ▶ President Ericson Marquez  
**REAPPOINTMENT**
- ▶ Director Richard Marquez  
**REAPPOINTMENT**
- ▶ Director Ferdinand Marquez  
**REAPPOINTMENT**
- ▶ Director Motoo Kambara  
**REAPPOINTMENT**