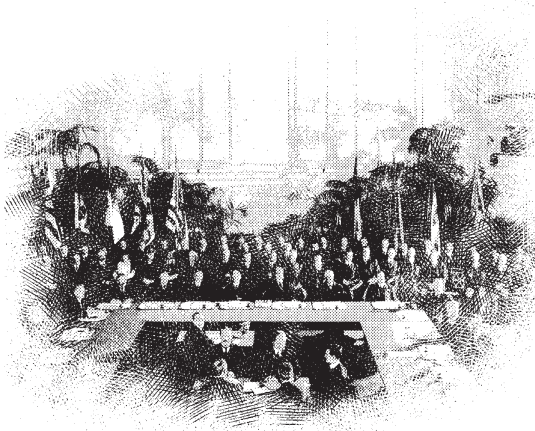
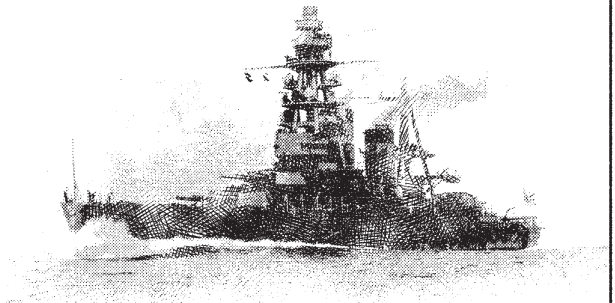


Chapter 2

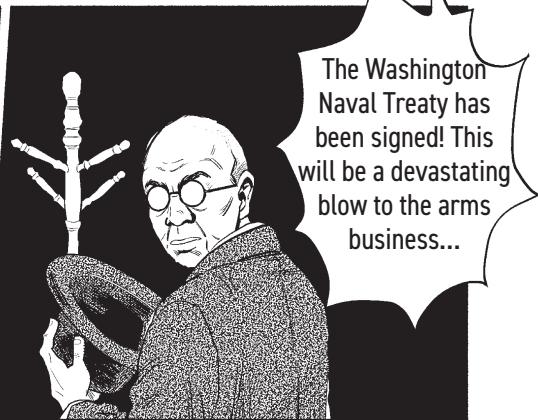
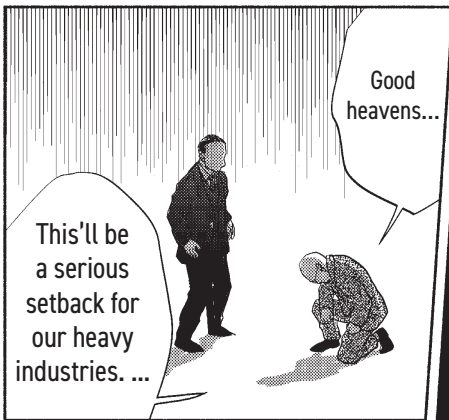
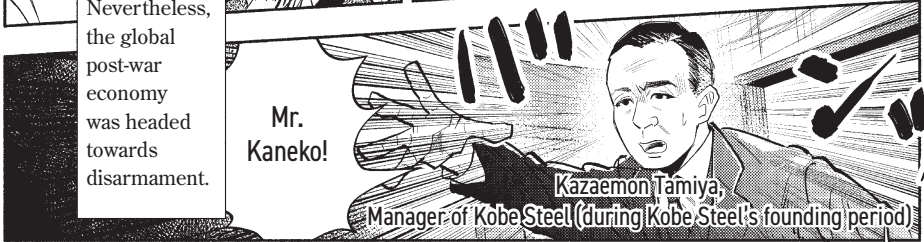
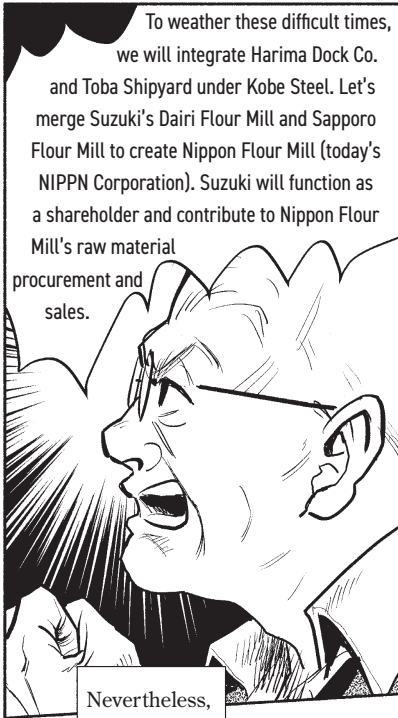
Suzuki & Co.

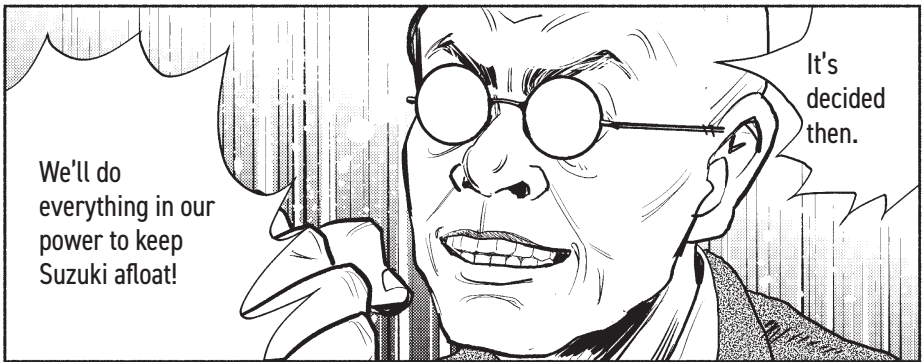
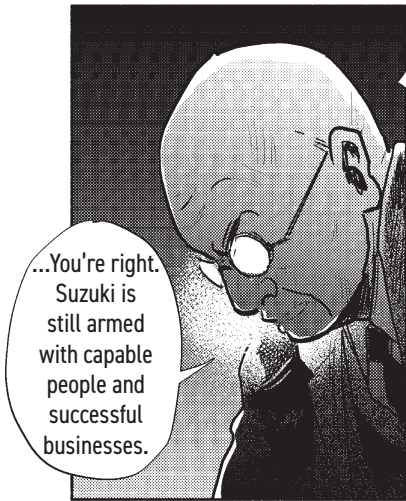
A heavy blow dealt by the Washington
Naval Treaty

Interference from the Bank of Taiwan

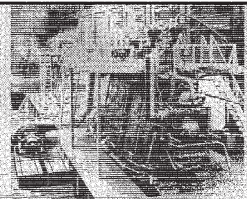


* A Japanese naval strategy involving the building of eight battleships and eight armored cruisers.

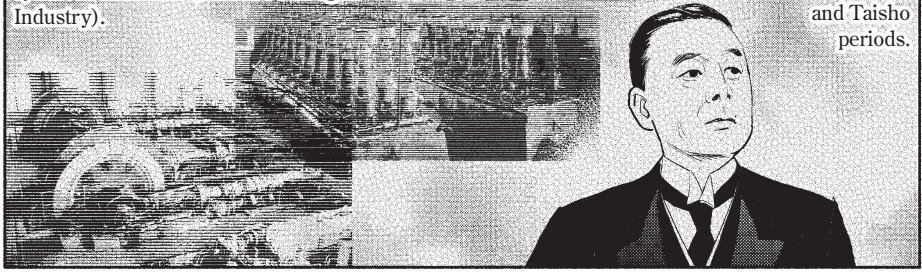


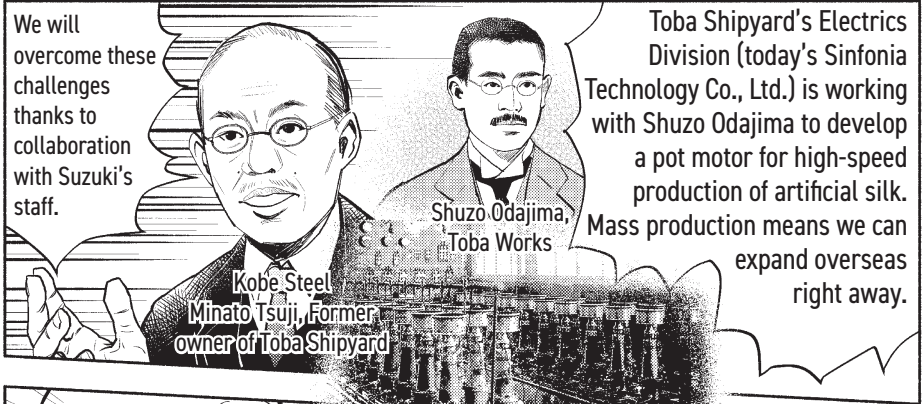


According to Fukuzawa's reasoning, Suzuki pioneered diesel engine manufacturing technology for faster transportation (Kobe Steel), artificial silk manufacturing (Teikoku Rayon), and nitrogen fertilizer manufacturing using synthetic ammonia (Claude's Nitrogen Industry).



Businessman Momosuke Fukuzawa, son-in-law to Yukichi Fukuzawa, attributed credit to Suzuki for leading Japan's industrial revolution in the Meiji and Taisho periods.



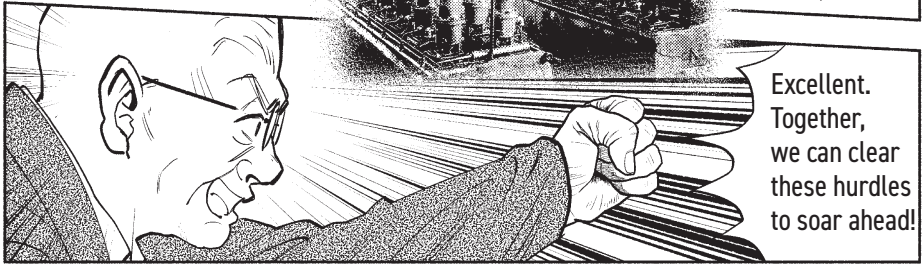


We will overcome these challenges thanks to collaboration with Suzuki's staff.

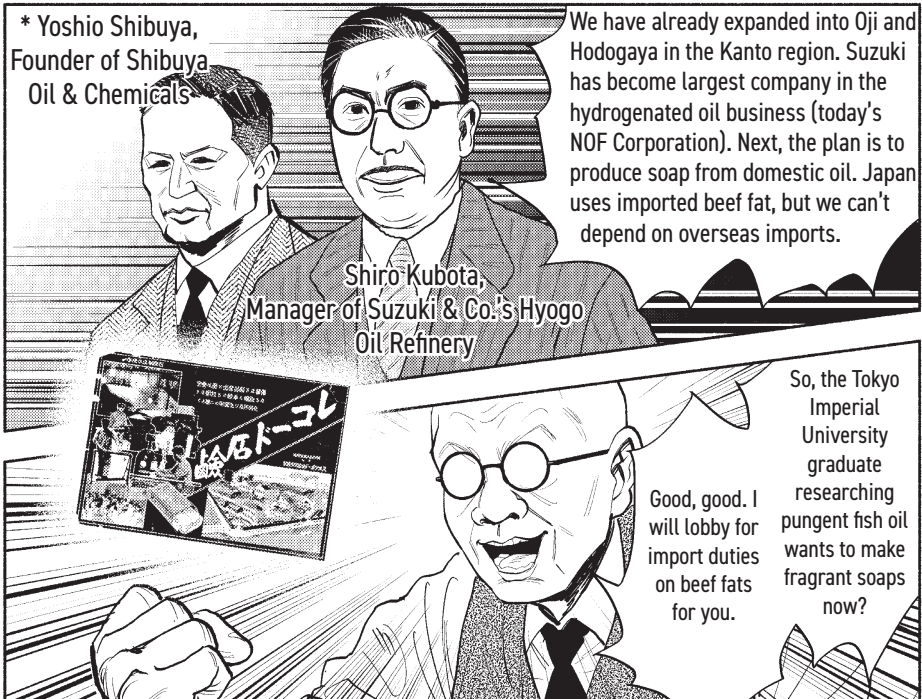
Kobe Steel
Minato Tsuji, Former owner of Toba Shipyard

Shuzo Odajima, Toba Works

Toba Shipyard's Electrics Division (today's Sinfonia Technology Co., Ltd.) is working with Shuzo Odajima to develop a pot motor for high-speed production of artificial silk. Mass production means we can expand overseas right away.



Excellent. Together, we can clear these hurdles to soar ahead!



* Yoshio Shibuya, Founder of Shibuya Oil & Chemicals

Shiro Kubota, Manager of Suzuki & Co.'s Hyogo Oil Refinery

We have already expanded into Oji and Hodogaya in the Kanto region. Suzuki has become largest company in the hydrogenated oil business (today's NOF Corporation). Next, the plan is to produce soap from domestic oil. Japan uses imported beef fat, but we can't depend on overseas imports.

Good, good. I will lobby for import duties on beef fats for you.

So, the Tokyo Imperial University graduate researching pungent fish oil wants to make fragrant soaps now?

* Yoshio Shibuya had worked for Suzuki in the oil trade in Hong Kong, Qingdao, and Urashio (today's Vladivostok) before establishing Shibuya Oil & Chemicals with Kaneko's support. The company later began soap production from fats and oils.

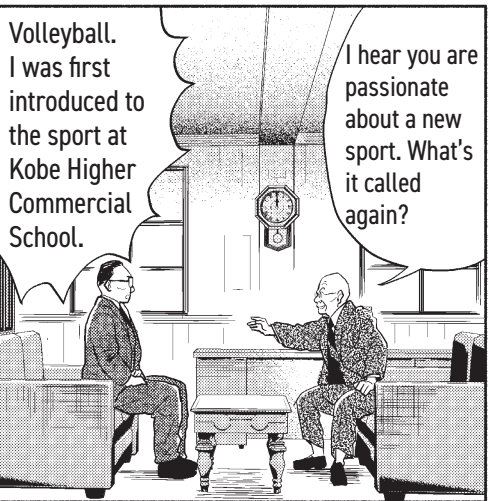
Yes. Thanks to Suzuki's scholarship, I was able to attend Kobe Higher Commercial School. I will do my best to repay my gratitude to Mr. Nishikawa and Suzuki.



Suhara, I hear you were taught by the late Bunzo Nishikawa.



Impressive. As a general trading company, we must do our part to introduce foreign sports and other cultural imports in Japan.



Volleyball. I was first introduced to the sport at Kobe Higher Commercial School.

I hear you are passionate about a new sport. What's it called again?

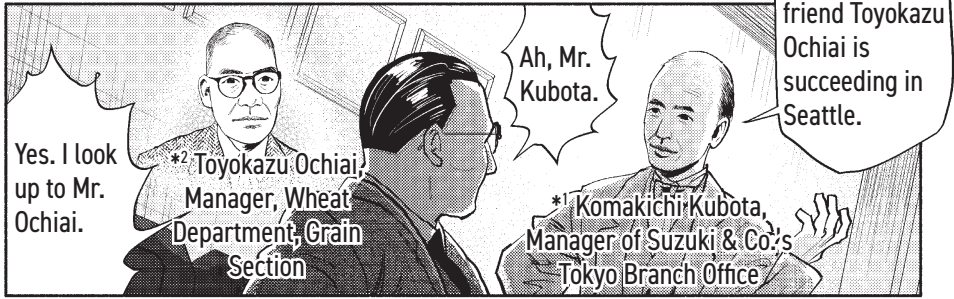


Suhara established the Kansai Volleyball Association and later was appointed president of Japan's Volleyball Association. He became known as the businessman who led Japan's Oriental Witches volleyball team to an Olympic gold.

Suhara would go on to marry Bunzo Nishikawa's second daughter and take the Nishikawa name.

* Masaichi Nishikawa, Nissho's fourth president, Nissho Iwai's first president

*1 Kubota was one of Suzuki's top four businessmen and would go on to be president of Nippon Flour Mill.



Yes. I look up to Mr. Ochiai.

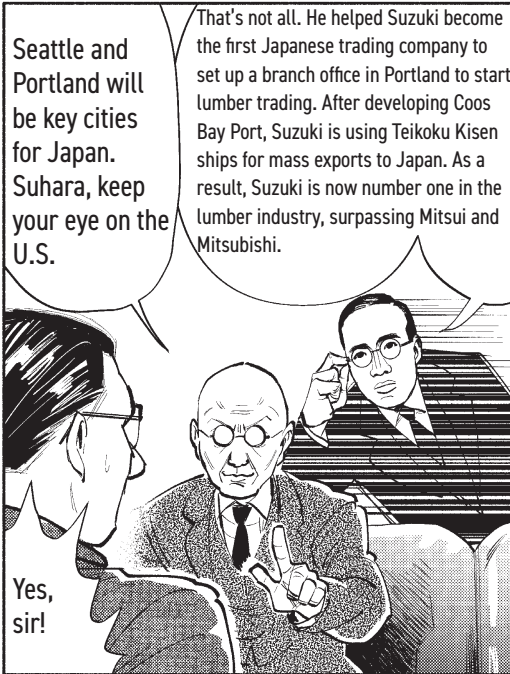
*2 Toyokazu Ochiai, Manager, Wheat Department, Grain Section

Ah, Mr. Kubota.

*1 Komakichi Kubota, Manager of Suzuki & Co.'s Tokyo Branch Office

I hear your friend Toyokazu Ochiai is succeeding in Seattle.

*2 Ochiai was Nissho's third president.



Seattle and Portland will be key cities for Japan. Suhara, keep your eye on the U.S.

That's not all. He helped Suzuki become the first Japanese trading company to set up a branch office in Portland to start lumber trading. After developing Coos Bay Port, Suzuki is using Teikoku Kisen ships for mass exports to Japan. As a result, Suzuki is now number one in the lumber industry, surpassing Mitsui and Mitsubishi.

Yes, sir!



Wheat was previously transported in bags, but Ochiai was the first to start bulk cargo transport of unpackaged wheat in ship hatches.

Ochiai is an expert when it comes to wheat.

He is the first Japanese member of the Chicago Mercantile Exchange.



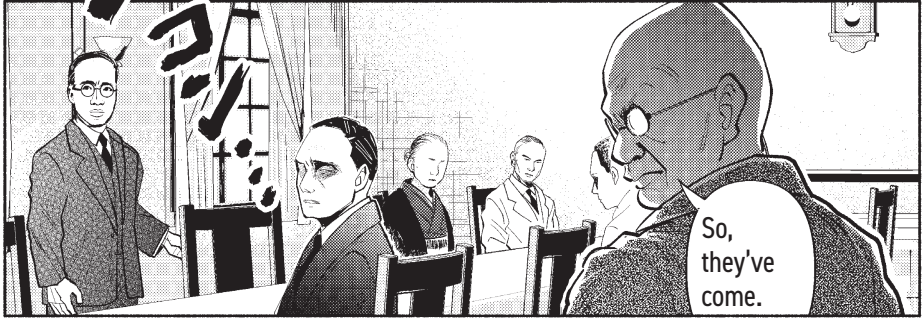
Portland would be the site of Nissho Iwai's meeting with Phil Knight, founder of the world-renowned Nike sports company.

Boeing set up its headquarters in Seattle. Later, Suzuki's predecessor companies Nissho Corporation and Nissho Iwai Corporation became the exclusive distributor for Boeing, and these companies helped to become a bridge between Japan and the U.S. in the aviation industry.



the company could not escape the impacts from the post-war economy.

Suzuki & Co. continued to take on new business but



So, they've come.



At this rate, we will both be ruined.

After the war, our loans to Suzuki & Co. have increased to more than 30% of the bank's total loans.

Totaro Shimozaka, Vice President of the Bank of Taiwan

I am here on behalf of the Bank of Taiwan.

Consequently, the Bank of Taiwan began introducing organizational reforms at Suzuki & Co. In 1923, Suzuki attempted to modernize its management by separating the company into the Suzuki General partnership company, the holding company for the operating company, and Suzuki Co., Ltd, the trading division of the company.

Hmph. Whatever happens, going public is not an option. All earnings should be reinvested into new business. Why be forced to pay dividends to shareholders? Suzuki's earnings belong to Yone Suzuki. We will use the money to benefit Japan's citizens.

