

Creating New Value

Mitsui & Co. has created the Long-term Management Vision (“LTMV”) to define a clear picture of its future. In the LTMV, the evolution of Mitsui’s role from “connecting” to “creating” is positioned at the core of the company’s pursuits. In the past, our functions and roles as a general trading company have often centered on the creation of value through “connecting” companies, products, and other elements. The LTMV sets out our determination to evolve beyond that pattern into a company that proactively “creates” business.

Mitsui will accelerate DX as both defensive and offensive strategy, and advance our business models for the digital economy, including the creation of value through the utilization of Mitsui’s data resources, and use of AI and IoT.

Innovation Hub—Moon Creative Lab

System Activity

In August 2018, we established Moon Creative Lab Inc. (“Moon”) to develop and incubate new business for the Mitsui & Co. global group. Moon is headquartered in Palo Alto, the U.S., the world epicenter of innovation, and also has a base in Tokyo.

Moon’s mission is to create a future vision for Mitsui by building new businesses from the ground up. Moon provides an environment and functional capabilities for this “0 → 1” process, i.e., the process of forming completely new business that provides solutions to specific social issues, thereby accelerating our evolution.

Moon seeks business ideas from Mitsui & Co. global group organizations, business units, departments, subsidiaries, teams, task forces, or anyone from our 46,000 employees around the world. Ideas contributed from the frontlines of business around the world are enhanced through dialogue with Moon’s operating teams. The criteria for the selection of ideas take the form of questions posed to employees who submit the ideas. For example, “Will your idea create new value for Mitsui? Will it create new value for society?” “Will your idea alleviate problems affecting large numbers of people and contribute to well-being?” “How will your idea help solve a social issue?” “Does your idea have a vision for the future and a scenario for the achievement of that vision?” “Does the project leader have the ability, commitment, and passion to thoroughly carry out his/her project?” Questions such as these clearly reflect the values of Mitsui. The final selection of projects for which commercial implementation will be initiated is made by the Moon Committee, which also includes external partners who are professional business designers.

A wide array of projects are currently underway,



Innovation lab—Moon (February 2020)

such as cancer detection with AI and 100% recyclable apparel business using 3D printers. Amid the drastic changes in the world, we will move ahead of the times and accelerate our value creation toward driving society forward.

Digital Transformation (DX)

System Activity

The evolution of digital technology has brought about the emergence of new business models, making companies’ relative competitiveness increasingly apparent. In the current era, a company’s productivity greatly depends on its ability to process data to facilitate rapid and accurate decision-making at all stages of business, from sales activities through to complicated management decisions. The global spread of COVID-19 has further accelerated this trend, for example, by encouraging changes to working styles through the widespread shift to working from home. An irreversible “new normal” is now becoming established in many fields. In view of these changes in the external environment, Mitsui has set about implementing a “DX Comprehensive Strategy” project. Amid a dramatically changing social and economic environment, Mitsui aims to use this project to create new value by taking the lead in promoting business, while at the same time achieving fundamental improvements in productivity. These activities are a pivotal part of the “Transform & Grow” theme of the Medium-Term Management Plan.

At Mitsui, the Information Strategy Committee is chaired by the CDIO (Chief Digital Information Officer) and participated by the CFO, the CSO, and a number of representative directors, executive officers, and the general managers of the relevant corporate staff divisions appointed by the President & CEO. The Committee proposes important policies in relation to information and DX strategies, and the Integrated Digital Strategy Division, in collaboration with the business units, drives DX initiatives.

Through such DX initiatives, Mitsui is working to reduce costs and increase sales via efficiency improvements and optimization to enhance the quality of existing business, and, at the same time, to create new business models. Examples include the use of AI for such purposes as medical diagnosis, logistics route optimization, and ticket price adjustment. In the fiscal year ended March 2020, a project promoted together with our business partner, Mitsui Ocean Development & Engineering Company (MODEC), using IoT and AI to reduce downtime at one of its FPSOs (offshore oil production facilities), gained recognition from the World Economic Forum as a “Manufacturing Lighthouse”; a world-leading production site successfully adopting the cutting-edge technologies of the Fourth Industrial Revolution.

We are also implementing DX initiatives within the company with the aim of achieving major improvements in the efficiency of day-to-day operations, energizing communication, and facilitating knowledge sharing and utilization. The fully paperless operation of meetings and the introduction of digital signatures using IT tools has helped us to seamlessly continue with our tasks even under the teleworking environment.