



# SPN NEWS

JAPAN AUTOMOBILE RECYCLE NETWORK NEWS

Vol.47 JANUARY 2012 <http://www.spn-partner.com>

Published by SPN Co., Ltd.

Tokyo Head Office: Shinwa Bldg. 1-2-2-7F

Nihonbashi, Chuo-ku, Tokyo, JAPAN 103-0027

Phone: +81 3 3548 3010 / Fax: +81 3 3231 4690

## BEST WISHES FOR THE NEW YEAR

### New Year Message from Shosho Kitajima

Last year a huge number of people, including those who live in the Tohoku region, have suffered from serious damage of the March 11 Great East Japan Earthquake and tsunami.

Although the historic disaster placed a serious impact on our automotive recycling industry, recyclers all together joined forces to help disaster relief efforts. Volunteer teams dispatched from the Japan ELV Recyclers Association, SPN group, and many other groups came in stricken areas in Miyagi Prefecture, such as Sendai city, Sendai airport and Iwanuma city to collect vehicles damaged by the tsunami.

In the wake of the disaster, many vehicles were found to be damaged and carmakers' productions were forced to halt for a while. As a result, lots of used vehicles across the country moved to the Tohoku region, which caused a big change in the used car market.

Last year we also saw the world auto industry have shifted to electric vehicles. Not a few recyclers were actively involved in the "convert EV" project, which makes a conventional gasoline-powered car an electric vehicle.

In November, the Asian Automotive Environmental Forum which had ever taken place in Japan, Korea and China, was held in Malaysia by the Malaysia Automotive Recyclers Association. The auto recycling network, centered on the Asian region, is further expanding.

As for the year 2012, SPN group will continue to make our best effort to supply excellent auto parts to those who love the cars in the world. Your voices, ideas and proposals to us will be highly appreciated!

Finally I would like to express my deepest appreciates for world people's supports to disaster relief efforts of the March 11 Great East Japan Earthquake and tsunami.

Kindest Regards,

January 1, 2012

Sosho Kitajima  
SPN Co. President  
Japan Automotive Recyclers Association  
Managing Director

## Recycler to help auto service factories in Iwate

### 18 rebuilt makers join forces

A major auto recycler Sankei Shoukai Co. will conduct a year-long support campaign titled "Iwate Automobile Service Factory Disaster Relief Support Project *Kizuna Sakusen*," from January 2012.

Under the *Kizuna Sakusen*, Sankei Shoukai will collect 2% of its sales coming from rebuilt parts sales to donate that money to Iwate Prefecture's hard-hit auto service factories, which are members of the 4 branches of the Japan Automotive Service Promotion Association.

Damaged 90 factories in the 4 branch areas are still far from the recovery. Continuing support to these factories will be essential. "We want to be actively involved in the effort to help them to see a bright tomorrow as we had have close relationships with the auto service factories," said Sankei Shoukai President Konno.

The supporting activity is also joined by 18 rebuilt parts manufacturers who want to assist auto service factories' recovery.

The money flow of the project will be monitored by two auditors of third parties: Kanagasaki machi Chamber of Commerce Chairman Kikuchi and Iwate Bank Kanagasaki Branch Chief Hatakeyama. Audit report will be presented twice a year to supporting rebuilt manufacturers. Collected money will be donated four times in total, or once in every three months.

Supporting rebuilt parts manufacturers of the *Kizuna Sakusen* are Urawa Industry (a division of Matsui Universal Joint Corp.), ATM Co., AT Service Tohoku Co., KSS Co., Koyo Turbo Co., Japan Rebuilt Co., Shin-Etsu Denso Co., Diesel Seiki Co., Nagao Techno Co., Nihon Diesel Co., BRE Kanto Co., Fuji-Linkage Inc., Plus One Co., Yokohama Generator Supply Co., Repeat Co., Rebuilt Parts Kanto Co., Links Japan Co., and

Watanabe Co. <Daily Automotive News December 16 issue>

## Recycler invites elementary school students to study tour

On November 25, 2011, a total of 73 students of Tanpaku Elementary School, Matsuzaka city, Mie Prefecture, visited automotive recycler Mie Parts Co.'s facility. They have an opportunity to find how the automobile is recycled as a real-world model of the 3Rs (reduce, reuse and recycle) which they already learned through the environmental course at their school.

The recycler has been welcoming students' tour to the site for about 20 years as an activity toward corporate social responsibility (CSR). It provides an opportunity for students to find how the automobile is dismantled and used parts are produced from it.

Students saw dismantling scenes in which the doors and engines being detached from the vehicle. They were surprised with fine headlamps which were removed from the car and then being polished. Moreover, they stared with wide eyes a vehicle being crashed by the heavy-duty "nibbler" machine.

"It was very interesting," they said after the site tour and asked many questions to president Saito as follows: "How many vehicles are handled a day?" "When the company was founded?" "Who operates the machine?" "How long does it take to dismantle a vehicle?" They plan to issue a newspaper inside the school, which features automobile recycling.



Links Japan Co., Ltd. [www.links-jpn.com](http://www.links-jpn.com)

High Quality Rebuilt Engine

Links Japan Co., Ltd.

極 High Quality Rebuilt Engine

We do business to save the Earth!

The Super-Line Partners Network  
Offers good quality recycled and rebuilt auto parts!

[www.spn-partner.com](http://www.spn-partner.com)

YOSHIOKA GROUP

LOW PRICE HIGH QUALITY  
A copious supply of parts!

To realize the resource circulation society  
To realize the resource circulation society

YOSHIOKA SHOTEN CO., Ltd.  
Okada 575-1, J-machi-City, Wakayama, 6496222, Japan  
Tel: +81(7)3662-2229 Fax: +81(7)3662-1518  
Mail: info@yoshiokashoten.co.jp

SECONDPARTS Ltd  
Okada 685, J-machi-City, Wakayama, 6496222, J.  
Tel: +81(7)3661-5311 Fax: +81(7)3661-5314

## JAERA begins rare earth metals recycling project in Hokkaido

On December 12, 2011, Hokkaido-based five members of the Japan ELV Recyclers Association (JAERA) began collecting rare earth metals under the Advanced Collection Scheme Project. The recyclers are planning to collect a total of 900 ELVs in the region. JAERA aims to collect 2,000 ELVs across Japan. For Hokkaido project, group leader Itami Automobile Co. will be responsible for reporting the sum of collected metals from ELVs to the Ministry of Environment (MOE) in March 2012.

“Advanced Collection Scheme for Rare Earth Metals through Partnerships among Small-scale Dismantlers” was adopted by MOE as the authority’s supporting project this year. In order to achieve nationwide development of the scheme, a pilot project was selected in Hokkaido, Chiba and Yamanashi prefectures.

In Hokkaido, Itami Automobile will lead the rare earth metals collection work from ELVs, jointly with Kyoei Sharyo, Sapporo Parts, Takahashi Shoukai and Moda Sekiyu’s Auto Recycling Division. Target parts for the collection work will include 1) engine computer, 2) airbag controller, and 3) oxygen sensor. Through the secondary separation process, these parts will be separated into computer’s electronic cir-

cuit card, controller couplers, etc. Separated materials will be analyzed and evaluated by designated experts: Dowa Metal Mine Co. and Mizuho Information and Research Institute.

As the leading dismantler group, JAERA aims to build a nationwide recycling model of rare earth metals, which is increasingly becoming a key factor of the future society. “Although business conditions of our ELV recycling are difficult, we want to help building advanced recycling steps for rare earth metals from ELVs,” said Itami Automobile President Itami. The project group leader will check costs and expenses of the secondary separation process as well as shipping process of separated materials prior to the reporting. <Daily Automotive News December 2 issue>

## Danger! Airbag recycling of submerged cars

The Japan Auto Recycling Partnership (JARP) began to call recyclers’ attention to the risks of airbag recycling of submerged cars. Amid increasing number of submerged end-of-life-vehicles coming to recyclers’ sites after the March disaster and September typhoons, recyclers often experienced danger when they make airbags being deployed in such vehicles. JARP said that recyclers may detach airbags from the car before deployment if it is

found to be submerged.

Many vehicles were submerged by the March tsunami and September typhoon No. 12 and No.15. On November 9, JARP conducted a study on the airbag recycling of vehicles damaged by the disaster, which were collected by the Miyagi Prefecture Damaged Car Relief Headquarters.

The study revealed that during the “on-board deployment” process of airbags, which are usually approved as a proper airbag recycling step, risky phenomenon often happened. For example, deployment delays after electricity is turned on. Moreover, inflators burst in some vehicles. JARP thus sent a notice to consigned recyclers to call their attentions to such dangerous cases.

According to JARP, a vehicle will be recognized as a submerged one if sludge or sand were found in it. For that case, airbags will be detached from the car and then collected. If a car was not found to be submerged, on-board airbag elopement will be conducted. And if it is difficult for the car is not submerged, recycler can handle it as a submerged car.

As for seriously damaged vehicles, e.g., doors are not opened manually or cabin is different from original shape, recycler may use a nibbler machine to pick the airbags off. If the recycler has no nibbler machine, they are advised to take such vehicles to other recyclers.

JARP said in a note that it is a special case for submerged car. For non-submerged cars, proper airbag recycling process, i.e. on-board deployment, is necessary. <Daily Automotive News November 24 issue>

## KUALA LUMPUR REPORT < 1 >

Shinichi Aoyama  
Daily Automotive News

### A hub for used auto parts for Japanese vehicles

#### Growing market in Malaysia

In November 2011, the 4th Asian Automotive Environmental Forum was held in Malaysia. Through the sessions I have learned that the bay area in the suburbs of Kuala Lumpur is a trading center of used parts imported from Japan. I have had an opportunity to visit used parts traders in that area.

By the courtesy of the Malaysia Automotive Recyclers Association (MAARA), I got a chance to visit three

traders’ sites in the bay area: MAARA Chairman Mr. Gwee Bok Wee’s Sendok group, MAARA member Hansan Auto Parts, and MAARA member SPL Auto Parts.

Three companies import used parts from Japan and then ship them to not only neighboring countries, but also the world markets, including the Middle East and Africa. SPL alone focuses on the Malaysian domestic market, as well. But the demand for replacement parts is small in Malaysia.

There are many used car dealers around the bay area, mostly focusing on the Japanese vehicles. Lots of used parts traders for Japanese cars are also located there. Like Dubai, the Kuala Lumpur bay area plays a key role in trading the Japanese used auto parts in the world.

There are various income levels even among developing countries. Buyers from some countries would not visit Japan to get parts due to high costs. Instead they come to Malaysia to find used parts for Japanese cars. The area has developed as a hub for Japanese used parts.

In the Sendok group’s site, about 30,000 used engines are stored. These engines are piled up on a Japanese brand basis; Toyota, Nissan, Subaru, etc. Trading partners of the firm are located in 57 countries. In other sites of the company, IC tags are used for efficient inventory management. Moreover, the group imports truck parts after disassembling the truck in Japan to sell it overseas

after re-assembling.

On the other hand, Hansan Auto Parts have “streamlined” engine inventory to 14,000 units. The firm has Japanese corporation in Tomakomai, Hokkaido, to collect used vehicles. These cars are shipped by containers to Malaysia. The company imports around 50 containers a month from Japan. At the site, I saw unloading work from 3 marine containers shipped from Japan.

Even used parts of hybrid cars are likely to export from Japan. At the Malaysian site, I found 20-30 inverters for Toyota Prius hybrid in the warehouse. “How will you do these parts?” When I asked the firm’s president, he evaded such a delicate question saying, “I don’t know because we have too many parts.”

The company recently began exporting engines of foreign brands to Japan. This is evidence that the Kuala Lumpur hub’s ability is rated highly in the world.

Demand for Japanese auto parts is still strong in the world because overseas users want to use Japanese cars as long time as possible. Despite the strong demand, most Japanese recyclers, so far, just waited overseas buyers coming to their sites. But the buyers are increasingly shifting to more convenient base for their purchases. The used parts hub’s role is expected to become important in the near future. <Daily Automotive News December 15 issue>

