For more than half a century, Kubota’s construction machinery has been instrumental in developing urban infrastructure, with its knowhow and mastery in full swing. A pioneering supplier of compact excavators—a must-have for urban construction—Kubota has since come to supply a variety of compact construction machinery to the markets around the world, including Japan, Europe, and North America. This solution from Kubota—urban development using compact machinery—is perfectly aligned with the philosophy at the core of the Sustainable Development Goals (SDGs), which are included in the 2030 Development Agenda adopted at the UN Sustainable Development Summit in September 2015. The SDGs are comprised of 17 global goals designed as a blueprint to realize a sustainable world. Goal 11 is “sustainable cities and communities,” with its overriding objective being to “make cities and human settlements inclusive, safe, resilient, and sustainable.” Kubota’s endeavors to contribute to housing and infrastructure development with its compact construction machinery have a high potential of facilitating the achievement of this goal. In recent years, Kubota has underpinned the rapid urbanization in countries in Asia, South America, and Africa. At the same time, Kubota’s construction machinery has gained an excellent reputation in North America, which is experiencing robust construction investment in housing and social infrastructure. Featured in this issue of GLOBAL INDEX is a progress report on Kubota’s construction machinery business, with a focus on the U.S. market.
Kubota's Quiet Excellence - Construction Machinery
Focused Product Group Shaped by the Needs of the Times

- Driving the whole wide world with compact construction machinery -

Kubota's Construction Machinery

The first destinations included Europe and North America; exports to which began in 1966, it was decided to market the first hydraulic shovel directly from Kubota, "WL" as a core model, and production subsequently began. As the construction machinery business expanded, it was decided in 1973 that the building would become the real worth of Kubota's construction machinery business. The continuous top seller in the under-six-ton compact excavator category is the Kubota KoBa (Kubota KoBa), which was introduced from Europe and North America and is a favorite among many users. At the same time, the CTL has been a favorite among many users. More recently, however, CTL has been introduced from Europe and North America and is a favorite among many users.

As detailed above, a very different set of models of compact construction machinery has been well received, depending on the market and environment in each region. In terms of its greater stability and the ease with which it can be used for jobs on soil, soft terrain, slopes, and muddy days, as well as roadworks in urban areas. In the past, SSL was the undisputed champion in the North American market. Appearance-wise, both are very similar to each other. In terms of mechanisms, however, the former comes equipped with a "crawler" belt with a wide foot area, whereas the latter is equipped with wheels. Running on soft terrain with ease, CTL offers high stability and excavating force. SSL can access hard-to-reach areas and turn in an area with a small radius, making it ideal for jobs on a tight space. Both have basic applications, such as the moving and loading of materials and tools, as well as roadworks in urban areas. In the past, SSL was the undisputed champion in the North American market; exported to Europe and North America, it has been a favorite among many users. More recently, however, CTL has been introduced from Europe and North America and is a favorite among many users.

Kubota's construction machinery business is a result of its easy access and high stability, as well as its maneuverability. SSL comes with wheels. Created and raised in both Europe and America for its easy access and maneuverability, SSL comes with wheels. Created and raised in both Europe and America for its easy access and maneuverability.

Global Index 2019 December 2019 p.03


Katsunori Yawata
Managing Executive Officer
Vice President, Construction Machinery Division
Kubota Corporation

11 SUSTAINABLE CITIES AND COMMUNITIES

December 2019 p.02

Global Index 2019

Revolutionizing Infrastructure Development in Japan

Kubota made its first entry into the construction machinery business with the establishment of Kubota (Kubota Construction Machinery Co., Ltd.) in 1959, when it commenced the design and sale of power shovels and other construction equipment. In those days, in Japan was doing its utmost to recover from the devastation of World War II. The development of electric power began in earnest. Inspired by the impressive performance of large construction machinery imported from Europe and North America to build a hydroelectric dam, calls for domestic production of construction machinery grew louder in the country. It was in this atmosphere that “large projects” for improvement of industrial infrastructure were starting up in rapid succession. So for it to develop the high-speed rail and communication networks, the advancement of port and harbor facilities, as well as its efforts to develop electrical power. It was against this historical backdrop that Kubota kicked off its construction machinery business.

At large construction sites in urban settings, mobile cranes became the preferred machinery for handling larger materials, so their movements were restricted. In a bid to capitalize on the growing demand at the time, Kubota developed its 4-ton Mobile Crane KM40 to enter the market, which was followed by the 8-ton Mobile Crane KM80 to expand the mobile crane series. These efforts helped Kubota to attain the leading position in the cargo handling equipment market in Japan, and thus Kubota made its presence felt in the industry. One of the key factors that accelerated the development of the construction machinery industry in Japan was its focus on advanced technologies, which was first introduced from Europe in the 1960s. Compact and lightweight, yet powerful and easy to operate, hydraulic machinery was suited for a broad range of applications, in which it could be used in enhanced performance and efficiency of construction machinery. Again, Kubota was quick to take advantage of this emerging technology. After signing a technical partnership with IHI Construction Machinery Co., Ltd. in 1966, it was decided to market the first hydraulic shovel directly from Kubota, "WL" as a core model, and production subsequently began. As the construction machinery business expanded, it was decided in 1973 that the building would become the real worth of Kubota's construction machinery business. The continuous top seller in the under-six-ton compact excavator category is the Kubota KoBa (Kubota KoBa), which was introduced from Europe and North America, and is a favorite among many users. At the same time, the CTL has been introduced from Europe and North America, and is a favorite among many users. More recently, however, CTL has been introduced from Europe and North America, and is a favorite among many users.
FEATURE: “Kubota Construction Machinery in the U.S.”

A Strong Dealer Network and Product Line – That’s What Market Expansion Takes

Kubota’s Approach to Cracking the U.S. Market

The fast-growing construction machinery market in the U.S.

Kubota distributes its construction machinery in three key markets: Japan, Europe, and North America. The demand for construction machinery is surging across the globe, but Kubota has set its sights on one national market in particular – the U.S. – because of its huge potential as a construction machinery consuming country. Backed by the fact that it is the world’s largest and most powerful economy. The U.S. has a nominal GDP of approximately 21 trillion and 440 billion dollars and its 2019 projected real GDP growth is 2.4% year-on-year*1. Behind this brisk economic growth are robust expenditures by private enterprises, as well as government spending, which are stimulating investment in construction. In particular, investment in private housing, which accounts for roughly 40% of construction investment, has shown a strong comeback following the deep plunge in the aftermath of the “Lehman shock” of 2008. A close look at the compact construction machinery market (including for compact excavator, CTL, SSL, and compact WL) in which Kubota is involved shows that unit sales in North America grew from 132,000 in 2007 to 155,000 in 2017, and the figure looks set to reach 175,000 by 2022*2, while the numbers remained almost flat in Japan and Europe.

So, how should Kubota go about increasing its presence in this market climate? We invited Paul Manger, from Kubota Tractor Corporation (KTC), the organization responsible for marketing Kubota’s construction machinery in the U.S., to comment on the current situation.

“The construction machinery business is vulnerable to general economic trends, such as new housing starts and capital expenditures by private enterprises, as well as road construction and other public works. In recent years, Kubota’s construction machinery business has continued to grow in tandem with the strong performance of the U.S. economy, and further growth is expected over the longer term,” said Manger. “Construction is a key industry in that it underpins social growth by creating comfortable urban spaces. As a member of this vital industry, we are required to meet social requirements through the supply of reliable products, and this necessitates us to keep tracking social issues in the present and the future, hand in hand with our dealers and customers.”

“Thanks to our dealers,” explained Keijima. “A good partnership with our dealers assures top priority in our marketing strategy, because they are the ones who meet our users in person and passionately talk about how good Kubota’s products are. In this sense, it is absolutely crucial for us to show their salespeople’s attention to our products and make them generate Kubota time. To this end, we introduced all sorts of programs, which included boosting of overall sales by offering benefits of compact excavator, CTL, and SSL, implantation of the most flexible forms of sales promotion, and improvement of dealer training and quality assurance services.”

Another channel for marketing construction machinery in the U.S. that is also important is the rental market. Typically run by dealers or independent rental companies, the rental business provides Kubota with an opportunity to demonstrate its products to potential users and a tool for effective sales promotion. Also, independent rental companies make bulk purchases regularly, thereby significantly impacting the expansion of Kubota’s sales.

“Because rental companies need to...
Kubota’s construction machinery is used in the field and what users really want. 

Also from KTC, Tomoyuki Umekawa wishes to meet market needs, but he uses a different approach from Kitano. Umekawa is responsible for sales management; that is, he is the one who places production orders by producing the supply and demand of the near future based on current market trends. If his predictions turn out to be significantly different from reality, there ends up being excess production or production shortage circumstances. Another important responsibility of Umekawa is drawing up a sales promotion plan for dealers.

“Simply put, my job is to conceive a strategy for keeping dealers motivated, so that they can put all their energy into selling Kubota’s construction machinery. To this end, I usually offer them incentives, such as special pricing and preferential interest rates, so our dealers have some tools to boost their sales. It is also important that we offer flexible solutions. For example, when a certain individual dealer or region is in a slump, we offer sales programs to address common causes.” (Umekawa)

A total of some 600 dealers sell Kubota’s construction machinery in the U.S. KTC appoints regional managers of construction machinery business promotion across the country. One such manager is Michael Stanley, who is looking after 55 dealers in the States of Florida, Georgia, South Carolina, Alabama, and Mississippi.

“We support our dealers as a construction machinery business specialist. In more concrete terms, we offer detailed support in terms of sales, marketing, customer support and increase in product knowledge. Our mission is to help each dealer to increase its sales, but it is to guide dealers of our products to success.” Stanley says that a key mission of the sales director is to identify needs and provide solutions. The mission is to help each dealer to increase its sales, but it is to guide dealers of our products to success. This year marks the seventh year since he was assigned to this region. His dealers’ business has been strong, to say the least, during this period, and Kubota’s construction machinery is steadily gaining a greater share here.” (Stanley)

Of course, he is not resting on his laurels. Out of the 55 dealers he supports, 38 deal exclusively in Kubota-branded products. It is the crucial job of a regional manager to convince dealers who also sell non-Kubota products to become a Kubota-exclusive dealer. For this, Stanley says that it is important to increase the amount of contact between dealers’ salespeople and end-users. In the next chapter, we will take a closer look at dealers to see what they are doing for users.
Growing expectations for advanced technology, as well as high reliability, are behind the success of Florida Coast Equipment, a dealer of Kubota’s construction machinery, with three additional locations in southern Florida. Founded in 1985 as a dealer of made-in-Japan tractors, FCE became a dealer for construction machinery as well by the latter half of the 1990s. Having started as a dealer for both agricultural and construction machinery manufactured by other companies than Kubota, they steadily increased their share of Kubota-branded products, and today 90% of their offerings are from Kubota. PCE President Todd Bachman recalled that the decision to go with Kubota was made solely because of their unwavering confidence in product quality.

“When we started, we used to carry other brands of construction machinery. As we gradually shifted to Kubota, however, we became convinced of the exceptional reliability of Kubota products. Take compact excavators as an example, which we consider to be core products. Their superior operating efficiency allow them to be productive without question, not to mention they don’t easily fail. Our users are truly taken with their durability.” (Bachman)

Behind FCE’s brisk sales of construction machinery are economic growth in the U.S. and the influx of people into the State of Florida, but it is not just this social circumstance that boosted their performance. “When we started, we used to carry other brands of construction machinery. As we gradually shifted to Kubota, however, we became convinced of the exceptional reliability of Kubota products. Take compact excavators as an example, which we consider to be core products. Their superior operating efficiency allow them to be productive without question, not to mention they don’t easily fail. Our users are truly taken with their durability.” (Bachman)

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Another thing that swells the number of their compact construction machinery business customers well is the core products with increased sales for the northern central part of Georgia, where they have four locations, including their head office. Their business with Kubota started in 1997 with like many other dealers—agricultural machinery, making them a longstanding key dealer of more than forty years. In 1999, they began trading in construction machinery from other manufacturers, but they gradually increased business with Kubota from 2005, when Kubota expanded the range of its offerings.

“We have dealt in Kubota’s tractors for many years, during which we have been able to foster a partnership with mutual trust. Our customers place a lot of faith in the superior quality and durability of Kubota’s tractors. We were thus confident that Kubota would deliver excellent construction machinery, just as they do for agricultural machinery. Also, Kubota’s diesel engines enjoy considerable acclaim from our customers. The fact that a machine comes with a Kubota engine is a big plus for our sales. For these reasons, we decided to switch to Kubota’s construction machinery.” (Mason)

Mason Tractor began their dealership with agricultural machinery. Not even 10% of their business comes from construction machinery, with Kubota-branded machines accounting for 95% of their compact construction machinery business. They have had a remarkable track record of sales thus far, and Mason attributes this success to their “strong aggressive.” “Kubota has been aggressively expanding their product line these days, and in step with their growth momentum we at Mason Tractor are taking an aggressive stance on sales, advertising strategies, recruitment of talented people, and employee skill building programs, all of which, I believe, underpin our strong sales. Another thing that excites the number of Kubota fans in the high regard that users have for Kubota’s diesel engines and other sales services and follow-ups.” (Mason)

On top of the amassing support, Bachman is looking forward to Kubota’s next action. “There is no denying that Kubota’s construction machinery, too, is renowned for its high reliability, but we must see how new features that satisfy the market demand. For instance, competitors have already launched high-tech construction machinery that employs IoT (Internet of Things) smart sensors to prevent problems and failures. The combination of high reliability and cutting-edge technology would provide us dealers with renewal sales opportunities.” (Bachman)

“Aggressive” products and staff serve customers well

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Unfaltering Commitment to Manufacturing Excellence

Kubota’s sole construction machinery production site in the U.S.

The only location of Kubota’s construction machinery production in North America

About 100 km to the northeast of Atlanta, the largest city in the southeastern state of Georgia, the U.S., the city of Jefferson is home to Kubota Industrial Equipment Corporation (KIE), which is solely responsible for production of Kubota’s construction machinery in North America. Together with Kubota Manufacturing of America Corporation nearby, KIE underpins Kubota’s manufacturing in the U.S.

Established in 2004, KIE began operation as a producer of implements for tractors. Its lockstep with the subsequent expansion of Kubota’s North American business, however, its list of production items has grown longer and longer to include the mid-size tractor and then small steel loaders (SSLs). One thing that is in common to these aforementioned machines is that they are all favorites among local users in North America. Wherever it is, Kubota makes a rule to produce locally for local consumption, that is, to build a plant as close as possible to a consumption area to produce what they want. This is the core of a bottom-up approach—monitoring how products are being used to find what can be improved in real time and feeding back any findings to the production floor. In fact, it was through this process that KIE began producing SSLs. (When Kubota first started the production of SSLs in North America in 2015, they still had to import them from Japan. Given the difficulty in responding promptly to any change in demand in the growing market by expediting the products from Japan, however, Kubota decided to start operating an SSL production line in the U.S., transitioning part of production to KIE in 2016. SSLs have since been produced both at KIE and in Japan, ensuring quality products to the satisfaction of local users.)

On a mission to achieve stable supply and superior quality

One of the most important tasks any production site is given is to accomplish stable and efficient production. To fulfill this all-important task, KIE is currently focusing on the acceleration of order delivery lead-time. Any reduction in the lead-time from getting order to produce and deliver one unit of a product directly leads to increased customer satisfaction and lower costs, which then significantly enhances the product’s competitive edge. This is especially true for construction machinery, whose demand fluctuates depending on economic trends; thus, giving rise to the need for a flexible production setup. By continuous effort, they allocate surplus capacity, then it is possible to expand their business. Meanwhile, KIE is also prepared and willing to increase their local content. Since their inception, most components have been procured from overseas, but they plan to replace imports with made-in-America components in stages. At KIE, they define “manufacturing” as a broad spectrum of business activities that range from “procurement to disposable” rather than merely what happens on the production floor. In keeping with this mentality, they are making frequent visits to suppliers in the U.S., while at the same time creating a system for assuring them in improving their manufacturing, in a bid to realize “local production for local consumption” in the truest sense of the phrase.

Another important task for a production center is to maintain a high level of quality. “High quality” is synonymous with Kubota, and to maintain such a prestigious status something that Kubota sees as critical in order to retain its pride as a time-honored manufacturer. “It all boils down to human resource development,” says Omero Rentería, KIE Manager in charge of manufacturing.

“For us to work on challenges such as shortening lead-times and ensuring quality, we must improve the skills of our employees and provide them with training opportunities. To build an SSL, we have to assemble numerous components, which is rather complicated, and so operators need to be sufficiently skilled. If that takes quality training to develop a person into a full-fledged operator. So, we develop work instruction guides and other handbooks, which feature many photographs and illustrations, as a repeated attempt to develop our employees efficiently. We are also trying to share the mindset among our team members—say, when we encounter an issue, everyone is encouraged to investigate its true cause and seek solutions. Our persisting desire is to develop an organization where people are highly motivated to make things better,” (Omero Rentería)

At every production site of Kubota, KIE included, is the way of thinking of the Kubota Production System (KPS), in which the principle is “Aiming to realize inspiring manufacture by offering products and services surpassing customer’s ‘requirements’ at speeds beyond ‘expectations.’” It is this dedication to manufacturing that allows Kubota to deliver products that the market truly desires.

Plans for a brand-new plant in the U.S.

Making the most of versatile applications in urban settings, compact construction machinery is instrumental in creating a comfortably constructed city. As the construction machinery market in the U.S. looks to expand further, Kubota bears a significant responsibility to supply construction machinery to the market as it has done in so many instances. To fulfill this demand, the next step is taking shape: preparing to ramp up capacity for compact track loaders (CTLs) and SSLs by establishing a new plant in the Midwestern U.S. within a few years. KIE is also expected to play an essential role in such upscaling of production.

“Amid the constant changes in the needs of the construction machinery market, we manufacturers have a role in delivering quality products that customers want under any circumstances. We have the experience of overcoming numerous challenges since we started production here back in 2004,” comments Brian Arnold, KIE Vice President. “I am certain that the knowledge and know-how that we has thus amassed will be of great use in starting up another plant. Similarly, if and when we need to launch a new line of products in response to a change in preferences in this market, our previous experiences will undoubtedly be invaluable in doing so. With many such different possibilities in mind, we will strive for ever greater excellence in manufacturing.”

With KIE paving the way, Kubota’s local production of construction machinery moves on to the next phase, and there is no doubt that further acceleration of its construction machinery business in North America is simply a matter of time.
Kubota’s Construction Machinery Business

Accelerating Multi-Dimensional Expansion

A new partnership delivers added momentum.

Leveraging each other’s strengths

A major watershed in the recent development of Kubota’s construction machinery business came in 2016, when Great Plains Manufacturing, Inc. (GPM) joined the Kubota Group. Founded in 1970 in Salina, Kansas, U.S., GPM has once garnered a solid reputation in North America for its manufacturing of advanced farm implements and construction attachments, which perform all kinds of jobs by drawing power from agricultural and construction machinery. This symbiotic relationship did not come about by chance. It was the result of a strategic decision that Kubota took in the 1980s, and this working relationship has since fostered an optimal synergy between the two companies’ corporate philosophies: namely, treating their customers and employees with the utmost care.

As Takemura and engineers from GPM look back on the project, as after-sales service and follow-ups that make the most of Kubota’s extensive dealer network.

Cultural affinity between GPM and Kubota

When the alliance between Kubota and GPM began to get into gear, the founder of GPM was seeking a buyer for the business as an appreciation of his imminent retirement. Topping the list of candidates was none other than Kubota. First and foremost, Kubota was a strategic partner with which they had formed a good relationship. However, the single biggest decisive factor was the affinity of GPM’s business and let us do things our way as much as possible. In fact, we don’t have any barriers between us, and we maintain close communications. Because Kubota ensures continuity of GPM’s business and invites us to literally “collaborate,” we have created a new symbiotic culture of streamlining our respective businesses as we work together. I have to acknowledge that this rarely happens in corporate acquisitions. Going forward, we will continue to deepen our relationship, so that we can achieve expansion of the Kubota Group’s construction machinery business together.” (Quinley)

The epitome of synergy from the integration has begun to show in various ways—be it in manufacturing and distribution, as well as in corporate governance. One such project was the joint development of compact track loaders (CTLs) and skid steer loaders (SSLs) for the U.S. market, which began to take shape as a result of repeated market surveys. A new product line is imperative for us. That being the case, this joint development project is all about attempting to promptly launch a series of products that the market really demands by making the most of the Kubota Group’s resources.”

As Takemura and engineers from GPM look back on the project, the challenge of the project was overcome with GPM’s flexible approach, which they had already been involved in the development of CTLs and SSLs. "This project marks a milestone in that it is the very first attempt by Kubota’s construction machinery business to develop new products from scratch outside of Japan. Now, the fundamental characteristics of Kubota’s manufacturing is to see things from the viewpoint of the people that actually use our products. If you want to develop a product that is adopted in the U.S., you can make it competitive by incorporating American sensibilities and ideas. Expanding the product line in the U.S. market is imperative for us. That being the case, this joint development project is all about attempting to promptly launch a series of products that the market really demands by making the most of the Kubota Group’s resources.”

Toshikazu Takemura
Executive Coordinator
Kubota Engineering and Quality Management
Kubota North America Corporation

Linda Salem
President & CEO
Great Plains Manufacturing, Inc.

John Quinley
President, Land Pride Division
Great Plains Manufacturing, Inc.
Global Work Style 1
From Asia to Latin America – Changing the World with Kubota’s Construction Machinery

Eriko Ogawa
Assistant Manager
Group 5, Sales and Marketing
Department, Construction Machinery Division
Kubota Corporation
Joined the company in 2007

The importance of taking action after having made a decision in Japan

What I find particularly challenging in the Asian market, which is one of our priorities, is that the level of demand naturally differs significantly from country to country, in tandem with the scale and development level of each economy. Take India and Indonesia as examples. These countries are just getting into the full swing of developing social infrastructures and urban foundations. This being the case, what we need to do is conduct low-profile but consistent efforts to create demand, such as successfully recognizing Kubota’s construction machinery and providing local employees with sales and service training opportunities. In China, on the other hand, the market has been formed, and many of our daily activities need to be focused on figuring out how we should compete against other players. In Europe, we need to survive the tough competition against rapidly emerging Chinese local manufacturers, need to come up with an optimal sales strategy for listeners, and understand what the market really wants.

The time I have spent working on major markets, including those in Japan, North America, and Europe, has helped me to become familiar with the three major markets. My current responsibilities are rather broad, ranging from Asian countries to Latin America and Africa.

I have been working on major markets, including those in Japan, North America, and Europe. Now I am helping to develop new markets beyond the three major markets. My current responsibilities are rather broad, ranging from Asian countries to Latin America and Africa, and I have been working on major markets.

On completing an assignment that I made in Japan in South America

I returned home after staying in Germany for five and a half years. Having worked in a different environment, I have learned many things, including the importance of making advance preparations. Europe is full of people of various nationalities, and it sometimes takes time to form a consensus. To get things done without losing a sense of urgency, I had to make thorough preparations. I was also made keenly aware of the need to tailor the points of view of various people, all the more so because I was physically close to the market. While in Germany, my counterparts were German salespeople, behind whom were local distributors and end-users. Acting with the knowledge of the existence of people whose points of view vary will eventually allow them to gather trust in Kubota products.

It was just as I did while in Germany.

Kengo Ota
Group 5, Sales and Marketing
Department, Construction Machinery Division
Kubota Corporation
Joined the company in 2003

Falling in love with Germany while studying there

In 2014, Kubota released a new wheel loader model in Europe, which marked the first full-model change in 20 years of the earthmoving machine used primarily to load loose materials. Before I was transferred to Germany, I had been involved in the development of this model in Japan, and so I was charged with the important task of identifying the market needs and finding them back to the engineering team in Japan in order to shape a product concept. The concept behind this particular model of wheel loaders demanded a significant enhancement in its load weight and operator comfort, that is, it had to be capable of loading and moving as much as two tonnes of materials, while at the same time achieving operator comfort with an expanded cabin. It was with significant expectations that this new model was released on the German market, where demand is the largest in the European market.

I am hoping to become a better person by building knowledge from new experiences, just as I did while in Germany.
Developing Urban Infrastructure is Kubota’s Mission

Kubota’s construction machinery business proclaims its identity as a “manufacturer of construction machinery contributing to the creation and revitalization of a prosperous and comfortable living environment.” This resonates with SDG 11, “Sustainable Cities and Communities – Make cities and human settlements inclusive, safe, resilient, and sustainable.” Kubota’s overriding corporate mission is to develop urban infrastructure around the world. Featured in this issue, the U.S. market is the site of a set of challenges in urban infrastructure development that is unique to a developed country whose economy keeps growing. From a global perspective, however, development of urban infrastructure poses an urgent issue in Asian countries, where populations are exploding, and economic growth is accelerating. As people migrate from rural to urban areas in those countries, it is necessary to develop urban infrastructure to accommodate the swelling population in cities. It is safe to assume that this trend will spread to countries in Africa and Latin America in the coming days. Kubota now supplies its compact construction machinery around the world, but it intends to accelerate its outreach in this regard. If we can tap into the knowledge and knowhow that Kubota’s construction machinery business will have gained from the U.S. market to continue to fulfill our mission of developing the urban infrastructure of the world, Kubota will make a giant step toward its goal of becoming a “Global Major Brand.”