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Swiss firm opens doors for Japanese



by **Christian Raaflaub and Fumi Kashimada** in
Schwarzenburg, swissinfo.ch

Swiss and Japanese business cultures are very different in many ways, but when a Japanese company takes over a Swiss one the experience can prove rewarding and positive as long as there is mutual respect.

Walk a few hundred metres from the train station in Schwarzenburg, a village in the alpine foothills southwest of Bern, and you arrive at the entrance to a Japanese company: Gilgen Door Systems.

Jakob Gilgen at a test site for the underground railway in Hong Kong, where his company has supplied automated platform doors for ten stations (swissinfo)

In the reception area is a piece of artwork comprising four Japanese characters: (wind, forest, fire and mountain). This is a motto from the Chinese

classic *The Art of War* by the philosopher Sunzi.

The calligraphy is a gift from Nabtesco, the Japanese conglomerate to which Gilgen Door Systems has belonged for over a year now. It is just about the only visible reminder that Gilgen belongs to Nabtesco, apart from one new employee from Japan.

"We are a Swiss company, a Bern company that is firmly established in Schwarzenburg as regards its employee base," says CEO Jakob Gilgen, who gives swissinfo a guided tour.

Yet the crates of components for sliding doors which stand ready for dispatch in the shipping and receiving area show that this is a company with global reach. "Guadeloupe", "Ukraine", "Deutschland" are among the customer addresses.

Japanese were the best fit

Gilgen Door Systems is the major employer in Schwarzenburg: 380 people work there. With a total staff of about 950, the producer of automated gates and doors has an annual turnover of about SFr200 million (\$209 million). Through branch plants and distributors, it reaches some 70 countries around the world.

When it became clear a year ago that the company needed to attach itself to a larger partner, a number of international firms expressed interest. The choice fell on a Japanese company more or less by chance, Gilgen says.

"Nabtesco turned out to be the best fit for us because they work in the same industry but there is hardly any overlap in products. So this is the best situation we could have in terms of our future," says Gilgen. The takeover did not mean any job losses.

Nabtesco has been basically a Japanese-focused company, so Gilgen Door Systems, already active at an international level, was a door-opener in more ways than one for the European market.

"The Japanese were interested in acquiring a global profile," he explained.

Gilgen, who already knew Japan from several business trips, was received at the new parent company last summer. Because of the nuclear catastrophe at Fukushima, the meeting took place at the plant in Kobe.

"Several hundred staff stood there in their uniforms, chanting the company slogans. We walked through the ranks. It was really impressive," he said.

Another culture

They may not have introduced any company songs at Gilgen, but with the Japanese came the need to deal with their culture and ways of doing things, which differed greatly from those of the Swiss staff. To head off any communication problems right from the start, Nabtesco sent Hidekazu Itakura to Schwarzenburg as business development manager.

Itakura was in Norway during the plant tour, so swissinfo spoke to him by phone.

"I was involved in the takeover process right from the start – from the initial discussions to the negotiation of the contract, to preparing to take over the management," he said. "Nobody at Nabtesco knew Gilgen better than me. That is the reason why I was sent over here."

Gilgen is a Swiss company, but the staff come from 15 countries. "The business is full of different values and ways of thinking. That was pretty new to me," Itakura said.

The biggest difference for him was "in Switzerland you form clear ideas and express them. I find that particularly necessary when I talk to people from different cultures. I would like to introduce this approach to Nabtesco in Japan".

Itakura sees the language and culture differences not as a problem "but as a great opportunity. If we know the differences and understand and respect one another, the standard of management and staff will rise in both companies – and everyone benefits".

Open to the outside world

Since the takeover, Gilgen Door Systems has been the responsibility of Nabtesco executive Yosuke Mishiro, a manager with international experience. For him, the cultural differences are "wonderful", as he told swissinfo.ch in an email from Tokyo.

"Out of these differences, something good comes," with a positive effect on both companies.

He says when one compares the two countries, it becomes clear why Nabtesco got interested in Gilgen: Japan is a country cut off from the rest of the world by the ocean, whereas Switzerland is a country in the middle of a continental market.

"The people and the business culture in Switzerland are by nature oriented to the outside world. They consider issues more comprehensively and with a broader view. I find that excellent."

At the beginning Mishiro admitted there were "many misunderstandings regarding viewpoints and methods, but one thing we have in common, between Switzerland and Japan, is that we respect each other, listen to each other and try to understand the other side better".

Learning from each other

All in all, CEO Gilgen finds the experience very positive, "with various kinds of learning outcomes" that are personally enriching.

He believes "the Japanese too are very open to learning and understanding how we operate".

As an example of this, the Swiss company found itself having to deal with different accounting standards.

"We had much higher standards before. In the parent company in Japan they are trying now to move over to the international standards which we applied previously."

Finally, Gilgen escorts us back to the entrance, where – what else? – a Gilgen sliding door lets us out into the peaceful Bernese village of Schwarzenburg.

Christian Raaflaub and Fumi Kashimada in Schwarzenburg, swissinfo.ch
(Translated from German by Terence MacNamee)

GALLERIES



Where is Japan

Swiss photographer Andri Pol searches for the real Japan behind Western clichés.

REASONS FOR A TAKEOVER

There are several reasons for the takeovers of Swiss companies by Japanese conglomerates, which have occurred in spite of the disaster at Fukushima and the world economic crisis, according to Paul Peyrot, executive director of the Swiss-Japanese Chamber of Commerce (SJCC):

- the Japanese economy ministry (METI) is encouraging companies to diversify internationally with the aim of accessing new technologies and new markets
 - many currencies worldwide are now weak, and the share price of many companies is at a low level
 - interest rates in Japan are very low, and loans are easy to get
 - many Japanese companies have large reserves of cash, which they can invest more profitably abroad than in Japan
 - because of an ageing society, the Japanese domestic market offers little opportunity for growth
 - Switzerland has technologies and product lines of interest to the Japanese
 - Switzerland serves as a gateway to international markets
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GILGEN DOOR SYSTEMS

1961: founded by Jakob Gilgen Sr. in Schwarzenburg as a small business making automatic doors and gates.

1965: first factory in Zurich.

1985: first factory abroad.

1993: Jakob Gilgen Jr. takes over the field of door and gate systems.

1996: Gilgen AG is incorporated into Kaba Holding AG.

2011: Nabtesco takes over Gilgen AG, which has since been officially renamed Gilgen Door Systems AG.

NABTESCO

Two established Japanese companies making hydraulic systems, Teijin Seiki Co. Ltd and Nabco Ltd, merged in 2003 to form Nabtesco.

Nabtesco products are found in Japanese Shinkansen high-speed trains, in joints for industrial robots, in wind turbines and in Boeing aircraft.

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