

Higashiosaka City

SYNERGY OF CITY AND INDUSTRY



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THE east side of Osaka Prefecture is famous for its thriving manufacturing industry. Sandwiched between Osaka City and a range of mountains that divide it from Nara to the east, the city of Higashiosaka in particular is known throughout Japan as ‘The City of Manufacturing.’

‘Made in Higashiosaka’ products, assembly parts, and technical manufacturing

capabilities play important roles not only in Japan but all over the world. In addition to manufactured products made nowhere else in Japan, locally-made machine parts hold a significant stake in global markets. Indeed, Higashiosaka’s know-how can be found applied to aircraft, satellites, *shinkansen* bullet trains, and even Tokyo’s Skytree, the tallest free-standing tower in the world.



‘Made in Higashiosaka’ items displayed in city hall

The city’s roots as a home of manufacturing can be traced back to the cast metal industry of the Edo Period. At the same time, cotton batting also expanded in the Kawachi area (the eastern part of what is now Osaka Prefecture), while industries such as wire-drawing sprang up around new watermill technology, all adapting over time to form the foundation for today’s modern industries.

“The number of factories in the city grew to 10,000 by 1983,” notes Mr. Keisuke Honda of Higashiosaka City Hall. “Although falling Japanese exports led the number of local companies to drop to 6,016 by 2008,” Honda says, “We still have 116 businesses

in an area of 1 square kilometer - the highest factory density in all of Japan among cities with more than 4,000 factories.”

“The great thing about Higashiosaka is that, for small-scale businesses involved in assembly parts or value-added processing, there is a benefit of accumulation,” Honda says. “For example, a metal accessories company will benefit from having companies that specialize in bending metal, polishing it or boring holes in it, all right in the area. These advantages can then be exploited for quick turnaround in high-precision, small-lot production.”

What differentiates Higashiosaka City from other cities is that this kind of cooperative relationship has been built up despite the fact that the majority of companies here have no funding relationship whatsoever. Many industrial centers are built on a pyramid structure, with big companies at the top and a layer of affiliated subsidiaries beneath them. Each company in Higashiosaka, however, specializes in a different field and develops its own technologies. These companies then establish a loose network with nearby factories.

In the modern marketplace, quality alone does not guarantee sales, and design plays a key role in marketing. The city provides incentives for companies to manufacture products that have environmental and design value.



Industrial concentration in Higashiosaka City

Toshiyuki Kita - a renowned product designer with offices in Italy, China and Japan - has been invited to hold seminars explaining design value to companies in the area, resulting in several collaborations.

Based on Kita’s design advice, OHSHIN Co., Ltd. developed an easy-to-wash, thermally efficient earthenware pot that can be used both on a gas stove or a stove operating through induction heating; it won the Japanese Institute of Design Promotion’s Good Design Award in 2010. Kita’s advice also led Ucon, an LED manufacturer, to apply washi (Japanese paper) to the surface of LED lighting equipment to produce light that is gentler on the eyes - now used by high-design jewelry stores and fashionable department store food vendors.

To attract and encourage business, the city exempts new and expanding businesses from property and city planning taxes, and supports local manufacturers in opening up new markets. To offer a leg up to local businesses interested in expanding overseas and into the Tokyo area, presentation fees are subsidized for companies that present at international fairs, while the Higashiosaka Chamber of Commerce and Industry organizes Mokari Messe Higashiosaka, a business networking event in Tokyo.

Higashiosaka’s city hall recognizes the importance of manufacturing to its identity. Perhaps its bilingual promotional materials best make its case: “Higashiosaka is a manufacturing city of unlimited potential.” **1**