

Nissin Electric Expands Production Area of Vietnam Plant and Introduces Advanced Processing Machinery to Enhance Contract Manufacturing Capacity of Industrial Equipment and Parts

Nissin Electric Vietnam Co., Ltd. (“Nissin Electric Vietnam”), a group company of Nissin Electric Co., Ltd., will expand the production area of its plant and enhance production facilities to respond to increasing demand for contract manufacturing of industrial equipment and parts. Nissin Electric will invest about 450 million yen in this production enhancement project, which will increase the production capacity of Nissin Electric Vietnam by 30%.

In this project, to be completed by January 2020, a two-story assembly room (1,500 m²) will be constructed in Plant 1 (10,000 m²), and the first floor will be used as a sheet metal processing area (2,300 m²). In addition, a new Plant 3 (3,420 m²) will be established by utilizing an adjacent rental plant. Furthermore, advanced sheet metal cutting machinery, such as a fiber-laser cutting machine, an NC turret punch press, and a large machining center, will be additionally installed to enhance production capacity. On the other hand, to overcome increasing labor costs, Nissin Electric Vietnam is aggressively introducing automated production facilities, such as welding robots.

Recently, both Plant 1 and Plant 2 (7,700 m², constructed in April 2016) of Nissin Electric Vietnam are operating at full production. With the unexpectedly rapid increase in production volume, the annual sales target for FY2020 of 3 billion yen, which was planned when Plant 2 was constructed, will be reached this fiscal year. Nissin Electric will continuously invest in production enhancement to respond to the recent rapid increase in demand for contract manufacturing, which is due to effects of the trade friction between the U.S. and China as well as shortage of production capacity in Japan due to increasing business suspension or discontinuance of small and medium-size enterprises.

[Outline of facility investment]

General plan: Construction of a two-story assembly room (1,500 m²) in Plant 1 (10,000 m²)

Establishment of Plant 3 (3,420 m²) by utilizing a rental plant

Equipment planned to be installed: Fiber-laser cutting machine (1 unit), NC turret punch press (1 unit), and large machining center (1 unit)

Scheduled construction completion time: January 2020

Investment amount: about 450 million yen



Image of renovated Plant 1