A keyword for the business of Mitsui & Co., Ltd. is partnership. When it comes to the big global projects of the Japanese general trading company, be they in the Middle East or Africa, almost 99 percent of its partners are Korean construction companies.

“Korea is a neighbor country of Japan,” said Toru Nakajima, president and CEO of Mitsui & Co. Korea Ltd, a subsidiary of Mitsui. “We have been thinking Korea as a big potential market to start with and also an important partner for business portfolio globally.”

With six business divisions — IT & performance chemicals, energy, basic chemicals, project & machinery, mineral & metal resources and iron & steel — Mitsui Korea last month celebrated its 20th year here. But Mitsui’s business history with Korea goes back to 1967, when Mitsui became the first large Japanese trading company to set up an export/trading branch office in Korea.

The importance of Korea in the overall business of the global Mitsui is evident in the fact that while the company’s Asia headquarters is in Singapore, Mitsui Korea reports directly to Japanese headquarters. The company’s export volume is USD 100 million annually, with imports reaching a similar level. Mitsui as a whole recorded a trade volume of about USD 4 billion with Korea the last fiscal year, and that’s not including the performance of its subsidiaries.

“Korea has been important and is important and will be important,” said Nakajima.

In the last two decades, turnover and profits for Mitsui Korea have increased about tenfold while the number of employees has increased from less than 70 to 110 people today. Korea’s extensive network of free trade agreements has contributed to the growth of Mitsui Korea, as the company’s trade with India, Turkey and Europe has seen clear benefits through Korea’s well-designed trade pacts.

Mitsui Korea’s main focus is on exporting products from Korea, globally. A majority of business is with chemical companies, considering the competitiveness of Korea’s upstream chemical products, and Mitsui Korea provides material for semiconductors and advanced plastic for smartphones. In the steel division, Mitsui Korea has gone from focusing on importing steel products from Japan for Korean customers to exporting Korean steel products through Mitsui’s sales channels globally.

“So as far as steel is concerned, Korea is becoming one of the very important supply sources for our global business,” said Nakajima.

Business in the energy, mineral & metal resources, project & machinery and basic chemicals divisions is also varied and growing.

Mitsui Korea currently has three main projects underway with Korean companies, one of which is the construction of a coal-based power plant in Morocco. A “meaningful investment” is on the horizon for this year, said Nakajima, explaining that it won’t just be a matter of buying shares of a company.

Also coming up this year for Mitsui Korea will be the establishment of a new division to focus on the creative economy.

“Everybody thinks the creative economy is just a story and dream, but for me it’s real,” said Nakajima. “It is something we are going to do and we have to use our brain to create something from not nothing, but [from] a few ideas and put together to materialize the business.”

Korea’s sophisticated information technology (IT) structure — “You may not find many countries where you can watch TV on the subway or in the bus” — makes for an interesting environment where you can converge IT with the environment and other industries to achieve innovation, the president added.

Having started out as a venture business 135 years ago, it’s not surprising that Mitsui’s motto is “challenge and innovation.”

“In that sense, Korea is not just important, but a very attractive country,” said Nakajima.

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Trading on Innovation
Mitsui Korea partners with Korean companies to grow and innovate together

KOREA’S SOPHISTICATED INFORMATION TECHNOLOGY (IT) STRUCTURE — “YOU MAY NOT FIND MANY COUNTRIES WHERE YOU CAN WATCH TV ON THE SUBWAY OR IN THE BUS” — MAKES FOR AN INTERESTING ENVIRONMENT WHERE YOU CAN CONVERGE IT WITH THE ENVIRONMENT AND OTHER INDUSTRIES TO ACHIEVE INNOVATION, THE PRESIDENT ADDED.