

The Challenge of a Global Business

Oxford Instruments began life over 40 years ago in Oxford, England as the first commercial 'spin-out' from Oxford University. Today there are many high technology businesses founded on the basis of university research but in those days there were very few examples to follow. Right from the start we knew that our small island could not sustain a large enough market for our ambition. Hence since our earliest days, the management vision, focus and direction have been aimed at the business opportunities outside the natural geographic borders of Great Britain and we export 87% of our \$300 million annual turnover. As example of our commitment to our worldwide markets we have more than 50 employees in Japan.

As our markets have grown they also matured. For all businesses like ours, the rate of technological change and investment required to compete at the leading edge of technology are increasing each year. This means that while our global vision remains valid and we remain one of the UK's most successful exporters, we need to seek new ways of refreshing that vision and enlist new partners to help us achieve ongoing success.

As part of this process, Oxford Instruments has been through some of important internal changes in its history during two years. These have all been aimed at fulfilling our objective of improving our service to customers in a sustainable way. This way enable our business to be a stronger and more flexible partner in a range of new alliances which will be a part of our international future.

The alliance between Horiba and Oxford Instruments can be understood within this context. Even rival companies can agree on cooperation for mutual benefit and this can happen in the field of analytical instruments just as usefully as in large markets which get more space in the newspaper.

An example is an important alliance between Simens and Oxford Instruments in the field of medical instruments, which has been running successfully over 10 years.

The relationship between Horiba and Oxford Instruments has developed over a long period of time. Both businesses have allowed for a long-term, maturing process. We have found that our cultures are similar, and our staffs at any different levels have put a lot of work in to understand and improve relationship with each other.

This is very important. I myself lived in Japan in my youth, and worked at Kyoto University caring out post-doctoral research where I developed close working relationships with Japanese colleagues. Since then I have come to Japan every year and have met many business leaders. Some say that doing business with customers in Japan is more difficult than in other countries, and it is true that the means to achieve success may be different markets. But I have found that a key factor for success in Japan is to build up good relationships through regular personal communication over a long period time. For this reason I always encourage direct conversation between people, even through e-mails may often easier!

The relationship between Horiba and Oxford Instruments is growing as a result of cooperation in various ways. The collaborative activities started in the field of X-ray microscopes, developed by Horiba, where there was no direct competition between our business and Oxford Instruments helped to investigate the market for these product outside Japan. The next stage was to look at an area where we had some overlapping technology. The consequence of this was to transfer a line of X-ray fluorescence products in an OEM relationship with Horiba. More recently and based on a



A handwritten signature in black ink, appearing to read 'A. T. Mackintosh'.

Dr. Andrew MACKINTOSH

Chief Executive

Oxford Instruments plc.

growing mutual confidence and desire to expand the relationship, our companies began to cooperate in the apparently competitive field of energy dispersive x-ray analyzer.

We have gone through these stages over rapid of years and at all times we have had the commitment of senior manager in each business. In particular our Oxford Instruments Japan office, which has been successfully promoting our business in Japan for 10 years, has played an important role in helping to redefine our strategy in Japan in the context of our developing relationship with Horiba.

We have been happy to find that Horiba's management and staff, like Oxford Instruments, also have a distinguished history of success through collaboration with oversea companies. We both come from islands with a culture of looking outside the natural boundaries for new markets and opportunities. This gives us confidence to continue and develop the relation ship, which will only succeed if we continue to invest time and effort in improving the mutual understanding our countries and business cultures. We appreciate the opportunity to learn from Horiba.

There is a well-known proverb: "A flog in a well dose not know of the ocean". This alliance is helping to take us outside the well by helping to develop new ways of doing business. I believe that new business models such as these in this new century will help both Horiba and Oxford Instruments achieve profitable growth and sustainable leading positions in our chosen markets.

I appreciate this opportunity to express our views.

グローバルビジネスへの挑戦

オックスフォード大学からの初めてのスピナウト企業としてスタートした当社は、当初から、英国国内市场だけでなく、経営の軸足を必然的にボーダーレスの土俵に置いていたと言えます。その結果、当社は現在約3億ドルの売上の内およそ87%は英国の外でカバーしている他、10年ほど前に日本法人を設立し、現在約50人の陣容で日本市場への取り組みをしていますが、これは当社の海外市場に対する一つのコミットメントでもあります。

しかし、これまでの成功に甘んじることなく、先端技術分野での厳しい競争の風土の中で、さらなる成長を遂げる為には、当社自体の新たな経営革新と目標達成の為の良きパートナーが不可欠でありました。今日では、つい昨日までの競合関係が融合し、利益を最大化するためにアライアンスを組むことなど、世界中どこでも日常的にある話ですし、分析業界でも同じです。

その意味では堀場製作所と当社の結びつきは、特異なケースではないのです。

ただし、急激な変化の中から結果を求めるのではなく、時間をかけながら今日の両者の関係ができあがったという点が、大変重要であると思います。

直接競合しないX線顕微鏡の分野からはじめ、共通技術に関わる蛍光X線を通じて両者の製品の補完関係を実現し、直接競合関係にあったEDX分野でのアライアンスへと向かったわけです。

私は、一時期ポスドクのために京都大学で日本の仲間達と共に親しく研究生活を送ったことがあります。

その後も毎年のように日本に来て多くのビジネスリーダーの方々とお会いしました。

「日本でのビジネスは他の国より難しい」という人がいますが、時間はかかろうとも直接のコミュニケーションが日本でビジネスをする上でいかに大切なことかということを、これまでの経験を通じて、皆に話しています。確かにe-メールは手っ取り早いのですが...

両社は共に似た環境にあり経験を積んででいたというのも、幸運でした。

地理的にも海外市場を着目する立場にあり、海外企業との成功体験を持っていました。

両社がそれぞれの国の文化やビジネス上の慣習をより良く理解しようとする努力をし続ける限り、両者の関係はより良いものとなるでしょう。

堀場製作所からいろいろなことを学ぶ機会を得て良かったと思っています。

「井の中の蛙」という諺がありますが両社のこのような関係こそが、井戸の外を見ることができるようになるし、両社は新しい世紀に健全な成長を遂げつつ、リーダーの役割を演じ続けることになるでしょう。