

## Success Stories: Ideas for Potential Players

MC

Medical Care



Fresenius Medical Care

Production

### Fresenius Medical Care Japan K.K.

***The world's largest integrated dialysis care company excels in the Japanese market.***



*The FPX dialyzer featuring unique technologies is an artificial kidney used in hemodialysis treatment.*

Fresenius Medical Care, based in Germany, is the world's largest integrated provider of dialysis products and services. The history of the corporate group began with the establishment of the Hirsch Pharmacy, all the way back in 1462. The foundation of the Fresenius Group took shape as early as 1743. In 1912, Dr. Eduard Fresenius commenced production of pharmaceuticals, and in 1966 Fresenius extended its activities in the dialysis field.

In 1996, Fresenius Medical Care was founded through the merger of Fresenius' dialysis division and National Medical Care of the U.S., and listed in Frankfurt and New York. Ever since, Fresenius Medical Care has been the world's leading dialysis company in the world.

Fresenius Medical Care Group extends its subsidiaries & production facilities in more than 40 countries around the world and provides products and services in more than 100 countries, encompassing North America, Europe, Middle East, Africa, Latin America, Asia and the Pacific region. The company's Asia-Pacific region is divided into four areas, one of which is Japan.

Fresenius Medical Care has two companies in Japan, a joint venture with Kawasumi Laboratories, Inc. called Fresenius-Kawasumi (FKC) and Fresenius Medical Care Japan (FMCJ). FKC is involved

mainly in the manufacture of fiber bundle for dialyzers, while FMCJ deals in the import and manufacture of dialysis machines and peritoneal dialysis products.

In 2001, it established a factory in Buzen, Fukuoka Prefecture, to manufacture peritoneal dialysis solutions with a unique bag system for peritoneal dialysis (PD). FMCJ chose this location because of the convenience of transportation for exporting and importing products

- 1462 The Hirsch Pharmacy, the origin of Fresenius, founded in Frankfurt.
- 1912 Dr. Eduard Fresenius starts production of pharmaceuticals.
- 1966 Fresenius starts activities in the dialysis field.
- 1981 Fresenius AG established in Germany.
- 1990 Fresenius AG establishes Fresenius-Kawasumi Co. Ltd. in Japan, a joint venture with Kawasumi Laboratories, Inc.
- 1993 Fresenius AG establishes a 100% subsidiary in Japan (present Fresenius Medical Care Japan).
- 1996 Fresenius' dialysis division and National Medical Care merge and establish Fresenius Medical Care AG; Japanese subsidiary accordingly becomes Fresenius Medical Care Japan.



Fresenius Medical Care



*Noriaki (Ray) Tsunoda, Representative Director and President, says his firm's keys to success are competitive products, a long-term outlook and a strong commitment to the Japanese market.*



between there and Asia-Pacific countries/Germany the excellent infrastructure offered by the industrial park, the potential to acquire adjacent land for future expansion, and the commitment by Fukuoka Prefecture and Buzen City to provide necessary and useful information in a timely manner.

result in around an annual 3% increase in dialysis patients. Competition in the Japanese dialysis market is fierce, but the company is steadily increasing its market share. Success has been aided by more than 25 years of global experience in the area of dialysis. Future-oriented innovations and therapies for a better

quality of life are reflected in the comprehensive products and services.

The company has two production bases in Japan, both situated some 1,000 kilometers southwest of Tokyo in Fukuoka and Oita prefectures. The location is ideal, since the company ships throughout Japan and also caters to other Asia-Pacific markets.

In addition to products, the high-quality clinic management systems developed by Fresenius Medical care are also expected

to be furthermore materialized and developed in Japan and other Asia-Pacific regions, too.



*In the autumn of 2007, Fresenius Medical Care Japan's factory in Buzen, Fukuoka Prefecture, will begin production of hemodialysis equipment in addition to its current peritoneal dialysis products.*

At present, approximately 1.55 million people around the world receive dialysis treatment, such as roughly 340,000 in the U.S. and 265,000 in Japan. The prevalence of dialysis generally corresponds to a country's GDP, as in the case of Japan, which is the second-largest market after the U.S.

FMCJ President Noriaki (Ray) Tsunoda says, "There are basically two types of dialysis treatment, hemodialysis (HD) and peritoneal dialysis (PD). HD makes up 96.4% of all dialysis patients in Japan, but PD, which can be performed at home, accounts for just 3.4%. Worldwide, however, the ratio is about 89:11, so PD has plenty of room for growth in Japan."

President Tsunoda also notes that the Japanese market has an excellent medical infrastructure, including universal health insurance, a high level of education and a very productive labor force. The rapid aging of Japan's population is predicted to

**Japanese Operation**

- Established :** Fresenius-Kawasumi Co., Ltd.: May 1990  
Fresenius Medical Care Japan K.K.: Oct. 1993
- Capital :** Fresenius-Kawasumi: ¥480 million  
Fresenius Medical Care Japan: ¥2.89 billion
- Employees :** 250 (as of the end of 2006)
- Business :** Import, export, manufacture and sales of dialysis products, such as dialyzers, dialysis machines and solutions, etc.
- Location :** 3-15-1 Minami Oi, Shinagawa-ku, Tokyo 140-0013 Japan
- URL :** <http://www.fresenius.co.jp>
- Parent company :** Fresenius Medical Care AG&Co.KGaA (Bad Homburg, Germany : 56,803 employees)

