



EVENT: Metglas (Existing Industry)

Date: April 18, 2014

Time: 11:30AM – 11:50AM

Location: 18th Green Skybox Suite

Meeting Objective: Dodd has recently been promoted to President of M Company – congratulate on this. Governor Haley needs to specifically ask Yukio for Hitachi’s business and talk about our pro-business environment. Confidentially, they have several very large potential projects for the US market – however, do not mention this in the meeting. Dodd & Yukio also have several operating units in India and are very interested in India trip & any way for Hitachi to tie in.

Commerce Staff Attending/Other Attendees:

Secretary Hitt

Jeff Ruble, Senior Vice President – Global Business, SC Power Team

Andre LeBlanc, DOC Project Manager (cell: 803-237-0010)

Morgan Crapps, Business Development Coordinator (cell: 803-447-5388)

Executive(s) name and title:

Dodd Smith, President – M Group

Sunao Nishio, “Steve” – see attached bio

Yukio Okubo – see attached bio



Type of Product or Service Sold:

Metglas manufactures amorphous metal alloy ribbon and pulse power cores used in electrical distribution transformers, solar and wind inverters (converts direct current to alternating current), medical equipment, automotive emission reduction, anti-theft devices and other applications.



Overview of Global Operations (if any):

- Hitachi Metals, Ltd. is headquartered in Tokyo, Japan, has more 18,000 employees and sales of \$7 billion.
- It is a major member of the Hitachi Group of companies. Hitachi Metals manufactures and markets a diverse portfolio of high-grade metal products and materials, electronics and IT devices and high-grade functional components and equipment.
- In the U.S., the company has a headquarters in New York and approximately 2,000 employees in six manufacturing plants, sales offices and one R&D facility.

Overview of S.C. Operations (if any):

- Metglas is located in Conway in Horry County and is a subsidiary of Hitachi Metals Ltd., a Japanese company. Metglas has approximately 200 employees.
- Hitachi Metals acquired the South Carolina facility in 2003 when it purchased the amorphous metals division of Honeywell International.
- Traditionally, Metglas has exported most of its product, but now U.S. power companies are using Metglas alloy in amorphous metal transformers to increase energy efficiency and reduce operating costs.

Commerce Project History (if any):

- ***Most Recent Announced Expansion Project*** – In 2008, Metglas invested more than \$20 million to add a third operating line that increased the plant's capacity by 50 percent. The company also brought in-house a function formerly done by an outside contractor, cutting metal beams (aka billets) into a size ready to be transformed into metal ribbon.
- ***Current Project*** – Metglas is considering an investment of \$29 million that would generate 29 jobs. Project currently on hold.



Governor's Prior Communications (if any):

Dodd Smith attended Heritage 2013/played in FGI.

Governor met Yukio at SEUS Japan in 2013 with Pete Kinishi.

Purpose/Suggested Talking Points/The Ask:

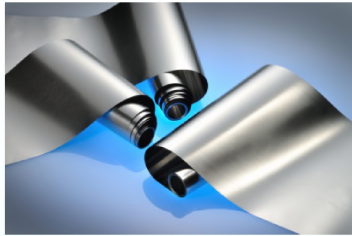
Build the relationship with Hitachi. Ask for SC to be in the mix in future projects. Highly confidential discussions at their board level – North American HQ for Hitachi in SC, pending a future restructuring. DO NOT bring this up or allude to it.

【Back Ground of Sunao Nishio】

Name : Sunao Nishio(Mr.)

【Job History】

- Mar. 1986 Graduated from Waseda University(Law Faculty)
- Apr. 1986 Join Hitachi Metals. Started his career at Yasugi Works at Procurement Dept.
- Oct. 1991 HQ Procurement (Purchasing Raw Materials)
- May 1992 Trainee at Hitachi Metals Europe London Office
(Developed new suppliers of chrome and aluminum in Europe)
- Dec 1993 Back to HQ Procurement for purchasing non-ferrous metals, materials for magnet, etc. (In1996 stayed in US to develop material suppliers for recycle or reuse for 3 months.)
- July 1997 Transferred to Hitachi Research Institute (Research Organization belonging to Corporate Planning Office, Hitachi Ltd.)
*Research in Risk Management, opportunity in EPC business or service industry for Hitachi group companies.
- Jan 2000 Transferred to Hitachi Metals America (Manager, Procurement) Focused on supporting US manufacturing operations (aluminum wheel, magnet)
- Oct 2001 Transferred to Hitachi Ltd. for new business project related to his research work at Hitachi Research Institute(Risk Management)
- Apr. 2003 Back to Hitachi Metals. Manager, Business Planning Group, Corporate Planning Office (Reporting to Mr. Tomo Kubota)
*Focused on mid-term planning for Mr. Honda, President.
*Joined Amorphous PJ (Business Opportunity Survey and Preparation for Investment at Yasugi).
- July 2006 Joined Start-up PJ of Roll Manufacturing Operation in Nantong, Jiangsu China (Bao Hitachi Rolls)
*Vice President (Finance, HR, Procurement etc.)
- July 2009 Transferred to Hitachi Ltd.(Senior Manager, Corporate Planning Center)
*Monitoring Group Companies Financial Results incl. HM
*Support to Mr. Nobuo Mochida at Hitachi (from time to time)
*Start-up Hitachi Smart Transformation Project as a core member
- Apr. 2012 Project Manager, Renewal of Group Procurement IT System at HQ Procurement (Due to HM's merger with Hitachi Cable, this project was suspended in Aug. 2013)
- Apr. 2014 To be transferred to SMMBU



Yukio Okubo

Officer , Hitachi Metals , Ltd.



Born in 1955 as a son of a later governor of a western prefecture in Japan , he was a kind of strange boy who brought his father's tools to his elementary school to fix (or just damage) the school house.

At his junior high and high school age , Rock'n Roll was his entire life. He still owns his band as a vocalist.

He majored mechanical engineering at Osaka University , major interest was automotive , followed by joining Hitachi Metals , Ltd. in 1978 , as an mechanical engineer.

Married to a math teacher Akiko in 1981 , who was his junior high class mate.

He executed over 300M\$ investment in Hitachi Metals , including MYG (Metglas YasuGi works) whose Amorphous technology was transferred from Metglas in Conway , SC .

Now , Metglas and MYG , Hitachi Metals have a strong teamwork in manufacturing Amorphous .

He is now Executive general manager of Soft Magnet Material Business Unit who promote amorphous and Nano crystalline ribbons for variety of applications and customers all over the world , showing remarkable growth.

Akiko and Yukio have three children , Kiichiro , 31 , teacher , Hirofumi , 28 , Med. Doctor and Yoko , 26 , banker who is taking MBA in the US next year. And a granddaughter , Rika , 0.

Save the Earth with Amorphous !



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<http://www.metglas.com>

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High Grade Metals Company
Soft magnetic materials Business Unit