By preserving the spirit of active involvement that we have been cultivating for more than 110 years, we are proactively creating solutions to emerging social challenges.

The Daigas Group is rooted in a spirit of active involvement

Since our founding in 1905, the Daigas Group has written a history that reveals a consistent effort to solve customer problems and address social issues in various ways while providing society with useful products and services.

For example, looking at the application Osaka Gas submitted to establish a company during the Meiji era, it is clear that one of the reasons for the Company’s founding was to promote a switch to gas lamps and away from the oil lamps that were responsible for many fires at that time. This is just one example of the Company taking steps to address a serious social issue.

The major objectives of the conversion to eco-friendly city gas derived from natural gas and away from city gas derived from coal and oil, a process that took place over a 16-year period beginning in 1975, was to address the issues of air pollution and accommodate that era’s rapid economic growth. Benefitting from the cooperation of customers, Company representatives visited individual residences to make the conversion to natural gas and adjust the gas devices. This major project saw the installation of some 23 million conversion units in 4.4 million households.

Our gas cogeneration system[^10], the first unit of which we sold in 1982, was intended to solve the social issue of energy efficiency, which became an increasingly pressing problem due
to the oil crises of that era. The Ene-Farm household fuel cell cogeneration system boasts the world’s highest power generation efficiency and more than 100,000 units are now in service, contributing to household energy efficiency and reduced CO₂ emissions.

Our “spirit of active involvement” is reflected in our corporate motto “Service First” and our aim to become a corporate group that helps to further the evolution of our customers’ livelihoods and businesses. This approach has been handed down in our group’s DNA through our people and our corporate culture. We believe that our management mission is to build on this foundation through our Group’s business operations.

Responding to a disastrous earthquake by learning to “think on our feet” with a “Service First” approach

The Daigas Group’s “Service First” approach really struck home for me during the time the city gas supply was being restored following the devastating Great Hanshin-Awaji Earthquake in 1995.

At that time, I worked in the marketing department. Our first step was to arrange for our customers to receive portable gas cartridge stoves. Because this disaster struck in winter, those affected were in desperate need of hot meals and drinks. With 860,000 households suffering a city gas supply outage, the need for a temporary heat source could best be answered with a supply of portable gas cartridge stoves. I remember that we were soon able to procure 100,000 of these stoves from manufacturers in the distant Tohoku area so that local stores near the disaster area would not suffer a sudden inventory depletion.

At the same time, in addition to setting up temporary bath and shower booths, we prototyped and introduced our first portable gas supply facility, instructions for which have since been incorporated into disaster response manual. In the face of such an unprecedented catastrophe, all employees were required to “think on their feet” in order to do the best to help customers in dire straits. I realized that, whether in times of emergency or under normal circumstances, this was exactly how the Group fulfilled its mission of “service first” without hesitation.

The entire Group remains committed to this spirit. In the Northern Osaka Prefecture Earthquake that struck in June 2018, about 2,700 people from gas companies across the country rushed to restore the city gas supply in only one week. Although managing such large numbers of personnel and vehicles at one time proved a difficult task to undertake on top of our regular daily preparations, our flexible attitude of “think on our feet” ensured the task went smoothly. In addition, our website was overwhelmed almost immediately following the disaster, but employees responded quickly by using Facebook, Twitter, and other social media to quickly provide the information that customers were looking for. This was just another example of how “thinking on our feet” proved the most effective way to assist our customers.

Contributing to the Sustainable Development Goals

Helpful initiatives to address social issues and contribute to building a sustainable society are spreading internationally, and the Sustainable Development Goals (SDGs) adopted by the United Nations represent a framework for achieving this.

We believe that our Group can help to reach these goals by tackling global disasters caused by earthquakes, climate change, and heavy rain events.

In terms of environmental measures, we continue to promote the adoption of eco-friendly natural gas even as we develop renewable energy power supplies and expand our energy-efficiency service business utilizing IoT and other tools. Under our long-term management vision, our goal is to contribute to a total reduction of 70 million tonnes of CO₂ emissions by 2030.

In terms of responding to disasters, which occurred frequently last year, we are working to develop systems to promote earlier recovery from the gas supply outages caused by earthquakes and maintain the power supply by utilizing cogeneration facilities during blackouts.
Utilizing the Daigas Group’s strengths to address social issues

In promoting these initiatives, it is essential that we make full use of the capabilities we have cultivated.

One of our strengths is the ability to customize solutions. In the past, when in competition with other fuels, we have prided ourselves on becoming the first to provide solutions to customer problems, not only by supplying gas but also by providing facilities and equipment. For example, for customers in factories and office buildings, we suggest products and services that are precisely customized to the needs of each in order to ensure the optimal use of energy.

Technology is another of our Group’s strengths. By leveraging the R&D networks available to us within and outside the Group, we are developing technologies—encompassing basic and applied technologies as well as product-specific technologies—capable of solving a broad range of issues. In the field of information and communication technology, which represents the core of technological innovation, we were among the first to introduce computer processing of our numerous billing operations; today, we are focusing on introducing the benefits of AI and IoT.

Evolving to respond to change through “Resilience 2.0”

For our Group to continue serving individual customers and society at large in the future, it is essential that we achieve sustainable evolution and growth. We are now facing an era of unprecedented change as seen in intensifying competition, a series of large-scale disasters, the rapid progress of digitization, and high expectations for a global transition to a low-carbon society.

Throughout our history, our Group has had to overcome numerous challenges, and in each case we have prevailed by demonstrating our unique resilience. However, in order to cope with the recent trend of rapid and significant transitions and achieve sustainable growth, we need to demonstrate that our resilience can evolve further in response. Our ability to achieve full recovery was termed “Resilience 1.0”; in contrast, the capability to grow with flexibility and make further change is an ability we have termed “Resilience 2.0.”

Increasing our resilience to Level 2.0 requires that we not only cultivate the ability to “think on our feet” but also develop the capacity to deal with a series of emerging challenges. However, since a willingness to take on new problems sometimes results in failure, we are focused on creating an organizational culture that encourages employees to meet such trials without fear, thus developing personnel with a proactive problem-solving attitude. For example, we have established a “goal management” system that encourages employees to set their own goals and evaluate not only the results but also the process of taking the initiative in order to encourage an aggressive attitude to meeting new challenges.

Furthermore, ideas and innovation are indispensable to the flexibility we must develop in order to achieve our goal of “Resilience 2.0.” In many cases, this springs from a serendipitous emergence of ideas, so there is great significance in promoting the emergence of a company and organization committed to diversity in terms of gender, age, physical ability, ethnic background, and so on. In addition, it is necessary to create a work environment in which all employees can engage in open discussion with one another and demonstrate their own personalities. We will continue to work on ESG (environment, social, and corporate governance) management criteria according to global standards, including the development of a governance system essential for instituting this management.

Targeting sustainable growth

In conclusion, I believe that the concepts of equity and efficiency essentially underpin corporate management, and thus I have adopted these concepts as my own motto. “Equity” means addressing social problems and aiding society as a good corporate citizen. “Efficiency,” on the other hand, means to improve our productivity and ensure that we earn an appropriate level of profitability. Both concepts are essential to achieving sustainable corporate growth, as is the requirement to find a balance between them.

Going forward, we will continue to respond flexibly to change while adhering steadfastly to our unchanging spirit of active involvement. By contributing to the success of our customers and the development of local communities and society at large with inspired solutions to emerging social issues, we are committed to becoming an innovative energy services company that achieves sustainable growth by always remaining the first choice of our customers.