Soil Purification Undertaken at Closed Plant Site of Farm Chemical Manufacturer

The former site of Nihon Bayer Agrochem KK (a producer of agricultural chemicals) located in the western Tokyo suburb of Hachioji, was contaminated with inorganic mercury. The Tokyo-based subsidiary of Bayer AG closed the plant in 1992 for restructuring of operations. The company has now undertaken a massive ¥7 billion (US$49 million) purification project. Obayashi Corp. is processing the soil. According to Kozo Shiokawa, a company director, a more thorough and expensive cleanup was preferred over the containment method for efficacy reasons. With increasing public concern relating to contaminated industrial sites, the company saw the need to reduce threats to the environment. The purification method adopted by Ebara originated from Germany. Soil containing mercury is crushed and heated in a rotary kiln to about 700°C. Further gastification of the mercury is promoted by adding steam. The cooled vapor is recovered as mercury metal, which is taken to a recycling plant. The leftover gas is purified through a filter, while leftover water is treated to meet environmental standards. With a processing efficiency of 150 m³ of soil a day, Nihon Bayer is confident of purifying 60 000 m³ of contaminated soil to within allowable levels by early 2000. Until 1973, this Hachioji plant produced mercury-treated agrochemicals for prevention of rice plant diseases. Although there was a water-treatment facility, waste water still leached into the soil system. Anxious neighboring residents have expressed interest in detailed data. In late July, the company disclosed the first data on the status of mercury-contaminated soil, and presently continues to issue monthly project reports.

Procter & Gamble Forms Licensing Unit to Reap Greater Returns From R&D Investment

Procter & Gamble (P&G), a multinational company, owns businesses in the areas of food and beverage, laundry and cleaning, paper, and beauty care. The establishment of Global Licensing organization has allowed the facilitation of worldwide licensing of selected technology and intellectual property assets outside the company. A separate organization within P&G manages healthcare licensing and acquisitions. As P&G invests in mega-scale research and development, smart licensing can help leverage the value of assets and secure an even greater return from the R&D investment. The importance of Global Licensing is evident in the case of FruitCal. In order for greater accessibility to a larger market of products, P&G has allowed Tropicana the use of calcium-citrate-malate (CCM superior form of calcium marketed under the FruitCal trademark) calcium technology. In this way, P&G can extend the application of its technology to orange juice and other nutritional supplements instead of just limiting to Sunny Delight juice drink. Initial company research has also uncovered additional opportunities for the reapplication of technologies in business areas outside P&G’s scope. The organization is also responsible for outlicensing both active and noncurrent P&G trademarks. For example, P&G licenses the use of Vidal Sassoon on hair styling appliances. Closer cooperation between appliance makers and hair styling authority can thus be forged. Furthermore, Vidal Sassoon hair care products brand benefits through revenue and marketing synergies. With the practice of outlicensing, P&G has undergone a paradigm shift. Its mission has become one that involves the identification of the best technologies and the best partners, and to establish agreement which are mutually beneficial to all including consumers.
Coca-Cola’s number one position in Japan’s cola market may very soon be usurped by Pepsi-Cola. Upon conclusion of a sales rights deal with PepsiCo Inc. (US), Japan’s beverage giant Suntory Ltd. has since begun introducing Pepsi throughout the nation. Although there is a tough fight ahead for Pepsi-Cola, Suntory is confident of winning by simply capitalizing on Pepsi-Cola’s high growth potential and the marketing of products through a wider range of sales channels. With the stepping up of Pepsi efforts by Suntory, Pepsi is now in 380,000 vending machines throughout Japan, double that operated by Pepsi Co. These machines form a major part of their Japan sales. More evidence of Suntory’s efforts can be seen in convenience stores and in supermarkets. Presently, Pepsi-Cola’s market share has increased by 7.2% while Coca-Cola’s has shrunk by 6.7% as compared to 1997 sales. Although Coca-Cola still dominates the fountain segment, a Suntory spokesperson says that they can still expect rising overall sales figures with increased emphasis on advertising. One of the more popular advertising gimmicks being the launching of “Let’s go to the cosmos” sales contest, which offers the prize of a trip to space. Coca-Cola’s reaction to the competition can only be described as muted. Coca-Cola Japan’s spokesperson says that sales of their products continue to escalate and they are not overly concerned of the sales volume solely of Coca-Cola. However, promotions are still carried out by regional bottlers in an attempt to salvage the situation.

Suntory is confident of winning by simply capitalizing on Pepsi-Cola’s high growth potential.

IPO Plans of Genzyme Molecular Oncology Cancelled

The current state of the biotechnology industry is not ideal for an initial public offering (IPO) of the cancer-research division of Genzyme Corp. — Genzyme Molecular Oncology. As a result, all plans for an IPO of Genzyme Molecular Oncology were recently cancelled. However, a public market for the division will be created for the distribution of Genzyme shares as a tax-free dividend to main-company shareholders. Such a move is to help compensate for certain research programs that Genzyme transferred to the oncology division when it was formed in June 1997. Genzyme not only made out a loan of US$2.8 million to Molecular Oncology, the company also assumed US$20 million of the unit’s debt.