

News Release (November 12, 2024)

Tokan Kogyo and Tokan Logitech advance their modal shift to rail transport to help address the “2024 problem” in logistics **- Aiming for an 80% reduction in greenhouse gas emissions -**

Tokan Kogyo Co., Ltd. (“Tokan Kogyo”; President: Toshiya Kasai) and Tokan Logitech Co., Ltd. (“Tokan Logitech”; President: Hideji Kawai)—both consolidated subsidiaries of Toyo Seikan Group Holdings, Ltd. (Tokyo 5901; President: Ichio Otsuka)—are advancing a modal shift from long-distance truck transportation to freight rail as part of their measures to address the “2024 problem” in logistics. As part of this initiative, Tokan Logitech, which is engaged in logistics operations, has introduced two new 31ft private containers for the transport by freight rail of packaging containers manufactured by Tokan Kogyo.

They thus aim to significantly reduce transportation time and the volume sent by road and to lower greenhouse gas (GHG) emissions by 79%.



Tokan Logistics has been implementing competitive alternative transportation to ensure stable transport capacity from production facilities to inventory bases. They have been using 12ft containers for cargo railway transportation but have now introduced two 31ft private containers to improve loading efficiency. These will allow the transportation of 840 tons (equivalent to 168 31ft containers) annually along the three planned transport routes. This initiative has also received certification as serving the Efficiency Promotion Act for Logistics of the Ministry of Land, Infrastructure, Transport, and Tourism and has been recognized as eligible for assistance as an Emergency Measure Project for Accelerating the Modal Shift.

Moving forward, Toyo Seikan group will continue to promote efficient logistics and work toward strengthening the stability of the supply chain through proactive measures in order to address the logistics “2024 problem” and reduce environmental impact.

■ Fiscal year 2025 goals for the initiative:

- Reduction of truck transportation time from 1,601 hours to 286 hours (Time saved through automation: 1,315 hours, automation rate: 82.2%)
- Reduction of truck transportation volume from 668,000 ton-kilometers to 55,000 ton-kilometers (Conversion volume: 613,000 ton-kilometers, conversion rate: 91.8%)
- Reduction of GHG emissions from 112.1 tons to 23.4 tons (Emissions reduction: 88.7 tons, reduction rate: 79.1%)

About Tokan Kogyo Co., Ltd

Since its founding in 1943, Tokan Kogyo has produced a wide range of packaging containers using paper and plastic materials. As a leading company in the domestic market, it serves the diverse needs of customers and provides environmentally friendly products, particularly paper cups, to meet various requirements and lifestyles. The company’s management philosophy is to “create products and systems that harmonize with the needs of society and the natural environment and contribute to the improvement of living culture.” Tokan Kogyo therefore values the individuality and diversity of employees and strives to transform and create packaging containers that help in creating a sustainable society.

<https://www.tokan.co.jp/english/>

About Tokan Logitech Co., Ltd.

Founded in 1993, Tokan Logistics is a comprehensive logistics company within the Toyo Seikan Group. Though we handle a wide range of products, we specialize in beverage and food packaging containers that are familiar to consumers. As these products require the same level of management as the food and beverages they contain, our logistics services are of particularly high quality. While focusing on current logistics challenges of 2024 in focus, we are also earnestly confronting future issues and striving to build optimal, sustainable logistics systems. We aim to support our customers’ businesses by providing them with consistent, safe, and reliable services.

<https://www.tokan.co.jp/logitech/> (in Japanese only)

About Toyo Seikan Group Holdings, Ltd.

Toyo Seikan Group Holdings, Ltd. is a world-class comprehensive packaging manufacturer that delivers a variety of packaging containers using materials such as metal, plastic, paper, and glass. In our Long-Term Management Vision 2050, “The Future, Wrapped for All,” we set a goal to go beyond our traditional field of packaging, aiming to become a corporate group that creates new value that changes society. Founded in 1917, Toyo Seikan Group Holdings, Ltd. conducts business on a global scale, with 44 group companies in Japan and 47 overseas, and currently employs a multinational workforce of 20,000 people. For more information, please visit <https://www.tskg-hd.com/en>.

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