

Hitachi to replace president, split off businesses

March 16 2009



A logo of Japanese electronics giant Hitachi. Japanese hi-tech giant Hitachi Ltd. said Monday that it was replacing its president and splitting off its automotive systems and consumer electronics operations as it braces for a massive loss.

Japanese hi-tech giant Hitachi Ltd. said Monday that it was replacing its president and splitting off its automotive systems and consumer electronics operations as it braces for a massive loss.

Hitachi said the revamp would speed up decision making, boost efficiency and enable it to fuse its automotive and electronics technologies.

It named Takashi Kawamura, 69, who currently heads two of its subsidiaries, as its new [president](#), chief executive and chairman.

The group will hive off its [auto systems](#) business, which makes products

including rechargeable lithium-ion batteries, and the consumer electronics arm, which includes flat-panel televisions, into separate companies in July.

The two units will be wholly owned [Hitachi](#) subsidiaries.

The global [economic downturn](#) has inflicted heavy damage on the electronics and engineering giant, which is cutting up to 7,000 jobs as it braces for a 700-billion-yen (7.1 billion dollars) loss in the year to March.

Hitachi said Monday that it aimed to cut costs by 500 billion yen in the next financial year starting in April, warning that an increase in revenue was "unlikely for the foreseeable future" because of the [global economic slowdown](#).

Other Japanese electronics makers have also been badly hurt by recession in major markets including the United States, Europe and Japan, prompting a wave of job cuts from companies including Sony, Panasonic and Pioneer.

Kawamura, the new head, is currently chairman of Hitachi Plant Technologies Ltd. and Hitachi Maxwell Ltd.

Hitachi said its current president and CEO, Kazuo Furukawa, would become a vice chairman, while chairman Etsuhiko Shoyama would become a director.

(c) 2009 AFP

2024 from <https://phys.org/news/2009-03-hitachi-businesses.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.