Developments of the Manuacturer's Sales Company System in Japan, 1945–1974*

by

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Summary

This paper rakes up a little history of the manufacture's sales company (being abbreviated to MSC) system in Japan based on statistical data.

The proportion of MSC in all the manufacturing firms with capital stocks of $0.325 million or more is 0.12. In 126 manufacturing sectorsin Input-Output Tables of Japan (1970) MSC exist. The weight of MSC in final demand is 0.21.

Three stages of economic growth in Japan after World War Ⅱ are also stages of MSC.

I

Developments of the manufacturer's sales company system[(1)] are followed by a survey conducted by the author. Subjects of this survey are all the manufacturing firms with capital stock of $0.325 million (of 100 million yens) or more.[(2)]

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(1) This system will be defined in Section 3.

(2) Numbers and rates of manufacturing firms which own MSC are determined as follows:

Classifications of stratum, industry and scale of MSC are defined as follows: a sales company incorporated by a manufacturing firm with its own capital for the purpose that the latter sells its products through the former in the domestic market.

Strata

1. Sole MSC exclusively dealing with all or almost all products manufactured by its parent company or by the division of its parent company.

2. Local (territorial) MSC covering the national market, though each of them covers a prefecture or a smaller area than it.

Industries

1. Foods and Drinks 2. Textile fibres and related 3. Pulp & Paper 4. Chemicals 5. Ceramics, Stone & Clay 6. Iron & Steel 7. Nonferrous Metals 8. Fabricated Metals 9. Machinery 10. Electrical Machinery 11. Transport Equipment (machinery) 12. Others (including precision Instruments and Petroleum)

Scales (capital stocks) millions

A. \$0.325 − \$3.247 (¥100 − ¥1,000)[3]

B. \$3.247 − \$16.234 (¥1,000 − ¥5,000)

C. \$16.234 or more (¥5,000 or more)

Table 1 shows numbers of manufacturing firms which own MSC and Table 2 shows rates of these. The rate in Scale C is greatest. The proportions of three scales, A, B and C are 0.08, 0.24 and 0.45. The proportion of the sum total is 0.12.

All the manufacturing firms with capital stock of \$0.325 million or more surveyed by mail in 1971. The proportion of response is 0.9754 (2969/3044).

(3) Our exchange rate (\$1=¥308.0) come from par values or central rates in the "IMF, IFS, April 1972."

Table 1 Manufacturing firms owning MSC, 1970

Industries \ Scales	A	B	C	Sum
1	15	10	5	30
2	12	9	2	23
3	2	3	2	7
4	25	21	5	51
5	7	5	0	12
6	3	5	9	17
7	6	1	3	10
8	22	4	1	27
9	24	12	5	41
10	26	12	8	46
11	11	9	12	32
12	38	16	7	61
Sum	191	107	59	357

Table 2 Proportions of manufacturing firms owning MSC, 1970

Industries \ Scales	A	B	C	Sum
1	0.07	0.25	0.50	0.11
2	0.07	0.30	0.50	0.11
3	0.15	0.17	0.67	0.08
4	0.07	0.21	0.15	0.10
5	0.05	0.16	0.00	0.07
6	0.03	0.15	0.69	0.11
7	0.08	0.08	0.43	0.11
8	0.13	0.36	0.50	0.15
9	0.10	0.27	0.63	0.14
10	0.12	0.24	0.53	0.16
11	0.07	0.26	0.67	0.15
12	0.12	0.36	0.50	0.17
Sum	0.08	0.24	0.45	0.12

II

Weights of MSC in the Japanese economy will be shown by the data[4]:

(1) proportions of sales of MSC in sectors (valued at producers' price)

(2) proportions of sales of MSC in final demand sectors.

It is, however, natural that proportions should be accompanied by the sales of MSC valued at producers' price. This is shown by Table 3. The sales of all MSC total the sum of $19,795 millions. Sectors and their sales are the following. Motor vehicle $8,672 millions, Electrical appliances for home use 4,431, Iron and Steel 1,484, Toilet preparations and dentifrice 667, Confectionery 352, Petroleum refinery products 315, Tire and tube 254, Paper 245, Sash 243, Drinking milk and dairy products 211, General machine parts (Bearing etc.) 199, Synthetic detergent 170, Agricultural machinery 163, Camera 162, Prepared feeds for animal and poultry 156, Knitted fabric (Nylon stocking etc.) 100 and so on. The proportion of Motor vehicle and Electrical appliances for home use equals 0.66. The proportion from No. 1 to No. 10 equals 0.86.

Table 4 shows the proportions of sales of MSC in their sectors. Motor vehicle 0.85, Electrical appliances for home use 0.83, Toilet preparations and dentifrice 0.77, Camera 0.68, Sewing machine 0.59, Tire and Tube 0.41, Sash 0.40, Synthetic detergent 0.38, Bicycle and rear car 0.26, Photographic sensitive materials 0.25, Agricultural machinery 0.21, Rubber footwear 0.20, Confectionery 0.20 and so on. All firms in the highest three sectors have MSC. In the sectors of Sewing machine, Sash and Synthetic detergent, their competitors have no MSC in

(4) The data of MSC given in this section and the next section were gained by a survey to all the manufacturing firms owning MSC conducted by mail or interview from 1971 to 1975. The proportion of response is 0.91.

1970. Most of firms in the sector of Sash, however, possess MSC in 1975.

Table 3 Sales of MSC (valued at Producers' price), 1970

Sectors		$ millions	Number of Manufacturing firms owning MSC
1.	Motor vehicle	8,672	15
2.	Electrical appliances for home use	4,431	9
3.	Iron and Steel	1,484	15
4.	Toilet preparations and dentifrice	667	5
5.	Confectionery	352	4
6.	Petroleum refinery products	315	5
7.	Tire and tube	254	4
8.	Paper	245	3
9.	Sash (of aluminium or steel)	243	9
10.	Drinking milk and dairy products	211	8
11.	General machine parts(Bearing and so on)	199	14
12.	Soap (synthetic detergent) and surface active agents	170	5
13.	Agricultural machinery	163	6
14.	Camera	162	6
15.	Prepared feeds for animal and poultry	156	7
16.	Knitted fabric (Nylon stockings)	100	6
17.	Thermo-setting plastic	97	5
18.	Office machinery (Copying machinery)	96	4
19.	Metallic furniture and fixtures	90	7
20.	Medicinal preparations	89	4
21.	Photographic sensitive materials	87	6
22.	Mining and construction machinery (Construction Machinery)	86	6
23.	Sewing machine	71	3
23.	Rubber footwear	71	9
25.	Watch and clock	56	3
26.	Machine tools	54	7
27.	Bicycle and rear car	43	6
28.	Writing goods	40	4
29.	Others	1,091	172
	Total	19,795	357

Table 4 Proportions of sales of MSC in the sectors, greater than 0.1, 1970

Sectors	Proportion
1. Motor vehicle	0.85
2. Electrical appliances for home use	0.83
3. Toilet preparations and dentifrice	0.77
4. Camera	0.68
5. Sewing machine	0.59
6. Tire and tube	0.41
7. Sash (of aluminium or steel)	0.40
8. Soap (synthetic detergent) and surface active agents	0.38
9. Bicycle and rear car	0.26
10. Photographic sensitive materials	0.25
11. Agricultural machinery	0.21
12. Rubber footwear	0.20
13. Confectionery	0.20
14. Thermo-setting plastic	0.17
15. Office machinery (Copying machinery)	0.17
16. Iron and Steel	0.15
17. Drinking milk and dairy products	0.13
18. Watch and clock	0.13
19. Writing goods	0.13
20. Paper	0.12
21. Metallic furniture and fixtures	0.10
22. Prepared feeds for animal and poultry	0.10

Table 5 shows the weights of MSC in the final demand sectors in 1970 Input-Output Tables[(5)] of Japan. The proportion of sales of MSC (valued at producers' price) in final demand is 0.21. The estimated proportions of MSC in Consumption expenditures outside household, Household consumption expenditures, Central government consumption expenditures, Local government consumption expenditures, Gross domestic private fixed capital formation and Gross domestic government

(5) 1970 Input-Output Tables Government of Japan, January 1974.

fixed capital formation are 0.12, 0.16, 0.11, 0.10, 0.26 and 0.37 respectively. These sales of MSC in final demand are treated as distributed in proportion to inputs of each sector. This explains the reason for "estimated proportions."

Table 5 MSC in final demand (valued at producers' price), 1970

$ millions

	(1)	(2)	(3)	(4)	(5)	(6)	Sum
Motor vehicle	0	735	21	0	5,079	1,962	7,797
Electrical appliances for home use*	141	2,258	52	1	771	107	3,330
.	.	.	.	.	.	.	.
.	.	.	.	.	.	.	.
.	.	.	.	.	.	.	.
(*a*) Total Sales of MSC	296	5,912	102	33	6,658	2,231	15,231
(*b*) Sum of final demand	2,439	37,456	968	344	25,202	6,101	72,511
a/*b*	0.12	0.16	0.11	0.10	0.26	0.37	0.21

Note : (1) Consumption expenditures outside household
(2) Household consumption expenditures
(3) Central government consumption expenditures
(4) Local government consumption expenditures
(5) Gross domestic private fixed capital formation
(6) Gross domestic government fixed capital formation
* Electrical appliances for home use consists of Refrigerator and washing machine, Electric bulb, Eletric sounder, Radio and television sets and Other electric appliances for home use.

III

There is a clear distinction between the sole MSC and the local MSC. The local MSC acquires and exploits new markets. It builds up channels of distribution to enlarge the market for its products, or to defend its market against competitors. Struggles for markets among manufacturing firms, which means struggles for the paths of distribu

tion to retailers that were cleared by dealers, produce the local MSC. In many cases capitals of manufacturing firms and of dealers are incorporated into MSC.

The sole MSC has a double function to perform for its parent manufacturing firm: as sales agent and as financier. It sells or markets manufactured products as the former, while buys them from its parent on its own account as the latter.

The dominance of manufacturing firms in distribution process leads to select channels of distribution, which necessarily results in the exclusion of wholesaling firms. This exclusion counterbalances the financial advantage resulting from wholesaling firms' activities as financier. If manufacturing firms can exclude wholesaling firms without offsetting this advantage, it is preferable for them. The role is allotted to the sole MSC.

My sample survey[6] shows that 48% (88% in sales weight) of manufacturing firms on sole MSC can shorten the turnover period of its own capital put into the production process by 2.23 months in 1970. The parent manufacturing firms can reach the ordinary level of turnover, only if the sole MSC exist.

By "MSC system" I mean the channels of distribution which manufacturing firms marketed their products through MSC. In narrow sense, however, by "MSC system" I mean the channels of distribution which manufacturing firms marketed their products through MSC to which the role as financier is allotted.

Three stages of economic growth in Japan are also the stages of MSC system: the preliminary stage (1945-1955), the primary stage

(6) My sample survey was conducted for the period from 1971 to 1972. See Appendix to this article.

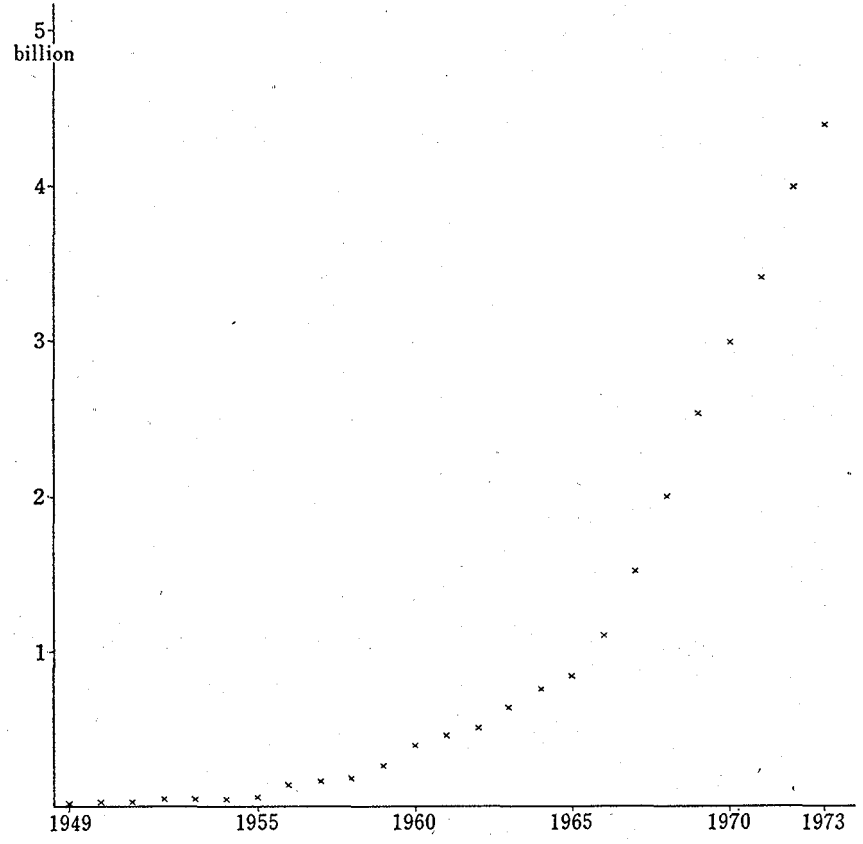
(1959–1965) and the secondary stage (1966–1974). Three years from 1956 to 1958 are in the transition stage. A figure faithfully reflects the above partition. In Figure 1 annual sales of a manufacturing firm, the leader in the Motor vehicle sector, are plotted from 1949 to 1974. The Motor vehicle sector have led the Japanese economy to a growing one together with the sector of Electrical appliances for home use. Slopes of the plotted date in three stages differ sharply each other.

Before World War II there were few MSC in Japan. Let us trace back through successive stages of development of MSC after World War II.

Preliminary stage (1945–1955)

The MSC system in the Japanese economy owed its development to the successful systems in the Motor vehicle sector, the Electrical appliances for home use sector and the Toilet preparations and dentifrice sector. The successful systems in the former two are in narrow sense of the MSC system. Before 1950 three manufacturing firms in the sector of Motor vehicle owned MSC. But Toyota Motor Sales Which emerged in 1950 embodied the concept of MSC system in narrow sense in itself.

In 1950 Toyota Motor Sales (TMS) was incorporated for the purpose of reconstruction of Toyota Motor (TM). The settlement of transaction between TM and TMS is done as follows: On the one hand TM draws a bill of exchange which is received by TM itself and which is accepted by TMS and will be settled after two months. The former is used to have this bill discounted by bank. The bank which has discounted it is able to have this bill rediscounted by The Bank of Japan, if necessary. On the other hand TMS borrows money from bank on



installment papers drawn by consumers and the bank which lent out money to TMS borrows money on the promissory note, which is drawn by TMS, from The Bank of Japan. TMS settles the above bill with this money at maturity.

The Bank of Japan hesitated to establish such a mechanism of settlement from the standpoint of the Central Bank in this stage. But it can be said that this resulted in success. This experience was dispersed thereafter.

Shiseido, the leader in the sector of Toilet preparations and dentifrice, reconstructed[7] the local MSC system from 1945 to 1950 (Table 8).

In 1953 Tokyo-Shibaura Electric incorporated Toshiba Trading for electrical appliances for home use and Hitachi incorporated Hitachi Sales in 1955.

In the sector of Tire and tube intimately related with the sector of Motor vehicle, the capital of the leading manufacturing firm began to be incorporated into local MSC with dealers' capital from 1953 (Table 8).

Transition stage (1956–1958)

Three years from 1956 to 1958 are said to be the transition stage in the development from the preliminary stage to the primary stage. At this stage Matsushita Electric Industrial covered the national market by the local MSC system.

The leader in the sector of Tire and tube completed the local MSC system covering the national market. Boom and depression change places at an interval of one year in this stage. By these local MSC system the manufacturing firms can cover the national market through the channels of distribution, which were formed by dealers.

Primary stage (1959–1965)

In this stage two cases mark a remarkable contrast: (1) sectors which cover the national market by the local MSC system and (2) sectors which incorporate sole MSC in narrow sense.

The sectors of Tire and tube, agricultural machinery, Bearing,

(7) Shiseido constructed the local MSC system before World War Ⅱ.

Rubber footwear and Bicycle have no sole MSC, but have local MSC which are incorporated with manufacturing firms and dealers' capitals. These sectors established the local MSC system for the period from 1960 to 1965. The former three cover the national market by the local MSC system (Table 8). Struggles for markets among manufacturing firms produce local MSC. In many cases capitals of manufacturing firms and dealers are incorporated into MSC.

Products with which local MSC deal in the sectors of Tire and tube, Bearing and Storage battery (in secondary stage) are for replacement.

Sole MSC were incorporated in the sectors of Sash, Construction machinery, Prepared feeds for animal and poultry and so on (Table 7). The MSC systems in the sectors of the former three belong to narrow sense.

Secondary stage (1966–the depression of 1974)

Networks of local MSC have been spread over the national market by a manufacturing firm in the Bearing sector and by a firm, the leader in the sector of synthetic detergent. Local MSC were also incorporated in the sectors of Storage battery for the motor vehicle and of Mettalic furnitures and fixturers.

It is characteristic of MSC at this stage that big manufacturing firms in the sectors of Petroleum, Paper, Motor vehicle and Electrical appliances for home use incorporated sole MSC to which the role as financier is allotted.

The sole MSC in the sector of Petroleum is a joint MSC incorporated by three manufacturing capitals. This incorporation is based on the energy policies of Government of Japan. Ministry of International Trade and Industry directed it (Table 7).

Table 6 Type I Manufacturing firms——Sole MSC——Local (territorial) MSC

Stages	Manufacturing firms	Sole MSC	Incorporated	Local MSC	Incorporated
I	Motor vehicle				
	Hino Motors	Hino Motor Sales	Dec. 1948	Covering the national market	1948
	Mitsubishi Motor	Mitsubishi Motor Sales	Dec. 1949	Covering the national market	1949
	Toyota Motor	Toyota Motor Sales	July 1950	Covering the national market	1950
	Prince Motor	Prince Motor Sales	Feb. 1954	Covering the national market	1954
	Nissan Diesel Motor	Nissan Diesel Motor Sales	1955	Covering the national market (Local MSC are those of Nissan Motor)	1955
	Electrical appliances for home use				
	Tohyo·Shibaura Electric	Toshiba Shoji	June 1953	Covering the national market	1953
	Hitachi	Hitachi Sales	1955	Covering the national market	1955
II	Sash (of aluminium)				
	Yoshida Kogyo (Y.K.K.)	Yohida Trading	around 1962	Covering the national market	1962
III	Toilet Preparations and dentifrice				
	Kanebo	Kanebo Toilet Preparations Sales	1967	Covering the national market	1962
	Construction Machinery				
	Toyo Umpanki	Toyo Umpanki Sales	1968	Covering the main markets after	1970
	Electrical appliances for home use				
	Fuji Electric	Fuji Electric Household Electrical Appliances	1965	Covering the national market	1965·1966
	Motor vehicle				
	Daihatsu Kogyo	Daihatsu Motor Sales	1968	Covering the national market	1950s

Table 7 Type II Manufacturing firms——Sole MSC

Stages	Manufacturing firms	Sole MSC	incorporated
I	Watch and clock		
	Citizen	Citizen Trading	1949
	Thermo-setting plastic		
	Sumitomo Bakelite	Bakelite Shoji Kaisha	1953
	Iron and Steel		
	Kobe Steel	Shinko Shoji Kaisha	1946
	Kawasaki Steel	Kawatetsu Trading	1954
II	Sash (of aluminium or steel)		
	Fuji Sash Industries	Fuji Sash Sales	1946 (but active from 1956)
	Stainless Steel		
	Yawata Steel Nisshin Steel Takasago Tekko	Stainless Steel Plates	1963
	Construction Machinery		
	Nippon Sharyo Seizo Kaisha	Nichiyu Kohki	1959
	Nittoku Metal Industry	Nittoku Heavy Vehicle	1960
	Sumitomo Shipbuilding & Machinery	Sumitomo Construction Machinery Sales	1963
	Camera		
	Olympus Optical	Olympus Trading	1958
	Mamiya Camera	Mamiya Trading	1961
	Oriental Photo Industrial	Oriental Photo Trading	1969

Stages	Manufacturing firms	Sole MSC	incorporated
II	Iron and Steel		
	Sumitomo Metal Industries	Sumikin Bussan Kaisha	
	Prepared feeds for animal and poultry		
	Kyodo Shiryo	Nippon Pet Food	1963
	Chubu Shiryo	Energy	1964
III	Petroleum refinery products		
	Asia Oil, Toa Oil, Nippon Mining	Kyodo Oil	1965
	Paper		
	Daishowa Paper Mfg.	Daishowa Paper Trading	1968
	Copying machine		
	Canon	Canon Office Machine	1968
	Construction Machinery		
	Kawasaki Heavy Industries	Kawasaki Heavy Industries Construction Machinery Sales	1970
	Wooden furniture		
	Maruni Wooden furniture Mfg.	Maruni Sales	1970
	Sash (of aluminium or steel)		
	Nittetsu Curtainwall	Nittetsu Sash Sales	1971
	Nippon Light Metal	Nikkei Aluminium Sales	1973

Table 8 Type III Manufacturing firms——Local (territorial) MSC

Stages	Manufacturing firms	Local MSC	Incorporated
I	Toilet preparations and dentifrice		
	Shiseido	Covering the national market	1945—1950
Transition stage	Electrical appliances for home use		
	Matsushita Electric Industrial	Covering the national market	1958—1965
	Writing goods		
	Mitsubishi Pencil	Covering the national market	1958
	Tire and Tube		
	Bridgestone Tire	Covering the national market around	1953—1959
II	Tire and Tube		
	The Yokohama Rubber	Covering the national market	from 1963
	Agricultural machinery		
	Kubota	Covering the national market	1960—1965
	Iseki Agricultural Machinery Mfg.	Covering the national market	1960—1967
	Rubber footwear		
	Four manufacturing firms	Not covering the national market	1960s
	Bearing		
	Koyo Seiko	Covering the national market	1963—1970
III	Storage battery for motor vehicle		
	Japan Storage Battery	Not covering the national market	1965—1970
	Synthetic detergent		
	Kao Soap	Covering the national market	1967—1972

Daishowa Paper Mfg. (Type II) and Daihatsu Kogyo[8] (Type I) incorporated their MSC in 1968. Fuji Electric (Type I) incorporated its MSC in 1965. Daishowa Paper Trading, Daihatsu Motor Sales and Fuji Electric Household Electrical Appliances properly fulfil their function as financier.

The inflation under business stagnation which continues from the end of 1973 stunted economic growth in Japan. If the MSC system is connected with economic growth, it is necessary to investigate important problems about the MSC system in the stunted growth. The next survey will be conducted from 1976 to 1977 by the author.

Appendix

In Section III the role of the sole MSC as financier was discussed. This role is closely connected with a method of settlement of transaction.

The transaction between a parent manufacturing firm and MSC is settled by a promissory note drawn by MSC. When MSC fulfils its function as sales agnet only, the transaction is settled by a note endorsed by MSC. A cash settlement applies to in both cases of financier and sales agent. When the transaction is settled by a note endorsed by MSC, the turnover period of accounts & notes receivable of the parent must equal that of MSC in length. The proportion of the promissory note settlement is 0.48 (0,1) or 0.88 (sales weight) (Table 9).

(8) Daihatsu Kogyo is a ultracompact car (360 cc) maker with capital stock of $0.58 million (¥18,000 million) in 1970. It joined the Toyota group (Toyota, Hino, and Suzuki) in 1967. The capitals of Toyota and Daihatsu were incorporated into Daihatsu Motor Sales in 1968.

Table 9 Estimated ratios and 95% confidence intervals, 1970

Items \ Ratios	(0, 1)		Sales	
	Estimate	95% CI	Estimate	95% CI
1) Method of the settlement between parent and MSC, a note drawn by MSC	0.48	0.15	0.88	0.07
2) Method of the settlement between parent and MSC, a note or a bill endorsed by MSC	0.40	0.15	0.09	0.07
3) Method of the settlement between parent and MSC, cash	0.11	0.10	0.06	0.02
4) Parent has the note drawn by MSC discounted by bank	0.40	0.15	0.73	0.07
5) Rediscounted by the Bank of Japan	0.11	0.08	0.44	0.10
6) MSC borrows money (in short term) or has a bill or a note receivable discounted by bank	0.68	0.14	0.93	0.03
7) MSC deals with consumer durables	0.27	0.13	0.74	0.14

The following discussion is based on the assumption that the turnover period of parent's accounts & notes receivable is approximately equal to that of MSC, if MSC does not exist. How many months can the parent shorten the turnover? It amounts to 2.23 months (1970) (Table 10 and 11). The difference between the value (3.38) of the turnover period of parent's accounts & notes receivable (drawn by MSC) to MSC[(9)] and the value (4.63) of the turnover period of accounts & notes receivable of MSC is 1.25 months and the value of the turnover period of notes receivable (drawn by MSC) discounted by bank is 0.98 month. The value (1.15) of parent's borrowed money (short-term) from bank

(9) The turnover period of parent's accounts & notes receivable (drawn by MSC) to MSC equals parent's accounts & notes receivable (drawn by MSC) to MSC/sales for a month. The same method of computation is applied to the other items.

is significantly shorter than that (1.97) of all the manufacturing firms. The sum (1.96) of the value of MSC's borrowed money (short-term) from bank and the value of MSC's notes receivable discounted by bank is as large as the value (1.82) of all the wholesaling firms. This large value of MSC's borrowed money (short-term) from bank not only shortens parent's turnover, but also makes this mechanism of turnover stable. All in all the parent manufacturing firms can reach the ordinary level of turnover, only if MSC exist.

Table 10 Turnover periods of the parent manufacturing firms, 1970

(month)

	Manufacturers owning MSC (drawing a promissory note)		All the manufacturers in Japan of which capital stocks are equal to $0.325 million and more*	
	Estimate	95% CI		
(1)	3.38	0.17	(1)′	3.58
(2)	2.40	0.14	(2)′	2.47
(3)	0.98	0.28	(3)′	1.11
(4)	1.15	0.31	(4)′	1.97

Note:

(1) Turnover period of accounts & notes receivable (drawn by MSC) to MSC (including notes receivable drawn by MSC discounted by bank)
(2) Turnover period of accounts & notes receivable (drawn by MSC) to MSC (excluding notes receivable drawn by MSC discounted by bank)
(3) Turnover period of notes receivable (drawn by MSC) discounted by bank
(4) Turnover period of borrowed money (short-term) from bank
(1)′ Turnover period of accounts & notes receivable (including notes receivable discounted by bank)
(2)′ Turnover period of accounts & notes receivable (excluding notes receivable discounted by bank)
(3)′ Turnover period of notes receivable discounted by bank
(4)′ Turnover period of borrowed money (short-term) from bank

* Source: Statistics of Incorporated Enterprises Ministry of Finance 1971

Table 11 Turnover periods of MSC (drawing promissory notes), 1970

(month)

	MSC (drawing a promissory note)		All the wholesalers in Japan of which capital stocks are equal to $0.032 million and more*
	Estimate	95% CI	
(1)	6.23	2.17	5.38
(2)	4.63	1.68	2.86
(3)	0.42	0.06	0.40
(4)	0.29	0.46	—
(5)	0.10	0.03	0.83
(6)	1.86	0.99	0.99
(7)	0.44	0.34	0.40

Note:

(1) Turnover period of current assets (including notes receivable discounted by bank)
(2) Turnover period of accounts & notes receivable (excluding notes receivable discounted by bank)
(3) Turnover period of stockholder's equity
(4) Turnover period of borrowed money (long-term) from parent
(5) Turnover period of notes receivable discounted by bank
(6) Turnover period of borrowed money (short-term) from bank
(7) Turnover period of borrowed money (long-term) from bank

* Source: Statistics of Incorporated Enterprises Ministry of Finance 1971