Panasonic update

The Associated Press

LAS VEGAS, Nevada, Jan. 8 (Kyodo) — Panasonic Corp. President Kazuhiro Tsuga said Tuesday his company has concluded business alliances with General Motors Co. and IBM Corp. as he outlined its strategy to turn itself around by focusing on services for major global enterprises.

The Osaka-based electronics maker will jointly develop an information system for automobiles together with GM and cooperate with IBM in home electric appliances using cloud computing.

"We are focusing our business activities on four broad areas in which we impact people's lives -- residential, non-residential, personal and mobility," Tsuga said in a speech at the 2013 International Consumer Electronics Show, which started in Las Vegas, Nevada, the same day.

He said that the company aims to add value to customers' lives and "one way to achieve this is by maximizing the tremendous growth potential in the (business-to-business) category, through a new business model that goes far beyond selling hardware, and offers total solutions that include software and services as well."

The company posted an all-time-high group net loss of 772.17 billion yen in the business year ended March last year due partly to massive losses in television operations. It is also projecting another huge group net loss of 765 billion yen this business year through March.

The president's remarks indicate that the company is accelerating its structural reforms to move away from dependence on the TV business.

Tsuga is the first Panasonic chief in five years to give a keynote speech at the world's top electronics show.

In the TV business, the company said it will also focus on providing services via the Internet to customers rather than just selling hardware, saying it is working to realize Internet-based TV program broadcasting and advertising targeted at the user.

"It is possible that (Panasonic) will form alliances with companies (which provide contents) or buy such firms in the future," Tsuga told reporters after his speech.

The company also announced Tuesday it has developed a 56-inch organic light-emitting diode panel using the printing method, which leads to reducing waste material and saving production costs.

"We are not second to South Korean manufacturers in the field of technology,"

Tsuga said, adding the company plans to sell the product initially for business use.

Panasonic is showcasing its latest beauty devices such as dryers and steamers along with audiovisual products including its Viera brand TV sets and digital cameras at the exhibition.

Source URL (retrieved on *06/19/2013 - 6:45pm*):
http://www.ecnmag.com/news/2013/01/panasonic-update?qt-recent_content=0