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投資臺灣入口網 Invest Taiwan_Success Stories_After 30 years of deep cultivation in Taiwan, NITTOBO ASIA Glass Fiber is expanding its deployment in Taiwan

[Link of interview video](#)

Nittobo Group was established in 1923, dedicated to industrial fiber products, glass fiber, medical care, beverages, environmental engineering, and other fields. At present, the group's overseas bases include the United States, Mainland China, and Taiwan, along with more than 2,700 employees worldwide. It is the world's largest electronic glass fiber manufacturer and one of the world's two largest suppliers of ultra-high-precision glass fiber yarn for 5G communications.

For Japanese companies, Taiwan is geographically close to Japan, with well-educated, outstanding, and diligent talents. Moreover, Taiwan and Japan are quite close with each other in history and culture. In 1988, Nittobo Group crossed the sea to Taiwan, settled in the Minsyong Industrial Park of Chiayi, and established a subsidiary, "Nittobo Asia Glass Fiber" (hereinafter referred to as NAG), to produce various electronic glass fibers. In 1995, Nittobo Group further established "Nittobo Taiwan" in Taiwan to sell glass fiber products. Currently, it has more than 350 employees in Taiwan.

The Taiwan subsidiary has a pivotal position in the group

NAG is a high-tech raw material manufacturing plant, which belongs to the Nittobo Group, and produces electronic glass fibers in Taiwan, such as Low-CTE and Low DK glass fiber cloth, that are used as an important reinforcement and insulation material of PCB for 5G, electric vehicles, cloud, IoT, and other industries and accounts for 80% of the group's overall turnover.

Since its establishment, NAG has taken a leading position in the global 5G high-frequency and high-speed PCB supply chain and Taiwan played a key role as a production base. In response to the advent of the 5G, NAG continued to expand its operating scale and also expanded Taiwan's production capacity through acquisitions and constructing new plants.

Taiwan has the advantage of one-stop supply chain

After the establishment, NAG has gradually established a complete industrial chain in Taiwan and made the glass fiber yarn into glass fiber cloth for the information and

communication industry. In addition, Taiwan "Baotek Industrial Materials Ltd." (hereinafter referred to as "Baotek") is an important partner of NAG, focusing on the production of high-end glass fiber cloth. Considering that Baotek has excellent manufacturing capabilities, Nittobo Group acquired Baotek in 2018. This acquisition has helped NAG to not only extend production from raw material of fiber in upstream to downstream but also build a one-stop supply system in Taiwan to provide customers the better and more immediate services.

Continue to expand Taiwan's production capacity in response to the rapid development of 5G industry

Taiwan is an important cluster for the global semiconductor and other information and communications industries. For foreign companies in Taiwan, they can obtain sales information, market trends, and the latest technological progress. In particular, Taiwan plays a very important role in seizing the changing market. As to the commercialization of 5G, it drives the demand for high-speed and large-capacity transmission, the miniaturization and high performance of semiconductor industry, and the demand for high-end glass fiber cloth.

Under this development trend, NAG decided to introduce high-end technology to Taiwan in 2019 and increase the production capacity of Low DK fiber glass yarn. In order to expand production capacity, NAG invested NT\$4 billion in 2020 to build a new electric furnace plant, which is the second plant, in Minsyong, Chiayi.

After more than a year of construction, with the support from Taiwan's central and local governments, the second factory was officially opened in September 2021. It is expected that the production line with three electric furnaces will be set up in the first phase to produce ultra-high-precision glass fiber yarn for 5G Netcom equipment. This new factory of NAG will not only bring about 300 job opportunities to Chiayi, but also the opportunity to drive Taiwan's 5G industrial supply chain to become more sound, which will further induce more investment and encourage talents to return.

Collaborating with Taiwan to explore business opportunities in new-generation industries

As continued growth of customer needs, NAG will gradually expand its factory in Taiwan, further enlarge production lines and related equipment, and strengthen its relationship with local communities. In addition, Taiwan is expected to become NAG's first overseas R&D base, where Taiwan and Japanese technicians will work together to develop innovative applications.

Looking forward to the future, facing the integration and reconfiguration of global supply chains, NAG will continue to position Taiwan as an important operating hub by combing

Taiwan's advanced manufacturing and R&D capabilities, as well as the advantages of information and communications industry clusters and talents.

Source: Department of Investment Services, MOEA