Yukihiro Ando

Chairman and Representative Director (CEO)

Profile

Yukihiro Ando is one of the five members who founded USS in 1980 after a career in used car dealer management. He was appointed Director in 1982, Senior Managing Director in 1989, Executive Vice President in 1995, and President and Representative Director in 2006 before his appointment as Chairman, Representative Director, and Chief Executive Officer in 2019.

We will continue to earn customer trust and realize further corporate growth by expanding the fair and equitable auto auction market.

We will expand our market share through strong competitiveness by adhering to our philosophy of fairness and equality, which has been our strength since founding.

Since its founding, USS has promoted market creation based on the philosophy of providing fair and equitable transactions, and serving all customers equally. Our commitment to practicing this philosophy has earned us a high level of trust and recognition from our customers, and has enabled continuous growth in our auto auction market share and membership base. Many of our long-term auction customers have informed us that the main reason they use USS is that they can trade equally and fairly regardless of how few or how many vehicles are on auction, thus reminding us that our philosophy is our greatest strength.

Meanwhile, the used car industry has again been beset by scandals involving several used car dealers over the past year, calling into question the trust of the entire industry. Although our business model does not involve dealing directly with consumers, as a leading company that has striven to build a fair and equitable auto auction market, we find these improprieties to be very disappointing. By providing opportunities for transparent and trustworthy transactions, we will continue working to dispel distrust of the industry and create an environment in which people can be confident in buying a used vehicle.

Our medium- to long-term management goal is to achieve a 50% market share of the auto auction business. To achieve this goal, we believe it is important to further enhance the reliability of auto auctions. Going forward, we will continue to build on the foundation of our fair transaction systems to evolve in response to the changing times so as to further enhance our trustworthiness and competitive advantage, leading to the accelerated acquisition of new members and corporate growth.

To enhance our trustworthiness in the market, it is also crucial to raise awareness of our philosophy among our onsite employees. At our auto auction manager meetings held several times a year at the head office, our auction site managers repeatedly communicate the significance of fairness and equality and equal treatment in an effort to raise awareness among our onsite employees. I myself visit each auction site to explain the importance of our philosophy in my own words. Through these efforts, we aim to establish the USS mindset among all of our employees, foster the next generation of management personnel, and achieve sustainable corporate growth. I personally intend to lead our expansion of the fair and equitable auto auction market as a flag bearer for practicing our management philosophies including creating a fair market, and as our management leader for corporate growth.

I will also emphasize enhancement of our shareholder value as one of the responsibilities of a publicly listed company. As part of these efforts, USS plans to proactively provide shareholder returns, including raising the total payout ratio in the three-year period starting from FY 2025 from at least 80% to at least 100% (for more information, see pp. 29-30).

We aim to create long-term value by developing management resilience with a robust governance structure in line with the expansion of our corporate scale.

USS is strengthening its environmental, social, and governance (ESG) initiatives in order to become a model company in the industry. On the environmental front, we have made information disclosures in line with the TCFD and obtained SBT certification. On the social front, we have been actively promoting human resource development. From FY 2025, we are also focusing on strengthening our governance structure to ensure robust management.

We have grown to become a company with consolidated net sales of over ¥100 billion. With a major capital investment of ¥50 billion yen scheduled by FY 2027, our management and auction site employees must work together to rapidly respond to our future business strategies, associated risks, and auction site-related issues. We have therefore established a new management committee in which our management team, auction sites, and head office share information and discuss business strategies.

In order to identify management issues and respond to them in an expedient manner, our management team and outside officers must work together to advance discussions. Whereas our Outside Directors and Outside Auditors have previously exchanged their opinions on an individual basis, going forward we will establish a regular forum for all Outside Directors and Auditors to gather together in discussion. We have also decided to shorten the maximum term for Outside Directors from eight to four years. As prolonged tenures as director involve a risk that management oversight function may become lax, the composition of the Board of Directors will be renewed periodically to establish a more sound governance structure. We believe that this will facilitate more rigorous and focused discussions.

Management issues also tend to change according to the scale of the company and changes in the business environment. We will respond to these changes by promoting organizational reforms and pursuing greater long-term corporate value.

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