

Kanichirou Tamokami Operating Officer

## Toward Achieving the Goals in the 7th Mid-Constructing the "World's Top Brand"

In a move towards realizing new dreams, the 7th Mid-term Management Plan started in April 2013.

The goal is to realize the corporate philosophy across the Sanyo Denki Group by becoming a global corporation and constructing the "World's Top Brand" to ensure stable profits that will not be swayed by changes to the environment. Furthermore, offices and locations around the world will not just provide sales, maintenance, production, and supply services, but they will also fulfill functions including design development, industrial technologies, and quality maintenance. In this way, a common goal for all departments will be to support customers around the world.

In the 7th Mid-term Management Plan, the stage will change from "Number 1 Brands in the Industry" to "World's Top Brand" and all departments will be asked to focus on global development.

Looking back at the 6th Mid-term Management Plan, the Design Department developed new products around the idea of "Four SHINKA": Evolution, Fortification, Expansion, and Innovation. Working through this development theme, they helped bring products that customers truly desire to market. These products all connect to future dreams and lead us to the next generation of products.

Furthermore, in May 2011, the Design Department revised its "technical information management system" in order to improve operational efficiency and quality, which helped to advance integrated control for technical information. With the move towards 3D CAD, an innovative development system known as the "front loading method" was promoted, which enabled sharing of technical information in the Production Department and Sales Department, both within Japan and abroad. This provided a remarkable improvement to the entire chain of activities in the workflow, from design and development to production and sale.

Using the "Four SHINKA" and the reforms to the development system, continued global development of design and technology will likely become the next theme for the Design Department.

Those of us in the Management Division are aiming to establish and improve functions of the Management Division across the Group, with a focus on global development for the 7th Mid-term Management Plan.

In order to achieve this, we will move towards a global system, much like

## Term Management Plan

the Design Department, and promote policies for every office and location around the world. The heart of company management is management for general affairs, personnel affairs, information, public relations, legal affairs, and accounting. If we can exhibit enough of these functions at all locations, each location will gain a greater number of business opportunities. Competition between locations will heighten, which will become the motivation to realize our goal of becoming the "World's Top Brand".

Finally, as if to align itself with the start of the 7th Mid-term Management Plan in our 112th period, our work environment is changing dramatically.

First, the completion ceremony for Fujiyama Factory F2 Building will be held on April 24th with operation in the new factory starting in May. The steel frame, three-story building stretch across 9,960 square meters. Photovoltaic panels with an output of 150 kW are installed on the roof, and by applying Sanyo Denki's own power conditioner and grid management device, the generated power will be used by Sanyo Denki for a factory that is environmentally friendly.

The first floor will be used as a product distribution point for Sanyo Denki Philippines products. The third floor will start with production of integrated production lines for manufacture of printed circuits for servo amplifier and stepping driver products as well as assembly and inspection processes for products. Compared to previous factories, the production capacity is expected to increase 30%.

Secondly, in order to centralized mass production and production systems for power conditioners, new construction for the 3rd factory building for Sanyo Denki Philippines will start April 2013 with plans for completion in April 2014.

Thirdly, in late August 2013, the Sanyo Denki headquarters will move to JR Otsuka Station South Exit Building. There are plans to enrich functionality of the headquarters with business and information communication systems.

By maintaining these infrastructures, we have even greater hopes that the work environment will become more orderly and stable business activities can be continued for years to come.

As a starting point to create new businesses that will carry the next generation of Sanyo Denki Group, everyone involved with the group is coming together with the goal of creating the "World's Top Brand".