



Kaoru Tamura

Executive Officer
Major Operating Officer

Toward Achieving the Goals in the 5th

With the Fourth Mid-term Management Plan ending in March of this year, the Fifth Mid-term Management Plan started in April. The biggest goal of the Fifth Mid-term Management Plan is to advance our three major brands, San Ace, SANUPS, and SANMOTION, until they each become the top brands of their respective industries.

How much impact do brands make in our lives? I believe that our daily lives are constantly filled with brand awareness. This awareness is epitomized by people who travel abroad in order to buy upscale foreign brands. We buy these brands not only to amuse ourselves, but also because we want to show these things to other people and have them notice us. That is the sign of a truly top class brand. Top brands are not determined by price and performance, but by high appraisal from others. Our products will only be accepted as top brands by first gaining recognition from customers and the market.

The sales department has worked hard to make our brands the top brands in the industry, and over the past three years, the following measures have been taken to improve the quality of business.

Steps to improve business quality

1. Promote globalization
2. Raise customer satisfaction (aim for No. 1 in customer satisfaction)
3. Create and expand on the Sanyo Denki market
4. Clarify commitments with the customer
5. Improve the quality of the sales organization, sales personnel, and sales abilities
6. Provide planned development of human resources
Establish program to improve competency, planning abilities, and judgment in order to develop skills of personnel around the world

Mid-Term Management Plan

7. Establish personnel evaluation system to improve employee satisfaction
8. Appoint the right trained personnel to the right jobs

Steps to improve quality of business practices

1. Eliminate nonperforming assets
2. Actively promote innovative business practices
3. Make plans to improve the potential of the sales organization
4. Utilize IFS
5. Establish and use a demand forecasting system to improve the accuracy of forecasts

Furthermore, the technology department is working to produce technology and quality that can be appreciated worldwide. Sanyo Denki products cannot be considered top brands without newly developed products to lead the market with innovative technology.

Our company was the first to tackle domestic production of AC fans, stepping motors, and AC servo motors in Japan and challenge ourselves obtain new technology. In the future, we will search for innovative technologies that lead to new ideas in order to make Sanyo Denki products top brands around the world.

This Technical Report No. 23 includes the technical developments from each division during 2006. Each of these accomplishments provide great promise for the future. As technologies that relate to the Fifth Mid-term Management Plan, these accomplishments lead Sanyo Denki one step further into the next era of technology.