

Yamaha Motor Monthly Newsletter

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The Yamaha Factory Racing Team showed its "Revs your Heart" spirit by winning the 2015 Suzuka 8 Hours Endurance Race for the first time in 19 years.

The Core of Yamaha Motor

A *Kando* Creating Company

**Stirring People's Hearts with Excitement
and Building Expectations**

The Yamaha Motor group conducts its varied business activities with "The Unique Style of Yamaha" always in mind. This holds true for our Yamaha *Monozukuri* (product creation) based on "original and innovative concepts," "outstanding technologies with superior performance and functionality" and "design that expresses Refined Dynamism," but it doesn't stop there. It also applies to our efforts to maintain harmonious relationships with society and the environment and with our spirit of "working diligently to levels above and beyond everyone's expectations." Our aim is to deliver the best experiences possible to every person that comes into contact with our products and services, and to be a "*Kando** Creating Company" that people always look to for new value and experiences of *Kando*.

**Kando* is a Japanese word for the simultaneous feelings of deep satisfaction and intense excitement that we experience when we encounter something of exceptional value.

Budding of the Founder's Spirit of "Creating *Kando*"

In 1990, Yamaha Motor's third president, Hideto Eguchi, coined the phrase "*Kando* Creating Company" (*Kando Sozo Kigyo*) to express the idea that "marketing should be conducted with a customer-first commitment based on the belief that continuing to bring *Kando* to the customers and society is the only way to achieve real growth and profit as a company." He incorporated this principle and more as part of the company's long-term vision.

From the late 1970s into the first half of the 1980s, Yamaha became involved in a fierce battle to win the top share in the Japanese domestic motorcycle market with its main rival. The results exhausted not only the market but also Yamaha Motor itself. This prompted Yamaha to undertake a variety of companywide reforms and restructuring initiatives to restore the company's managerial and financial strength. The efforts worked and Yamaha made a steady business recovery, but Japan's motorcycle market failed to recover and demand continued to shrink. On top of that, things became worse as the country went through a period of trade conflicts and a stronger yen versus foreign currencies. And then, while a shift to overseas production was in process, Japan's bubble economy burst. During the extended recession that followed, Yamaha made concerted efforts to reform, restructure and globalize the company, while presenting globally its vision of the kind of corporate group it sought to become in the 21st century.

Nonetheless, the fundamental idea behind the "*Kando* Creating Company" phrase was by no means a complete departure from the values the company had always held until then. In fact, it represented a reaffirmation of Yamaha's corporate commitments that were actually very close to the ideals held by the company's founding president, Genichi Kawakami. His often-spoken mottos of "It isn't a product if it isn't world-class," "If you are going to do it, try to be the best" and "Absolute Quality" were expressions of his unwavering belief in the quality and value authentic *Monozukuri* should bring, and by saying that "Leisurely time is a necessity in the daily lives of Japanese people," he expressed his wish to see a strong postwar recovery for the Japanese people that would include the enjoyment of leisure.

To help spread the corporate mission of being a "*Kando* Creating Company" throughout the world in an easy-to-understand way, the new "Revs your Heart" Brand Slogan was adopted in 2013. But it is important to remember that from the time Yamaha Motor was founded 60 years ago, there was already an expressed desire to "Offer new excitement and a more fulfilling life for people all over the world."

High-Quality Products in Tune with Human Perceptions

At Yamaha Motor, our aim is to pursue the "Unique Style of Yamaha," which is comprised of original and innovative concepts, outstanding technologies with superior performance and functionality, and design that expresses Refined Dynamism in order to achieve high-quality *Monozukuri* that results in products that are in tune with human perceptions. This ideal hasn't really changed from the time Yamaha Motor built the YD-1 model in 1957 with the product concept of "a 250cc model for the Japanese." It had originality throughout its design and brought the new idea of "sport riding" to a Japanese motorcycle market that was dominated at the time by utility-use models.



When looking to the kind of company Yamaha Motor should be in the future, company founder Genichi Kawakami took the spirit of the "Contributing to Society Through Our Work" phrase in the Company Pledge and asked the employees to demonstrate "Complete sincerity and honesty with our customers" and to always have the "Determination to build better products than our competitors."

The 125cc Tricity 3-wheeled commuter model is one example of the “growing world of personal mobility” offered by Yamaha Motor. Its Yamaha-exclusive Leaning Multi-Wheel (LMW) design is comprised of a “parallelogram link” mechanism for a natural steering feel and a “cantilevered telescopic suspension” with excellent cushioning characteristics. These work together to create a ride with light, sporty handling as well as a good feeling of stability, resulting in a whole new type of riding enjoyment.

Among our marine products, we offer the Helm Master comprehensive control system for outboard-powered boats that features a single joystick enabling movement at any heading (360°) and in-place rotation of the boat at low speeds, thus making it possible for even beginners to enjoy operating large-class boats with ease. Another technology that also helps bring new value to a greater number of marine product customers is the Reverse with intuitive Deceleration Electronics (RiDE) system for personal watercraft that makes it possible to control the craft in an intuitive, stress-free way.

Yamaha’s innovative and high-quality *Monozukuri* wouldn’t be possible without the high-precision manufacturing technology and the efficient production systems constantly being advanced and refined at our “mother factory” in Japan, and the manufacturing bases around the world that skillfully absorb and implement that knowhow. To make sure that we always have the production capability and quality control to efficiently maintain our high-value-added products fully embodying the Unique Style of Yamaha, we are also focusing efforts on global personnel development.



The electrically power assisted bicycle is a vehicle that didn't exist anywhere in the world until Yamaha Motor developed and marketed it in 1993. By mounting a small electric motor and battery to provide a power assist to the force applied to the pedals by the rider, thus addressing the weak points of a bicycle such as the heavy load of pedaling uphill or into the wind, made riding much easier and more enjoyable.

Aftersales Service that Makes People Want Their Next Purchase to be a Yamaha Too

Yamaha’s efforts to exceed the expectations of customers and society is not something limited to our *Monozukuri*. At Yamaha Motor, we are dedicated to building strong bonds with all our customers that last a lifetime by communicating our concern and sincerity, and offering experiences of unforgettable *Kando* from the time of people’s first encounter with Yamaha, to before they make a purchase, the very moment they make their purchase, and throughout the post-purchase relationship. In order to nurture this kind of bond that makes our customers “feel glad they chose Yamaha and want their next purchase to be a Yamaha too,” Yamaha motorcycle dealerships around the world are now working to put in place the Time Commitment Service (TCS) program that aims to provide Yamaha customers worldwide with fast, reliable service through a seamless system that connects all aspects of aftersales service. Our global “3S” (Sales, Service and Spare parts) policy, which takes into account regional and product differences, provides the foundation for the TCS program.

Also, there is the Yamaha Technical Academy (YTA) service technician education program designed to systematically improve the skills of motorcycle and outboard motor technicians working at Yamaha dealerships worldwide. This Yamaha-exclusive initiative is aimed at ensuring that a customer anywhere in the world can go to a



This ATV field service clinic held in Qatar was part of a campaign to encourage customers to get regular inspections. The thorough implementation of Yamaha’s “3S” policy like this helps strengthen the draw of the Yamaha brand even after purchase.

Yamaha dealership and receive the same standard of high-quality service. Additionally, our Yamaha Riding Academy (YRA) program, which helps owners of Yamaha products—from motorcycles and ATVs to snowmobiles and personal watercraft—learn to use them properly, is also being held in locations worldwide. The ultimate aim of programs like these is to raise customer satisfaction by delivering the best and greatest amount of value possible. Each program includes the function of listening firsthand to the voices of the customers in the field and using their opinions and concerns as hints that will enable us to offer the next *Kando*.

Racing: A Microcosm of Yamaha's Efforts to Stir People's Hearts with Excitement

As a latecomer to the motorcycle industry in Japan, Yamaha Motor sought to demonstrate the quality of its first product and spread the Yamaha name by entering for the first time in what was one of Japan's highest profile motorcycle races back then: the Mt. Fuji Ascent Race. Though this was just ten days after the company was founded, Yamaha Motor used its recently released YA-1 and took an impressive debut victory in that race. For Yamaha, the racing arena—as exemplified by the premier class of motorcycle road racing, MotoGP—is not just a place to demonstrate its technological prowess but also a stage for developing cutting-edge technology to be fed back to its products. Racing is also for strengthening the bonds with fans of the Yamaha brand, and at times, race participation represents an important aspect of our corporate activities through which we can contribute to the development and spread of motorsport. And probably most important of all, the never-ending dedication we have brought to the challenge of race participation throughout our 60-year history has enabled us to contribute to motorsport culture while also showing society our hope to share *Kando* with people around the world through our ongoing efforts to take on challenges in the quest for victory.

In these ways, race activities are indeed a wonderful opportunity to deliver exciting moments and great experiences like the thrill people feel when they hear the rising revs of an engine.



The close title race between the two riders of the Movistar Yamaha MotoGP team is injecting a lot of excitement into this year's race season.

Message from the Editor

It isn't an easy thing to really move people in heart and soul. It requires the ability to go beyond the normal frameworks of action to the point where you exceed people's expectations and amaze them at how far you will go to do it. To create *Kando*, we really do have to approach our work and challenges from every angle.

In the end, it's not things but *people* that move the heart and soul of others, and that's why I feel that in any work we do, it has to be with an effort that will lead to revving someone's heart...rather, with an effort where we *make* someone's heart rev. I want to begin by increasing the work opportunities that can make I, myself feel excited.



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