

Responsibility to Customers

The Nitto Denko Group defined its Corporate Quality Policy as “Creating quality that ensures customer satisfaction.” We believe that quality assurance does not only mean product quality but also means responding to customers’ requirements. The group secures excellent quality and product safety and pursues further improvement in customer satisfaction by providing prompt and accurate responses through the customer center or the group’s intranet.

Corporate Quality Policy

“Creating quality that ensures customer satisfaction”

- Quality and service that always satisfy customer requirements
- Reliable quality appropriate for how and for what the product is used
- Quality with appropriate price ensuring stable supply
- Quality that assures consumer’s safety
- Quality that is friendly to society and the environment

Yearly quality policy

(Nitto Denko Group)

Quality assurance activities are promoted with improvement in customer satisfaction and fulfillment of social responsibility as a priority policy.

The Nitto Denko Group defines target values of quality indices and priority measures that the group should tackle each fiscal year and declares them to be the Nitto Denko Group Yearly Quality Policy to promote optimization of the whole group based on the Corporate Quality Policy. The group communicates and familiarizes the yearly policy in each business division and site.

The Yearly Quality Policy for fiscal 2004 defines that the quality assurance activities basically lies in further pursuance of customer satisfaction and fulfillment of social responsibility, and the priority measures are the promotion of product improvement that customer information is utilized and compliance. The group started the common customer satisfaction assessment to review and modify the quality assurance system to fit the customer’s needs for quality.

In fiscal 2004, the group failed in achieving some targets and recognized that there were many operational problems, including index improvement, while putting the quality index management system on track.

In the Yearly Quality Policy for fiscal 2005, the quality assurance system shall be enhanced to realize the quality management appropriate for the “global excellent company” satisfying all customers, society, and employees, which is the target of the whole group.

Quality management system

(Nitto Denko Group)

Internal audits that cover the fields of environment, safety and quality were conducted.

The Nitto Denko Group established efficient quality management systems including ISO and the Good Manufacturing Practice (GMP) in line with the business style of the customers who we had business with. Nitto Denko CS System acquired ISO 9001 certification in fiscal 2004, and 45 group manufacturing and processing companies in total obtained the certification by the end of fiscal 2004.

Minimizing risk has been the priority issue since fiscal 2004, and the auditing system was enhanced by establishing

dedicated auditing organizations for environment, safety, and quality. In fiscal 2004, the group had a trial joint internal audit on thirteen sites (seven sites of Nitto Denko, five Japan domestic group manufacturing companies and one overseas group manufacturing company).

In fiscal 2005, the group will continue implementation of internal audits and establish a unique quality management system with a focus on quality improvement activities and cultivation of human resources. We will further endeavor to reflect the results in improvement of customers satisfaction and risk minimization.

Product safety

(Nitto Denko Group)

Product safety consultants have been deployed to each business division to answer complaints promptly and accurately.

In 1995, the Product Liability Law was enforced and, taking this opportunity, the Nitto Denko Group defined the Corporate Product Safety Policy saying, “Providing customers with safe and useful products is the social mission of private enterprises.” Based on this policy, the group endeavors to produce products that ensure consumer safety.

The policy is reflected as the fundamental product safety regulations and the management regulations of the material safety data sheet (MSDS), and the group takes perfect measures to realize product safety through audit at each plant.

Based on the policy, meetings of the corporate product safety committee and the division (plant) product safety committee have been regularly held since 1995 to confirm and ensure understanding of the yearly policy and to determine the direction of the activities.

Since 1997, product safety consultants have been deployed to each business division, and they fulfill the responsibility for product safety. Many of the group’s products are functional components (intermediate assemblies) used by corporate customers and not the end products directly used by consumers. However, the group pays the closest attention to the quality labels of the products that have direct access to end consumers, including surgical tapes and Cultured ginseng produced by the Medical Related Products Division as well as the packaging tapes for consumer use and other general merchandises produced by Nitoms.



Medical products of the Nitto Denko Group

Responsibility to Customers

Customer center (Nitto Denko on a non-consolidated basis)

Customer centers were established in business divisions to respond to technical inquiries promptly.

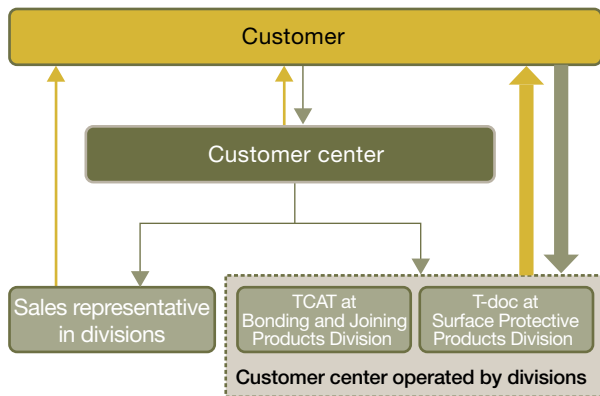
Nitto Denko established a customer center as a contact point of customers and answers to a variety of inquiries via telephone and on the web.

As the purposes and using methods of the products of the Bonding and Joining Products Division and Surface Protective Products Division are diverse, the two divisions receive a large number of inquiries from customers in a variety of industries.

To solve this problem, the company established customer centers in these two divisions to promptly respond to the technological inquiries including requests for technical support and samples. The Bonding and Joining Products Division started the operation of TCAT (Tape Customer Assistant Team) from October 2003, and the Surface Protective Products Division started T-doc (Technical doctor) from September 2004. The two customer centers answer inquiries not only from customers but also from business partners and overseas affiliates.

The company is committed to responding to inquiries from customers promptly and accurately and analyzing the contents of the inquiries to reflect them in the business strategy.

Customer center



Inquiries to the customer centers may be directly answered by the center or if they are technical inquiries, redirected to TCAT at the Bonding and Joining Products Division, T-doc at the Surface Protective Products Division, or sales representatives of other divisions. TCAT and T-doc answer direct inquiries from customers as well.

Intranet quality information system (Nitto Denko Group)

Quality information is being shared, and complaint information is immediately communicated.

The Nitto Denko Group established an intranet quality information system that the Japan domestic plants and the domestic/overseas group companies could view and enter data in fiscal 2000 to increase customer satisfaction and share information. Hereafter, information about quality index management including customer satisfaction will be added to the system.

If any issue like quality discrepancy should occur, the information is promptly communicated within the group using the intranet quality information system and appropriate measures are taken to minimize the inconvenience to customers. In addition, significantly serious quality issues that may affect company management are promptly reported to the top management to urge them to appropriately make a judgment and give direction. At the same time, the whole group becomes aware of the issue and works on the prevention of reoccurrence and preventive measures for it.

Responsibility for stable supply (Nitto Denko on a non-consolidated basis)

The China Project started to secure raw material procurement.

To ensure stable supply of products to customers, it is essential to secure procurement of raw materials. For this purpose, Nitto Denko prepared a supplier map to secure supply routes in case of catastrophic disaster and make an inspection of the candidate suppliers.

Overseas procurement rates remain as low at approximately 5% at the moment. To secure a procurement system on a global basis, the company has made inspection tours three to four times a year to suppliers mostly located in the U.S.A., Europe, and China since fiscal 2003.

In fiscal 2004, the company carried out a comprehensive investigation named the China Project, conducting twenty intensive surveys in total in the three months from April to June of the quality, prices and other properties of the candidate suppliers in China. As a result, the company obtained information about suppliers that are able to supply products to Nitto Denko. Since July, staff has been sent to China to secure suppliers in China.