HINCO Cares Issue 011

HINO continues to pursue "Reliability."

HINO is a "people" brand.

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We believe that our technological capability and the high-quality service whose achievement we pursue are the aggregates of the abilities and the passion of HINO's staff members. HINO is the sum of its "people."

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HINO's View

The essence of commercial vehicles can be found in our customers' needs.

Masakazu Ichikawa, Executive Vice President, Member of the Board, Hino Motors, Ltd.



"Core competence" has become an essential concept when discussing a corporation's business, and is defined as "a company's core strength that enables it to provide unparalleled value to its customers." A variety of elements ranging from the brand to a company's technological development capabilities, distribution network, production system, and values that permeate the entire company can make up a company's core competence. What then is HINO's core competence? Mr. Masakazu Ichikawa, Executive Vice President, says, "I believe what makes HINO a HINO is not only its pursuit of advanced technologies in its products with regard to such aspects as fuel efficiency, low emissions, environmental friendliness, and safety, but also our



pursuit of commercial vehicles that are durable, reliable, and have low rates of breakdown. I believe HINO brand rests on our efforts to realize both paths — which in a sense are hard to be compatible. Conditions desired for commercial vehicles depend on the country or situation in which they are operated. So we could say that HINO's core competence lies in our passion to continuing to provide useful vehicles that would be suitable for each situation."

About 5 years ago, HINO adopted the theme "From HINO of Japan to a global HINO" for its corporate strategy, and this symbolizes HINO's full-fledged push into the global market. "Until then, in some ways, we had been focusing on developing products that would accommodate the needs of the Japanese market. We began to shift our perspective as we looked around the world and realized that we had to develop products that would meet the needs of a broad range of customers." Founded in 1942, we believe HINO has supported Japan's rapid post-war economic growth, and developed a diverse range of technologies aiming at addressing customer needs that have constantly continued to diversify. We believe the fact that we have been commanding the largest share in the Japanese market for medium-and heavyduty trucks for 36th consecutive year since 1973 is a reflection of how we have continued to aim at fulfilling our customers' diverse needs. "But," Mr. Ichikawa continues, "We must continue our efforts to provide HINO products that our global customers will find useful by expanding our product range, including light-duty trucks." A specific example of this approach is our development of trucks for the purpose of use in mining site. These are full-fledged heavy-duty trucks that require high endurance, and we are in the process of final tests prior to their commercial launch.

True to our theme "From HINO of Japan to a global HINO," HINO is taking solid steps forward. HINO trucks are currently sold in over 70 countries around the world. "The number of countries we operate in is not all that important. The critical point is to see the world as a planar surface and work to expand that plane. And I believe it boils down to how well we are able to meet the demands of our customers in the countries to which we export our products." In order to deliver commercial vehicles to our diverse customers in different countries, HINO has also been endeavoring to enhance its logistics, says Mr. Ichikawa. "As part of our effort to reduce the total lead time for product delivery, we have adopted a concept called 'delayed differentiation' where processes that involve greater numbers of items are pushed as close as possible to the locale where the products will be marketed. Simply stated, this is a system where commercial vehicles with specifications that our customers require are assembled as close to our customers as possible. This system is already being implemented in China,

Indonesia, Pakistan and Thailand, and we will strive to expand this system to other countries in the future.

HINO's policy and passion, which Mr. Ichikawa describes as HINO's core competence, extends beyond our desire to deliver vehicles which, we believe, will have optimum specifications for our customers. We also focus on after-sale services and repair parts. "The title of this magazine speaks for itself. 'Care' is another concept of the essential elements of our business. In our factories, we strive to care to manufacture vehicles that are reliable. In our destination markets, we strive to reduce the occurrence of



problems through regular inspections based on criteria that we have laid out for ourselves. In the event of a problem with a customer's product, we strive to repair it properly in the least amount of time possible. This is what HINO 'Care' is all about. We strive to take 'Care' of our products aiming that our customers are able to use their HINO products without interruption. This creates a win-win-win situation for our customers, for us, as well as for the dealerships and distributors. These strong ties are what HINO truly strives to create."

HINO sees the path it should take.

HINO's Service

Why was this HINO truck able to drive for 1 million kilometers without engine overhaul?

Yuichi Sato, General Manager, Hino Representative in Ecuador Case: Transdyr Cia. Ltda. in Ecuador

Transdyr, a transport company in Ecuador, currently operates 25 units of HINO trucks of which 2 units have been on the road for 1 million kilometers without engine overhaul. One of them is still in operation, extending its mileage to this day. In essence, we believe it is not unusual to find HINO trucks that have been on the road for over 1 million kilometers, but vehicles that have achieved this without engine overhaul is a different story. While it depends on the environment and road conditions in which the trucks are used,

long-distance trucks usually have their engines required to be overhauled at odometer readings of about 700,000-800,000km. In this sense, Transdyr's HINO trucks that have been running for over 1 million kilometers without engine overhaul are a rare case. This does not seem to surprise Mr. Yuichi Sato, General Manager of the Latin American office. Mr. Sato says, "We have constantly reminded our customers of the importance of daily inspections and the use of HINO genuine parts when parts need replacement.





In addition to inspections that we provide for free of charge at 1,000km and 5,000km, we also recommend regular maintenance services every 5,000km. We believe following through with these recommendations helps our customers prevent breakdowns before they occur. So it's not such a surprise that a HINO truck that has been inspected regularly and cared for through appropriate maintenance services has been on the road for 1 million kilometers without engine overhaul. I believe there are many more HINO trucks like that around the world."

As Mr. Sato says, daily inspections are an essential element in maintaining a truck's durability. These inspections involve basic inspections such as checking for engine oil, transmission oil, differential oil, and brake oil levels. If any part must be replaced, genuine parts have to be used. We believe this not only ensures that the vehicle will function properly as a HINO product, but also helps us prevent breakdowns that can be caused by the use of non-genuine parts and oils. Mr. Sato says, "I believe Transdyr has been diligent in how they treat their vehicles, and have followed our recommendations for daily inspections, regular inspections, and the use of genuine replacement parts as provided. I have heard the company also places safe driving above anything else, and creates operation schedules that are not overly hard on their drivers. I believe these practices operation schedules that help keep their drivers healthy and the attention they pay to their vehicles — have contributed to reduce the risk of accidents and breakdowns and allow them to fulfill their mission to deliver their customer's goods on time and without error." Mr. Sato stresses that these conditions - daily and regular inspections, the use of genuine parts, and reasonable operation schedules as exemplified in Transdyr's case, are all essential so that HINO products continue operating and functioning properly. "The longevity of a truck's life relies heavily on how they are treated on a daily basis," says Mr. Sato.

Eco-driving techniques that we have introduced in previous issues of HINO Cares - one may refer to these as techniques for driving which may not only help operators reduce fuel consumption, but also help reduce wear on parts such as clutch disks. One company in the Latin American market which Mr. Sato's office oversees. Maguinarias Y Vehiculos S.A. (Mavesa) of Ecuador, holds monthly seminars on driving techniques and maintenance practices in addition to Eco-Drive seminars. "Needless to say, our efforts continue. We actively work on other areas where we can help our customers use their HINO products for many years. These would include recommending the suitable HINO model for a customer's operations, predelivery inspections of newly purchased HINO trucks, thorough lectures on usage, maintenance, and points to keep in mind when installing the rear body of the trucks, as well as inspections provided for free of charge at specified mileage intervals and regular maintenance services performed by highly skilled service engineers. While these things are all very basic, they are all essential," says Mr. Sato. How long can HINO trucks continue to meet customer expectations and remain on the road? We believe the answer to this question lies in the basic treatment that these trucks receive on a daily basis.

HINO, where services also continue to evolve.



earlier than the HINO genuine lining. There really is that much difference in quality between genuine and non-genuine parts. That's why we no longer use non-genuine parts." Just as this example shows, any HINO owner who has ever used a non-genuine part in the past should know by experience the clear difference between genuine and non-genuine parts.

These genuine parts help customers make use of the potential of HINO products. Why they are so good in quality compared to non-genuine parts? Let us show you the true value of genuine parts using the example of brakes — parts on which one of the Red Lea Chickens' mechanics commented. Mr. Nobuyuki Wada, Chassis Component & System Engineering Div. has told us about that. Mr. Wada says, "I think one thing we can say about all of our parts is that they go through many development processes by the time they are made commercially available." As we mention in other sections of this issue of HINO Cares,

HINO's Genuine Parts

HINO genuine parts — Parts that match the conditions that our customers demand for their HINO vehicles.

Nobuyuki Wada, Chassis Component & System Engineering Div. Case: Red Lea Chickens Pty Ltd in Australia

At our interview, Mr. Maurice Velcich, general manager of Red Lea Chickens Pty Ltd of Australia, refers to the importance of using HINO genuine parts, "There's no question about it. HINO genuine parts deliver excellent reliability. By using the genuine parts, we can avoid problems such as breakdowns and continue delivering our merchandise with peace of mind." Red Lea Chickens operates 41 retail stores in New South Wales. The company has been operating HINO trucks since 1980 and currently runs 29 HINO trucks for delivery. The mechanics at Red Lea Chickens are also all praise for HINO genuine parts, "We once used a brake lining which is not a HINO genuine parts, but it made a terrible braking noise, and we had to replace it





HINO strives to determine the specifications of its vehicles to suit individual markets aiming to deliver what our customers demand. To this end, each part has been customized aiming to meet the requirements of different specifications of the vehicle. "With brakes, we are striving to develop highly durable parts that deliver sufficient and stable braking performance for different GVW and driving conditions, and provide an easyto-control operating feel and long operation lifetimes. HINO parts go through various tests to confirm that they conform to HINO's quality standard. And only those parts that pass these evaluation tests and production processes are sold to the markets." Just from this bit of information, you may know HINO's development process and the know-how that is built upon technologies. Even after they are launched to a market, these parts are monitored to obtain feedback from an ever diversifying list of customer needs. This feedback is then taken in our development efforts to evolve these parts even further. In other words, our work never ends.

"One of the most important aspect of brakes is safety. Each country implements stringent regulations, and HINO supplies parts that meet all laws and regulations." In addition to meeting these regulatory requirements, Mr. Wada says that one of HINO's important missions is to develop environmentally friendly parts that deliver levels of driving operability, safety, and durability that our customers require.

"At HINO, we strive to tune our vehicles' specifications for different markets and models, and develop genuine parts that meet the conditions that our customers require for them. In this sense, you could say that HINO genuine parts are completely different from non-genuine parts available on

the market." That is a good illustration of the spirit and passion of HINO that goes into the development of even the small HINO parts. We believe this is why HINO genuine parts deliver levels of quality that no non-genuine parts can ever hope to deliver.

We supply parts that maximize the potential of HINO.



No matter how high the performance level of a particular product is, no one will want to use it if it breaks down within a short period of time. We believe "Good products" will be the products that have reliability that satisfies our customer. There is a department within HINO whose essential purpose is to verify that customers will be able to use HINO products at their expected potential for as long as possible, and that the products are designed aiming to satisfy our customer. This division is the Vehicle Evalution & Engineering Div.

"The Vehicle Evalution & Engineering Div. plays a part in product development through the testing of vehicles and parts. Our operations consist of three important functions," says Mr. Yoshiaki Iwamoto, General Manager, Vehicle Evaluation & Engineering Div. "The first function is the managing of the vehicle evaluation processes as a whole. The second is our operations for evaluating vehicle performance such as driving, turning, and stopping, and reflecting our findings in development. Our third function is the evaluating of the reliability of our vehicles and parts. Our department is staffed by more than 500 personnel, who are engaged each day in testing HINO products." The difference between passenger cars and commercial vehicles, such as buses and trucks, is that commercial vehicles transport large numbers of people and freight and that they may be used under various conditions in a broad

HINO's Technology

We only give the HINO name to products whose reliability, we believe, satisfies our customer.

Yoshiaki Iwamoto, General Manager, Vehicle Evaluation & Engineering Div. Hideto Yokoyama, Deputy General Manager, Vehicle Evaluation & Engineering Div. Yasuo Abe, Deputy General Manager, Vehicle Evaluation & Engineering Div.





range of situations depending on countries where they are used. Testing and evaluations will be conducted taking such factors into account. Mr. Iwamoto adds, "First, we conduct studies at each locale to which HINO products will be exported. 'How will the customers be using our products? And under what kind of condition? What are the road conditions? What will their day to day mileage levels be? What will they be transporting?' The specification of the same model of products may change depending on such conditions. So we go out to where our products will be operating, develop testing programs that will reproduce conditions found in that particular locale, and carry out tests over and over again." We've been told that the item of the tests prepared to be conducted for HINO trucks will be more than 1,000. Mr. Yasuo Abe, Deputy General Manager, Vehicle Evaluation & Engineering Div. adds, "We have set target values on the items of the tests based on expected customer's demand in the locale HINO trucks are used. If the customer's demand would be to improve fuel efficiency and drive five round trips a day under a certain condition, while the trucks of other makes would allow only four, or if the customer's demand would be to carry more payload, we would take these demand into account, when considering a target value and carry out tests. Then, if we find any problem, we provide feedback to our design and development divisions and repeat these tests. We also work with experienced test drivers who provide subjective testing and evaluation on criteria that are difficult to quantify, as well as compare our products with other products of other makes, if necessary." If any problem is found, the Vehicle Evalution & Engineering Div. works closely with related divisions such as design division to figure out the problem. "We would not like to launch products under the HINO's name unless they meet our standards," says Mr. Hideto Yokoyama, Deputy General Manager, Vehicle Evaluation & Engineering Div., alluding to the gravity of the mission expected at the Vehicle Evalution & Engineering Div. This is why this department is often referred to as the "last bastion" of the development division.

HINO currently operates a total of four testing sites in Japan:

three test courses, and one parts testing center. After various tests in these testing sites, in certain cases, HINO trucks are subjected to the actual driving tests ranging up to several tens of thousands of kilometers in some countries before delivery to the customer. One of our goals is to deliver HINO products that are able to contribute to the profitability of our customers. All of the HINO trucks that drive the roads around the world today are true fighters that have overcome internal standards.

All technology is used to create the best HINO for you.

HINO Owner's Voice

HINO, because there are reasons to be selected.

Trucks aren't the only things HINO provides. One of HINO's most important objectives is to "create" as many "reasons to be selected" whatever the product or service HINO provides, or where they are marketed, and to "create" relationships based on trust with our customers. In this section, we introduce the companies that operate HINO trucks to our readers. We would like to give you a glimpse of how HINO trucks serve our customers around the world by asking them their reasons for choosing HINO. *The customers are introduced alphabetically by country name.

For more detailed stories about the HINO owners, please visit: http://www.hino-global.com/products/owners_voice/index.html



Canada/ Meubles Denis Riel Jean-Francois Riel, President

Meubles Denis Riel is a furniture company based in Quebec. Mr. Jean-Francois Riel, president of the company, says that they decided to purchase HINO trucks in 2007 after they had heard of the trucks' reputation from one of their suppliers in 2007. "Once we began



using the truck, we realized that its reliability was true to reputation, not only in terms of product reliability, but also in terms of services. We have had nearly zero downtime, allowing us to deliver our furniture products to our customers on time. Additionally, HINO trucks have good fuel efficiency and have helped us increase our profits. The next time we decide to purchase trucks, they will surely be HINO."

Let the world know how you feel.

We are currently inviting HINO owners to appear in the "HINO Owner's Voice" section! Let other HINO fans around the world know how you feel about HINO products. Please contact your local HINO representatives for details.



Costa Rica/ Policía de Tránsito de Costa Rica Jimmy Salazar, Chief District of the Highway Patrol

Policía de Tránsito de Costa Rica's primary mission is to reduce the number of traffic accidents. Currently, they operate a total of 33 units of HINO 300 series trucks as towing trucks, primarily in highway patrol operations. "Vehicles on the roads of Costa Rica have become larger and heavier in recent years. So every time an accident occurred, we increasingly felt the need for more powerful trucks to tow these large and heavier vehicles. This is why we chose HINO trucks," says Mr. Jimmy Salazar, Chief of

Highway Patrol. Operator of derricks, Mr. Óscar Mongalo, who actually drives the HINO trucks tells us, "Comfort and easy operation contribute to safe driving. In this respect, there is nothing left to be desired with HINO trucks."





Vietnam/ Phuong Nam Seafood Lam Ngoc Khuan, Managing Director

Phuong Nam Seafood is an export company that deals in seafood products including shrimps. Mr. Lam Ngoc Khuan, managing director at the company, tells us why the company decided to use HINO trucks. "We feel HINO trucks don't break down and are very durable. They deliver good fuel economy and this allows us to reduce our transport costs. At first, we considered other makes, but we realized HINO trucks offered the most advantages." Mr. Le Huy Ngoan, one

of the drivers at the company says, "HINO trucks accelerate and decelerate very smoothly. They are very good on uphills. I liked driving trucks to begin with, but I've grown fonder of driving since I began driving a HINO."



Ecuador/ Trans Futuro Jorge Cheing, Managing Director

Trans Futuro is primarily engaged in the transport of raw materials as well as in some cleaning operations. The company currently operates 8 HINO trucks. "HINO has a history in Ecuador, they have a good reputation, and they offer peace of mind with regards to their warranty and aftersales services" says the



managing director of Trans Futuro, Mr. Jorge Cheing. "That's why we decided to go with HINO. True to its reputation, it delivers excellent performance and offers good after-sales services so we are very satisfied." One of the drivers at the company, Mr. Jose Olivo, had this to say, "HINO trucks are powerful even when carrying a heavy load. I hardly notice the difference between driving loaded and empty. The trucks are very reliable."



Latest News



HINO Team Sugawara achieves 19th consecutive finish at the Dakar Rally. The team wins a double crown: one in the production truck category and the other in the under 10-liter category.

This year again, HINO Team Sugawara has really lived up to our expectations. Dakar Rally 2010 was held again in Argentina and Chile. The course was even tougher than that of last year, with only 28 vehicles out of 52 entries in the truck category successfully finished the race. Under such harsh conditions, the #2 HINO 500 Series driven by Mr. Teruhito Sugawara came in the 7th place overall in the truck category, and won championships in the under 10-liter class and the production truck category. These were both overwhelming victories, with runners up in the commercial category and the under 10-liter class lagging behind by 6 hours 9 minutes 29 seconds, and 17 hours 23 minutes 29 seconds to the second racers respectively. Moreover, this was the first time the team raced in the production truck category. The valiant images of these HINO trucks, which is known as "Little Monsters," exuded a sense of power and brought many exciting moments to HINO fans. "We were committed to delivering results because we had come in the second one year before [in the under 10-liter class]. We were very excited about our double crown," says Mr. Teruhito. Mr. Teruhito also commented that the keys to this year's victory were the HINO machines, which have been tuned specially for this year's race in areas such as the durability and reliability of its suspensions, and HINO's solid teamwork. The HINO machines were tuned by five mechanics who were chosen from among



mechanics at HINO and its dealers. "This year again, we've been able to put together a team of tough and skilled mechanics. We worked around the clock everyday and all of us exercised more than 100% of our energy," said Mr. Takayuki Monma on behalf of the entire HINO mechanics. And Mr. Yoshimasa Sugawara, who has extended his record for the most entries to this race to 27 this year. Mr. Yoshimasa's Truck #1 was forced to make a detour due to mechanical problems, and was disqualified because it failed to reach one of the way points. "I'm disappointed that our truck was disqualified, but I am very happy that HINO Team Sugawara



has been able to finish for 19th consecutive year and was able to win the production truck category for the first time. I appreciate the mechanics, who have worked so hard to tune our trucks to perfection everyday. I am building up my fighting spirit even more for the race next year." Just as these determined comments from Mr. Yoshimasa suggest, the team will continue to impress with their comprehensive capabilities and the valiant images of HINO machines.

There is a lot of news around the world that tells us much about HINO.

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