

Customer Satisfaction and Quality Assurance

Employee Voice

The Casio Approach to Quality

Casio seeks at all times to contribute to society by developing products that impress customers. Quality and after-sales service are indispensable to ensuring that customers are satisfied with the products Casio creates using this approach. This aspect of Casio's work may not be as attention-grabbing as the company's innovative products themselves, but simple sincerity is the key to winning customers' trust and giving them peace of mind.

"We improve quality by focusing on the Principle of the Five 'Gens.'"



Takeshi Aimi

Engineering Management Department,
Product Development Headquarters

"Casio develops products from the customer's perspective, basing its actions on the Principle of the Five "Gens"—in Japanese, *genba* (on site), *genbutsu* (actual goods), *genjitsu* (reality), *genri* (theory) and *gensoku* (rule). We respond sincerely and quickly to the requests and comments of customers, and make daily improvements to win customers' trust and give them peace of mind."

Quality Concept

Casio maintains a strong quality assurance system, based on its belief in "Quality First." This system requires all employees to make quality their first concern in every task they perform, enabling the company to offer products and services that please and impress customers. The company's commitment to quality supports its corporate growth and makes social contributions possible, while at the same time winning customers' trust and giving them peace of mind.

Quality Management Policies

- To build a good corporate image, we offer products and services that please and impress our customers, gain their strong trust, and ensure their peace of mind.
- We respond to our customers' requests and inquiries with sincerity and speed, and reflect their important comments on our products and services.
- In all our business processes, we base our actions on the Principle of the Five "Gens"—in Japanese, *genba* (on site), *genbutsu* (actual goods), *genjitsu* (reality), *genri* (theory) and *gensoku* (rule)—and adhere to the basics of business operations.
- We capture and analyze quality assurance activities quantitatively, using reliable data, and use the analysis to make continuous improvements. We also maintain a quality information system that enables the sharing of quality information and prevention of problems before they occur, and prevents recurrence of quality problems.



Quality Assurance System

Casio constantly strives to improve quality through the quality assurance system outlined in the diagram below.

The Casio Promotion Committee for Groupwide Quality Enhancement is Casio's highest quality assurance authority. It meets semiannually, convening the heads from each business segment and the quality managers of manufacturing and service affiliate companies. Decisions are made at these meetings on company policies and important issues relating to quality. The resolutions are then communicated to individual departments and reflected in specific quality assurance activities within the departments.

In addition, in the Electronics businesses, the CS Control Group (within the Sales Headquarters) has been linked together with the Engineering Management Department (within the Product Development Headquarters) to improve product quality and services.

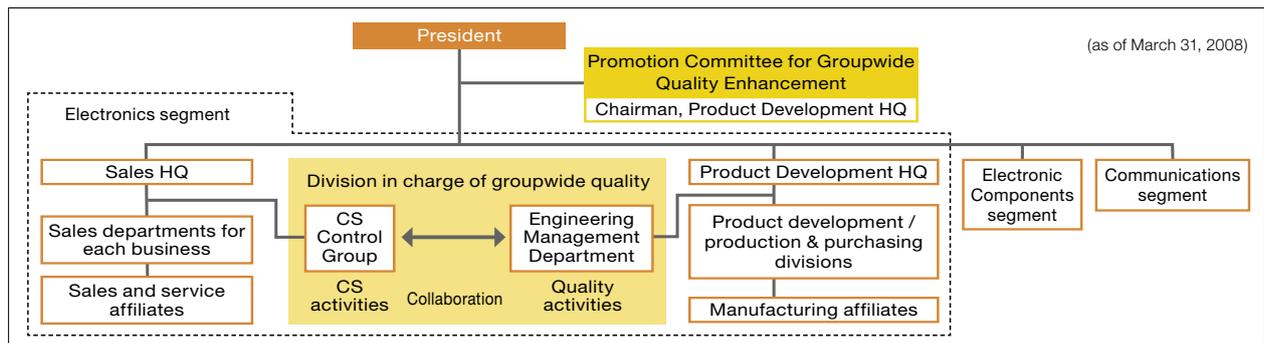
Quality Management System

Casio continuously implements the plan-do-check-act (PDCA) cycle throughout its process chain from product planning, design, and evaluation, to purchasing, manufacturing, sales, service, and disposal. Casio's thorough implementation of the PDCA cycle ensures that quality constantly improves.

New Product Shipment Start Approval System

Before starting shipment of a new product, the quality assurance persons responsible for each development process, with their business control supervisor, do a final check of each process involved. This is followed by objective verifications by the senior general manager of the Product Development Headquarters and the general

Quality assurance system



>>> Ref. p2. List of ISO 9001 Certified Sites

manager of the Engineering Department. Only then is a decision made to ship the new product.

After-Sales System for Responding to Problems

Casio has established various communication channels to handle accidents or quality problems that occur after product sales, with different channels according to the type and level of problem. This mechanism ensures that the necessary information is communicated promptly, so that those with responsibility for quality all have access to it and can respond quickly and accurately to the problem. In addition, Casio has an in-house system for monitoring the flow of information and responses, so as to prevent the recurrence of problems. The basic concept is to ensure that all problems “become visible” so that the company can deal with them properly.

Quality Information Support System

Casio uses reliable data on markets and production to carry out quantitative analyses and furnish the results to everyone whose work involves quality assurance. And in order to ensure that all employees are up to date on the latest laws, regulations, and internal standards/rules, the company has a site dedicated to quality on its intranet to provide support for their activities.

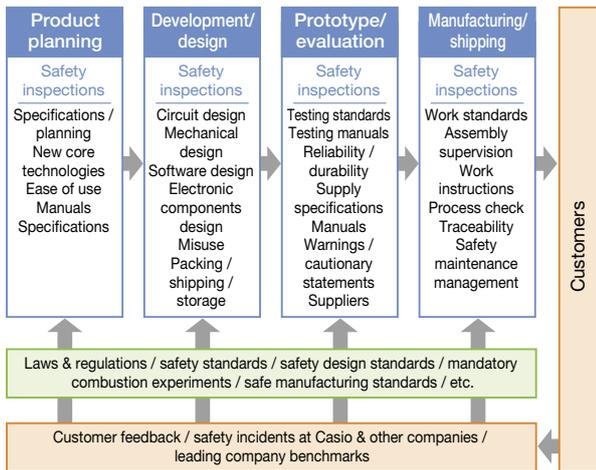
Casio’s Product Safety System

Casio makes every effort to ensure product safety so that customers can always use Casio products with peace of mind.

As shown in the diagram below, Casio carries out rigorous product safety inspections during each process, including product planning, development, design, prototype production, evaluation, manufacturing, and shipping.

The company also takes proactive measures to head off problems or prevent them from recurring. In accordance with the legislative intent of Japan’s revised Consumer Product Safety Law, which went into force in Japan on May 14, 2007, Casio is working

Product safety system



Quality Assurance Activities in Fiscal 2008

(1) Measures to ensure customer safety
 After the revised Consumer Product Safety Law went into force in May 2007, Casio’s board of directors adopted the company’s Fundamental Policies on Product Safety and formulated a Product Safety Voluntary Action Plan to restructure its internal systems and revise its safety design standards.

(2) Measures to improve market quality
 Casio works continually to minimize problems experienced by customers with product quality. Toward that end, it is implementing measures to make quality status “become visible,” sharing quality information by area and product with everyone who bears responsibility for quality, and devoting all possible resources to activities aimed at achieving improvements.

(3) Activities to reduce monetary losses due to quality issues
 Quality improvements directly reduce monetary losses, which is another reason Casio has been working to improve market quality and process quality, as well as design quality and parts quality, which form the basis of these. In addition, it has taken steps to resolve problems that have come to light, and made effective efforts to prevent recurrence.

to improve the company’s product safety system as outlined in the diagram shown below left.

Improving the Product Safety System

To provide customers safety and peace of mind, and to live up to the trust they place in its products, Casio adopted a set of Fundamental Policies on Product Safety on September 5, 2007.

Casio’s president also posted a message on the company intranet requesting the understanding and commitment of employees regarding the new Fundamental Policies.

In addition, Casio has placed the Fundamental Policies on its Japanese website for the public to declare its commitment to the duty of ensuring product safety, and to help make sure that customers will continue to use Casio products with peace of mind.

Fundamental Policies on Product Safety (Content Outline)

1. Legal compliance
2. Adoption and maintenance of a voluntary action plan
3. Achieving product safety through adoption and maintenance of safety standards
4. Collection and disclosure of product incident reports, etc.
5. Reports on significant product incidents
6. Implementation of product recalls, etc.
7. Measures to avoid misuse of products

Casio has formulated a Product Safety Voluntary Action Plan to flesh out the details of the steps to be taken under the Fundamental Policies. The Action Plan, which represents a restructuring of its product safety regime, sets out safety management actions and procedures to be taken—including gathering of product incident information, appropriate reporting and disclosure of such information, and product recalls where necessary—in response to product incidents.

Product safety activities carried out in fiscal 2008 include the following:

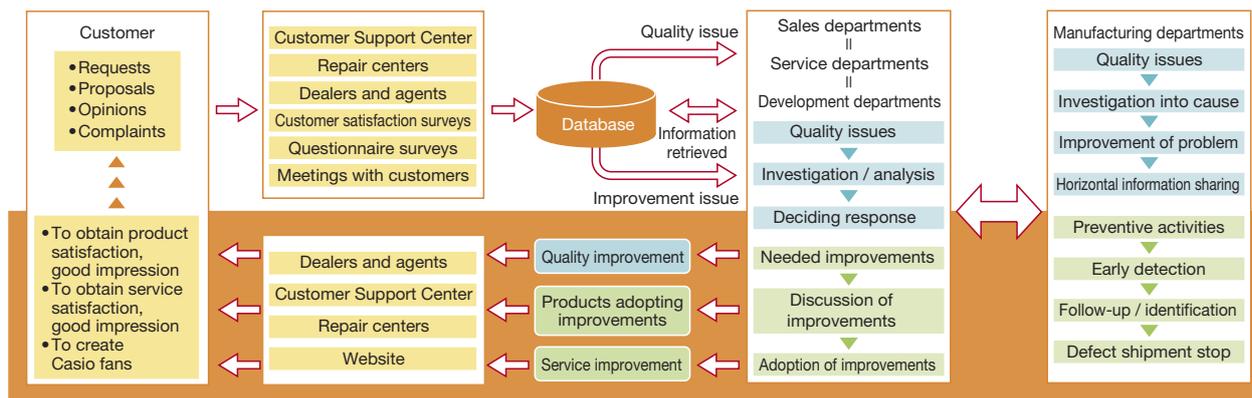
(1) Minimizing harm from product incidents and preventing recurrence

Casio has updated its safety incident response system. Among other measures, it has improved its ability to fully and promptly gather and forward information on incidents and inform customers and the competent authorities, respond quickly and properly, ascertain the causes, and takes steps to prevent recurrence.

(2) Measures to avoid incidents and prevent recurrence

Casio has reviewed and revised its safety design standards and safe manufacturing standards to adopt mandatory combustion experiments to be double sure of product safety.

How customer comments are utilized for products and services



Activities of the Casio Customer Support Center

Communication is an important way for Casio to create long-lasting relationships of trust with customers. Casio's Customer Support Center is the contact point for customers to submit their opinions, requests and questions. Staff at the Center carefully listen to each caller, and always strive to put the following three objectives into practice.

- Confidently explaining Casio products to customers before purchase
- Sincerely responding to customer questions or concerns after purchase
- Earning the confidence of customers through attentive communication

Training is the key to ensuring that support center staff are effective, and the skills of each call taker are checked regularly so improvements can be made. Moreover, all the staff are given time to do their own research so they can stay thoroughly informed about all the convenient functions of Casio products.

The Center also holds periodic seminars for Casio sales, service, and product development departments to share know-how and impress upon the staff the importance of communicating with customers and responding to them with sincerity.

The Customer Support Center also operates an Overseas Customer Support Center. This center cooperates with the customer support centers at Casio's overseas sales companies. The Overseas Customer Support Center is carrying out various activities to foster good relationships of trust with overseas users of Casio products as well. The Overseas Customer Support Center is engaged in a variety of activities, such as sharing tips on how skills checks are conducted in Japan, and conducting its own checks at overseas locations.



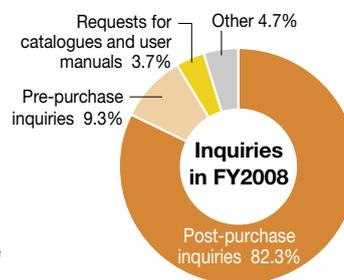
Customer Support Center

Another important mission of the Customer Support Center is to faithfully relay customer comments to the proper internal departments as feedback. Customer opinions are never ignored, and Casio works to build mechanisms for the full-scale internal application of such feedback. A page on Casio's intranet features customer

comments from Japan and around the world in order to encourage constant improvement of products and services worldwide.

Going forward, Casio will continue to work to improve its response to customers group-wide by upgrading the skills of support center staff. Nothing short of the highest level of customer service should be offered each and every day.

Types of inquiries



Customer Satisfaction Surveys— Listening to Feedback

Casio periodically conducts customer satisfaction surveys to identify customer opinions on specific products. The surveys cover such concerns as product function, performance, design, and ease of use. Casio takes the surveys very seriously, and relies on the results to develop new products that will afford greater satisfaction. Casio's aim is to win over new fans of all ages.

Example of watch improvements

Providing Support Information

The Support section on Casio's website offers easy-to-understand information on operation and repair in various local languages, helping customers to use their Casio products with confidence. Furthermore, the website provides answers to frequently asked questions and has a software download page, so that in many cases customers can resolve problems just by visiting the website.

>>> Web International Support website
<http://www.casio-intl.com/support/>

Repair Service

Casio's service departments, which are responsible for product repairs, strive to satisfy customers by providing service that fulfills three commitments: dependable technology, prompt response, and reasonable fees.

Dependable technology

Casio's service departments are working to improve their repair technology, product knowledge, and customer service skills (through training programs and in-house competitions, for example) in order to maintain customer confidence and realize the kind of service quality that customers expect. In fiscal 2008, Casio expanded its repair line to further improve the quality of its watch repair service.



Service skills contest

Prompt response

Casio's service departments are taking steps to improve operations by focusing on parts procurement, the repair system, and repair technology, so as to shorten repair time and return repaired products to customers as quickly as possible. In Japan, Casio boasts the shortest repair time of any electronics manufacturer. In other markets too, Casio is striving to shorten repair times to match levels in Japan.



Global service officers conference

Reasonable fees

Casio works hard to reduce any unnecessary burden on customers by controlling costs. This is done through improvement of repair methods and setting repair fees that customers feel are fair.

Universal Design Activities

Delivering a high-quality user experience

With an eye on the current social environment, Casio is not only working to reduce product size while still increasing performance, but also striving to achieve a high-quality experience for the user so that people who are unfamiliar with electronic devices and those

who are less confident about IT can use Casio's products comfortably. Moreover, Casio is committed to providing products and services that are truly beneficial to customer's lives. The main objective for Casio's universal design activities is simply to improve the quality of the user experience. Casio works to develop products using human-centered design (HCD) in conformity with ISO 13407 processes. In addition to the products themselves, the company is also taking steps to improve packaging and user manuals.



Casio's own UD activity mark

From the customer's perspective

Obtaining direct evaluations from customers who actually use the products and reflecting that feedback in product development are essential parts of HCD. Casio has made it a top priority to develop products from the customer's perspective, and requires its development staff themselves to listen to customers' opinions. Casio is dedicated to improving usability by applying evaluations from user tests and feedback given to the Customer Support Center.

Example of Quality Improvements Driven by Universal Design

In fiscal 2008, Casio improved the usability of its handheld terminals equipped with a barcode scanner, which are widely used in both wholesale and retail operations.

In developing the DT-X7, Casio paid especially close attention to the factors that affect ease of use for women, including ease of grip, ease of scanning, and ease of input, and made a special effort to come up with a stylish look that would replace the conventional bulky image of business-use information terminals with a new, sharper look when users provide service to their customers.

Casio and the Chiba Institute of Technology jointly evaluated the DT-X7's ease of use from an ergonomic standpoint.



DT-X7