



Message from New President

We as a company love our customers, local communities, employees and their families, and we are loved by them in return.

My name is Hiroyoshi Ninoyu. I took office as the President on June 10, 2020. Throughout the more than 70 years of our company history we have kept pace with the growth of the automobile industry by ensuring closeness to our customers, creating user-friendly products that are easy to see and touch. We aim to make broad contributions to society, including in the mobility field, by adding new value to and advancing the wide range of businesses and products we inherited from our predecessors. We will make the utmost efforts to live up to the trust and expectations of our stakeholders.

Tokai Rika Report 2020



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Looking back on my days at Toyota

"The center of improvement is people," something I learned at the Motomachi Plant.

I am from Toyota Motor Corporation. Before joining Tokai Rika as Executive Vice President in January 2020 I was in charge of overseas production and production control fields at Toyota for many years. Among these experiences are two that have proved particularly important turning points in my life.

The first turning point was learning the Toyota Production System (TPS) in the Operations Management Consulting Division. As members of the Operations Management Consulting Division, we visited plants both inside and outside the company and worked to support improvement activities that enable them to manufacture products of reliable quality more efficiently. We are proud of our ability to detect "Unreasonableness, Inconsistency, and Waste" and see how they should be improved, even in plant we are visiting for the first time. I feel that the thorough learning of the Toyota Production System (TPS) and the experience of supporting various companies and workplaces form the core of what I am today.

The second turning point was serving as the Plant General Manager of the Motomachi Plant. The Motomachi Plant, which started its operations in 1959 as Japan's first plant dedicated to passenger cars, has great significance in Toyota's history. As the first Plant Manager was Mr. Shoichiro Toyoda (currently Honorary Chairman of Toyota Motor Corporation) and the second Plant Manager was Mr. Taiichi Ohno (former Executive Vice President of Toyota Motor Co., Ltd.), I think you can understand the historic value and the importance of the plant manager position. I was the 24th plant manager, facing considerable pressure to succeed the great seniors. As plant manager, I learned through experience that fundamentally, "the center of improvement is people".

I think "the company is home, employees are family". Safety and security should be prioritized first. A deep bond with each person should be developed. Such thoughts were strongly cultivated during the five years that I served as the Plant General Manager of the Motomachi Plant.

I am strongly motivated to make the most of my strengths by using what I learned in my Toyota days for the development of Tokai Rika.

Tokai Rika's strengths

Our founding spirit that is still passed down.

Tokai Rika has a founding spirit: "Do what other people don't do". Yoshio Kato, the founder of the company, visited Toyota's parts warehouse, saying, "I want to help with something," and happened to find an automobile part abandoned in a corner of the warehouse. "What's this?" he asked, and was told that "It's a switch. Manufacturing switches was a lot of bother and nobody wanted to do it." "Even if nobody wants to do it, somebody has to. This is precisely the field that we should expand into," he thought, and that led him to the foundation of Tokai Rika.

I believe that the "don't do" part in "Do what other people don't do" is important. If Mr. Kato had decided that "manufacturing small switches that nobody wants to do is not a business," there would be no Tokai Rika today. The fact that "We did what other people" "don't do" became our great strength, and we were able to develop our company. This spirit is wonderful, and I think we should keep it in our minds no matter how the times change.

I feel that even today's employees have inherited the founding spirit. At our production sites there is a deeprooted culture in which we continue to work honestly for improvement. Even if an improvement may not always be effective, we will work on it with the "Do what other ..." spirit. I think the accumulation of these efforts leads to the competitiveness of our products. As a manager, it is very encouraging.

At the time of the current coronavirus catastrophe

Opportunity obtained due to a time of emergency.

After joining Tokai Rika in January 2020, I immediately started visiting each base of the Tokai Rika Group. However, the situation changed drastically due to the influence of the novel coronavirus COVID-19. I was unable to visit domestic bases and had to cancel all planned business trips to overseas bases. Instead, we were forced to hold online countermeasure meetings aiming at maintaining employment and retention of suppliers each and every day.

It was regrettable that I was unable to meet with the people I was planning to; but conversely, due to this emergency, I had the opportunity to talk to many employees at once, including the top of each overseas base. In this way, I can view it positively. I think that I was able to close my distant perspective with many members of the Tokai Rika Group in a short time.

In addition, I was very impressed by the mobility and cooperation of our employees in their efforts to prevent infections within the company. With the desire to do something useful for the community, we quickly realized the idea of making face shields, and we were actually able to donate them to medical and social welfare facilities. We have a corporate culture in which once we decide to do something, we will unite and accomplish it at once. I feel that this is also one of our strengths.

Toward a transformational period

What should Tokai Rika products be like in the age of autonomous driving?

The automobile industry is facing a once-in-a-century transformational period, including the development of "connected", "autonomous", "shared & service", and "electric" car. There is no doubt that the types of products we are currently developing will also change significantly.

One example is seat belts. Even if autonomous driving becomes widespread in the future, it will be necessary to protect occupants in the event of a collision or sudden braking, so seat belts will not disappear from the car. However, their form should change significantly from the present.

Current seat belts are designed with the assumption that occupants sit facing the direction of travel. However, when it comes to autonomous driving, the occupants are not always facing the direction of travel. It is possible to arrange the seats so that the occupants in the front seats are seated backwards, face-to-face with the occupants in the rear seats to have a conversation, or sitting sideways to enjoy the scenery. Assuming these various cases, we began to study what kind of seat belt structure can contribute to creating a safe and comfortable moving space in the era of autonomous driving.

At the "Tokyo Motor Show 2019", we exhibited a "Future Cockpit Mockup" that demonstrates an interactive interface between people and mobility. In addition, Toyota Boshoku Corporation, Aisin Seiki Co., Ltd., Denso Corporation, and Toyoda Gosei Co., Ltd. have collaborated with us to produce a near-future model of the interior space for the autonomous driving era, which was exhibited at Toyota Boshoku booth.

I think it will be even more important in the future for the efforts of multiple specialized manufacturers to combine their wisdom toward a future in which the way people drive cars will change dramatically.

Challenging new fields

Make digital key business a new pillar.

We would like to improve our sensitivity within the company as a whole to grasp the needs of society, returning to our founding spirit of "Do what other people don't do.", and boldly take up the challenge of developing new fields.



In particular, we are currently actively working to make the business that makes use of one of our strengths,

8 Tokai Rika Report 2020 Tokai Rika Report 2020



Message from New President



"digital key" technology, one of the pillars of our nextgeneration operations.

A digital key is a technology that sends a digital cipher to a smartphone etc. to use it as a key. We are advancing various projects to see if this technology can be used not only for locking and unlocking cars but also for a wider range of applications, and furthermore whether it can be applied to fields other than cars.

For example, in collaboration with Kimura Unity Co., Ltd., which has a proven track record in vehicle management services, we are aiming to commercialize services for company vehicles. Also, in fields other than automobiles, we are conducting research activities and finding new allies (partners) to find out where digital keys can be used in people's lives, such as homes, delivery boxes, station lockers, and shared motorcycles.

Strengthening existing businesses

The important thing is to hone your proposal ability.

Focusing on developing new fields does not mean aiming to shift away from existing fields. In order to take on new fields, it is important to continue to make steady profits from existing businesses.

Tokai Rika is a "Monozukuri company" that manufactures automobile parts. This axis will continue to be maintained. However, it will not be possible to maintain simply with the intention of "maintenance". If we continue to make the

same products as we do today, we will be left behind by the transformational period surrounding the automobile industry.

In the future, I think it will be even more important to improve our abilities to make proposals. Merely making products that meet the demands of automobile companies is not "professional" in the true sense, and we cannot say that we are a manufacturer specializing in automobile parts in the true sense. We need to study how cars are used around the world. And, ideally, we should be able to propose that "there is a possibility that a car will be used in this way overseas, so we need to change the structure of our product like this." That's what automobile companies want, and we want to concentrate our efforts on it more than ever. I also think that this kind of proposal ability means having love and responsibility for our products.

View of human resources

Not only "respect for human beings" but "respect for humanity".

In March 2020, we received "White 500" certification under the "Certified Health and Productivity Management Organization Recognition Program" jointly awarded by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi. Our efforts to maintain and improve our health have been recognized and can be said to be the result of our respect for human beings.

Respect for human beings literally means valuing employees as people. What I would like to work on throughout the company is "respect for humanity." These are Taiichi Ohno's words.

"Humanity" here means the power of thinking that humans have. If something is hard to do, people want to make it easier, and if there is something bad, people want to make it better. It is "respect for humanity" to value such basic instincts that only humans have.

We want to improve our product. We want to make it easier to work. We want to be more productive. If everyone can draw out such thoughts, as a result, for example, if 70 people can complete the work that previously required 100 people, 30 people can focus on new jobs. In this way, I would like to apply the idea of respect for humanity to the development of our company.

Consideration for suppliers

The supplier and our company are practically inseparable.

When the Great East Japan Earthquake struck in 2011, as a Toyota employee I checked the status of the supply chain and carried out activities to support the recovery of each supplier. Then I learned about the depth of the supply chain. I realized that our Monozukuri (manufacturing) is supported not only by the first and second-tier suppliers but also by the third and fourth-tier suppliers.

Tokai Rika is also supported by many suppliers. We made "retention of suppliers" one of the basic pillars of our efforts to deal with the reduction in production due to the impact of COVID-19. If either our suppliers or us are gone, we cannot make and deliver our products. I believe that our suppliers and our company are practically inseparable.

The company we aspire to be

As a company that makes industrial products accompanied by "love".

Just as we call our own car our "beloved car," the car is an industrial product accompanied by the word "love". Always have the pride, humility, and gratitude to create such products - President Akio Toyoda of Toyota Motor Corporation often taught us this when I was at Toyota. That is why I value the word "love" very much.

The company I aspire to be is "a company that loves our customers, communities, and employees." If we as management don't love our employees, they won't love our company. Also, if all employees do not love our local communities, Tokai Rika cannot become a company which is loved by those communities.

However what's important is not to love just in order to be loved back, but to love from within ourselves. We aim to be a company that loves our customers, local communities, and employees, keeping in mind the spirit of give and give, not give and take.

From here on out, we would like to continue to work as one with the Tokai Rika Group, including our suppliers, and make every possible effort to provide new value to society through manufacturing with love and pride.

► Career/Profile

April 1984	Joined Toyota Motor Corporation
November	Assigned to the Overseas Production Group
March 1998	Seconded to TMCA (Australia)
January 2003	Transferred to Operations Management Consulting Division
January 2006	Seconded to TSAM (South Africa)
January 2015	Appointed General Manager, Global Production Center
April	Appointed Executive General Manager
	Appointed Plant General Manager of the Motomachi Plant
April 2016	Appointed Field General Manager of Logistics Field of Production Control Group
	Appointed Plant General Manager of the Takaoka Plant
April 2017	Appointed Managing Officer
	Appointed Chief Officer of Production Planning Group
	In charge of production at the Company's GAZOO Racing Company
January 2020	Appointed as Executive Vice President of Tokai Rika Co., Ltd.
June 2020	Appointed as President of Tokai Rika Co., Ltd.



O Tokai Rika Report 2020