

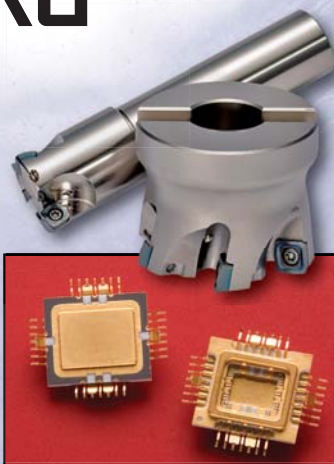
# e-Key

WINTER 2015-2016 EDITION

PUBLISHED FOR THE EMPLOYEES  
AND FRIENDS OF KYOCERA'S  
NORTH AMERICAN GROUP COMPANIES

## In this issue:

- **KYOCERA Celebrates 40 Years of Solar Power Technology**
- **KII-Group Focuses on KYOCERA Philosophy Education**
- **KYOCERA Mexicana Earns Clean Industry Level II Certification**
- **Give KYOCERA Quality Gifts for the Holidays**







**KMX achieves Clean Industry Certification, Performance Level II, for the first time.**



**Kyocera celebrates 40 years of continuous innovation in the solar energy industry.**



**KII-Group companies convene for second annual Global Philosophy Seminar.**

## The Key

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## Inamori Foundation Presents 2015 Kyoto Prize Laureates

*Next Stop,  
San Diego*



The non-profit Inamori Foundation presented its 31st annual Kyoto Prizes on Nov. 10 in Kyoto, Japan, honoring Dr. Toyoki Kunitake, a Japanese chemist; Dr. Michel Mayor, a Swiss astrophysicist; and John Neumeier, an American choreographer and artistic director of Germany's Hamburg Ballet. The laureates will reconvene in San Diego March 15-17, 2016, for the 15th annual Kyoto Prize Symposium, which is free and open to the public. Event registration will open in January at [www.kyotoprize-us.org](http://www.kyotoprize-us.org) for those wishing to attend.

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## On Our Cover:

### ◆◆ Black Diamonds

Downhill skiers know the black diamond signifies the most challenging mountain slopes, with grades of 40% or steeper. But even a double-diamond run represents a trail someone else has already established. KMX President Dave Hester recently inspired Kyocera leaders with a true story of how the world's leading trail runner blazed his own path to set a new speed record for climbing and descending North America's highest mountain peak. Read a summary of this incredible story on page 18, adapted from Dave's lecture at Kyocera's 2015 Global Philosophy Seminar.

## KYOCERA Announces Consolidated First-Half Financial Results


**O**N OCT. 29, KYOCERA CORP. announced its consolidated financial results for the first half of fiscal year 2016 (H1), which ended September 30, 2015.

Kyocera derives significant revenue from the digital consumer equipment market, which experienced rising global demand for smartphones during H1, and the automotive market, which saw continued expansion in sales of vehicles, mainly in the U.S. and Europe.

The company recorded increased consolidated net sales in comparison with FY15's first half, due mainly to growth in the Semiconductor Parts, Electronic Device and Fine Ceramic Parts Groups, led by communications- and automotive-related components. Sales from the Information Equipment Group in the United States increased as well. These gains offset sales decreases against the prior first half in the Telecommunications Equipment Group and the Applied Ceramic Products Group, which includes the solar energy business.

Consolidated net sales increased 1.2% over the prior period, to ¥722,577 (\$6,021) million; profit from operations increased 13.1%, to ¥61,949 (\$516) million; income before income taxes increased 14.5%, to ¥78,000 (\$650) million; and net income attributable to shareholders of Kyocera Corp. increased 16.4%, to ¥50,792 (\$423) million.

New second-half concerns include slower growth in China and economic uncertainty in Europe and emerging regions. Manufacturing volumes in consumer electronics markets are expected to fall below prior estimates, and the automotive and industrial equipment markets are expected to slow as well. Although Kyocera will strive to expand despite these conditions, the company made a downward revision to the full-year consolidated forecasts it announced in April 2015.

We cannot control markets, but we can influence our own efforts. Let's pull together to meet the second-half Master Plan without fail! 

## MANAGEMENT'S VIEW



### Follow Your Philosophy

**From *A Passion for Success*, by Dr. Kazuo Inamori, Founder and Chairman Emeritus of the worldwide Kyocera Group**


**I**N ENGLISH WE SAY, "IT MAKES SENSE." In Japanese, we say, "It has suji." Suji literally means "spine" or "line." We use it to mean a line of reasoning, or "philosophy," that a person uses in making decisions. We may even say it is an index of human spirituality.

We are called upon to make decisions based upon our own individual criteria. These decision criteria should be based upon sound truths and principles, such as the morality and ethics that answer the question, "What is the right thing for me, as a human being, to do?"

To judge whether something has suji or makes sense, we should not just ask if it is logical. Rather, we should make certain that

it is in line with what we believe to be the human way. Before we agree lightheartedly that an idea makes sense, we should seriously reflect on its relevance to our basic human values. We need to see if its suji still makes sense.

People who lack suji will not be able to achieve anything worthwhile, because they won't have a sound rationale on which to base decisions. Those with suji can succeed by using it as a compass to guide themselves and convince others of their beliefs.

*An inner compass can lead us to correct decision-making.* 

*Kazuo Inamori*



### Let KYOCERA Philosophy Be Your Inner Compass

**By Nick Hortalas, Vice President of Quality, Design and Business Development, Kyocera America, Inc.**

**I**N THIS EDITION OF "THE KEY," DR. Inamori reviews the Kyocera management theme of "Follow Your Philosophy." His basic message is that individuals should make decisions based on sound truths and principles. Human values such as morality and ethics should lead us to "do the right thing as a human being." Individuals who use sound judgment like an inner compass will succeed in their endeavors and make the correct decisions.

But what guides and influences our inner compass? Obviously, we are surrounded by external influences that shape our values and morals as individuals. We are all influenced

by our background, environment, friends, family and personal beliefs. These all form the basis of the inner compass we use to make the important decisions of our lives.

The inner compass concept seems simple, but in life and business we continuously see examples of regrettable decision making by individuals and organizations. It seems almost every day we hear about new scandals or cases of corruption that devastate entire organizations.

The latest example involves one of the world's largest automakers, which has been accused of deliberately programming

*(Continued on page 19)*





**THAT'S INNOVATIVE:** About half of Brazil's new 145-kilometer Arco Metropolitano highway is illuminated at night by solar streetlights, powered by Kyocera PV modules — 3.2 megawatts in total.



**RESIDENTIAL, TOO:** In addition to mega-solar installations, Kyocera offers options for residential customers including financing, power purchase agreements and a home energy management system that optimizes the use of solar power to reduce your electric bill.

# KYOCERA Celebrates 40 Years of Innovation in Solar Energy

*Company's research into photovoltaic solar cells, sparked by the energy crises of the 1970s, has enhanced millions of lives by providing clean, renewable energy that helps reduce carbon emissions*

**S**INCE 1975, KYOCERA HAS BEEN AT THE forefront of developing renewable energy with solar modules, and the future is brighter than ever. After four decades of research, development and mass production of photovoltaic (PV) module solutions, Kyocera has earned such titles as “Performance Leader” and “Global Innovator.” Most recently, Kyocera was the only solar module manufacturer to rank as a “Performance Leader” in all six categories of independent testing by PV Evolution Labs, as reported in GTM Research’s July 2014 PV Module Reliability Scorecard.

Kyocera’s entry into solar energy was prompted by the energy crises of the 1970s, when OPEC-led oil supply disruptions created public interest in renewable energy. In 1975, Kyocera established the Japan Solar Energy Corp., a joint venture of five companies to research and develop solar cells. Within four years, the company was providing commercial solar power systems of several kilowatts in scale.

In the early 1980s, Kyocera established a dedicated solar R&D facility in Shiga, Japan, and became the first company worldwide to mass-produce multicrystalline silicon solar cells using the casting method — today’s industry standard.

In 1984, Kyocera established the Sakura Solar Energy Center to introduce solar energy to society on a larger scale.

By the mid-’80s, Kyocera PV systems were bringing electricity to previously unelectrified regions of Pakistan, Thailand and China. These development efforts paid off as Kyocera set its first world record for solar energy conversion efficiency from multicrystalline silicon solar cells.

Larger commercial projects, residential solar, and even solar-powered race cars became a reality in the 1990s. Kyocera’s “Son of Sun” solar car placed third in the 1993 World Solar Challenge, an all-solar race across the continent of Australia.

During this period, Kyocera installed its first grid-interfacing solar system in Japan, and raised production capacity to 6 megawatts per year, the most in Japan at that time. By 1993, Kyocera had begun marketing residential solar power systems, and Japan’s government initiated subsidies to promote residential solar applications.

Kyocera Solar Corp. was established to integrate system sales, installation and maintenance. In 1999, Kyocera Solar, Inc. was established in Scottsdale, Ariz., to serve the Americas and Australia.

By 2005, distribution of Kyocera solar power generating systems expanded worldwide with production facilities in Japan, China, Mexico and Europe, and manufacturing capacity ultimately increasing to 1.2 gigawatts per year. Kyocera achieved another world record in energy

conversion efficiency from multicrystalline silicon solar cells. In the U.S., Kyocera unveiled the first “Solar Grove” parking structure in San Diego. In Japan, Kyocera supplied solar modules for the Toyota Prius solar ventilation system, an optional feature for the award-winning hybrid car.

Kyocera aims to provide solutions that are right for the times. In response to the Great East Japan Earthquake and Tsunami of 2011, Kyocera began producing new solar power systems compatible with long-lasting, high-capacity lithium-ion batteries. While looking for efficiencies, Kyocera developed an innovative home energy management system to optimize energy consumption in the home.

Since April 2015, Kyocera has made global headlines by completing three floating mega-solar plants on freshwater ponds and reservoirs in Japan. Our latest projects on abandoned golf courses show the resourcefulness of a company that consistently opens new frontiers.

Kyocera will continue to drive the industry while improving human lives and the environment, as reflected in the words of our founder, Dr. Kazuo Inamori: “Creativity is not just for the development of advanced technology. Apply ingenuity to all matters and continue to improve. Today should be better than yesterday: tomorrow, better than today.”

# KYOCERA's Historic Milestones in Solar

- 1970s**
- 1975 – Kyocera begins solar research and development.
  - 1979 – Kyocera receives world's first commercial order for silicon solar cells made using the EFG method.

- 1980s**
- 1980 – Full-scale solar module R&D and production begins at Kyocera's Yohkaichi Plant.
  - 1984 – Kyocera opens Solar Energy Center in Sakura, Japan.
  - 1983-85 – Kyocera donates photovoltaic (PV) systems in Pakistan, Thailand and China, demonstrating solar's real-world viability.
  - 1987 – Kyocera achieves world record in energy conversion efficiency from 10x10cm polysilicon solar cells (15.1%).

- 1990s**
- 1991 – Kyocera completes Japan's largest PV module production facility, with capacity of 6 megawatts per year, and installs Japan's first "grid-connected" PV system.
  - 1993 – Kyocera introduces solar energy for residential use.
  - 1996 – Kyocera achieves world record 17.1% energy conversion efficiency from 15x15cm polysilicon solar cells.
  - 1998 – Kyocera sets world record for largest solar production volume.
  - 1999 – Kyocera Solar, Inc. is established in Scottsdale, Arizona; Kyocera becomes world's No.1 producer of PV modules for second straight year.

- 2000s**
- 2004 – Kyocera announces a global solar manufacturing network, with plants in Japan, China, Mexico and Europe, and 240MW annual production capacity. Kyocera achieves world record 17.7% efficiency in 15x15cm polysilicon cells.
  - 2005 – Kyocera unveils first "Solar Grove" parking structure in San Diego.
  - 2006 – Kyocera sets new world record with 18.5% energy conversion efficiency from 15x15cm polysilicon solar cells.
  - 2007 – Kyocera announces plan to more than double its global manufacturing capacity for solar modules, to 500 megawatts per year.
  - 2008 – Kyocera expands Tijuana, Mexico PV module production facility.
  - 2009 – Kyocera supplies solar modules for 2010 Toyota Prius.

## KYOCERA Solar Installation Produces 115% of Expected Output



**The 1.135MW Kyocera solar installation at San Diego's Alvarado Water Treatment Plant has exceeded performance expectations, producing 115% of its expected electrical output in its first year of operation. Kyocera's reliable, high-output modules are consistently ranked highly in third-party performance testing.**

- 2010s**
- 2010 – Kyocera announces expansion plan to reach 1,000MW (1 gigawatt) of annual module production capacity worldwide. Kyocera solar modules are named best-performing crystalline modules at Desert Knowledge Australia, a government-funded public showcase of solar installations.
  - 2012 – Kyocera solar modules show power-output degradation of just 8.3% after 20 years of continuous operation on a rooftop in France. Kyocera manufactures 2 millionth PV module in North America.
  - 2013 – Kyocera inaugurates its first solar energy project developed and financed through its in-house Power Purchase Agreement (PPA) program with Madison School District in Arizona.
  - 2014 – Kyocera is the only manufacturer worldwide to rank as a "Performance Leader" in all six categories of independent PV module testing by PV Evolution Labs, as reported in GTM Research's July 2014 PV Module Reliability Scorecard.
  - 2015 – Due to rising demand in North America, Kyocera expands solar module production capacity more than 200% at the KMX facility.

**Now** In 2015, Kyocera celebrates 40 years of continuous innovation in the global solar industry.

We look forward to expanding society's use of solar power, which produces no carbon dioxide or other harmful emissions, and is virtually inexhaustible.



## Producing Solar Energy Since 1984



**Established in 1984, Kyocera's Sakura Solar Energy Center in Japan is one of the world's oldest continuously operating solar installations. On its 25th anniversary in 2009, tests showed outstanding performance and reliability from the 25-year-old, 43-kilowatt system. Now 31 years old, the system is still going strong!**



# KYOCERA Aims for Leadership in Rugged Phones Market



**READY FOR ACTION:** Kyocera's rugged mobile devices provide a solution for every need, ensuring productivity while helping companies to reduce their total cost of phone ownership. Above, from left, are the Kyocera DuraXV+, Kyocera Brigadier, and Kyocera DuraForce.



**GLOVE AND WET TOUCHSCREEN OPERATION:** Kyocera's useful feature for operating a smartphone under demanding conditions makes a big difference in extreme environments.

## *Mobile device failures cost businesses big bucks in lost productivity; rugged devices average 46 percent lower total cost of ownership*

**K**YOCERA HAS A STRONG POSITION in the ruggedized phone market — in fact, we helped popularize this segment — so it's good news that recent research supports the value proposition of rugged phones for business and enterprise use. A study commissioned by Kyocera Communications, Inc. (KCI) found that non-rugged mobile devices fail more than three times as often as rugged devices in business environments, while rugged devices average 46 percent lower total cost of ownership.

VDC Research polled more than 200 Information Technology decision-makers across the transportation, manufacturing, healthcare and hospitality industries to determine the most common causes of mobile-device failures, and which types of devices fail more often.

The study also explored the "Cripple

Effect" — the impact a single device failure has on a company's bottom line. Since device failure prevents workers from performing necessary tasks and often requires additional support for repair or replacement, each device failure can cost an organization 170 to 200 minutes in lost productivity and internal support — in addition to losses in customer satisfaction.

Rugged, affordable phones like the Kyocera DuraForce, Brigadier, TorqueXT and Dura Series handsets help companies reduce total cost of ownership and ensure productivity, whether the job calls for a smartphone or traditional feature phone.

Kyocera's rugged phones are more affordable than many enterprise-specific mobile devices. They offer durable designs with high-capacity batteries suited to long days on the job. Other available features include touchscreens that can be used

when wet, or even when wearing gloves, for use in demanding conditions.

For hazardous work environments, Kyocera offers devices certified for operation in the presence of flammable gases, vapors, or mists, making them ideal for the oil and gas, utilities, chemical processing, airport refueling, pharmaceutical and paint industries.

"Nearly 100 million mobile devices are expected to be used by frontline mobile workers in 2015," said Eric Heiser, V.P. of Corporate Planning. "Many consumer devices aren't designed for use in business environments, and the hardware is failing. In fact, it isn't uncommon for companies to report failure rates in excess of 50 percent. This is precisely why Kyocera brought its portfolio of affordable, ruggedized smartphones and feature phones to the enterprise market."

# KYOCERA DuraForce XD "Phablet" to Launch with AT&T

*Ruggedly built to work as hard as you do*

A "PHABLET" IS A MOBILE DEVICE that bridges the gap between a smartphone and a tablet (smartPHONE + tABLET = PHABLET). Kyocera will soon team up with AT&T to launch the Kyocera DuraForce XD, an affordable, rugged phablet with a large 5.7"



**RUGGED PROTECTION IN A BIG WAY:**  
Duraforce XD offers U.S. Military Standard 810G protection against drop, shock, vibration and extreme conditions.

impact-resistant screen for world-class performance, both in the office and in the field.

"Whether you're in contracting, government work, healthcare or any other business requiring a device that works dependably under demanding conditions, Duraforce XD isn't just the right rugged phablet — it's the *only* one," said John Chier, Marketing Communications Director. "Kyocera continues as a leader in rugged mobility solutions, and in DuraForce XD we have created a business solution to survive even the most challenging work environments."


Certified IP68 dustproof and waterproof, with U.S. Military Standard 810G protection against drop, shock and vibration, the Kyocera DuraForce XD also includes enhanced safety features. It is Hazloc Protection certified for use in non-incendive hazardous locations (Class



**BRIDGING THE GAP:**  
Duraforce XD shines where tablets are too bulky, typical phones too small.

1, Division 2), making it ideal for field and plant operations in environments with flammable materials.

DuraForce XD also provides outstanding productivity features, including support for AT&T's Enhanced Push-to-Talk instant communication service, dual front loudspeakers that deliver clear, enjoyable sound, 4G LTE for international roaming, Glove and Wet Touchscreen Operation for real work environments and a powerful, 3700mAh removable battery.

With Kyocera DuraForce XD, the question isn't who needs a rugged, big screen, affordable smartphone. The question is: who doesn't? 

## KYOCERA Supports Safety at 40th Annual Marine Corps Marathon




**SAFETY IN NUMBERS:** Kyocera Brigadier smartphone played a key role in keeping more than 30,000 athletes and spectators safe.

ON OCT. 25, MORE THAN 30,000 runners gathered for the 40th Marine Corps Marathon and 10K race in Arlington, Va., and nearby Washington, D.C. When large crowds gather, safety concerns are paramount.

To ensure security, agencies including the Arlington County Police Department deployed 75 ultra-rugged Kyocera Brigadier Android™ smartphones loaded with Intrepid Network's STING® high-

performance situational awareness software to create a live, common operating picture for the entire team to share — including maps, GPS data, photos, text and voice-to-text notes. Brigadier is U.S. Military Standard 810G rated to withstand shock, vibration, extreme temperature, blowing rain, dust, low pressure, solar radiation, salt fog and humidity.

The lower failure rates of Kyocera devices make them invaluable when communication is mission-critical. "Kyocera's ruggedized mobile phones provide a durable, dependable solution for first-responders and professionals who work in demanding environments," said Chuck Becher, KCI V.P. and General Manager of Sales and Marketing.

According to Chief of Police M. Jay Farr, "Our focus was to ensure the safety and well-being of race participants and spectators. The partnership with Kyocera and Intrepid Networks certainly assisted us in achieving that goal." 

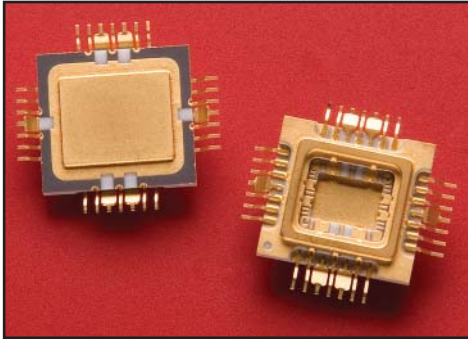


### KCI's President Iino Addresses GPS-2

KCI President Akira Iino addressed Kyocera's second annual Global Philosophy Seminar (GPS-2) in San Diego, Aug. 20, on the subject "Aiming High" to differentiate Kyocera products from competitors. Challenged to develop and maintain a more profitable business model, KCI is designing products for the enterprise market with a new value proposition for business users.



## KYOCERA's Open-Tooled Packaging Helps to Expand Customer Base



Kyocera America, Inc.'s Layer Division provides innovative microelectronic packages to support advanced electronic equipment. "The majority of our Layer packages are designed and tooled exclusively for a single customer," explained John Hatakeyama, New Business Development Manager. "To broaden our customer base, the Layer design team created our own open-tooled products. Since Kyocera owns the tooling, we can produce and sell these packages to multiple customers."

Dr. Jerry Aguirre and Paul Garland led the design effort for the high-frequency package shown above, which features a special lead design for Radio Frequency (RF) signals on each side, enabling support for signals up to 40 GHz. These multilayer packages are made from Kyocera A473 alumina ceramic with tungsten cofired metallization, nickel and gold plating, and a heat sink of thermally conductive copper molybdenum. They are used in high-power and high-frequency RF applications including airborne, satellite, ship- and ground-based communications. Kyocera has additional open-tooled designs for a variety of other microelectronic packaging needs as well.



**REDUCING RISK:** Celebrating KAI's "Highly Protected" status are, from left, Kate Phin (KAI), John Rigby (KII), Sam Toren (FM), Meredith Marquis (KAI), Jay Koo (FM), Maureen Quintanilla (FM), John Tanaka (KAI), Dan Pollard (KII), Bob Whisler (KAI) and Tim Malone (FM).

## KYOCERA Earns Highly Protected Risk Status from FM Global


**H**IGHLY PROTECTED RISK (HPR) is an insurance industry term to describe a company that meets stringent requirements for lowering its probability of loss. Risk management aligns perfectly with the Kyocera Philosophy, so when insurance carrier FM Global recommended steps to qualify for lower "HPR" insurance rates, Kyocera America, Inc. (KAI) responded eagerly.

FM Global's recommendations included upgrades to KAI's fire protection system, installing additional sprinkler lines in cleanrooms, renovating the fire pump house, replacing the sprinkler-system fire-pump engine, and testing it weekly. To mitigate earthquake risk, KAI also added seismic shutoff valves on all of its hydrogen

gas supply lines, seismic protection for electric cabinets and seismic bracing on the fire sprinkler system.

"Many of the projects were either high-cost, or invasive to production, or both, so it took several years to complete the list," explained Meredith Marquis, KAI's GM of Headquarters and Administration. "There will always be more improvements to make, but we now have processes in place to ensure that everything we do to the building can be 'FM Global-approved.'"

KAI joins other KII-Group locations in the elite HPR club, including KICC-NC, KICC-Washington, KSI and KMX.

Congratulations to KAI employees for enhancing their operations by moving to the next level in risk management. 

### Team KAI at GPS-2



▲ **UNLIMITED HUMAN POTENTIAL:** KAI President Bob Whisler led "Team KAI" with a four-person presentation that covered the amazing history, challenges and successes of the Semiconductor Components business. From left are team members Franklin Kim, Bob, Meredith Marquis and Trey Price.

▼ **ALWAYS BE CHEERFUL:** After a long day of studying the Kyocera Philosophy, Yoshi Uematsu, Keith Yost, Tim Roth and John Hatakeyama relax before the GPS-2 dinner compa.



▲ **FORMULA FOR SUCCESS:** Seminar attendees welcomed KC Chairman Tetsuo Kuba (far right) and Koichi Kano (far left) to San Diego. Chatting with them over cocktails is Dr. Chong Park of KAI.





**ABOVE AND BEYOND:** KMX employees celebrate their latest Clean Industry certification from Mexico's Environmental Protection Agency, PROFEPA. Team members include Miguel Gomez, Salvador Loera, Gerardo Esparza, Olga Lopez, Jorge Zazueta, Laura Aragon, Dave Hester, Manuel Garcia, Cinthia Torres, Noe Cruz, Jorge Rochin, Jose Luis Tapia (PROFEPA), Oscar Gonzalez, Sergio Lee, Martin Navarro and Julio Heredia.

## KYOCERA Mexicana Earns Clean Industry Certification: Performance Level II

*Company is one of only three in Baja California to achieve Level II PROFEPA honor*

**K**YOCERA REGARDS ENVIRONMENTAL regulations as our minimum standard, often adopting internal limits that are even more demanding than those required by law. This was recognized once again in September as Kyocera Mexicana, S.A. de C.V. (KMX) and its manufacturing partners, KAI, KSI and KPTI, were honored by PROFEPA, Mexico's Federal Environmental Protection Agency, for our Baja California operations.

"Kyocera is proud to be one of only three companies in Baja California to receive PROFEPA's 2015 Industria Limpia (*Clean Industry*) Performance Level II certification," said Dave Hester, KMX President. "We continually strive to improve our environmental performance because


reducing waste, conserving resources and promoting energy efficiency are key elements of our Kyocera Philosophy."

Kyocera's latest Industria Limpia certification represents our fourth consecutive one, and the first time we have achieved Performance Level II. KMX is also registered to the ISO14001 standard for environmental systems management.

As part of our commitment to do even better than "full compliance" with environmental regulations, Kyocera monitors its environmental impact in such areas as wastewater discharge, total water consumption, groundwater and soil quality, solid and liquid wastes, energy consumption, atmospheric emissions, and environmental emergency preparedness.

KMX currently recycles 88% of its total standard waste materials, and is targeting 95%. It operates a 100-kilowatt rooftop solar array that offsets about 125 tons of carbon dioxide annually.

KMX also recycles water from its internal manufacturing processes; utilizes water-absorbing polymers to reduce landscape irrigation by up to 40%; and promotes environmental awareness in the work force through employee involvement and education activities.

"We are delighted to receive this honor," Dave stated. "We want consumers who use Kyocera products to know they are purchasing quality goods manufactured by a company with a true commitment to environmental preservation." 



▲ **A DELICIOUS TRADITION AT KMX:** Each November, KAI colleagues bring pumpkin pies to KMX as a thank-you to administrative staff for their daily support of the KAI manufacturing operations. Bob Whisler explains the history of Thanksgiving in the U.S. and why pumpkin pie and turkey are traditional symbols of celebration and prosperity. Happy Holidays!



▲ **RESULTS-ORIENTED:** Javier Juarez, Dave Hester and Mizael Sarmiento outlined KMX's production expansion, and how it aligns with the "aim high" principle of the Kyocera Philosophy.



### Team KMX at GPS-2

◀ **INSPIRING ESSAY:** As the GPS-2 finale, Oscar Gonzalez read his first-place Kyocera Philosophy essay, which focused on his family — and how his son, Andres, overcame difficult physical challenges to excel through hard work, perseverance and a never-give-up attitude.





**SHARP AND FESTIVE:** This two-piece gift set features either red- or black-handled knives, offering a perfect introduction to ultra-sharp Kyocera cutlery. Item #FK-2PC RD or BK. Employee price: \$29.98



**BAMBOO KNIFE BLOCK** fits four Kyocera knives from 3" to 7" (knives sold separately). Item #KBLOCK4. Employee price: \$24.98

## A Cut Above: Give KYOCERA Consumer Products for the Holidays

*Special discounts available for Kyocera employees, family and friends at [www.KyoceraAdvancedCeramics.com](http://www.KyoceraAdvancedCeramics.com)*

IT'S EASY TO UNDERSTAND WHY KYOCERA advanced ceramic consumer products keep receiving awards and media attention. You notice the difference as soon as you pick up a Kyocera knife. The feel — incredibly light, yet perfectly balanced in your palm. The ceramic blade — beautifully honed to a razor-like edge. But it's when you actually use the knife that the ceramic advantage becomes real, and it's an experience that will make you approach cooking in a whole new way.

Editors at *The Gourmet Retailer* recently awarded Kyocera's 3-inch Paring Knife and Vertical Double Edge Peeler Set with their "Gourmet Retailer Editor's Pick" award, selecting it as one of the year's most useful and original retail items in their October-November 2015 edition. The award-winning set comes with your choice of black, red or green handles at an employee price of just \$14.98 (item #FK075CP11).

Kyocera's website offers Revolution Series cutlery ranging from a new 3-inch mini prep knife (item #FK-076 WH-BK; employee price, \$12.48) to the 8-inch

professional chef's knife (item FK-200WH BK; employee price, \$39.98). You'll also find nonstick ceramic fry pans in 8-, 10- and 12-inch sizes; ceramic peelers, slicers and mills; knife sheaths and blocks; knife sharpeners; flexible cutting mats; utility scrapers; scissors; pens and pen refills. See details at [www.KyoceraAdvancedCeramics.com](http://www.KyoceraAdvancedCeramics.com).

Once you've filled your online shopping cart, enter promo code KYOKEY to receive the 50% employee discount. Orders can be shipped anywhere in the United States. Friends, business associates and family members are also eligible for this offer. We merely ask all users to respect the spirit of the discount and refrain from sharing the promo code online.

Kyocera's advanced ceramic consumer products are truly a cut above, and it's no wonder. They're made from the same family of materials that Kyocera has supplied for the Mars Rovers, Hubble Space Telescope and CERN Large Hadron Collider. So treat your family and friends to something extraordinary this holiday season: Kyocera advanced ceramics.

## As Seen on TV



**ONSCREEN.** Celebrity chefs know Kyocera ceramic knives have no equal for edge retention and overall slicing performance. We've recently spotted Kyocera Santoku knives onscreen with celebrity chef Debbie Mazar, above, and on the Cooking Channel series *My Grandmother's Ravioli*, below.



## Team KICC at GPS-2

**VISUALIZING GOALS:** Kyocera Industrial Ceramics Corporation brought four employee lecturers to the second annual Global Philosophy Seminar in September. President David Williams introduced KICC's nine major product groups with reflections on Dr. Inamori's 12 Management Principles; Angela Burckhard spoke about "True Grit" and recruiting new talent for the future; Bill Yermal spoke about "Aiming High with a Strong Vision of What You Want;" and Eddie Bingham addressed the importance of a lower cost structure in a presentation titled, "Aim High — by Aiming Low."



Dave, Angela, Eddie and Bill at GPS-2



# KYOCERA High-Speed Milling Tools Enhance Quality and Efficiency

*Automotive industry drives demand*


**A**UTO MANUFACTURING IS THE HEART OF THE ECONOMY IN Ontario, Canada, where molded plastic components are produced for automakers worldwide.

From Sept. 30 through Oct. 2, Kyocera Precision Tools, Inc. (KPTI) attended the biannual Canadian Manufacturing Technology Tradeshow to exhibit our broad range of cutting tool solutions for automotive, medical, aerospace and industrial markets.

"We saw strong interest in our high-speed cutters, especially the MFH Raptor and MFH Raptor-Mini," said Jeff Bratt, Canadian Regional Manager. "These types of tools are instrumental in the automotive molding industry, and Kyocera's products have become top sellers in the North American market."

In auto manufacturing, plastic components such as dashboards, headlights and bumpers are typically created in an injection-molding process that uses liquid plastic and a metal mold. Kyocera's MFH Raptor tools are used to create these molds by cutting solid metal blocks into the mold's precise shapes and dimensions.

Business is booming: Canada's automakers set a sales record in October 2015, and milling tools are in high demand.

Kyocera's reputation for providing quality products and excellent support are helping to propel our cutting tool solutions to new heights in auto manufacturing and many other high-tech industries. 



◀ **OUR PRODUCTS AT WORK:** Kyocera's MFH Raptor high-speed milling cutter is instrumental in machining injection molds used to produce components for popular vehicles like the Ford Focus (above).



▲ **GOOD SHOW:** The Canadian Manufacturing Technology trade show occurs every two years. MIT Engineer Steven Silverstone (foreground) and Canadian Regional Manager Jeff Bratt (background) made sure attendees learned the advantages of Kyocera cutting tools.



## KPTI Attends GPS-2

◀ **MIT PHILOSOPHY:** The second annual Global Philosophy Seminar included an address by Joe Negron, KPTI's Manager of Micro-Industrial Tools, who showed the importance of product diversification and persistence in today's rapidly changing markets. Joe's lecture focused on overcoming fear through vision and commitment, with examples from his career and personal life — including his experiences as a pilot and certified flight instructor. Flying an airplane, Joe stated, can sometimes be "hours of boredom, punctuated by moments of stark terror."

► **TEAMBUILDING:** KPTI colleagues congratulate Joe on delivering an outstanding presentation. From left are David Sapp, Joe, Cindy Raiola, Gary Fitzgerald and Annmarie Ball.




◀ **COMPAI!** The GPS-2 dinner toast was given by Kelly Endel, KPTI Assistant Plant Manager in Wapakoneta, Ohio:

*Two of my favorite philosophies are "Always Remain Cheerful" and "When you think it's time to give up, that's when the real work begins."*

*Using these philosophies teaches us to always stay positive and never give up, regardless of the challenges we face.*

*When things do not go well, we must encourage everyone to stay positive and optimistic so we can be part of a solution. Negative attitudes hinder our ability to succeed and make you part of the problem. You can get through any challenge or obstacle in your work or personal life if you are surrounded by people who want to be a part of the solution and make a conscious effort to maintain a positive attitude.*

*As the Kyocera Philosophy teaches us, stay positive and never give up. Now, let's toast to Kyocera's future success. Compai!* 





**ROOF WITH A VIEW:** Working in extremely hot weather, Direct Energy installers hoist 9 kilowatts of Kyocera solar panels atop a home in Laguna Hills, California. Their labors will soon be broadcast on PBS TV.



**ON CAMERA:** The episode will feature Brian Cowan, Kyocera Solar's Director of Sales, and Jose Ramos, Chief Marketing Officer for Direct Energy.

## KYOCERA Solar Installation To Be Featured on *Next Home* PBS TV Series in 2016

*Host Kristin Best's take on solar: "Save money, save the planet — what could be better?"*

ON SEPTEMBER 10, CAMERA CREWS and TV personalities gathered in Laguna Hills, California to film a 9-kilowatt Kyocera solar installation in progress on a residential rooftop. They plan to feature the project on an upcoming episode of *Next Home*, a PBS series that shares new ideas, trends, technology and solutions for savvy homeowners.

Host Kristin Best, who anchors the 30-minute program, interviewed the homeowners along with representatives from Kyocera and installer Direct Energy.

"*Next Home* is all about sustainable, environmentally friendly solutions for the home, and solar energy is a big deal," Kristin explained. "It's one of the best ways to save money, increase the value of your home, and help the environment by producing clean energy right on your own rooftop."

Kristin interviewed Kyocera's Brian Cowan, Director of Sales, to gain an understanding of how solar energy works.

"The concept is simple. The main

component is a semiconducting cell made of polycrystalline silicon. When sunlight strikes the surface, electrons are knocked loose from the silicon atoms," Brian explained. "By attaching electrodes to the positive and negative sides of the cell to form an electrical circuit, we capture this movement of electrons — which is, by definition, electricity."

Brian goes on to say that when multiple solar panels are secured to a mounting structure and connected into an array, it generates direct current, or "DC" electricity. This DC power is converted into alternating current, or "AC" electricity, for household use using an inverter.


"Kyocera solar panels come with a 25-year warranty, but will likely last much longer," Brian continued. "One of our first large-scale PV installations in Japan has been operating for 31 years continuously with minimal power degradation, which is even better than our warranty guarantees."

Kristin finished the interview by asking Brian, "What is the best thing about solar?"

Brian provided an enthusiastic response:

"It's everything — there is no downside to solar power. I love knowing that my customers are generating clean, abundant energy, directly from sunshine. I love knowing that solar power can protect you from future utility rate increases for as long as you own your home," he said.

"But most of all, I love the revolutionary aspect of solar power — you don't need to be a huge company or a utility to generate all the power you need. You can do it if you're a farmer, a teacher, a performance artist, a suburban housewife, someone who sells shoes. Solar energy is the 'democratization' of power, right here, right now. It is a totally peaceful revolution, and I love it."

The second season of *Next Home* will air in early 2016. Local PBS stations set their own programming independently, but the Kyocera episode will likely air in the latter half of the 13-episode season. Watch your local listings for details, and tune in to see a Kyocera solar installation go live! 



# KYOCERA Supports Innovative Community Solar Array Program

*Residents don't need to own a home to benefit from solar power*

UNLIKE UTILITY COMPANIES, THE SUN doesn't charge for the energy it produces. However, harnessing that energy with Kyocera solar panels has generally not been an option for renters or homeowners with shaded roofs. With this in mind, Kyocera Solar, Inc. recently announced an innovative Community Solar Array (CSA) program in Vermont that offers a cost-effective way for anyone to participate in solar. Approximately 50 projects averaging 200 kilowatts (kW) each will enable consumers to "virtually purchase" up to 13 megawatts of solar power collectively — regardless of whether or not they own a home.

"This CSA program offers a tremendous opportunity for Vermonters to benefit from solar energy, even if their rooftops don't provide ideal conditions — or even if they don't own a rooftop at all," said Hitoshi Atari, KSI President.

The CSA is coordinated among three parties: Kendall Sustainable Infrastructure, an impact investment firm and principal sponsor; Kyocera, which is providing solar panels and additional capital; and SunCommon, Vermont's largest residential solar installer.

Under the program, landowners can dedicate a portion of their property to generating clean energy — a new "cash crop," helping farmers and Vermont landowners to stay on their land. Each acre of solar panels generates enough electricity to power about 30 homes.


"With the help of Vermont's supportive solar policies, we can offer 'community solar' with no up-front purchase cost," said SunCommon co-president Duane Peterson. "CSA participants simply sign up for the program at a monthly payment



**SOLAR SHARING:** With Kyocera's community solar share program in Vermont, even those who aren't homeowners with ideal sunny rooftops can still enjoy the benefits of knowing their electricity comes from the clean, renewable energy of the sun.

that's actually less than their former power bill."

Participants enroll to virtually purchase power generated by solar arrays within their service territories. Solar power is fed into the grid, and participants purchase an amount of grid power equal to that generated by the arrays. The partnership expects to construct 50 CSAs, with nearly a dozen online or expected to be operational by year-end, and the remainder in 2016.

"It turns out that doing the right thing while saving money is a very popular offering," Duane observed. 

## Featured Solar Installation

### Bacardi Group HQ Goes 100% Solar with KYOCERA


THE CARIBBEAN OFFERS A TEMPERATE CLIMATE, BEAUTIFUL BEACHES, AND some of the highest electric power fees in the world — which drives local businesses to seek innovative ways of reducing costs. More and more, local companies are turning to Kyocera solar photovoltaic (PV) systems for a highly reliable and economical solution.

Dynamic Solar Solutions recently installed a 24.75kW Kyocera solar electric system on the roof of the Emilio Bacardi Group headquarters building in Puerto Rico. The system will produce 34,533 kilowatt hours (kWh) annually — offsetting 100 percent of the building's power needs — and is expected to pay for itself within five years, thanks to government incentives covering 30 percent of the total cost.

The Emilio Bacardi Group is the owner of Caribbean Energy Distributor Corp., Dynamic Solar Solutions (DSS), and eight related corporations.

"We offer Kyocera solar panels exclusively to our customers because of their longstanding proven high quality. So, it was an easy decision when it came to providing a solar system for our parent company," said Juan Carlos Díaz-Galarza, V.P. of Operations for Caribbean Energy Distributor Corp.

"Kyocera solar modules have a track record for providing long-term, reliable PV electricity that supports businesses by stabilizing electricity costs to promote further growth," said Hitoshi Atari, KSI President.

"We are delighted to help companies prosper with such an environmentally friendly method of producing electricity." 



**COVERED ROOF TERRACE WITH BENEFITS:** "By installing Kyocera solar modules, the Emilio Bacardi Group headquarters not only gains a functional terrace with ample shade on its rooftop, but a strong competitive advantage," said Hitoshi Atari, President of Kyocera Solar, Inc. The 99 Kyocera solar modules will provide 100% of the building's electrical power needs. The steel structure is built to withstand hurricane-force winds of up to 145mph while allowing technicians easy access to the installation.





**KSI President Hitoshi Atari**

**A**T KYOCERA'S GLOBAL PHILOSOPHY Seminar (GPS-2) in San Diego, August 19-20, I had the good fortune to hear Mr. Hitoshi Atari, the new President of Kyocera Solar, Inc., speak about trained fleas. That's right — fleas, like the kind your dog easily finds but unfortunately cannot easily vanquish. Does this subject at least raise your curiosity?

Well, it raised mine. Going off-script and speaking from the heart, Atari-san explained that fleas have a remarkable jumping ability, and can easily jump over 200 times their own height. But what's even more amazing is that a flea can be trained to limit the height it will jump. Specifically, he referred to the following flea training story or "cautionary tale" that can easily be found on the web:

"Flea trainers have observed a predictable and strange habit of fleas while training them. Fleas are trained by putting them in a cardboard box with a lid. When the fleas jump, as nature compels them, they hit the lid over and over and over again. As you watch them jump and hit the lid, something very interesting begins to happen. The fleas keep jumping, but they eventually stop jumping high enough to hit the lid. Apparently, after a certain number of Excedrin headaches, even a flea learns to stop aiming so high.

"Now, amazingly, when you remove the lid, the fleas continue to jump — but they will not jump out of the box. In fact, they *can't* jump out. Why? The reason is simple. They have conditioned themselves to jump only so high. Once they have learned this self-limiting behavior, they actually lose the ability to aim higher!"

Mr. Atari had begun his speech with a detailed history of human achievement, in which he showed that human beings have a natural, compelling, biological drive to "aim high" — from our first inventions of stone

# Collective Will Power

## Reflections on Hitoshi Atari's Message at the Global Philosophy Seminar

*By John Rigby, KII President*

tools and the wheel, to modern aviation and space flight. However, he went on to suggest that people who were naturally born to "aim high" can be trained, just like fleas, to limit their reach. The cautionary tale he shared continues in the same vein:

"Just like trained fleas, we can be conditioned to limit our reach. If we allow ourselves to fall victim to this mentality, we will fail to jump higher, thinking we are doing all we can do."

This reminds me of a verse by the 19th century poet Walter D. Wintle, titled, "The Man Who Thinks He Can."

### The Man Who Thinks He Can

*If you think you are beaten, you are.  
If you think you dare not, you don't!  
If you want to win, but think you can't,  
It's almost a cinch you won't.  
If you think you'll lose, you've lost,  
For out in the world we find  
Success begins with a fellow's will;  
It's all in the state of the mind.  
Life's battles don't always go  
To the stronger and faster man,  
But sooner or later, the man who wins  
Is the man who thinks he can.*

—Walter D. Wintle

While all of Mr. Atari's observations are worthy of deep reflection, what struck me most was when he recalled his arrival in the U.S. from Europe to assume the President's position at KSI. You see, he was feeling a little like those trained fleas. Deciding to close Kyocera's solar factory in the Czech Republic weighed heavily on his heart. He had spent years in Europe jumping and hitting his head. So how did Atari-san pull himself out of this low-level malaise?

The answer may surprise you: when he got to the U.S., he was quickly captivated by the fighting spirit of his coworkers at KSI, KMX and KSB. He made no bones about it: his coworkers lifted his spirits and reminded him that he and the rest of KSI could jump

out of their box! Hearing this gave me a new viewpoint on the Kyocera Philosophy principle of "Management by All."

For you see, at our seminar, Atari-san spoke about the power of "the collective will." He made a strong case for the fact that it is not just the leader who has the power to raise spirits and motivate employees to achieve great things. Employees also hold a power that is potentially the strongest — the power of the Group.

It was his employees who stood beside him, reassuring him that they were "up to the fight" and able to win. It was his employees who made it clear they could change not only minds, but also the world they live in, and return KSI to success. It was his employees who made it clear to Atari-san that they were worthy of his best efforts, and that he must fight for them with all his energy. I suspect, although I cannot say for sure, it was on that day that Atari-san realized he was not alone. He immediately became a true KSI employee, knowing it was KSI and him against a world of competition, and that KSI would win!

Now, for the rest of us, I believe the lesson is simple. Please remember that it is not just the leader who is responsible for the success of any operation. "Management by All" means that each employee must understand how important their will and heart are to the success of their company. Each employee must fully understand the power of "the collective will," and utilize that power to ensure the success of the operation that supports their entire team.

In closing, please remember that sometimes we all feel a little "boxed in." If you see that a coworker, or even your team leader, has experienced a little setback, felt a limitation, or lost some enthusiasm, please do not hesitate to reach out and pull them up. Remember that you, your coworkers, and the team we comprise together are collectively unbeatable. Through team spirit and mutual support, we can all jump right out of that box. Sometimes, all we need is the collective will!





# Global Philosophy Seminar Focuses on “Aiming High”

160 managers from eight companies convene to study Kyocera Philosophy in San Diego Aug. 19-20, with Local Philosophy Seminars following at individual Kyocera companies



1



2



6



5



4



3



7



8



9



11



10

**1. Featuring the Home Team.** The second annual GPS Seminar featured 18 Kyocera managers as guest lecturers to discuss the Kyocera Philosophy in the context of real-world challenges. KII President John Rigby thanks Day One speakers Meridith Marquis, Trey Price, Franklin Kim, Bob Whisler, Dave Hester and Mizael Sarmiento (*Not pictured: Javier Juarez*).

**2. Top Management Participation.** KII's Satomi Schupp assisted VIP guests from Kyocera's global headquarters in Japan. From left are Satomi, Tsuyoshi Endo, Yoshihito Ohta, Koichi Kano and Kyocera Corporation Chairman Tetsuo Kuba.

**3-4. Dinner Speakers.** KPTI's Kelly Endel and KCI's Chuck Becher spoke at the dinner compa, reflecting on the day's events and inspiring fellow attendees with their personal impressions of Dr. Inamori's philosophy.

**5. Sunny dispositions.** Representatives from Kyocera Solar, Inc. included Ruby Quintana, Ginny Schulz, Brian Cowan and Mike Rennie.

**6. Local Philosophy Seminar at KICC.** Hiro Date, Tony Casey and Jim Little enjoy a post-seminar lunch on Oct. 20, prior to KICC's international sales meeting.

**7. Ningen kankei.** KII's Jay Scovie and KC Executive Officer Yoshihito Ohta demonstrate the objective of a Kyocera-style dinner compa, which may be translated as “human relationships” (*pronounced “neen-gen con-kay”*).

**8. Unforgettable message.** Oscar Gonzalez of KMX, winner of the 2015 Kyocera Philosophy Essay Contest, takes the podium to share his essay. Oscar's message about seeing the Kyocera Formula for Success reflected within his own family had a powerful impact on attendees.

**9. Wrapping up Day Two.** KII President John Rigby congratulates Day Two lecturers. From left are Akira Iino, Angela Burckhard, John, Joe Negron, Guest Speaker Jody Roberts of the U.S. Chemical Heritage Foundation, David Williams, Bill Yermal and Oscar Gonzalez. (*Not pictured: Eddie Bingham*).

**10. Philosophy permeation activities.** As shown at KMX, all Kyocera Group companies will hold Local Philosophy Seminars during the year to extend the knowledge and application of Kyocera Philosophy principles throughout our operations.

**11. Local Philosophy Seminar at KMX.** During a breakout session, Laura Aragon, Manuel Garcia, Jose Murguia and Antonio Aguilar enjoy a discussion about the importance of making decisions based on “Doing the right thing as a human being.”



# KYOCERA Marketing & Tradeshow Round-Up

*Exciting things keep happening at our company — and we want the whole world to know*



**SOLAR POWER INTERNATIONAL SHOW:** During this Sept. 15-18 event in Anaheim, Calif., Kyocera employees drove a Toyota Prius wrapped with Kyocera logos around town to promote our brand. Since 2009, Kyocera has supplied special solar panels to power an optional ventilation system on the Toyota Prius.



**CANADIAN MANUFACTURING TECHNOLOGY SHOW:** From Sept. 30 through Oct. 2, KPTI attended Canada's premiere manufacturing technology show. Above, MIT Engineer Steven Silverstone and Applications Engineer Paul Rice prepare the booth to extol the virtues of Kyocera cutting tools.

## KYOCERA Exhibits Technology Innovations at CEATEC JAPAN

**F**ROM OCT. 7-10, THE KYOCERA GROUP EXHIBITED AT ONE OF ASIA'S LARGEST trade shows for IT and electronics — CEATEC Japan 2015. Here are some of the advances that attracted attention at the Kyocera booth:

- **Automotive Technologies:** Kyocera unveiled vehicle safety, comfort and emissions innovations — including the world's first platinum-free sensing element that can withstand temperatures above 500°C in diesel engines. This product was selected for "Semi-Grand Prix" honors in the Green Innovation award category.
- **Telecommunications Solutions / Healthcare:** Kyocera displayed a new mobile device-based service to promote healthier lifestyles — and the Torque G02, the world's first seawater-resistant smartphone that can take photos in the ocean.
- **Life/Culture:** Kyocera's high-color LEDs have experimental applications in horticulture, and our IR lenses are used in such applications as electronic thermometers.
- **Environment & Energy:** Kyocera showed residential energy solutions combining solar power with battery storage, Home Energy Management Systems (HEMS), and Automatic Demand Response (ADR) networks designed to optimize efficiency by balancing power demand with supply.



**AUTOMOTIVE SHOWCASE:** Kyocera demonstrated an interactive vehicle cockpit equipped with our high-brightness "heads-up" display technology. Also on exhibit was our "Haptivity" tactile feedback system — which can convey physical sensations through a steering wheel, or make a touchscreen display feel like it has physical buttons.



## Meet Paul Cuddyer: KII's New Business Development Director

**P**AUL CUDDYER, A 19-YEAR KICC leader with a strong background in developing new business, has joined KII as Director of Business Development, working closely with veterans Arthur Nishioka and Kathy Williams. "I'm excited to begin collaborating with other Kyocera Group companies as we explore how to expand the scope of our business and increase revenue," Paul said.

One key initiative will be cross-selling, or leveraging existing relationships in one area to facilitate opportunities in another. For example, if KICC has strong ties with a company that KAI wants to work with, there may be an opportunity for synergy. (In fact, if you have any opportunities to suggest, please email [Paul.Cuddyer@kyocera.com](mailto:Paul.Cuddyer@kyocera.com).)

Welcome to your new position, Paul!



# Employee Service Milestones for Dec., Jan. and Feb.

## 40 Years

Remy Figueroa, KAI

## 35 Years

Yolanda Wilburn-Miles, KAI

## 30 Years

Norietta Manzanilla, KAI

## 25 Years

Dan Brown, KII  
Hidenori Ishimoto, KPTI  
Crisler Johnson, KICC  
Bouamy Singsavaddy, KPTI  
Yoshihiro Ushio, KICC  
Catalina Villafan, KMX

## 20 Years

Thanh Dinh, KPTI  
Gloria Hernandez, KMX  
Holly Jackson, KPTI  
Michael Shane, KAI

## 15 Years

Adriano Abelardo, KMX  
Loan Bupasiri, KCI  
Ted Engebretson, KII  
Richard George, KICC  
Elvira Gomez, KMX  
Sonny Le, KAI  
Na Lee-Kim, KAI  
Luis Leon, KMX  
Kenny Marrow, KCI  
Eruviel Mejia, KMX  
Derek Moran, KCI  
Hi Phi, KAI  
Linda Rorye, KAI

## 10 Years

Luisa Alba, KMX  
Argelia Aguilar, KMX  
Ivan Bedolla, KMX  
Thomas Bisset, KAI  
Veronica Browne, KII  
Michael Buchanan, KICC  
Reyna Castillo, KMX  
Jan Corn, KICC  
Nicholas Davis, KII  
Patricia Enriquez, KMX  
Gustavo Estevez, KMX  
Jacque Fradet, KCI  
Gabriel Garcia, KMX  
Sergio Garcia, KMX  
Carmen Gonzalez, KMX  
Elena Guzman, KMX  
Chanthou Hay, KPTI  
Carlos Hernandez, KCI  
Joseph Holtzapple, KPTI  
James Lechiara, KAI  
David Moore, KCI  
Noemi Morales, KMX  
Elvira Mancilla, KMX  
Vicky Murillo, KAI  
Agustin Palafox, KMX  
Maria Paz, KMX  
Octavio Perez, KMX  
Hodulia Roblero, KMX  
Darine Tappan, KICC  
Claudia Velazquez, KMX  
Manuel Vicencio, KMX  
David Yachi, KCI

## 5 Years

Myrian Apatiga, KSI  
Annette Brazil, KAI  
Marilyn Bynum, KII  
Daniel Cowan, KICC  
Shawn Evans, KPTI  
Michael Fox, KICC  
Nam Hoang, KPTI  
Salvador Loera, KMX  
Mitsumasa Mori, KPTI  
Alma Reyes, KMX  
Tim Ribeiro, KICC  
Amece Rupani, KII  
Alicia Sheridan, KII  
Terry Tarn, KAI  
Kennith Weber, KAI



**COMPAI WITH MR. SHIRAI:** At the San Diego Golden Key Club meeting, Mrs. and Mr. Bob Myers and Mr. and Mrs. Ken Evory catch up with former KAI President Kiyohide Shirai.



**MEMORY LANE:** At San Diego's Golden Key Club meeting, retirees and their guests enjoyed a Kyocera business update from KII's Rob Stevens and KAI's Chong Park.



## KYOCERA Golden Key Clubs Meet



▲ **SHARING MEMORIES AND A MEAL:** Buddy and Lynda Brock, Dick Scheuerman, Jean Barnwell, David and Carolyn Nanney, and Geneva and Bob Welty enjoy catching up at the Golden Key Club in Hendersonville.

▼ **NORTH CAROLINA REUNION:** Far side of table: Teresa King, Cecil Stansell, Laurena Helms Turner, Arletta Thomas, Pearl Shelton and Sidney Ruff. Near side: Carol and David Nanny, Jean Barnwell, Dick Scheuerman, Lynda and Buddy Brock.



**CHEERS TO OUR KYOCERA YEARS!** At the San Diego Golden Key Club meeting, Frances Bevis, Esther Robles and Anna Lynch enjoy a toast to fond memories of their Kyocera days.

## A Financial Tip from Friends

Kyocera retirees shared some important advice to current employees: "Contribute the maximum amount to your 401(k) plan now — you'll thank yourself when you retire!"



# Break Free of Preconceived Notions

From the GPS-2 lecture by KMX President Dave Hester



**T**HIS IS MT. MCKINLEY, THE HIGHEST peak in North America, at 20,310 feet above sea level. My wife and I recently went to Alaska and were fortunate to be able to fly right up to Mt. McKinley on our first day there. I took this photo. Only 30% of the people who visit Alaska actually get to see Mt. McKinley, because the mountain is so big, it makes its own weather.

I am sure you know of many analogies that compare business to mountain climbing — including Dr. Inamori's own writings in the Kyocera Philosophy. Most of these analogies relate to decision-making and teamwork. Today I want to address this topic from a slightly different perspective.

In Alaska we heard a presentation by a park ranger who had actually climbed this mountain. Teams of expert climbers generally need between 18 and 25 days to reach the summit of Mt. McKinley and then descend back to the base. Our ranger was able to do it in 23 days. It takes this long due to the need to acclimate to the altitude and the need to carry supplies for such a long and treacherous climb. Of course, unpredictable weather can delay climbers by an hour, a day, or even completely scuttle their trip. Knowing this, I was shocked at the ranger's answer to my question, "What is the fastest time anyone has ever climbed this mountain?"

He explained that the most recent verified time for the fastest ascent and descent is 11 hours and 48 minutes, on June 7, 2014. From 18 days to mere hours? How is that possible, I asked!


He explained it using the exact same terms Dr. Inamori uses in our Kyocera Philosophy Handbook II, under the title, "Break Free of Preconceived Notions."

A Spanish climber, Kilian Jornet, broke free from the notion that the trip had to take more than a week — and, by thinking

differently, he found a way to smash the record. It wasn't that Jornet found a shorter route. In fact, he took a slightly *longer* route, shunning the climbing aids on the mountain so his record would be a true unaided ascent.

Here is how he changed his thinking. Instead of weighing himself down with 18 day's worth of supplies and gear, he decided to take only the barest necessities: water and energy gel. He planned to make the trip so short that he would need no meals, no sleep, no preparations for changing weather. He attacked the mountain, making "impossible" interim times — and, once he reached the summit, he didn't simply turn around. He put on ultra-lightweight, new-technology skis, and swooshed to the bottom in a record-shattering *two hours!*

Jornet, 28, is widely regarded as the best trail runner in the world. His record on Mt. McKinley is what Dr. Inamori describes as "Breaking Free of Preconceived Notions."

Of course, this concept applies to every one of us at Kyocera. Success requires us to throw away our assumptions (like, it has to take 18 days) and strategies (like, carry lots of supplies). Every day, real breakthroughs are within our grasp — but seizing them may require us to adopt a new mindset. As Dr. Inamori has also written: "Unless our mindset changes, improvements will never occur to us." 

Enter the FY2016

## Kyocera Philosophy Essay Contest

### Topics:

Write at least 500 words on a work-related topic you feel strongly about, such as:

- Any topic from *Kyocera Philosophy Pocketbook 1 or 2*
- Any topic from *Kyocera Philosophy Handbook*
- Kyocera's Corporate Motto
- The Kyocera Formula for Success
- Kyocera's Management Rationale
- Kyocera's 12 Management Principles
- Doing the Right Thing as a Human Being
- Kyocera's Management & Accounting Principles

### Awards:

**\$1,000 First Prize, \$700 Second Prize, \$500 Third Prize**

- Five Excellence Awards — Kyocera 12.5" Ceramic-Coated Non-Stick Kitchen Wok with Lid
- 15 Honorable Mentions — Kyocera Two-Piece Ceramic Kitchen Knife Set
- 30 Recognition Awards — Kyocera 8" Ceramic-Coated Fry Pan
- Guaranteed Prize: All other entrants will receive a gift of Kyocera's choosing (*one gift per participating employee*)

### Deadline:

Essays must be received by Wednesday, January 20, 2016 — *no extensions.*

- Please email, mail or hand-deliver your essay to your local HR Office
- Open to employees of Kyocera companies in North America
- Sorry, other contract and temporary staff are not eligible
- For complete contest details, visit <http://www.kyosphere.com/essay>

THE NEW VALUE FRONTIER



## Inner Compass,

by Nick Huntalas, cont'd from p. 3

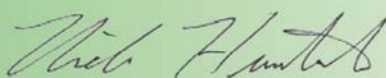
its diesel engines to activate certain emissions controls only during laboratory testing. In this manner, the company's engines could supposedly meet U.S. emissions standards, even though the engines actually produced substantially higher emissions in real-world driving. According to news reports, 11 million cars sold to consumers over the past six years may be affected.

The results of these allegations have been staggering, yet predictable. The company's 75 years of successful operations have been completely overshadowed. Within days, its CEO resigned, it announced plans to spend \$7 billion on engine repairs, over 230 class-action lawsuits were filed, and according to *Motor Trend* magazine, the company's market capitalization plunged by about \$17 billion. Most importantly, its credibility will be permanently tainted by what is being called the automotive industry's most significant scandal ever.

As we have seen in the past, the alleged actions of a few individuals may have destroyed generations of hard work by the dedicated majority of employees. How could a company with such a strong reputation find itself in this position — and so suddenly?

At Kyocera, there is no doubt that our organizational philosophy provides us with a solid base to influence our inner compass. Elements of this philosophy are disseminated in our many handbooks, seminars and other regular communications. But most significantly, the actions and behaviors of all Kyocera employees reinforce this philosophy on a daily basis.

A company philosophy may not be the only influence in our lives. However, I believe ours provides the common set of values and principles necessary for making the best decisions as we strive to operate a successful business and make a meaningful contribution to society.



## Question of the Month: "What Did You Learn in Philosophy Training?"



"In our breakout session, it was great to hear employees from other divisions and witness the high level of passion throughout our organization. I really enjoyed the two days of GPS-2

material, and gained a deeper insight into Dr. Inamori's philosophy, its origin and formation, as well as the successes gained by following it."

— Kelly Bladzick,

KICC Plymouth Customer Service Manager



"Our breakout group focused on limitless human potential; we all agreed that managers must break paradigms, think creatively and share the Kyocera Philosophy both regularly and constantly. But the most important element in overcoming challenges is our team members, so we must encourage and inspire each other to strive harder than anyone else!"

— Jorge Rivera,

KII SAP Applications Analyst Supervisor



"GPS2 provided the reality of how truly important our attitudes are in connection with the Formula for Success! I had the amazing opportunity to meet individuals from all Kyocera com-

panies driven towards the same common goal, learn about how our Kyocera companies live the Kyocera Philosophy, and share that with my colleagues."

— Ginny Schulz,

KSI Human Resources Manager



"Kyocera employees from every division share a common bond of personal success and achievement in their lives that was forged by aiming high, by visualizing their future and by never giving up. Many personal examples were on display at GPS-2, and we all benefited from an outstanding group of speakers who shared the details of their challenges and experiences with us."

— Brian Williams,

KICC Display East Regional Sales Manager

## Marketing Events Calendar

<u>Division</u>	<u>Trade Show</u>	<u>Date &amp; Location</u>
KCI	AT&T Business Solutions Roadshow	Los Angeles; Dec. 7
KCI	AT&T Business Solutions Roadshow	San Francisco; Dec. 11
KCI	Consumer Electronics Show	Las Vegas; Jan. 6-9
KCI	Waste Management Phoenix Open	Phoenix; Feb. 1-7
KCI	Mobile World Congress	Barcelona; Feb. 22-25

## KYOCERA ADR Stock Update

Our 12-month stock performance as of November 23, 2015







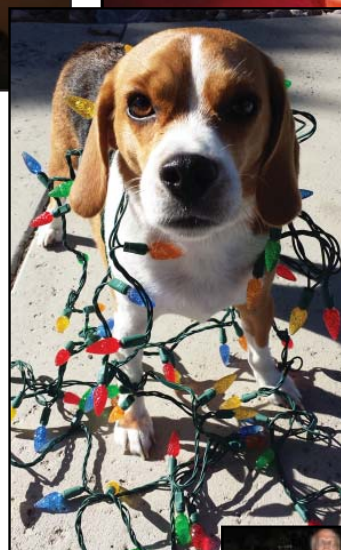
“Fun with the Son,” by David Italiano,  
KICC, Vancouver, Wash. (Family; Shapes and Shadows)



▲ “Antelope Canyon,”  
by Yukari Croteau,  
KPTI, Costa Mesa  
(Shapes and Shadows)

## A Great Leap Forward

**K**ICC’S DAVE ITALIANO FOUND THE SILVER LINING IN A TOUGH SITUATION THIS summer. “The sunsets across the Northwest were exaggerated by smoke from rampant and highly destructive forest fires,” he said. “I took advantage of the phenomenon while in Glacier National Park. In this case, I specifically remember telling my son I *needed* him to jump in front of this scene to make it a good photo.” Dave’s son, Zylus, may look familiar: he’s appeared on this page three times in his six years. Dave receives a \$150 gift certificate redeemable for Kyocera merchandise for his photographic skill. Our employee judges on KyoSphere also chose four eye-popping photos for Honorable Mention:



◀ “Festive Beagle,” by  
Meridith Marquis,  
KAI, San Diego  
(Family; Holidays)

- KPTI’s Yukari Croteau captured the light reflecting on the walls of Antelope Canyon, Arizona’s beautiful slot canyons.

- KAI’s Meridith Marquis is so enthusiastic about Christmas that she even decorates her dog, Mars Rover, who looks dashing in a makeshift wreath of lights.

- KMX’s Oscar Gonzalez created a photographic time machine with two images taken eight years and eight days apart, showing three generations of his family as they grow and change.

- KAI’s Mariola Kurzawska hiked to the edge of the trail to photograph the Colorado River’s Horseshoe Bend near Page, Ariz., during a summer tour with relatives.

For upcoming contests, you’ll note a recurring *Active Lifestyle* theme. We can’t guarantee it, but photos submitted for this category *might* appear on Kyocera’s social media pages to showcase our ruggedized Kyocera phones. Other contest themes appear below. Good luck!



▲ “8 Years and 8 Days,” by  
Oscar Gonzalez,  
KMX, Tijuana  
(Family)

### UPCOMING CONTEST DETAILS:

#### Spring 2016 Edition

Suggested Themes:

*Active Lifestyle,*

*Celebrations, My Masterpiece, or Springtime*

Due Date: **January 22**

#### Summer 2016 Edition

Suggested Themes:

*Active Lifestyle,*

*Selfies, Vacation or Water You Thinking?*

Due Date: **April 22**



◀ “Horseshoe Bend,” by  
Mariola Kurzawska,  
KAI, San Diego  
(Shapes and Shadows)