# **Driven to create** exciting toys

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That is why we are fastidious in each and every process, from concept through to sale.

PROFESSIONAL



While cutting costs with offshore production we have maintained the same quality as production in Japan by upgrading production facilities and processes. We are committed to safety and conduct careful inspections of each process. We have also established a stable supply system by introducing efficient logistics and information systems.

At TOMY we pursue more efficient business processes, from planning & development through production to sales, while also carrying out production with a commitment to each section's fastidious demands. Through the collaboration of professionals in different areas and by gathering their unique strengths, we can first provide customers with toys bursting with excitement.

> We are planning content and products with worldwide appeal, targeted at people of all ages, from children to adults around the world. Moreover, we are developing ideas across a wide range while drawing on feedback from the market, as we move beyond toys and expand into mini-capsule toys, apparel, video content, and other associated areas.

Through close collaboration with retail stores, we create dream-inspiring point-of-sale spaces, keeping the customer's point of view in mind. We are working actively to develop sales channels that will expand opportunities to encounter toys, and have enhanced our after-sales services to ensure customers can enjoy the toys they choose for a long time.

SALES



Even toys that stir feelings of excitement begin from small ideas. Planning & development is the first step in drawing power from dreams. We constantly listen to and integrate the voice of the customer and we are vigilant to trends and new technologies and ideas with a spirit of fun that we can refine for the enjoyment of people of all ages, from children to adults.

We are also not limiting ourselves to physical products and are actively developing content in an effort to build a new world of fun beyond the boundaries of toys.

**Creating hit products through new** viewpoints and ideas

# Planning & development

We want to deliver new surprises and enjoyment to people around the world, from children to adults. That feeling drives our day-to-day efforts to develop new products. Whether we are dealing with toys, materials or technologies, we gather a wide range of information, from current trends to future attention grabbers, and utilize it in our planning. We then push commercialization forward while repeatedly monitoring progress during development with prototypes. Moreover, we follow this plan not only in-house but also with partner companies in joint projects, ranging broadly from product planning to content development.

Incorporating voices of the market into product development

## Marketing

The greatest importance must be placed on the voice of the user to ensure that toys remain dream-inspiring products. That is why our product development efforts draw on analyses of buyers' questionnaires as well as feedback we get directly from people at retail locations and events. Furthermore, to maximize awareness for newly developed products we fully utilize our promotional network to roll out effective promotions. Planning & development, point of purchase policies and after-sales service all play a central role in the marketing or our wide range of products.

A meticulous attention to safety ensures that our toys remain fun

TOMY develops and produces products on a global scale. To provide products that can be enjoyed without worry by people throughout the world, we incorporate the safety standards of each country where our products are sold. What is more, we have established our own strict, independent safety standards for our children's products, such as requiring inspections designed to prevent accidental ingestion.

Bringing exciting products to the world through ideas and speed





T-ARTS plans, manufactures and sells a wide range of products including toys, widely popular Gatcha brand capsule toys, plush toys, accessories, amusement arcade machines and small toys that come packaged with candy. Ideas and speed to meet user needs are T-ARTS' new strengths.



**Comprehensive hobby goods manufacturer** leading the model train market

TOMYTEC

#### **TOMY TEC**

TOMY TEC is a comprehensive manufacturer of hobby goods that integrates the process from planning & development through production and marketing to after-sales service of models and other hobby goods, epitomized by the TOMIX model trains that have been long-sellers for more than 30 years. With fans including parents and their children, TOMY TEC enjoys an overwhelming share of the model train market.

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fers a wide range of hobby goods including figures and realistic models such as TOMIX trains and the Diorama Collection of scale models Children are the main users of toys. That is why it is more important that toys can be enjoyed safely and without worry than for them to just be fun to play with.

PDUCTION

TOMY guarantees high product quality and safety based on its own strict quality standards.

We are also putting efforts into streamlining the supply of products in the market and have established a system to get safe products reliably and quickly into the hands of customers.

#### For enjoyable and worry-free play

## Technology and production

Being able to play without worry is of utmost importance where a toy is concerned, and therefore at TOMY we pay the utmost attention to safety. Inspections to check for contamination with prohibited substances, which we previously commissioned to specialized facilities, were time consuming and costly, and so we developed our own inspection method that focuses only on the necessary items. In this way, we established a swift and reliable checking system while cutting costs. By actively following a policy of offshore production not solely in China but by setting up production facilities in Thailand and Vietnam, we achieve lower costs while maintaining product quality.

#### Faster and more efficiently

## Logistics Center

TOMY is making its logistics system and information system more efficient in order to handle myriad products and meet the diversifying needs of customers. Our new distribution base, the Ichikawa Logistics Center, began full-scale operations in May 2010 and has achieved high-quality, low-cost operations by serving as a logistics platform. We have established a supply system that gets products to customers quickly by sending the needed products at the needed time to sales locations.

#### Making logistics eco-friendly: The possibilities of joint transportation

Aiming to improve logistics efficiency and reduce its environmental impact, TOMY collaborated with Panasonic in road-testing a compressed natural gas powered, long-haul, heavy-duty truck developed by the Next-Generation Low-Emission Vehicle Development Project organized by the Ministry of Land, Infrastructure, Transport and Tourism. With distribution bases located in close proximity, the two companies' joint transport effort in 2009, includi use of conventional trucks, reduced CO<sub>2</sub> emissions by 18 tons.

#### Supporting toy manufacturing with development and production technology

T2 Engineering provides total support for design, development and production, which are the stages in which toys are given life. It plays a role as the backbone for TOMY's engineering department through such services as the groundwork for the design of samples and mass production of new products, and the provision of production technology support to factories in China and Thailand.

#### **T2 ENGINEERING**



**High-quality, efficient logistics** platform established

#### **T2 LOGISTICS**

T2 Logistics strives to improve logistics quality and efficiency while meeting diversifying needs, working with its core base at the Ichikawa Logistics Center, where cutting-edge logistics functions have been concentrated. T2 Logistics provides services with high satisfaction that add to the earnings of our clients.













experience that is memorable and dream inspiring, where the customer easily understands the products and can easily get help when needed, encouraging the enjoyment of toys, every day.

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#### Expanding opportunities to encounter toys

## Sales

Our sales staff visits stores and obtains direct feedback. In this way, we learn what consumers and retailers want and work together with retailers to develop marketing measures which make the retail aisle appealing and fun. We are expanding our sales channels beyond existing outlets such as toy stores and department stores to convenience stores, major DVD/CD rental stores, and other outlets, and proposing display arrangements that make use of the unique aspects of each business type.

#### Valuing communication with customers

## **After-sales services**

TOMY is dedicated to customer service. It established the TOMY Customer Service Center to ensure that its products are enjoyed and cherished for a long time. Customer questions, inquiries about repairs and products, and all voices of the customer are fed back into the Company. Customers' valuable opinions, requests, and even complaints and other negative information are treated as important assets in our business and put to use in product development, product refinement, and improvement of user manuals.

through sales and marketing

### Contributing to the Group's growth through sales and marketing

TOMY Sales Holdings' primary business is to make optimal use of the sales group's management resources and to plan business strategy. It has a group consisting of two operating companies, U-Ace Co., Ltd., and Toys Union Co., Ltd. Taking "customer creation" as its focus, U-Ace performs wholesaling services primarily for TOMY's merchandise, expands the TOMY brand's fan base, and operates Tomica Shops, which aim to maximize satisfaction. Toys Union is in charge of wholesaling services for Nintendo video games and consumer software, targeting entertainment companies.



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Streamlining TOMY Group administration through shared services

## **T2 BUSINESS SERVICE**

T2 Business Service helps streamline TOMY Group administration through shared services that include areas such as customer service, systems development and operation, labor and accounting services, and the operation of online shopping sites. It also creates convenience for customers by independently operating the Coppepan online shopping site for Group merchandise.

Driven to create excitine toys







#### Wishing to cherish memories forever

Letters of thanks from customers who have used our after-sales services are a testament to communication with customers. Each and every "thank you" is a source of vitality for our staff. These precious gifts from customers are stored for years, even decades.



