

**Imaging System Production Business Group**

(Left) **Shunichi Ogawa**, Engineer, Procurement Development Group, Procurement Strategic Department, Procurement Control Center
 (Right) **Susumu Kasa**, Deputy Manager, Procurement Strategic Group, Procurement Strategic Department, Procurement Control Center
 (Center) **Susumu Takayama**, Assistant Manager, Planning Group, Parts Manufacturing Department, Imaging System Component Production Division

Ricoh works toward the total elimination of environmentally-sensitive substances in cooperation with its suppliers

In January 2005, Ricoh launched the Aficio 3260C/3245C (imaggio Neo C600/C455), a color digital multifunctional copier, in response to the European RoHS Directive*, which is aimed at the total elimination of environmentally-sensitive substances contained in products. To this end, the procurement division, in addition to the design and manufacturing divisions, becomes an integral part for its role in establishing a production system that avoids contamination from environmentally-sensitive substances from the supplier's side, which is located upstream of all business activities. Ricoh's procurement division, working with roughly 1,000 suppliers and major production sites around the world, strives to establish and certify the Chemical Substance Management System (CMS) to avoid contamination by environmentally-sensitive substances.

* EU Restriction of Hazardous Substances Directive: An EU directive to restrict uses of specific chemical substances for electric and electronic instruments, which came into effect in 2003. Regulations will start on July 1, 2006.

CMS establishment and certification process

Briefing suppliers on CMS guidelines

Assisting suppliers with their own CMS establishment

Internal screening of suppliers

Ricoh's screening (document screening/field screening) Certification

INTERVIEW ⇒ Suppliers

Trading company

Konishisangyo Co., Ltd.
(acquired certification on January 13, 2005)

"We supported the creation of CMS by suppliers, feeling that we belonged to the Ricoh Group."

Our first step was to create one CMS for one supplier.

When we were initially asked to create CMS, we were really puzzled as to how we were going to manage more than 40 suppliers. However, we were heartened by Ricoh's suggestion that we should first start with the creation of one CMS for one supplier.

Two employees completed Ricoh Group's CMS examiner training.

In order for us (a trading company) to create a



Mr. Katsuhide Chiba, Managing Director (left)
Mr. Makoto Tanaami, Assistant Manager, Technical Quality Service (right)

CMS, we have to examine our suppliers in the same way Ricoh examines its suppliers. So, we asked Ricoh to hold CMS examiner training for two of our employees. When we conducted our first examination, we supported our suppliers, making good use of our experience as a supplier that had been examined and certified by Ricoh. As a result, the CMS was completed at the end of fiscal 2004, and we acquired certification at the beginning of fiscal 2005. We are committed to examining our more-than 40 suppliers while training our employees and accumulating know-how and experience.

Q

What is the Chemical Substance Management System (CMS)?

A

CMS is a system of preventing products from being contaminated with environmentally-sensitive substances.

To totally eliminate environmentally-sensitive substances from its products, the Ricoh Group needs to switch from the environmentally-sensitive substances used in parts, raw materials, and units to alternative substances and create a means of preventing products from being contaminated by such influential substances in the manufacturing processes of suppliers. CMS facilitate these efforts. Ricoh supports its suppliers by establishing and certifying CMS. Unlike EMS, there are no global standards for CMS. Therefore, the Ricoh Group prepared its own CMS guidelines¹ in April 2004 and revised them in November of the same year. These guidelines contain eight items, including the identification of substances prohibited by Ricoh² and those subject to the RoHS Directive, as well as procedures for establishing CMS.

1. See <http://www.ricoh.com/environment/guideline/02.html>.

2. See page 28.

Q

What is most important part when creating a CMS?

A

Promoting the scheme while taking into account the business type of the supplier is the main requirement.

Different suppliers have different potential contaminants, depending on what they deal in. There are eight business categories that are closely related to the Ricoh Group, namely, pressing, molding, cutting, rubber rollers, mechatronic parts, electronic parts, assembly, and trading. In April 2004, the Ricoh Group began briefing suppliers at major production sites around the world while training judges to screen and certify the CMS of suppliers. In Japan, one model company from each of the eight categories above was chosen, and judges were dispatched by Ricoh to support them in establishing CMS. All of those companies have since established and received certification for their own CMS between October 2004 and February 2005.



Briefing suppliers on CMS

Q

What kinds of activities will be taken in the future?

A

The establishment and certification of CMS will be completed prior to the enforcement of the RoHS Directive.

As additional CMS efforts, model suppliers will be benchmarked and our know-how will be provided to all suppliers throughout the world. Apart from primary suppliers, it is necessary to encourage similar efforts from secondary and tertiary suppliers to encompass the entire supply chain. To this end, we need to first of all train our primary suppliers, who have already established a CMS, to be judges so that they will be able to support, screen, and certify the CMS of secondary suppliers. Some form of support for this is already in place, such as judges from Ricoh accompanying primary trading companies when they visit secondary materials manufacturers. By September 2005, all primary suppliers for Ricoh's major domestic and overseas production sites are to have completed and obtained certification for their CMS. This will mean that global CMS will be established before regulations pursuant to the RoHS Directive will be enforced in July 2006.

INTERVIEW ⇒ Suppliers

Printing
press

IKURA SEIKI SEISAKUSYO Co., Ltd.
(acquired certification on January 13, 2005)

“Efforts were made to organize a system in which the mixing of prohibited chemical substances into parts and materials is avoided and such substances can be controlled and eliminated during procurement.”

Strict process management without the use of expensive measuring equipment

When we started creating CMS, we discussed whether we should purchase expensive measuring equipment or not. However, following Ricoh's advice to direct our efforts to process management, we decided against the purchase and instead focused on examining materials and goods and carrying out thorough process management. Although it is important to teach the fundamentals of chemical substances to workers in each process, we must learn to choose our words carefully. For example, saying such things as “Goods that you use unconsciously,

such as markers or cellophane adhesive tape, may contain prohibited substances,” may cause a panic among the workers. Therefore, our plan was to eliminate prohibited substances in the procurement process (at the purchase stage) in order for factory employees to work without worrying.

Utilizing Ricoh's information when examining materials and goods

For the materials and goods we were unable to examine, we made the most of Ricoh's accumulated information on the chemical substances they contain. Also, regarding some of the materials that contain



Mr. Osamu Akimoto,
Plant Manager, Director (left)
Mr. Tatsuya Todoroki,
Manager, Manufacturing Section (right)

prohibited chemical substances, we decided to limit the number of people in charge and conduct visual inspections. Thanks to the cooperation of not only Ricoh but also various other companies, including an oil and fat manufacturer, we were able to acquire CMS certification at an earlier stage.



To prevent errors during visual inspections, materials and goods are classified into (1) those that satisfy Ricoh standards and (2) others.