Expanding and Enhancing Our Global Production Structure

We are working to expand and enhance our global production structure in accordance with the changes in the demand and the level of growth in the global market. At the moment, we have in operation three factories in Japan, five in Indonesia, four in China, and one in Malaysia. We are also currently constructing new factories in India and Indonesia.

In the past, it was often the case that we would assemble products at overseas factories using parts that were made in Japan. However, due to the level of production at our overseas factories increasing substantially, we are now able to produce products at overseas factories with parts that have been made locally. In addition, we have been successful in reducing costs by using parts made at overseas factories in our Japanese factories.

In future, we will work to ensure that each of our factories captures local needs and establish a framework so that these factories can supply products locally. By sharing the highly competitive products created through this process on a global scale, we will further optimize and evolve our global production structure.

Our Production Strategy

Expanding and Enhancing Our Global Production Structure

While personnel costs are increasing annually in China and Southeast Asia, we have been continuously reducing our overall production costs through various means, including the shift toward automation, improvement of productivity via the development of new production methods, enhancement of production capacity, and the reduction of procurement costs.

In terms of procurement costs, we have established a new global procurement structure. Transitioning from our old structure where procurement was carried out at each factory, this new structure designates items to be primarily procured by our head office and items to be procured by area, thereby realizing cost reductions. For electronic devices, timber, and other materials, our headquarters discovers suppliers and comprehensively negotiates prices in an effort to enhance procurement efficiency and reduce costs. Meanwhile, in regard to parts and molds that are made by suppliers after we provide them with diagrams, we determine responsible personnel in each area of operations in Europe and Southeast Asia who negotiate prices and hold technology-related meetings with suppliers. Through these efforts, not only will we further reduce procurement costs, we will also improve overall costs by streamlining procurement processes.

Evolving Our Production through Technology

We continue to evolve our production areas through the use of the latest technologies. In the production of traditional musical instruments, there is still room for us to improve our production processes and develop new production methods. We are therefore making efforts to promote automation. To this end, we are accelerating the use of IT by integrating our production structure and working to standardize and optimize these structures. This in turn is having a major positive impact on our production management systems, including our systems to manage our supply chains and collect information on production processes.

Furthermore, all of our new factories currently under construction, we are moving forward with the introduction of new production equipment that incorporates our network devices. By establishing a framework for the seamless acquisition of various data by production processes, we are working to further enhance the productivity levels at these new factories.

Sustainable Procurement of Wood Resources

We use a wide range of wood resources in our business activities, primarily for the manufacturing of musical instruments. Accordingly, we are promoting efforts to control, maintain, and sustainably utilize these resources as they are crucial to our operations.

In recent years, the sustainability of African Blackwood—a wood resource that has been useful to manufacture woodwind instruments for many years—has become a concern. We therefore carried out an investigation to confirm the amount of resources and forest management status in the Republic of Tanzania in an effort to conserve and steadily procure African Blackwood. In addition, we have been supporting the management of local forests in Tanzania through forestry activities and other efforts carried out in collaboration with local community members. These efforts have been promoted with the aim of not only fostering an understanding regarding the distribution and planting conditions of African Blackwood but also effectively utilizing existing resources and securing resource amounts for the future through systematic forest management and tree planting.

Yamaha Technical Skills Training

Putting the finishing touches on a musical instrument is a kind of craftsmanship that represents both an art and a technique. By working to visualize and enhance knowledge on this kind of craftsmanship, we established the Yamaha Technical Skills Training, thereby raising awareness of this craftsmanship across the Company. In this way, we made it easier for our young technicians to inherit the exceptional skills of their predecessors and pass these skills down to the future generations.

In our efforts to establish a global production structure, the Yamaha Technical Skills Training has been playing a key role in cultivating personnel responsible for production at each production base.

Strategies by Function

Production

By intricately melding our strengths of craftsmanship and technologies and advancing our industry-leading production capabilities on a global scale, we aim to realize an overwhelmingly dominant position in terms of quality, cost, and delivery (QCD).

Competitive Edge

Craftsmanship and Technologies

The greatest strength in our product structure is that our products are finished using the eyes and hands of actual people. This is what we refer to as craftsmanship. Since our establishment, we have continued to fine-tune our craftsmanship, and this has become a significant element allowing us to differentiate ourselves from our competitors. In addition, if we can form linkages between this craftsmanship with our technologies for the scientific evaluation of various human sensitivities—for which we are currently pursuing research—we believe we can achieve further further development going forward.

At the same time, we are taking steps to make our production technologies more sophisticated. These include not only promoting the automation of our production processes and incorporating network and ICT technologies but also evolving our supply chain and production management systems. Through the melding of craftsmanship and technologies at an even higher level, we will further enhance our product quality and reduce costs. In these ways, we will aim to realize an overwhelmingly dominant position in terms of QCD.

Production Structure

Transitioning to a Function-Specific Organizational Structure

In 2011, we abolished our business unit structure and subsequently integrated the production structures that had been divided by business unit. By combining the frameworks and processes that had differed by product and business, we took a significant first step toward transitioning from individual optimization to overall optimization. As a result of standardizing these frameworks and processes, we were able to share best practices and improve our production output by applying these best practices to other products and businesses.

Furthermore, our efforts to promote standardization also enabled us to produce multiple product categories at factories that traditionally only produced a single product category. Also, by combining production at multiple factories, we took steps to level out our production throughout the year and were able to significantly reduce costs.

Basic Approach

Throughout many years of involvement in the production of musical instruments, we have fine-tuned our craftsmanship capabilities to create even better musical instruments. At the same time, we have also been continually working to scientifically research each step of the production process and making use of cutting-edge techniques. We maintain both these strengths at a high level and take steps to intricately meld them, and this represents the most important aspect of our production activities.

From an early stage, we have established production bases overseas. These bases primarily span across Japan, China, Indonesia, and Malaysia, thereby putting in place an optimal global production structure for this business domain in which we are involved. In addition, we are currently constructing new factories in India and Indonesia. Upon the commencement of operations at these factories in 2019, we intend to enhance our global production structure even further.

Shinobu Kawase
Executive General Manager of Musical Instruments & Audio Product Production Unit

In future, we will work to ensure that each of our factories captures local needs and establish a framework so that these factories can supply products locally. By sharing the highly competitive products created through this process on a global scale, we will further optimize and evolve our global production structure.
The business domains in which we operate center on sound and music. In these domains, we will expand and optimize our points of contact with customers and work to accurately understand market trends and customer needs. At the same time, we will aim to expand sales by promoting the value of our products and services to the greatest extent possible. 

Basic Approach
We position the markets of China and emerging countries as “growth markets” as they are experiencing remarkable economic growth. We are also formulating sales measures specific to each market, including determining markets where we should focus on creating demand and markets where we should accelerate the expansion of sales channels. In mature markets, which center on developed countries, new demand is being created through digitalization, increased use of networks, and changing musical tastes. Furthermore, populations are increasing due to the impact of immigration. As a result of such factors, we are continuing to realize stable growth in almost all regions. Taking into account the regional trends, we are promoting sales initiatives in accordance with the circumstances in each region. Additionally, through our sales network—which has helped us form deep and long-lasting connections with our customers—and marketing initiatives, we are focusing our efforts on fostering a lasting relationship for the Yamaha brand.

Competitive Edge
In markets other than major ones, many of our competitors conclude contracts with local importers and retailers. However, we possess a large number of companies that handle sales on their own. By cultivating local personnel and directly ascertaining the mindset and needs of local customers, we are able to draft and execute sales strategies that are deeply rooted in local communities. Also, one significant feature of the marketing structure we have in place is that, in addition to sales, it covers everything from creating opportunities and future demand, including School Projects, to providing follow up care such as maintenance so that our customers can use our products for many years.

Sales Composition for Musical Instruments and Audio Products by Region / Number of Sales Bases Fiscal 2018

<table>
<thead>
<tr>
<th>Region</th>
<th>Number of Sales Bases</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>630</td>
</tr>
<tr>
<td>Europe</td>
<td>1,450</td>
</tr>
<tr>
<td>China</td>
<td>2,400</td>
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<tr>
<td>Latin America</td>
<td>320</td>
</tr>
<tr>
<td>Japan</td>
<td>1,600</td>
</tr>
</tbody>
</table>

Year-On-Year Comparisons for Sales Growth by Region

<table>
<thead>
<tr>
<th>Region</th>
<th>Fiscal 2018</th>
<th>Fiscal 2017</th>
<th>Increase/Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>+15%</td>
<td>+17%</td>
<td>-2%</td>
</tr>
<tr>
<td>Europe</td>
<td>+17%</td>
<td>+10%</td>
<td>+7%</td>
</tr>
<tr>
<td>China</td>
<td>+17%</td>
<td>+17%</td>
<td>-0%</td>
</tr>
<tr>
<td>Latin America</td>
<td>+1%</td>
<td>+1%</td>
<td>-0%</td>
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</tbody>
</table>

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<td>Japan</td>
<td>1,600</td>
</tr>
</tbody>
</table>

Expansion of Sales Channels

We are promoting the “School Project” program and have now held this program at a total of 933 schools in four countries, with 134,000 students participating, making solid progress on our target adopted in the medium-term management plan (1,000 schools with a total of 100,000 students participating). We are also extending this program to different countries.

Regarding strengthening personnel and service bases to improve customer support, we are increasing our number of technical and other staff in Europe, North America, and emerging countries and regions and achieved a 37% increase in audio contractor accounts over the past two years, working steadily toward our three-year target of increasing accounts by 50%.

Revision of Selling Prices
To secure an appropriate level of profits, we have been carefully examining such aspects as market conditions, our relationship with competitors, and product characteristics as we move forward with measures to revise our selling prices. In addition to revising the prices for existing products, we are also placing emphasis on establishing appropriate prices when launching new products by promoting the added value they offer.

Approach to Growth Markets
For the musical instruments business, we believe there is still room for growth in the markets of China, ASEAN countries, and Latin America. In the audio equipment business, we believe there is significant potential for growth in the commercial space and facilities market. Particularly, regarding growth in China, we have the business scale and leverage to support growth for the Company overall.

Our Production Strategy
Expand Our Points of Contact with Customers
We have adopted “enhance customer service“ as one of our key strategies. Under this strategy, we are working to expand sales channels, promote music-popularization activities to suit local needs, strengthen personnel and service bases to improve customer support, and expand products and services to meet customer needs.

In terms of expanding our sales channels, we have realized significant growth in musical instrument accounts, particularly in emerging countries (estimated approximately 300 new accounts). Regarding music-popularization activities to suit local needs, we are promoting the “School Project” program and have now held this program at a total of 933 schools in four countries, with 134,000 students participating, making solid progress on our target adopted in the medium-term management plan (1,000 schools with a total of 100,000 students participating). We are also extending this program to different countries.

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As the middle and upper class are expected to continue growing, we are enhancing our local management resources to capitalize on this growth. In addition, we have numerous growth drivers already in place in the country (including effective strategies that integrate production and sales, a reliable and premium brand that has been built up over many years, room for sales price revision, a robust sales network, and an established position that allows us to utilize a large number of human resources).

Innovating Our Sales Frameworks
To reach an even greater number of customers going forward, we need to spur innovation that can help us offer products and services that better satisfy the customer. In addition to expanding our sales networks and production, we have possessed global sales companies and import/distribution networks for many years. Leveraging this framework, we will flexibly review and change the content of our sales activities so that we can form more widespread, deeper, and longer relationships with our customers.

Meanwhile, we now find ourselves in an era where we can have direct contact with our customers, and this kind of contact is becoming commonplace with the younger generation. Amid these circumstances, we aim to not only establish a website for direct e-commerce sales but also make efforts to build a framework for thoroughly incorporating ways to form connections with customers. By doing so, we believe we can increase customer numbers, raise unit prices, and boost sales.

Efforts to Establish Stronger Relationships with Artists
We are working to expand our foundation for establishing stronger relationships with artists on a global scale. By expanding our collaboration with the world’s top artists and instructors specializing in music education, we believe we can accelerate the development of even more attractive products and services. At the moment, we are beginning to see results from such collaboration in the field of brass instruments in particular. Furthermore, as digitalization and the shift toward online networks is advancing and the way people enjoy music and musical tastes are changing, new markets are being created. Amid these circumstances, we will strengthen our approach to music-related artists who show promise for the future.

Music Schools (as of June 2018)

<table>
<thead>
<tr>
<th>Country</th>
<th>Number of Schools</th>
<th>Number of Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>1,600</td>
<td>262,000</td>
</tr>
<tr>
<td>Australia</td>
<td>130</td>
<td>1,000</td>
</tr>
<tr>
<td>Average</td>
<td>1,450</td>
<td>225,000</td>
</tr>
</tbody>
</table>

Initiatives to Resolve Social Issues

School Project
From 2010, we have been promoting the “School Project” program primarily in emerging countries to offer opportunities to play instruments and allow as many children as possible to experience the joy of musical instruments. Music education programs teaching children how to play instruments have been adopted on a large scale in schools worldwide in light of their educational effectiveness. However, due to a lack of equipment and instructors, as well as curriculum issues, instrumental music education is not provided, or is of insufficient quality, in many music classes in some countries.

Our school project, which is a supplementary activity under public elementary schools in a packaged format to support the creation of an environment where children can study a musical instrument within their school education. By providing opportunities for children around the world to play instruments, we aim to contribute to the widespread use of musical instruments and the development of music education in each country while supporting the growth of children around the world.

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Our Vision and Value Creation

Our Vision
Our Vision is to inspire the world to enjoy music and sound.

Our Value Creation
We believe that our value is created from various activities, such as the expansion of music education and the establishment of a global network. As such, we are working to develop a variety of initiatives, including the School Project and initiatives to resolve social issues, to achieve our vision.
Strategies by Function

Marketing
To realize our management vision of “becoming an indispensable, brilliantly individual company,” we believe that it is important to enhance our brand strength and to ensure that Yamaha continues to be the choice of consumers.

In 2016, we established the Marketing Division as a specialized marketing unit that plays a fundamental role in our brand strategy. In April 2018, we established the Brand Development Unit, which consolidates the functions related to brand enhancement and related communications inside and outside the Company. On this basis, we are advancing new initiatives to enhance brand value.

Five employees involved in development, production, and other areas from Europe, the U.S., Japan, and China appear in the video.

A scene from The Passion for Music

Unifying Customer Points of Contact
To provide a consistent customer experience, we need to manage our points of contact with customers in a unified manner, including our SNS accounts, websites, and stores. In 2017, we had more than 300 SNS accounts around the world, and we enhanced the global coordination system for the management of these accounts. In this way, we are working to share important information in real time.

Communicating Our Products and Brand Story
We are working to communicate the customer experiences for each of our products and to tell the overall story of our business activities. In March 2018, we released The Passion for Music video, which shows the daily lives and work styles of employees involved in development, production, and other areas.

Research and Development
Yamaha strives to further advance “technology that crosses over sound and people,” which is a strength that we have cultivated. In this way, we develop products and services with a competitive edge, and create new customer value in ways that transcend our existing fields of business. These initiatives support our business growth.

Basic Policy
Guided by the craftsmanship passed on from generation to generation and a sensitivity toward sound creation, Yamaha has accumulated a vast array of original technologies over its long history of manufacturing acoustic instruments. Furthermore, Yamaha has also developed groundbreaking electronics technologies in the field of digital musical instruments and audio equipment. By leveraging and integrating these acoustic and digital technologies, we develop new products and services that only Yamaha can create.

Research and Development System
Under Yamaha’s R&D structure, the Technology Unit oversees R&D and the overall intellectual property strategy and advances fundamental technology research. The Technology Unit works closely with the technology development departments in each business field, such as the Musical Instruments Business Unit, the Audio Products Business Unit, and the IMC Business Unit (industrial machinery and components business). Under this system, we will advance the following initiatives moving forward:

• Development of higher-level fundamental technologies and applied technologies
• Development of products that cannot be imitated by other companies
• Creation of innovative customer value

Competitive Edge
Yamaha has established and strengthened a competitive edge by maintaining and leveraging industry-leading technologies supporting acoustic instruments as well as electronics technologies.

Technologies Supporting Acoustic Instruments
Yamaha started with the repair of a single organ, and we subsequently expanded our lineup to include pianos, guitars, percussion instruments, and wind instruments. At the same time, we acquired and strengthened a wide range of technologies, including technologies related to wood, metal, keyboard actions, and production. Today, we are further advancing these technologies through the introduction of the latest scientific methods in such areas as measurement, analysis, and modeling.

Electronics Technologies
Our electronics technologies, which started with the development of an electronic organ, are not limited to musical instruments. We have expanded the application of these technologies to include audio equipment and ICT devices. These include sound source and signal processing technologies, which have recorded rapid development due to digitalization and have supported the Company’s subsequent strong growth. In addition, we are implementing a range of initiatives in the field of acoustic technology, from sound radiating products to the design of spaces that can make sound reverberate. For example, these initiatives include the design of concert halls as well as speakers.
Strategies by Function

Develop Products with Distinctive Individuality

Add original value to excellent basic functions and develop products others cannot imitate

Joy  Beauty  Confidence  Discovery

Fusion of Technology

Evaluation technology to scientifically assess human sensitivities and sound recognition

Yamaha is working to scientifically research and clarify the characteristics of objects and human sensitivity toward sound and music. By applying these evaluation technologies to product development, we are aiming to develop products with a competitive edge and to create new customer value that cannot be imitated by other companies.

Mechatronics technologies to express minus movements

Through the fusion of craftsmanship cultivated through musical instrument manufacturing and leading-edge technologies, we are working to realize advanced levels of functionality, such as high speed, high precision, and high reliability.

Sensing technologies to accurately sense interface movements, such as keyboard actions, to facilitate varying tone color and performance. These technologies have been enhanced and are now implemented in products, centered on musical instruments.

Materials/analysis technologies to bring out the best qualities in raw materials

Design factors, such as musical instrument materials, forms, and structures, have a major influence on tone color. In addition to research into wood, metal, and other materials and the development of processing technologies, we have also significantly advanced measurement technologies and analysis technologies for the analysis of the influence of design factors differences and the movement of each part. These initiatives are contributing to the development of products and services.

Sound generator technologies enabling diverse expression

Since the launch of the D-1, the first Electro Harmonix organ in 1984, we have fostered rich performance expression through the introduction of products with advanced sound sources, such as the SH7, the first Yamaha synthesizer, in 1980; the DTM digital synthesizer, which took the world by storm, in 1982, the MONTAGE™ in 2014.

R&D Achievements

**Musical Instrument Business**

Venova™ — A Rich Tone in a Compact Size Realized Through Next-Generation Technologies

A rich saxophone-like sound that was previously not feasible in this compact size, made possible by Yamaha’s original branched pipe structure and meandering pipe design

The most distinctive feature of the Venova™ is the branched pipe structure. Yamaha was able to realize this feature by applying the branched pipe theory, which was used in the virtual acoustic sound source in the VL1 Synthesizer, launched in 1993. This theory has made possible such features as a rich tone and easy fingering with the simple structure.

**Audio Equipment Business**

RIVAGE™ PM10 Next-Generation Flagship Digital Mixing System

A flagship mixing system that offers a range of thoroughly refined elements, including sound quality, operation, functionality, reliability, and expandability

After the launch of the PM-400 full-powered concert mixer in 1974, we introduced the DM/7 digital mixing system in 1987 and the PM10 digital mixer in 2001. Due to their excellent sound processing technologies and their high level of functionality and reliability, they have brought about a major revolution in sound systems. The RIVAGE™ PM10 leverages the technologies in those products while also incorporating new cutting-edge technologies. This next-generation flagship digital mixing system offers flexibility in the configuration of systems through various combinations with sound system components as well as a massive mixing capacity.

**Industrial Machinery and Components Business / Others**

SST-102 Desktop Ultrasound Scanner

Inspection equipment that uses ultrasound to facilitate simple measurement of internal defects in products

Yamaha’s ultrasound of sound has expanded to the fields of safety and security. Through the use of aerial ultrasound, it is possible to measure defects inside products without touching or destroying the object being measured. The SST-102 has been made compact so that it can be installed on a desktop. It can be used to measure the welded state of tabs in lithium ion batteries and connectors.
Intellectual Property

We are advancing a global intellectual property strategy and working to create, protect, manage, and utilize intellectual property. In these ways, we are taking steps to maintain and enhance corporate value and brand value.

Yamaha founder Torakusu Yamaha himself made many inventions and acquired patents for those inventions. Since the Company’s founding, in coordination with our business activities, we have taken steps to create, protect, manage, and utilize intellectual property.

Over many years of R&D and business activities, the Company has accumulated a range of intellectual property, such as ideas, design, trademarks, and copyright-protected works. Through the use of patent, design rights, trademark rights, copyrights, etc., we will continue to appropriately protect, manage, and utilize this intellectual property, thereby contributing to the Company’s business operations.

Moreover, to maintain and enhance brand value, we are taking steps to acquire intellectual property rights in a variety of fields in countries around the world. We are also aggressively implementing countermeasures to counterfeit products.

Patents

Yamaha views design as a critical element in setting its products apart from other offerings in the market, and consequently the Company makes every effort to properly safeguard and utilize these assets. As one part of these initiatives, Yamaha has strengthened its efforts to acquire design rights in countries and regions where there are frequent issues with counterfeit products. As of March 31, 2018, the Yamaha Group held a total of roughly 4,000 patents in Japan, Outside of Japan, the Group also holds a total of roughly 4,000 patrons, mainly in the United States, Europe, and China.

Trademark Rights

In 1986, Yamaha formulated management regulations for the Yamaha brand, and we have established Companywide management organizations (committees). We are working to prevent and enhance brand value by taking steps to realize the proper use of trademarks. As one part of these efforts, Yamaha has widely trademarked its brand in almost every part of the world. Furthermore, for product and service brands, which are positioned as subbrands, the Company works to appropriately conduct preliminary investigations into product and service names and to acquire trademarks.

Copyrights

In addition to industrial property rights, such as patents, designs, and trademarks, the Yamaha Group produces numerous copyright-protected works, primarily in the fields of sound and music. Music-related copyrights are of particular importance to Yamaha in terms of its overall intellectual property policy. The Company takes steps to ensure their proper management and use, including undertaking legal action when necessary.

Base for the Generation of New Innovation

Opening of the Innovation Center

In June 2018, we completed a new building within the headquarters complex that features the latest research and testing equipment. The objective of this initiative was to create new value by consolidating our current technologies and the latest technologies and by fostering exchange inside and outside the Company. To that end, the new center brings together the Company’s R&D staff, who had previously been scattered over multiple bases.

Innovation Road

On the first floor of the new development building, we established Innovation Road, a Company museum that enables visitors to experience—through sight, sound, and touch—the history of Yamaha’s product development and businesses and our initiatives for the future. This facility, which was opened to the public in July 2018, displays approximately 600 products and fosters knowledge about the Company’s history of taking on challenges and technologies, from our founding to today.

Special Laboratories

The Innovation Center has advanced laboratories in three fields for several development stages—sound engineering, sound physical data measurement, and human data measurement, such as of performers and audiences. The facilities include a variety of studio rooms, including session and recording studios; rooms for testing our electronic instruments; an anechoic chamber and a reverberation chamber; and a vibration laboratory.

Anechoic chamber

This laboratory is a special measurement room in which sound absorption wedges have been arranged on the walls of the room to simulate different tolerances and soundproof conditions. Because there are no echoes in the room, it is possible to measure with 100% accuracy the sound that originates from the object being measured. This is one of the largest anechoic chambers in Japan, and it can be used for the measurement of speaker products, such as grand pianos and full-range speakers.

Reverberation chamber

This laboratory is used for measuring the reverberation coefficient of building interior finishing materials and measuring sound source sound power level. It is one of Japan’s largest reverberation chambers and is used for the development of recording equipment. This facility can also be used as an environment to soundproof and blend with high-density reflections.

Recording studio

There are two recording booths, with large and small sizes, and three control rooms. The floor has a floating-floor structure to control unwanted vibration, and the walls have variable reverberation units that can be changed to suit various recording situations. Yamaha has also been using these functions on studio used for television commercials. They can be used for a wide range of operations, such as audio management evaluation’s needed for product development, sampling musical instrument sounds, and studying content for electronic musical instruments.
The Five Elements of Our Design Philosophy

**INTEGRITY:** Design that respects the essence of the object.

The moment a design transforms something that seems outrageous into something that makes perfect sense is when the design captures the true essence of an object. Design with integrity cannot be achieved without a deep understanding of tools, culture, and people, as well as one’s own unique perspective.

**INNOVATIVE:** Creative design.

Traditional tools such as musical instruments that are deeply rooted in culture and possess a long history tend to evolve at a conservative pace. However, even traditional objects may have seemed outrageous when they were first created. Respecting and maintaining tradition also means constantly exploring new possibilities.

**AESTHETIC:** Beautiful design.

Beauty is an extremely important element in design. We therefore pursue beauty from all perspectives, including the beauty of handcrafted objects or a more modern beauty, a sense of presence that inspires the musician, beauty that captivates the audience, an elegance present in space, a harmony of materials, the rhythm of form, passion and silence, line and surface, and color, mass, and weight.

**UNOBTRUSIVE:** Restrained design.

The player is always the main actor in a performance, and we believe that excessively conspicuous designs have no place in musical instruments. This is because a musical instrument is an imperfect tool that is only perfected through the power of human creativity; an object that is incomplete, yet less just short of completion. A design that never grows old even after long years of use—that is the sort of design we pursue.

**SOCIAL RESPONSIBILITY:** Design that meets the needs of today’s society.

Something that grows in value the more it is used, or a tool that grows into your indispensable companion through long years of use—that is the kind of design we strive to achieve. At Yamaha, we believe design should help create a society where people with a diversity of values recognize each other’s individuality and work together under the idea of “Sharing Passion & Performance.”

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**FULLY LEVERAGING THE POWER OF DESIGN TO SUPPORT YAMAHA’S GROWTH**

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**NS-5000 Premium Bookshelf Speaker**

The NS-5000 is a Hi-Fi loudspeaker system that combines the comfort of a media console while keeping the essence of a musical instrument. The NS-5000 was created based on the idea of “feel the emotion and joy of performance just as in a new factory,” with a new speaker that achieves the ideal sound. Rather than being satisfied with an realistic form, we created the NS-5000 based on an awareness that it would require the delicate subtlety of an audio equipment to perform at the highest level.

**GOOD DESIGN AWARD 2016 (Japan)**

**iF Design Award 2018 (Germany)**

**Genos™ Digital Workstation**

Genos™ is a new series of digital workstations in the category of ultimate performance workstations. It is also the successor to the Tyros series of digital workstations, and will bring to the same category, and has been sold out primarily in Europe and the Americas. The functional central panel design of the Genos™ digital workstations is elegantly contrasted with the smooth and style-sensitive shape of the environment’s traps and underneath, while the Player and lower covers of the Genos™ digital workstations have a bold contrast between black and white, and the Genos™ digital workstations highly accent.

**Red Dot Design Award 2018**

**iF Design Award 2019 (Germany)**

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**VENOVA™ Casual Wind Instrument**

As designed by its name, “ventus,”Latin for wind, and “nova,” Latin for new, the VENOA™ is a sort of distinguished instrument that allows players to play the genuine experience sound of a musical instrument such as a saxophone using simple fingering, similar to the way a recorder is played. Based on the concept of redefining the perception of an acoustic instrument, the design of the VENOA™ captures the essence of an abstract instrument while being innovative.

**GOOD DESIGN AWARD 2017**

**JIDA Design Museum Selection 2017**

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**SX Series of Grand Pianos**

The SX series of pianos combines elegance and performance redefining the aesthetic and performance experience of Yamaha pianos. Incorporating the traditional classification of grand piano, the SX series features a new design that transposes from the high bar to a new level of potential against the traditional design of a grand piano. The SX series that also incorporates new designs from the high bar to a new level of potential against the traditional design of a grand piano.

**GRAND PIANO ROADSHOW”**

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**RIVAGE™ PM10 Digital Mixing System**

Intended to replace the PM1D which was helped lead the way for introducing the next evolution of digital mixing technology, the RIVAGE™ PM10 is a digital mixing system with an out-of-the-box foundation. Designed under the key concept of “innovation design for the next standard,” the RIVAGE™ PM10 balances outstanding functionality with an attractive appearance that allows sound engineers to control the audio in a low, medium, or high-relate and comfortable manner with higher levels of quality.

**GOOD DESIGN AWARD 2016 (Japan)**

**GOOD DESIGN AWARD 2017 (Japan)**

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**Yamaha Group Annual Report 2018**