

Koyo Corporation of U. S. A. (Sales Division)

1. Company Profile

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| Name | Koyo Corporation of U.S.A. (Sales Division) |
| Location | City of Westlake (near Cleveland), Ohio, United States of America |
| Employees | 159 (as of Dec. 2006 and including Detroit office) |
| History | |
| 1958 | Established as International Ball and Roller Bearing Company in Seattle, Washington. |
| 1960 | Name was changed to American Koyo Corporation (AKC). |
| 1964 | Office was moved to Cleveland, Ohio. |
| 1973 | Head office was moved to City of Westlake (near Cleveland), Ohio. American Koyo Bearing Manufacturing Corp. (AKBMC) was built in Orangeburg, South Carolina. |
| 1981 | AKC was merged with AKBMC and a new company, "Koyo Corporation of U.S.A. (KCU)," was established. |
| 1991 | North American Technical Center (ATEC) was established in Plymouth, Michigan. |
| 1994 | Second bearing plant was built in Blythewood, South Carolina. |
| 2001 | Kentucky Advanced Forge, LLC (KAF) was jointly established with a U.S. local corporation of AICHI STEEL CORPORATION. |



Downtown of Cleveland

2. 2 Industry

Among the Great Lakes, Lake Ontario and Lake Erie at the east side, which once had been separated by Niagara Falls, were connected by a canal at the beginning of 19th century to secure a channel from the Atlantic Ocean to Cleveland. With its advantages of rich water and convenient water transport service, Cleveland flourished as a center of heavy industry mainly including coal, steel, and automobile industry from the latter half of 19th century to 1960s. Thereafter, Cleveland has followed a course of decline with the decay of these key industries and was included as one of declining cities in U.S. However, Cleveland has adopted in 1980s an industrial structure conversion measure. By this measure, Cleveland is now revitalized as a center of key industries of the modern U.S. such as chemical engineering (one of largest polymer research centers), bio-related industries, aeronautics industry (including NASA research institute), healthcare industry (the second largest medical research city in U.S.).

2. Introduction of Cleveland

2. 1 Introduction

Cleveland is a city situated in Ohio, a northeast part of U.S. and is positioned just at the middle between New York and Chicago. Ohio is surrounded by Pennsylvania at the east side, Indiana at the west side, Kentucky and West Virginia at the south side, and Lake Erie, one of the Great Lakes, at the north side. Lake Erie is situated at the boundary between U.S. and Canada. Cleveland is positioned at the south bank of Lake Erie.

According to the census in 2000, Cleveland has a population of 478 403 and is the 33rd largest city in U.S. and the second largest city in Ohio. The Cleveland metropolitan area holds a population of 2 945 831, which is the 14th in U.S.

2. 3 Climate

Cleveland is positioned at substantially the same latitude as that of Hokkaido in Japan and has mean maximum temperature of 28°C in summer (July) and sometimes the temperature exceeds 30°C. Cleveland has low humidity and thus provides relatively comfortable climate even when the air temperature is high. The temperature often drops to 10 to 15°C in morning and evening. Since U.S. uses Daylight Saving Time from the first Sunday of April to the last Sunday of October, the daytime is longer during summer. Specifically, 8 p.m. in June to August has evening twilight at last and thus playing golf can be started even at 4 p.m. and one round can be completely played.

On the other hand, Cleveland has severe winter climate with mean minimum temperature of minus 7°C and sometimes has the daily low-temperature of minus 20°C

or less and the high-temperature below zero. Thus, winter in Cleveland has short sunshine hours and sunshine can be seen around 8 a.m. in December to January and sunset is seen around 4 p.m. The cold of minus 20°C or less means that washer fluid of a vehicle instantly freezes on a window. Cleveland in winter provides air conditioners in rooms. Thus, coldness is not so frequently felt in Cleveland. Cleveland in winter also has frequent snow in a relatively small amount. Snow on the road is immediately removed by snow removal vehicles and snow melting vehicles and thus snow chains are not required.

2. 4 Sports

Cleveland has three professional sport teams of MLB Indians, NFL Browns and NBA Cavaliers. Among them, Indians is famous for a movie "Major League." According to film producers of "Major League," they chose Indians because Indians at the time satisfied the preconditions of the film of a famous weak team. However, within five years after the release of the film, Indians became a stronger team to have a new ballpark (Jacobs Field) and won five division titles from 1995 to 1999 among which two titles were league titles. In 2001, Indians again achieved a division title.



Indians home ballpark "Jacobs Field"

2. 5 Cleveland Orchestra

Cleveland is a home ground of Cleveland Orchestra that is evaluated as one of the world's greatest orchestras and that is often called as the greatest orchestra in U.S.

Cleveland Orchestra plays in Blossom Music Center during summer season and in Severance Hall in winter. Summer open-air concert by Cleveland Orchestra is popular for its folksy and easy characteristic. In the open-air concert, you can carry and enjoy sandwich and drinks at grass carpet seats.



Open-air concert by Cleveland Orchestra in Blossom Music Center

3. Introduction of KCUS

KCUS is the base for the sales of bearings in U.S. The Cleveland office is situated in City of Westlake and has a distance of about 1.6 km from the south bank of Lake Erie. It takes about 15 minutes by car from the office to the downtown of Cleveland and takes about 15 minutes by car to Hopkins International Airport situated about 10 km at the southeastern part of the office.

In October 2003, KCUS introduced Koyo Training Vehicle (KTV) to provide technical seminars and promotions of Koyo products at many places in U.S. throughout the year.

KCUS has been and will be a main bearing supplier for U.S. and Japanese automobile manufacturers. KCUS is also a main bearing supplier for customers in the industrial machine field and each mending field of industrial machines and automobiles.

KCUS has three warehouses in U.S. as a base for the sales, marketing, and supply of JTEKT bearings in the U.S. market to support all American customers. The third bearing plant is under construction in Washington County, Tennessee to start the supply of products to customers in 2008. Thus, JTEKT will provide more stronger bearing production capability in U.S. to satisfy customer needs more than ever.



KCUS office at Cleveland

(KCUS Hitoshi Iwamoto and Dale M. Neumann)