



Deming Prize

Receiving the Deming Prize for the First Time among Komatsu's Overseas Subsidiaries



Presentation by Mr. Liu Fangchang, president of Komatsu Shantui Construction Machinery Co., Ltd. (KSC), at the Deming Prize Award Ceremony

Komatsu Shantui Construction Machinery Co., Ltd. (KSC), a manufacturing subsidiary of medium-sized hydraulic excavators in Shandong, China, received the Deming Prize for 2013, becoming the first overseas subsidiary to win this award.

Komatsu has actively promoted total quality management (TQM) activities since quality control (QC) was introduced companywide in 1961. TQM activities are also applied at overseas subsidiaries as a means of building a quality management system across the Group.



Commemorative photo at the Deming Prize Award Ceremony



Komatsu Shantui Construction Machinery Co., Ltd.

Undertaking TQM Activities in China

KSC was established in 1995 as a company engaged in production and sales of medium-sized hydraulic excavators in China and has approximately 930 employees as of December 2013. The company has developed in step with significant growth of the Chinese construction machinery market while gaining a reputation for high quality and reliability from customers. The construction machinery market has rapidly expanded in China from 2008 onwards, and accordingly, KSC has been promoting measures to enhance its production capability and hire many employees. Amid market expansion, it was urgent to accelerate education and revitalize communication while also getting all employees on the same track regarding company policies as well as strengthening corporate structure to enable KSC to quickly respond to the rapidly changing market. Since June 2010, all employees have been promoting TQM activities, including the visualization of quality assurance, greater advances in sales, production and appropriate inventory, activities to enhance production capability and human resources development within the company and region.



Assembly line for hydraulic excavators at KSC

A Company Where Employees Feel Proud to Work

The prize received at this time is a result of all KSC employees taking concerted efforts to carry out TQM activities by learning the KOMATSU Way, which is Komatsu's DNA, over the course of more than three years. TQM activities have contributed to an increase in the achievement rate of policy objectives and vitalized communication between departments. Furthermore, this prize allowed KSC to clarify future plans. Aiming to become the leader in the Chinese construction machinery market, KSC is committed to continually carry out activities to become "a company where employees feel proud to work."



At the celebration party (from left: Mr. Zhu Lei, manager, KSC; Mr. Liu Fangchang, president, KSC; Mr. Tetsuji Ohashi, president & CEO of Komatsu Ltd.; Mr. Tsugunori Yamamoto, vice chairman, KSC; and Mr. Makoto Sato, general manager, KSC)

Deming Prize

The Deming Prize is awarded to privately owned organizations and individuals in recognition of their achievements for making progress in TQM. Komatsu won the Deming Application Prize (currently Deming Prize) in 1964 and the Japan Quality Control Prize in 1981.

KOMATSU

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