

**2008 Global Micro Electric Drives (AC Drives less than 10 kW)  
Customer Value Leadership of the Year Award**

**Yaskawa Electric America, Inc.**

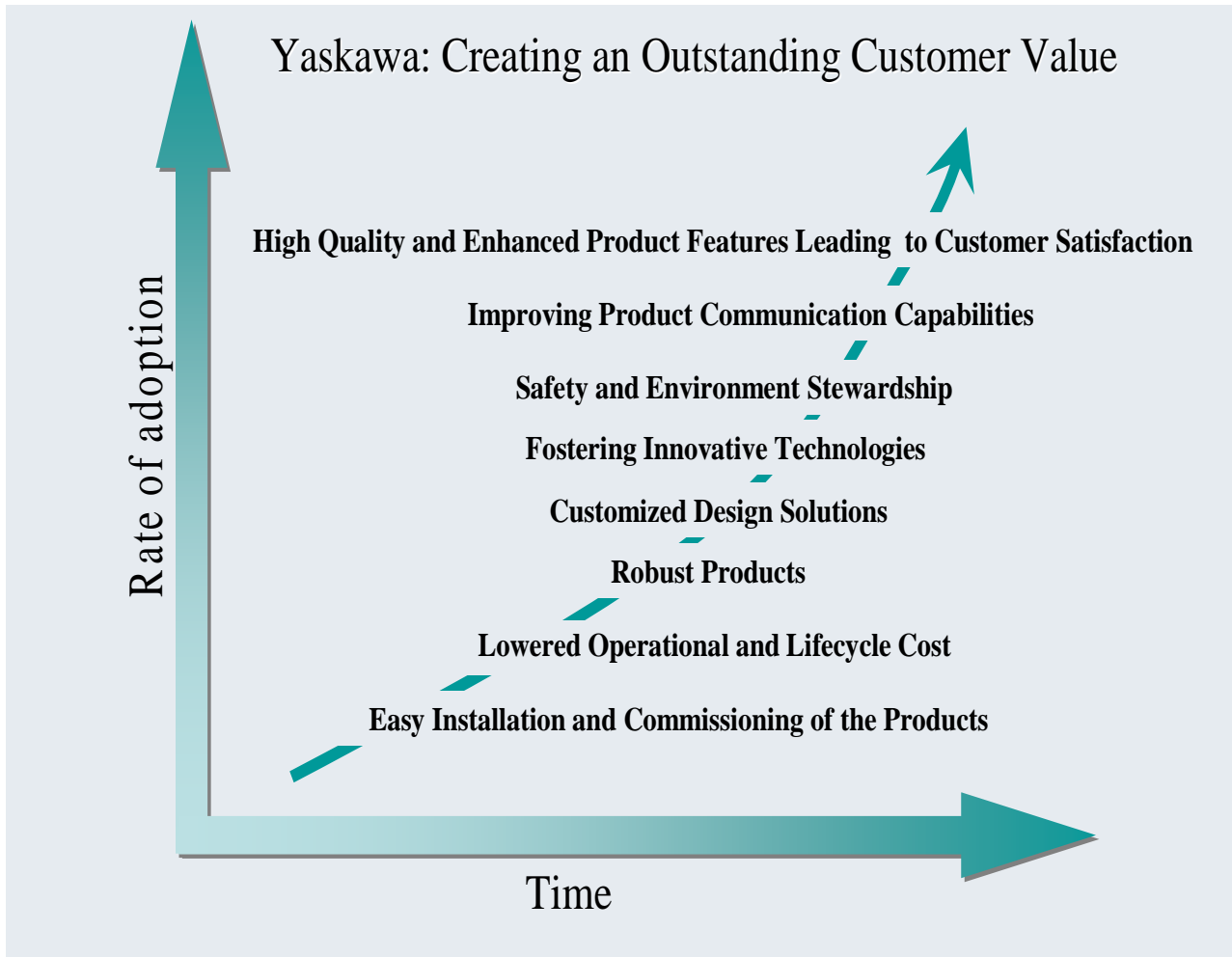
The 2008 Frost & Sullivan Award for Customer Value Leadership in micro electric drives domain (0-10kW) is presented to Yaskawa Electric America, Inc. The award is in recognition of the company's relentless efforts to meet customer needs and its ability to reduce total cost of ownership for its global customers in micro electric drives. Customers testify Yaskawa's pioneering efforts in bringing out products of high quality and reliability, as well as rendering value-added services like online customer service support. Yaskawa has pioneered customer centric innovation, which positively impacted the profitability of its customers.

The ever-changing customer needs drive manufacturers to bring out cost-effective solutions with enhanced product features. Increasingly, micro drives are used to aid in improving process control along with energy conservation. This in turn has augmented the business potential for micro electric drives coupled with an ardent challenge for drive manufacturers to invest significantly in their R&D (Research and Development). Yaskawa's customer-centric technological innovations have resulted in superior product features such as programmable functions, modularity, ability to withstand rugged operational conditions, and high reliability. The company's relentless efforts on R&D have resulted in VS Mini drives with a smaller foot print that offers superior performance capabilities for its customers.

Drives manufacturers are increasingly challenged to bring out a single product that can address functionalities of a wide spectrum of customers. Yaskawa has remained a pioneer in bringing out products like V7 series of drives for general industrial applications. Another such case in point is Yaskawa's V1000 series of drives that cater to a wide array of applications with its adaptable functionalities such as open loop current vector control and simple closed loop speed control, thus increasing the rate of adoption of Yaskawa's products in automation and OEM applications.

Yaskawa, in addition to its hardware products has come out with DriveWizard Plus and DriveWorks EZ software, which enables its end users to customize and monitor their process parameters. DriveWizard enables customers not only to upload, download, and monitor drives parameters, but also aids retrieval of data in the form of files. The software aids in troubleshooting as well. This sole software tool is attuned with all of Yaskawa's drives, assisting in effortless maintenance, thus improving the up-time for its customers.

FROST & SULLIVAN



Source: Frost & Sullivan

Offering products that are reliable and robust even under continuous and extreme operational conditions remains a key challenge for drive manufacturers today. And Yaskawa proffers robust products for general purpose industrial applications that are operational under wet, dry, and indoor applications. Yaskawa's V74X series of drives, opted by customers for wet, dusty, and indoor environments bear a standing testimony of the company's ability to bring reliable products to the market place.

Increasing prices and the need to have enhanced features challenges drive manufacturers to offer products that assure swift return on investments (ROI) and superior life cycle cost benefits. Yaskawa has innovatively addressed this challenge by replacing a servo motor and an amplifier with Yaskawa's induction motor and V1000 drive, which not only reduces the price of drive, but also offers a reduced life cycle cost, thus offering reduced maintenance for its customers.

Yaskawa's drives encompass a mean time between failures (MTBF) of 28 years, which is far higher when compared to the industry average, thereby offering benefits such as increased productivity, production rate, reliability, maintenance cost and increased efficiency for its industrial customers. Higher MTBF rates offered by Yaskawa's drives make them the preferred drive solution for industrial customers. Yaskawa has established unprecedented standards of responding to customer needs by its products that are compliant with EMC (Electro Magnetic Compatibility and RFI (Radio Frequency Interference). Yaskawa's drives are compliant with UL 508C aiding in safer operation even in case of short circuit current (SCC), thereby providing safe operation and long life of the equipment. Another such case in point is the compliance of Yaskawa's drives with EN 61800-3 (or IEC 61800-3). The adherence to this standard mitigates electromagnetic emissions from the drives, thus preventing premature failure of drives as well as surrounding sensitive electronic equipment.

The technological innovation in the microprocessor industry has offered a wide spectrum of prospects for the micro electric drives domain. Yaskawa's unparalleled efforts to pioneer technological innovation have resulted in its products with better communication features and substantial energy savings. A case in point is Yaskawa's J7 product that offers an optional RS-485 Modbus RTU serial communication port, which is available with maximum of 32 nodes on a single network. The company's efforts to provide open communication are evident from its V7N series of drives that has embedded DeviceNet into the control card. This offers a considerable cost advantage unlike products offered by other drive manufacturers that have optional plug-in interface cards.

Yaskawa's unrivalled position in the drives market is further strengthened by its strategic mergers and acquisitions to add better value to its customers in this domain. Yaskawa acquired the Drives Group of MagneTek and purchased the rights of Omron IDM Controls' HVAC and Industrial channels. The former afforded it a formidable position in terms of positioning its distribution network thereby, offering customers a better accessibility for sales, and after sales support. The latter yielded Yaskawa an exceptional exposure to technological advancements, thereby enabling Yaskawa to offer drives with better and value added features for its customers.

In addition to all these, Yaskawa's innovative approach to serve customers and its superior expertise in the drives domain helps in translating the needs of OEMs into its products and solutions that offer superior functionality, better reliability, reduced life cycle costs. This has aided it to penetrate across varied geographies and wide end

users. This in turn has resulted in the company positioning itself as a market leader with a market share of 11.3 percent in a highly fragmented market of the micro electric drives domain, thus emerging as a preferred solution provider of micro electric drives. In appreciation of its efforts to stand in the forefront in the micro electric drives domain, Frost & Sullivan is proud to present Yaskawa with the 2008 Customer Value Leadership Award in the micro electric drive domain.

### Award Description

The Frost & Sullivan Award for Customer Value Leadership of the Year is conferred upon the company that has demonstrated excellence in customer values through its products and services that offer superior value to customers and aid them with increased profitability, and reduced life cycle costs. The recipient company has continually focused on providing value added products and services, addressing the changing customer needs across the industry, thereby enabling them to expand their customer base across verticals and horizontals. In addition, the recipient company has shown unparalleled commitment to lead on technological innovations pertaining to changing customer needs by offering products that are specific to both general and niche applications coupled with cost effectiveness.

### Research Methodology

To choose the recipient of this award, the analyst team tracks all the manufacturers in this domain, their products, their unique value-added services to customers, and its ability to help customers overcome their challenges in new upcoming applications. The selection process includes rigorous discussions with market participants in this domain accompanied with extensive secondary research on market and technological trends. All the data collated from market participants is compared, analyzed, and ranked to comprehend the relative positions of these companies. Company that holds the first position is declared as the recipient.

## Measurement Criteria

In addition to the methodology described above, there are specific criteria used in determining the final ranking of competitors in this industry. The recipient of this Award has excelled based on one or more of the following criteria:

- Responsiveness to customer needs
- Expansion of customer base
- Offer a “one-stop shop” in response to customer demands
- Providing value added services ensuring better ROI (Return on Investment) and better product life cycle cost benefits for customers
- Enhanced quality and reliability of products
- Technological innovation and leadership to address critical customer needs
- Strategic mergers and acquisitions or joint ventures to provide additional benefit to customers

### About Best Practices

Frost & Sullivan Best Practices Awards recognize companies in a variety of regional and global markets for demonstrating outstanding achievement and superior performance in areas such as leadership, technological innovation, customer service, and strategic product development. Industry analysts compare market participants and measure performance through in-depth interviews, analysis, and extensive secondary research in order to identify best practices in the industry.

### About Frost & Sullivan

Frost & Sullivan, the Growth Consulting Company, partners with clients to accelerate their growth. The company's Growth Partnership Services, Growth Consulting and Career Best Practices empower clients to create a growth focused culture that generates, evaluates and implements effective growth strategies. Frost & Sullivan employs over 45 years of experience in partnering with Global 1000 companies, emerging businesses and the investment community from more than 30 offices on six continents. For more information about Frost & Sullivan's Growth Partnerships, visit <http://www.frost.com>.

[www.awards.frost.com](http://www.awards.frost.com)