





The above are all part of the Nissan Integrated Manufacturing System, known as NIMS, which provides more flexibility in manufacturing. Using NIMS, for example, we can produce eight models on a single line. During NISSAN 180, we introduced 16 NIMS lines worldwide into our 18 total major lines. For NISSAN Value-Up, we will increase this to 22 NIMS lines.

We will need that flexibility during NISSAN Value-Up, because twice a month we will be launching new cars somewhere—a total of 70 production starts. We cannot do this with our old system. The launch stage can be a difficult period, and too often problems arise that can cause panic on the line. To cope with these problems, we've devised what we call the Global Launching Expert system. The launch expert can stand back and analyze the situation and come up with solutions. We are now identifying, educating and dispatching launch experts from around the world. In 2006, we will further refine our launch procedures by opening the Global Production Engineering Center. Currently, if we produce the same car in several markets,

the launches are separate activities. In the future, we will 'bundle' all launches by developing the launch process and creating the dies in Japan. This bundle will then be reproduced and forwarded to the various factories producing the car.

We have established four key factors for success during NISSAN Value-Up: quality, timely delivery, cost, and the environment. Regarding the environment, we have identified three environmental issues, which are CO2, recycling, and emissions such as chemical emissions and volatile organic compounds. This is our newest challenge, since we do not yet have concrete targets on a global scale as we do for Japan.

Our goal is to maintain Nissan's status as the world leader in manufacturing by aggressively implementing new technologies and expertise. Our processes are designed to require low investment costs and generate fast product launches, which would result in a faster return on investment in addition to a top-quality product."

MANUFACTURING IN EUROPE



COLIN DODGE Senior Vice President Nissan Europe

"In the last four years the Nissan Production Way has become the international standard for manufacturing in the world. This system makes sense everywhere, including Japan, the UK, Spain, and the U.S. It's a system that everyone embraces and feels is theirs, not one that was imposed on them. The Sunderland plant is the most productive automotive plant in the Western world, and while we have great people working for us, the Nissan Production Way is what made this success possible.

Europe is an incredibly competitive market. with 15 companies trying to gain market share. We decided not to compete directly in fundamental segments. Instead, we chose to build unique, profitable vehicles, like the new crossover vehicle, based on the Qashqai concept car, which will be released in early 2007. This is one of the three launches for the upcoming year from the Sunderland plant, along with the Tone and the Micra C+C coupe and cabriolet. NISSAN 180 was a great success for us. Today, our Spanish factory is in full production and our Sunderland plant is preparing to turn out the three new models."