



Introduction

For our many worldwide customers and owners of either an MFP, PPC, FAX or Printer, TOSHIBA TEC believes that one of the most important factors is to ensure the stable supply of preventive maintenance parts, including supplies and consumables.

TOSHIBA TEC provides our customers with supplies and parts that are managed similarly to our main product lines.

However, in recent years there has been an increase in counterfeit products/compatible products, toners and consumable parts with lower quality and reliability. This is causing many situations where users or customers using TOSHIBA brand products are confused or being misled.

TOSHIBA constantly strives to improve and develop more reliable products. We felt it is important to release this special issue to acquaint you with the many benefits of our company's products.

Specifically, we felt it is important that our customers understand the technological strengths of TOSHIBA TEC's line of products, genuine supplies and genuine consumable parts.

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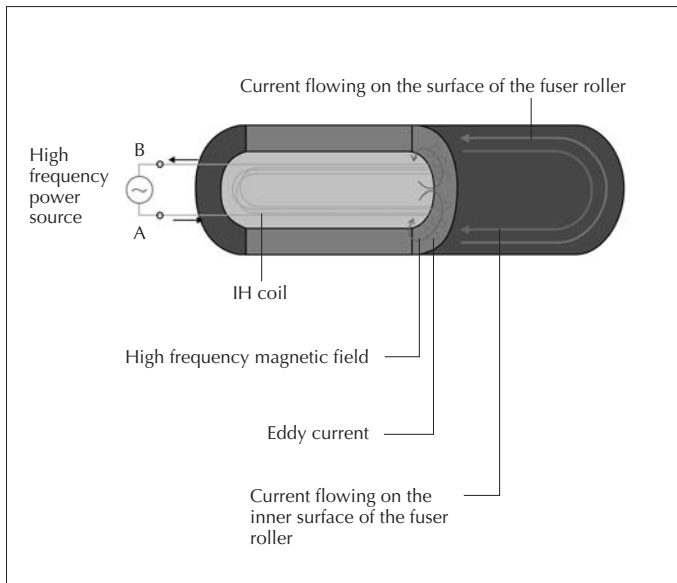


Induction Heating (IH) Fuser Technology

TOSHIBA TEC introduces a new heater method for their copier systems based on Twin IH Fuser technology, which reduced the warm-up time to 160 second for the e-STUDIO550/650/810 and 40 seconds for the e-STUDIO3511/4511 and also reduced overall power consumption, for each model respectively.

Introducing The New IH Fuser Technology

The concept of the technology has been successfully used elsewhere. TOSHIBA TEC introduced this IH Fuser technology for copier systems, which made it an important feature supporting the powerful performance of TOSHIBA's e-STUDIO28/35/45, e-STUDIO350/450, e-STUDIO550/650/810, and e-STUDIO3511/4511.



Compared to the conventional heating method, which is based on the fuser being heated up by the energy from a halogen lamp inside the fuser roller, the IH Fuser system is less time consuming and more efficient. The main feature of the IH Fuser technology is the method by which a high frequency current flows through the IH Coil and creates a frequency magnetic field inside the fuser. This magnetic field produces an eddy current, which in connection with the resistance element of the surrounding fuser roller generates joule heat that directly heats up the iron fuser roller. In addition, because this fuser roller is thinner than usual rollers further energy efficiency has been achieved.

The New Twin IH Fuser Technology

With the new Twin IH Fuser technology, TOSHIBA TEC has succeeded in making the IH Fuser heating method even more efficiently. The new technology is now an essential part of TOSHIBA's e-STUDIO550/650/810 and e-STUDIO3511/4511 copiers, each model with reduced warm-up time.

The main heating method of using magnetic field generated current and resistance element to produce heat as explained above has not change, but some major changes have resulted from splitting the coil into smaller twin coils. As a result of these improvements, it has become possible to keep a flat distribution of the roller surface temperature, which has resulted in an even higher energy conversion efficiency and also improved the warm-up time considerably.



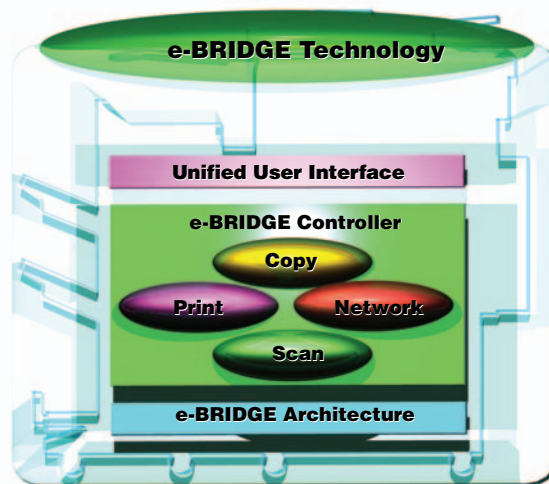
The e-STUDIO3511/4511 MFP System

TOSHIBA TEC has finally released the next generation of their popular all-in-one digital multi-functional systems – the e-STUDIO3511/4511 – relying on the company's pioneering technology and continual focus on ever-higher quality.

[e-BRIDGE] = Real Network Ready MFP

This new MFP marks the first B/W and color combination product from TOSHIBA and at the same time introduces a whole new conceptual and unified architectural approach to their high-performance business models.

Functions like the network interface card, fax-board option, printer, scanner and copier are now being controlled by one single e-BRIDGE system board, thereby becoming a more compact, fast and accessible unit. The strong merit of this architecture is that the system is easy to install and integrate into any customized network and also simple to control through the same user interface. Together with the tightly integrated copy-printer-scan-network capabilities, this MFP is therefore a real network ready machine.



Color On Demand

The processing system for copies and print is also a refreshing new approach. The system is first of all designed to match professional needs by accomplishing B/W* reproductions at an efficient 35/45 cpm/ppm, and equally satisfying for most needs, color reproductions are delivered at 11 cpm/ppm.

*B/W = Black & White

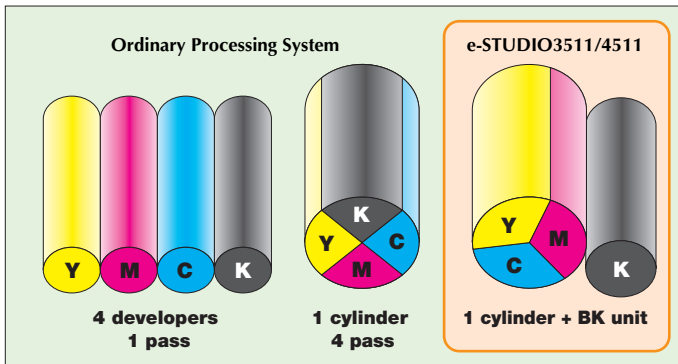


Toner Cartridges for the e-STUDIO 3511/4511

The e-STUDIO3511/4511 MFP System

Secondly, the machine has a processing system that differs from the ordinary 4-developers/1-pass or 1-cylinder with 4-developers/4-pass processing system with their combination of the four basic colors.

By being equipped with a separate process unit for B/W printouts, this newly developed combined color-cylinder and black unit processing system (the black color separation from the other colors) makes it possible to achieve even better B/W quality reproductions. The toner cartridge and developer have also been designed to hold more for longer printing efficiency and cost reduction.



The machine's ability to distinguish between black and RGB-colors has been further enhanced by redesigning the common 3-line CCD sensor into an RGB-color sensor and one dedicated black color sensor, thereby in reality becoming a 4-line CCD sensor. This means more accuracy, speed and of course reduced running costs.

Although the e-STUDIO3511/4511 is mainly targeting B/W reproductions, the above described benefits of the color cylinder and black unit and recognition process makes color on demand a pleasant reality as the user knows that color is only used when needed.

Strengthened Standard MFP Functionality

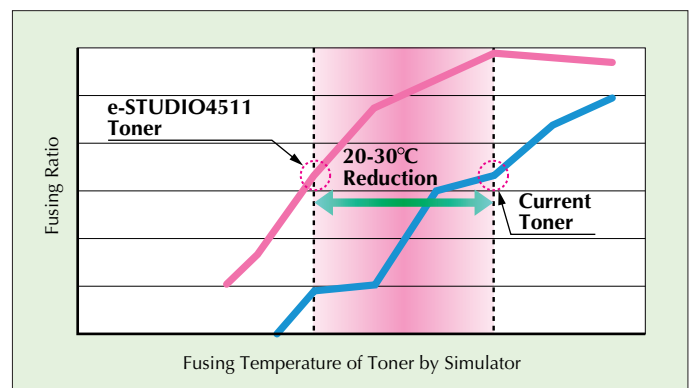
Among the many other appealing functions introduced with this model — that in many respects supports the various and useful options — and at the same time assures economical and expanded productivity benefits in terms of efficiency and external security, the following represents some of the high-end requirements TOSHIBA has set as a standard.

- Reasonable unit price and cost-per-copy (CPC)
- Compact external design
- Tiltable wide screen
- Environmental friendly and energy saving (lead free 100%, halogen free 100%, and recyclable plastic materials)
- Optional scrambler board can be installed to encode data (virtually unhackable)

Low Temperature Fusing Toner

On top of these innovative technologies, TOSHIBA TEC has included their newly developed Twin IH Heating Technology and Low Temperature Fusing Toner that provide an optimal way of controlling the fusing temperature of toner. They provide the system with the benefit of a faster warm-up time of about 40 seconds.

As the fusing temperature of the e-STUDIO3511/4511 toner is lower than other TOSHIBA toners, it is difficult for our common toners to fix sufficiently when used for the new TOSHIBA MFP system.



Pending Patents for Toner and Cartridge

Several TOSHIBA technology patents have been registered worldwide to ensure high quality, support and customer satisfaction. This time TOSHIBA TEC has filed a total of fifteen patent applications in Japan and more than thirty patent applications in some foreign countries, covering technical patents for the toner cartridges and for the toner. Design patents for the toner cartridge have been filed as well so that technology may be further safeguarded. Some of the patent applications have already been registered in some countries, and we will get more registered patents in the near future.

New Packaging of TOSHIBA Genuine Developer

Counterfeit products and trademarks violations have increased in the copier industry through the illegal manufacturing and sales of developers and deceptive packed products. Especially the unauthorized sale of re-filled TOSHIBA Genuine Developer bottles has become a major problem, deceiving and confusing our customers and distributors that they are handling genuine products, although the sold counterfeit products are of much lower quality and reliability.

As a response to the growing unauthorized reuse of developer bottles, TOSHIBA has therefore introduced a total new packaging concept, the "Standing Pouch Developer", which better prevents unauthorized reuse, and at the same time has better storage and handling capabilities.

For now, the new "Standing Pouch Developer" has only been available in China, where the new packaging has been well received by the many Chinese dealers. The majority of the dealers rate the new packaging equal to or even better than the old packaging.



New Packaging Concept—"Standing Pouch Developer"



High Quality of TOSHIBA Drums OD2060 Confirmed

The Difference Is Obvious!

TOSHIBA TEC Laboratories have done tests that clearly show the difference in performance and quality of TOSHIBA genuine drums to that of 3rd party A (which sells drums compatible to genuine TOSHIBA drums). Copy to Copy tests were performed so that the true reproducibility of the drum could be seen. A Copy to Copy test is performed as follows. First a copy is used to make a reproduction (First Generation). Then that reproduction is used as the original and another reproduction is created (Second Generation) and so on. As you can see from the Copy to Copy test results pictures, the TOSHIBA Genuine drum performance quality can clearly be seen in the 3rd and 5th generation reproductions compared to 3rd party A. Therefore the quality of genuine TOSHIBA products can clearly be understood, especially when compared to that of 3rd party A.

Copy to Copy Result

TOSHIBA	
Genuine OD-2060 1st	
Genuine OD-2060 3rd	
Genuine OD-2060 5th	

3rd party A	
OD-2060 compatible 1st	
OD-2060 compatible 3rd	
OD-2060 compatible 5th	

High Total Cost of Compatible Drums

3rd Party Drums

We realize that 3rd party drums — compatible with TOSHIBA OD2460/OD-6570 drums — were available in the market during 2001 for Toshiba's digital MFPs. With the supply of accurate information to the customer in mind, Toshiba has acquired and extensively tested some of the compatible drums. We have discovered that the tested drums were of much poorer quality than TOSHIBA Genuine Drums primarily in three areas.

Testing Results

The first inferiority was with the sample drums' electrostatic characteristics. When compared to the performance of TOSHIBA Genuine Drums the reproduction quality was low. Image Density, which measures the blackness of a reproduction, of the compatible drum was also found to last between 25% and 50% lower than the Image Density of TOSHIBA Genuine Drums. Finally the black spots which appeared on a white image was poor when measured up against TOSHIBA Genuine Drums. The combination of the above three areas, when compared to TOSHIBA Genuine Drums, 3rd party drums may lead to higher total costs due to additional service costs.

TOSHIBA Genuine

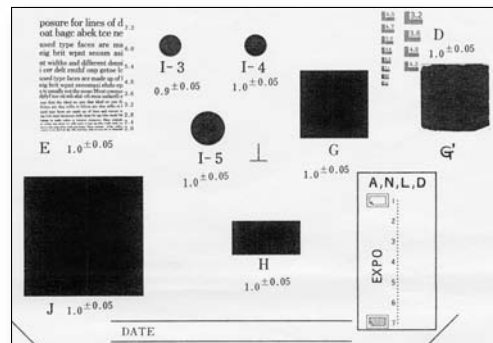
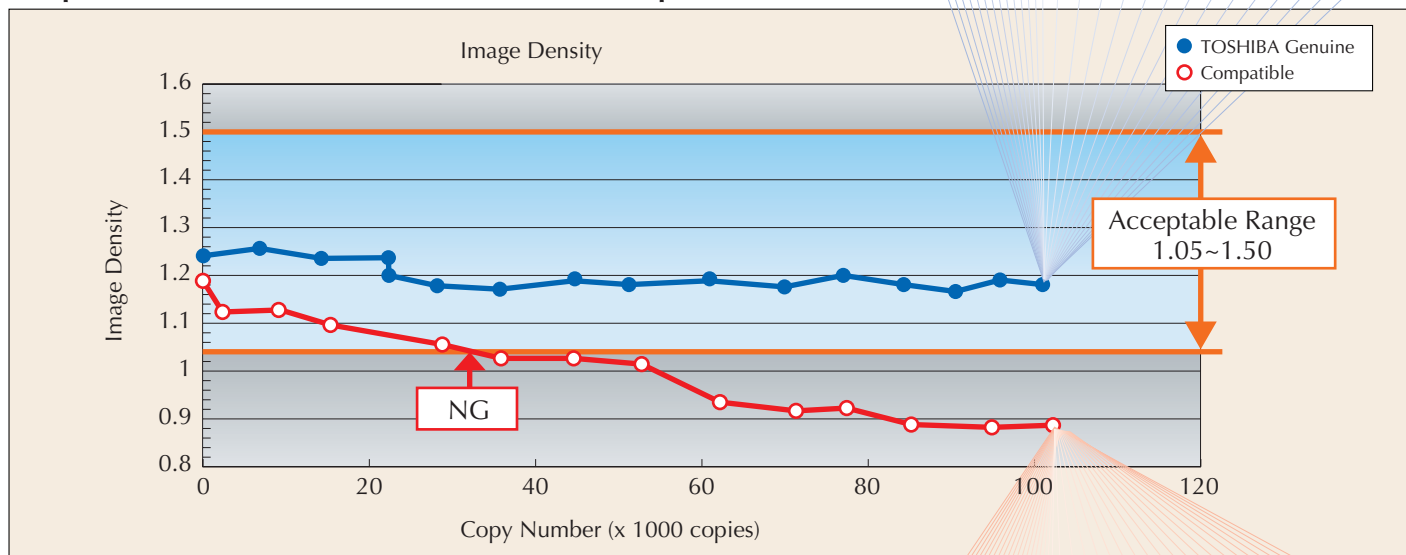


Image Density Result (final print)

Comparison between Toshiba Genuine Drums and Compatible Drums



Genuine Products Advantages

With total customer satisfaction at the heart of everything Toshiba is striving to do, it is important that the consumers use TOSHIBA Genuine Products. Furthermore, problems caused by non-genuine parts or supplies will not be covered by the warranty offered by TOSHIBA. Therefore Toshiba stresses that in order to satisfy the customer and lower their total cost of operations it is imperative that TOSHIBA Genuine Parts and supplies are used dependably.

Compatible

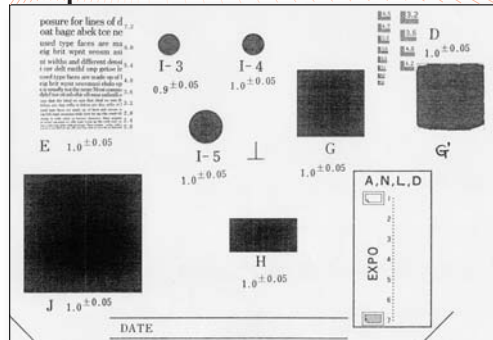


Image Density Result (final print)

Test Results of 3rd Party T-3500 Compatible Toner

During 2003 several 3rd party compatible toners have appeared on the market, of which TOSHIBA has acquired one of the compatible toners for extensive testing.

Following a "90K Life Test" and "100K Life Test" done at our US testing laboratory and one of our Mishima Laboratories in Japan, respectively, the testing results showed that the image density of the sample toner had weaker image reproduction density.

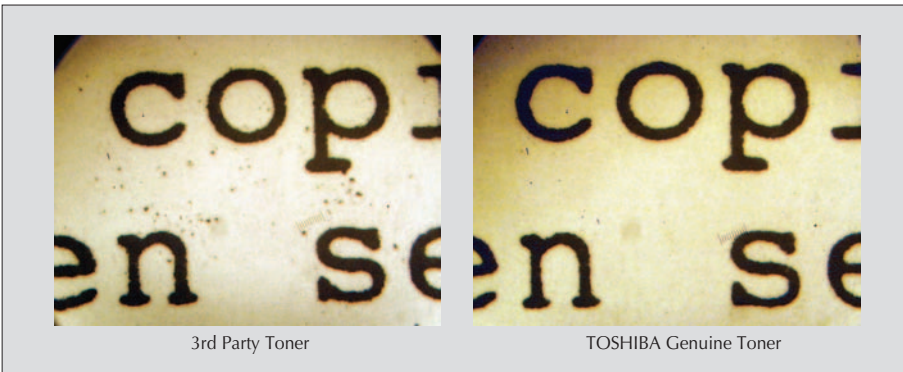
Also, as illustrated in table 1, when compared to the toner consumption of TOSHIBA Genuine Toner, the 3rd party toner consumed much more toner in order to achieve its reproduction quality.

Table 1 Toner Consumption Comparison

TOSHIBA Genuine Toner	16023 copies/bottle (450g)
3rd Party Toner	12480 copies/bottle (490g)

A closer examination of the 3rd party toner made it clear that fog or black spots gradually appear more often after 75K due to increased wearing of the drum (6.4µm at 75K) when measured up against TOSHIBA Genuine Toner (3µm at 75K). Figure 1 illustrates this difference between the two toners.

Figure 1 Image Fog Deterioration

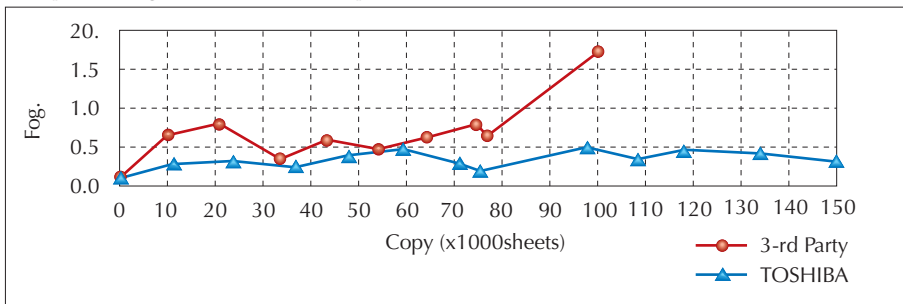


Genuine Products Advantages

Customers may believe non-genuine toners to be cost efficient. However, our test gave a different result: the tested product consumed more and had poorer production quality over time. And what is more, the quality of the toner had a considerable negative effect on the drum life. Thus, even if the price of the tested product may appear attractive it has hidden costs. The shorter drum life may decrease Mean Copy Between Visits (MCBV) and almost double the material costs, which combined may lead to higher total costs due to additional service and maintenance costs. We would not be surprised to find similar results in other 3rd party products and will continue our research.

Finally, after 100K, as shown graph 2, the material contained in the 3rd party toner had affected the property of the drum so much that we expect that the quantity of wearing had decreased the drum life about 50% compared to original toner.

Graph 2 Fog Test Result Comparison



Notes: 1) The quality of the 3rd party toner worsened almost exponentially between 75K and 100K, making further testing unnecessary,
 2) same quality drum was used in both tests.

Compatible/Counterfeit Heat Rollers Discovered in Asia!

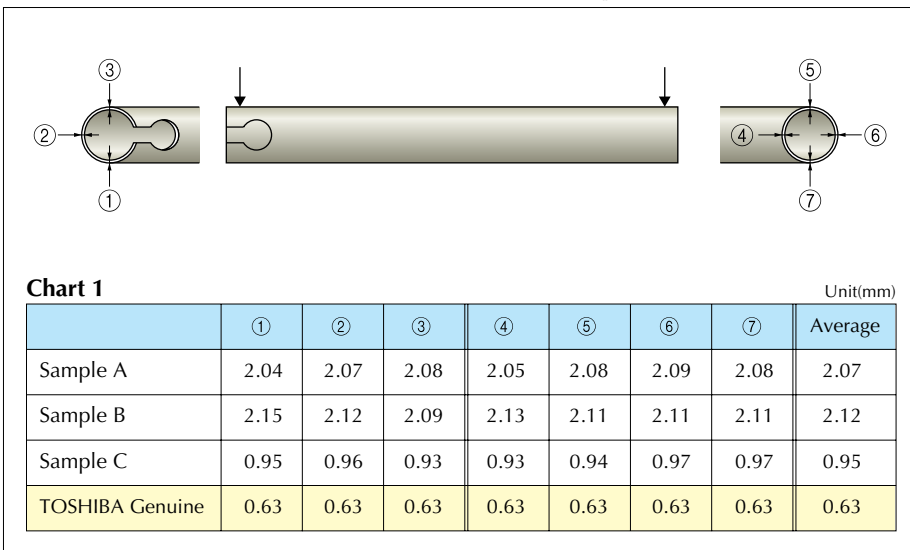
In recent years there has been an increase in compatible / counterfeit products, toners and consumable parts with lower quality and reliability. In order to combat this disturbing trend, we are striving to keep you abreast of the latest information. The following is a description of differences discovered between genuine TOSHIBA heat rollers and compatible / counterfeit products and their corresponding consequences.



Thickness Variance and Warm-Up Time

The thickness of the heat roller has a direct impact on the amount of time it takes for the machine to warm up and the strength of the heat roller itself. This is a very delicate balance that genuine TOSHIBA heat rollers have attained. Referring to Chart 1, those compatible / counterfeit heat rollers discovered in Asia are too thick and therefore may cause the machine to take a substantially longer amount of time to warm-up. The use of these low quality compatible / counterfeit products could be very damaging to the TOSHIBA name and customer satisfaction.

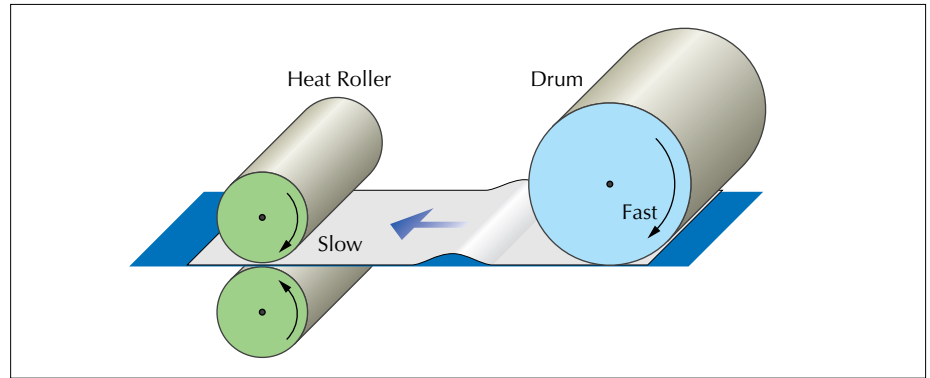
Dimensions of the Core Heat Roller Thickness Comparison



Diameter and Transfer Speed

The size or diameter of the heat roller is also very important for complete machine and copy utilization. If the heat roller is too big or too small, the speed is different from that of the drum. This may cause the paper to crinkle causing poor reproduction. According to Chart 2 heat roller sample "C" is smaller in diameter, which could cause the same problem as above.

Heat Roller Size and Drum Speed Relation

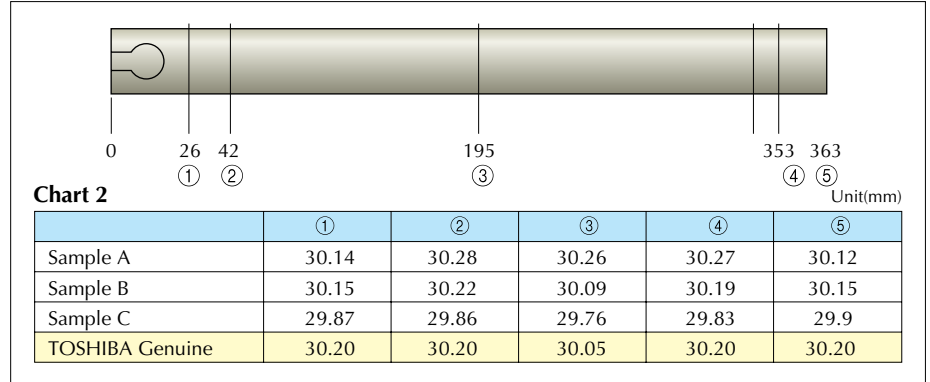


Incorrect Heat Roller Curvature and Wrinkled Copy Production

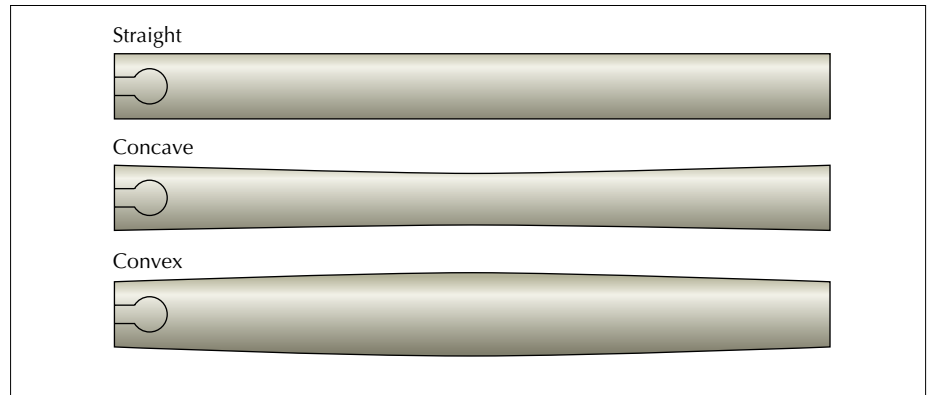
Heat roller curvature and shape is very important for the proper functioning of the copy machine. If the curvature of the heat roller is too straight, concave or convex the throughput of the paper will not be smooth resulting in wrinkled copies. The curvature of heat roller sample "A" is too convex when compared with that of genuine TOSHIBA heat roller, according to Chart 2. These problems cause wrinkled copies which may cause a decrease in quality throughput and work efficiency.

(By looking at the "Heat Roller Curvature" picture you can see three examples of different curvatures. A straight curvature is not good, as it does not allow for optimal copy operations. Concave curvature is at times good, but if the curvature is not exact it will cause poor copy quality. Convex curvature is always bad for copy quality and performance.)

Heat Roller Diameter Comparison



Heat Roller Curvature



Hardness Level and Distribution Thickness

To be able to fully utilize the heat roller over its natural life cycle the coating needs to be applied correctly so that fusing of the toner is consistent. By looking at Chart 3 it can be seen in heat rollers sample "A" and "B" that the hardness level is too soft and the thickness of distribution is not consistent. Also in heat roller sample "C" the thickness is too little. These above problems may lead to a shorter life cycle and poorer performance and consistency of copy quality.

Coating Hardness and Distribution Comparison

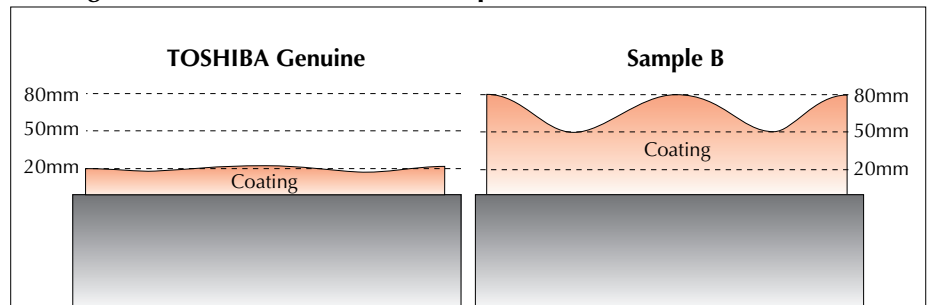


Chart 3

	Hardness	Thickness/Distribution
Sample A	too soft	50 μ m - 65 μ m (Poor distribution)
Sample B	too soft	50 μ m - 80 μ m (Poor distribution)
Sample C	Good	12 μ m - 14 μ m
TOSHIBA Genuine	Good	20 \pm 5 μ m

Increase in Discovery of Counterfeit Toners Alarming!

In many different regions around the world counterfeit toners have been located. The discovered models are T-1710, T-1550 and T-2060. As we have found counterfeit toners in many areas it is likely that dealers and their customers have unknowingly dealt with these toners. As this phenomenon may increase it is essential to be mindful and observant when dealing with toners. In the past it was very easy to spot a counterfeit, but the counterfeit toners have become increasingly similar and hard to detect. Therefore we encourage you to be attentive to this matter.



Samples of discovered counterfeit

Customer Trust and Loyalty is Key to TOSHIBA Success

For assurance of optimum copy quality and performance of your TOSHIBA MFP, use only genuine TOSHIBA toner. As genuine toners have strict quality specifications we can guarantee high quality image output. When counterfeit toners are used they can cause higher levels of consumption, poorer image quality and machine malfunction.

We urge caution, as the discovered counterfeits are very similar to genuine toners, and people may be misled about the true nature of the toner. This may lead to complaints and mistrust by consumers about TOSHIBA goods. It is important that we pay close attention and be cautious when dealing with toners. The best way to ensure that you purchase 100% reliable genuine products is to order directly from the local TOSHIBA representatives.



Genuine toner product line-up

How to Spot a Fake

Here are points to distinguish a genuine toner from a counterfeit.

Embossment

Genuine Counterfeit

Cap

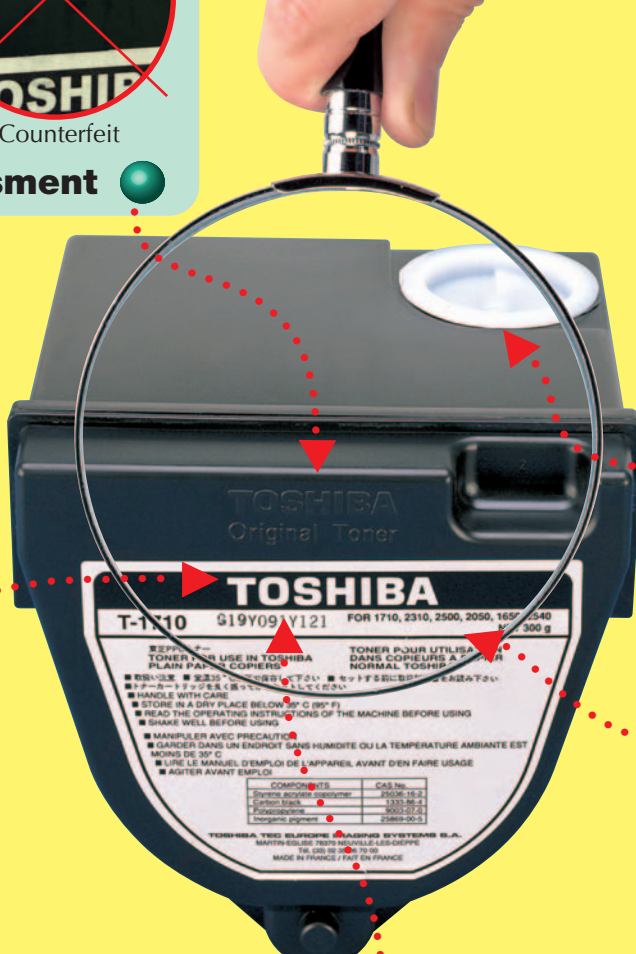
Genuine Counterfeit

Logo

Genuine Counterfeit

Lot Number

Genuine Counterfeit





The following is an explanation of the points to distinguish genuine toners from counterfeits.

● Embossment

On all genuine TOSHIBA toners "TOSHIBA Original Toner" is written in embossed letters. Among counterfeit toners some have the same embossment and some do not. Also some fake toners characters are longer in size than that of the genuine. As this is the case please be attentive to this detail.

Genuine



Counterfeit #1
This counterfeit toner has no embossment.



Counterfeit #1

Genuine



Counterfeit #2
This fake's embossment has characters that are longer than that of the genuine.

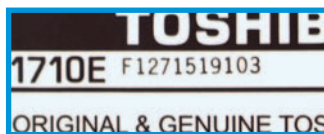


Counterfeit #2

● Lot Number

All Genuine TOSHIBA toners have a stamped lot number. Those toners without lot numbers are obviously counterfeit. Among the counterfeits with lot numbers the size, type and make-up of font is different.

Genuine



Counterfeit #1



Counterfeit #1
This sample counterfeit toner has no lot number.

● Cap Connection Method

Genuine TOSHIBA toners use a "Spin Welding" method of connection where as the discovered counterfeit toners use adhesive. By looking closely at the cap and connection area you can often see a dirty melted cap that is not flush with the cap basin.

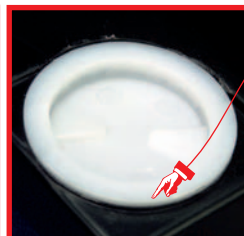
Genuine



Counterfeit #1



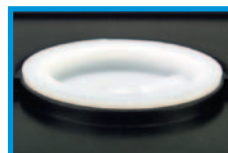
Counterfeit #2



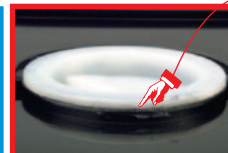
Counterfeit #2
When glancing at the top of the counterfeit cap it is almost indistinguishable from the counterfeit cap but,

Counterfeit #1
The counterfeit caps plastic is often dirty and slightly melted.

Genuine



Counterfeit #3



Counterfeit #3
By looking at the counterfeit cap from the side you can often see that the adhesive doesn't glue the cap to the basin in a flush manner.

Color of cap is not only white like the above picture's but also different by both manufacturing location and type of models



● Logo Shape

Genuine TOSHIBA toners logo's are very specific in shape. Some counterfeit toners logo's have been found to have different shapes and font kinds.



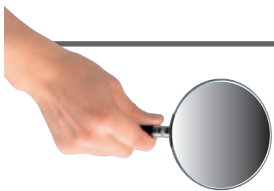
Counterfeit #1
This counterfeit toners logo's 'O' is circular in shape where that of the genuine is squared-off.

Counterfeit #2
The characters of this fake's logo are rectangular or squared off in shape.



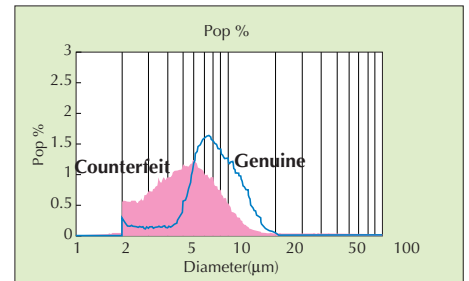
● Label Thickness

Genuine TOSHIBA toner labels all have a certain specified thickness and texture. Even though the thickness and texture of counterfeit labels varies, TOSHIBA TEC has found that counterfeit labels are usually thicker and of a different texture than that of genuine toners. Please note this when inspecting the toner.



TOSHIBA TEC's laboratory Analysis

According to TOSHIBA TEC's laboratory analysis the difference between genuine and counterfeit toners can clearly be seen. These results suggest that counterfeit toners may cause some image density, reproduction, toner dusting, black spot and consumption problems.



Genuine and counterfeit particle size distribution comparison.

Surveillance of Counterfeits

Please be cautious and alert when handling toners to be sure that they are genuine, as the trade of counterfeit products is a criminal act. Even buyers acting in good faith but being supplied with counterfeit products by their suppliers, might have to face heavy losses as the products in most cases are seized and destroyed by customs authorities or trademark owners without compensation. Counterfeits are a very serious problem causing damage, in the USA, of approximately \$200 billion annually. As the number of counterfeits continues to expand so do the problems of TOSHIBA. Corporate costs are negatively influenced and TOSHIBA's brand image is severely damaged. If consumers, who previously had a good impression of TOSHIBA's quality, use counterfeit toners of inferior quality, they will lose confidence in TOSHIBA goods.

Unreliable Counterfeit Quality

Counterfeit Toner Alert

An alarming number of counterfeit toners have been discovered in Asia, while the similarity of the toner casings and packaging to that of TOSHIBA Genuine Toners has markedly increased. The increasing sophistication of the counterfeiters, coupled with their desire to deceive consumers into thinking they bought TOSHIBA Genuine Toners, has led to casings and packaging that are indistinguishable from that of genuine product.

Unreliable Counterfeit Quality

TOSHIBA has run extensive test on the discovered counterfeit toner and have detected numerous quality problems. The first of these problems is with the structural mechanisms of the toner. Upon replacement of the toner cartridge, small droppings of toner might fall into the machine and surrounding areas.

In addition to the above facts the material used in counterfeit toners and that of genuine is quite different with regards to quality. This difference can lead to lower copy quality, the inside of the machine becoming extremely dirty and a reduction of both machine and toner life span.

An Eye on the Problem

Keeping all of the above facts in mind, TOSHIBA asks all dealers to be on the look out for toner cartridges that are performing in an unstable and insufficient manner. If such cartridges are discovered please contact TOSHIBA as soon as possible. By contacting TOSHIBA we can take action to eliminate the counterfeit and maintain TOSHIBA's image of a high-quality service and manufacturing company.



Almost similar design now makes it difficult to distinguish between genuine and counterfeit toners



Toner spills due to counterfeit toners reduces overall quality and life span of copier

Raid Actions of Counterfeits

Counterfeit toners not only represent severe trademark infringement but also deceive consumers into thinking they bought TOSHIBA Genuine Toners because casings and packaging are made indistinguishable from those of the genuine product. TOSHIBA has examined these counterfeit toners and found that the unreliable counterfeit structural mechanisms and inferior quality can lead to a reduction of both machine and toner life span.

These counterfeit toners represent a threat to the trust and reliance of the consumers worldwide regarding the TOSHIBA brand name.

Joint Cooperation with Governments Authorities

TOSHIBA Group has been monitoring these illegal counterfeits closely and taken many pro-active actions against the onslaught of counterfeit merchandise by establishing joint TOSHIBA Group strategic actions within the industry and also by working together closely with government authorities in various countries and regions such as in China and Hong Kong.

Chinese Ceremonial Destruction of Counterfeit toner Cartridges

Recently, the Guangzhou Municipal Administration of Industry and Commerce in China invited representatives of three Japanese manufacturers in charge of intellectual property rights, including TOSHIBA Group, to a ceremony during which the counterfeit toner cartridges were destroyed by a large steamroller.

The ceremony was covered by local Chinese media and consumers as well as Japanese newspaper, and marked a successful strike against counterfeits in China. Similar strategic campaigns against counterfeits are planned as part of protecting consumers and intellectual property rights so that TOSHIBA Group's image with consumers can be maintained.



Japanese companies expressed their gratitude and gave a testimonial of appreciation to the Chinese authorities.

Source: Kroll International, Inc.



The confiscated counterfeit toner cartridges

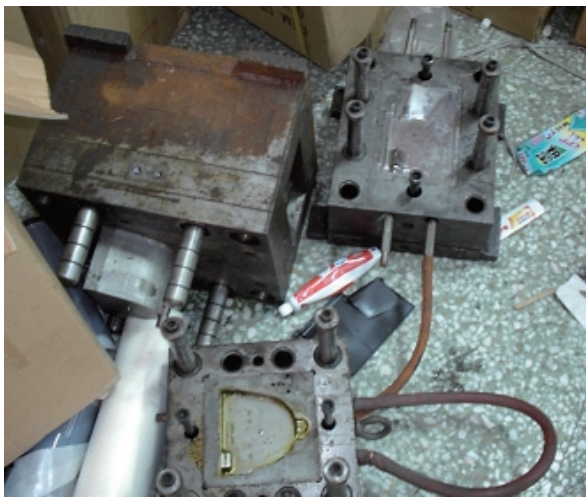


Strengthened Raid Actions in Guangdong Province

Following the established close cooperation with local authorities in southern part of China, another well-organized raid action against a counterfeit manufacturer in Zhongzhan City has been brought to a successful conclusion.

A vast number of illegal Toshiba counterfeits was seized, including several counterfeit toner cartridges and semi-finished products like toner packing cartons. The authorities in charge also found several molds to continue producing a large number of counterfeit TOSHIBA toner cartridges.

The seized products represent an imminent threat to TOSHIBA's intellectual property rights, and the manufacturer was therefore penalized by a heavy fine and ordered by the local government to immediately stop the illegal manufacturing of these products.



The Effect of Raid Actions in China

Between late-2001 and mid-2004, about 34 raid actions have been planned by government authorities and TOSHIBA representatives and followed through in several regions in China, backed up by local authorities and strong enforcement of legislative regulations.

The positive effect of these actions is truly visible by comparing the statistical information for toner sales before and after raid actions. Every region, where there has been a strike against counterfeit toners, there has been a notable increase in genuine toner sales, especially in the figures for Beijing, Guangzhou, and Wuhan. Based on the current number of raid actions together with the successful sales campaign and toner bundle program by TCOS, we can therefore expect to see a significant volume increase.

Successful Crackdown on Counterfeit Toners

Looking back at recent years' close cooperation with local government authorities worldwide in the fight against counterfeiting has resulted in the biggest single haul of counterfeit goods to date, making headlines in both the widely read Singaporean newspaper, The Straits Times, and the Chinese newspaper, The National Chinese Newspaper. About 167,000 counterfeit photocopier products worth \$11 million, including toners and cartridges bearing known trademarks such as TOSHIBA and from other well-renowned manufacturers, were seized from a 3rd party warehouse in Singapore, and more than 20,000 TOSHIBA TEC-related products have been identified. It is believed that empty toners and ink were obtained from China and that the refilled toners were intended for export to the Middle East, South Africa, and several Western nations.

This recent success story of joint-operation between local authorities and the industry is an important step in protecting original manufacturer's intellectual property rights, and upholding the high reputation of TOSHIBA brand name worldwide.



Protecting Our Intellectual Property Rights

At the end of 2003, two distributors in Hong Kong of 3rd party products were found to have not ended their sales activities with illegal counterfeits in spite they had been raided in 2002 by Hong Kong customs. As a result, both companies have agreed immediately to discontinue this kind of sales, and also signed a Letter of Undertaking, wherein a distributor agrees to refrain from sale of counterfeit products and another one agrees to pay legal fees amounting to HK\$10,000. Hopefully these two settlements will send a strong message to others trying to capitalize on counterfeit products.

Moreover, as part of strengthening the awareness of TOSHIBA trademarks in China, a leaflet has recently been distributed to various consumer organizations and Chinese custom offices in dealing with methods of identifying and reducing the distribution of counterfeit products, especially TOSHIBA toner cartridges, TVs, DVD players, and batteries.

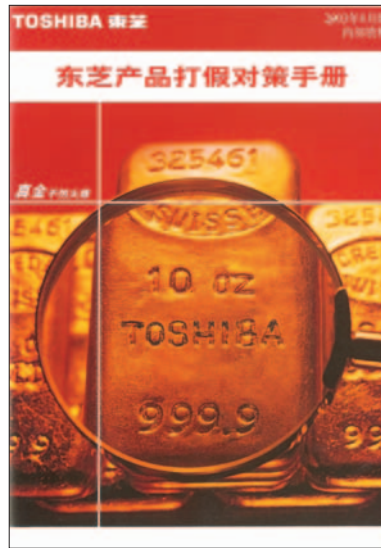
Warning Message to the Saudi Market

In order to deal with the growing import and sales of counterfeit toner cartridges on the rise in Saudi Arabia, TOSHIBA CORPORATION, owner of TOSHIBA trademarks, is going to initiate an extensive informational campaign issuing a warning message to importers, distributors and customers to be published in a major newspaper. It is anticipated that the campaign will bring about a better understanding of the benefit of genuine products and also have a positive effect on securing their intellectual property rights.

Sales Promotion Material Targeting China

TOSHIBA firmly believes that the most effective way to encounter the threat of counterfeiting is to actively inform our consumers worldwide about the actual dangers of counterfeit products and explain the effect that weakening our intellectual property rights by unauthorized products will have on their usage of TOSHIBA equipment.

In order for customers to make the right choice, TOSHIBA has also prepared both a leaflet and a poster that emphasizes "The Reasons Why" we recommend Genuine TOSHIBA Toners to our customers. It is expected that the clear message will have a positive impact and increase the sales of Genuine TOSHIBA Toners.



Chinese information leaflet on TOSHIBA Trademarks



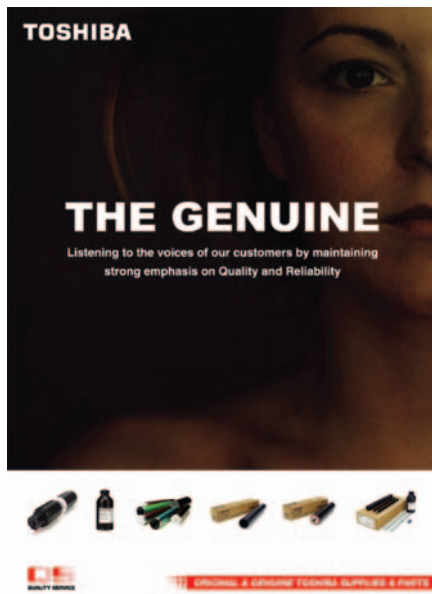
"Warning Message" newspaper insertion by TOSHIBA CORPORATION



TOSHIBA's Sales Promotion Tools

Always striving for quality, reliability and customer satisfaction, TOSHIBA makes use of a vast variety of sales promotion tools like posters, calendars, informative PM-Guides and PM-KIT Catalogues for increasing the awareness among our many customers of the benefit of using TOSHIBA products and how to spot non-genuine products.

Especially, the yearly release of the PM-GUIDE has gained a steadily growing reputation for its quality information and is seen as a valuable guide for keeping dealers, service engineers/technicians abreast of new technologies. It has all the latest information about Preventive Maintenance of Copiers, Facsimiles and MFP's and is provided as a handy day-to-day reference tool, so please utilize it when needed.



Worldwide Distribution of Supplies and Parts

At present, TOSHIBA TEC has several main stock points holding supplies and parts in Japan, China, the Netherlands and the United States, as well as regional stock points in Canada, Australia, and Singapore. While Japan and China have become the main suppliers to the world markets, the main manufacturing facilities of toner cartridges (developers) remains in Japan, the United States, France and China.

Through this optimal distribution among our stock points and manufacturing facility areas worldwide, we are aiming towards a smooth and steady supply of consumables and service parts to serve our regional customers the best possible way.

Main Stock Point in Japan

Combining separated stock points into one major stock point in Japan in charge of consumables and parts for MFPs/copiers and FAX/Printers together with system improvement and layout optimization has speeded up the stock management, shipping and export procedures and thus made them more efficient. In this way, we have achieved promptly distribution of supplies and parts around the world.

Main Stock Point in China

Reinforcing our policy towards our strongholds in Japan and Asia and also by streamlining our procurement and supply routes have improved both the speed and availability of our supplies.

Main Stock Point in Europe

Among our subsidiaries in Europe in charge of the European stock point operations, TOSHIBA TEC Germany Imaging Systems GmbH located in Germany takes on a special role by being responsible for the daily logistical management of the Pan-European main stock point, strategically located in the Netherlands.

Thanks to the continuous improvements of our systems and stock point operations, we expect to see a strengthening of our distribution networks in Europe, including our direct connections to the dealers.

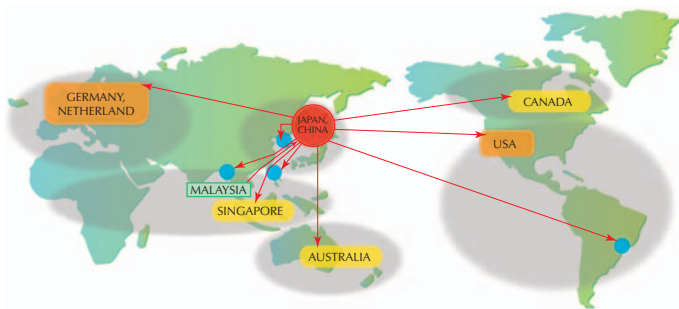
Main Stock Point in the United States

Introducing a web-based order entry system and by moving the main stock point to Memphis located at the center of the United States, we have realized same day processing and next day delivery. Furthermore, by using various means of transportation like courier services, we are realizing a reduction in supply lead-time.

Toner Manufacturing Facilities

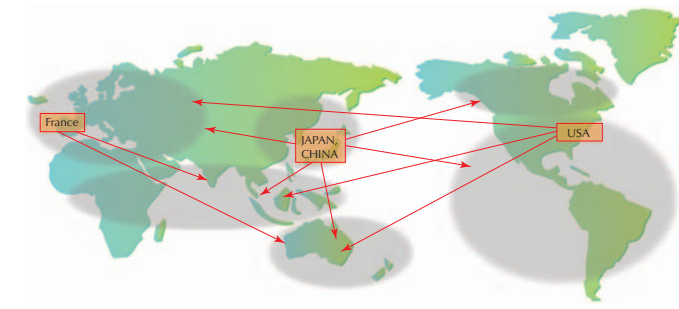
Setting up mass production factories near consumption areas in North America, Western Europe and China, while using our Japanese factories as base for the development and manufacturing of toners has been a major goal. This has fulfilled our wish to focus on developing the latest technology for the global markets and helped to cut down on overall lead-time.

Organization of Supplies & Parts



- Main Manufacturing Facilities & Main Stock Points (Japan & China)
- Manufacturing Facility
- Subsidiaries and Main Stock Points
- Subsidiaries and Regional Stock Points
- Distributor

Organization of Toners



- Toner Manufacturing Facilities
- ← Toner Supply Routes