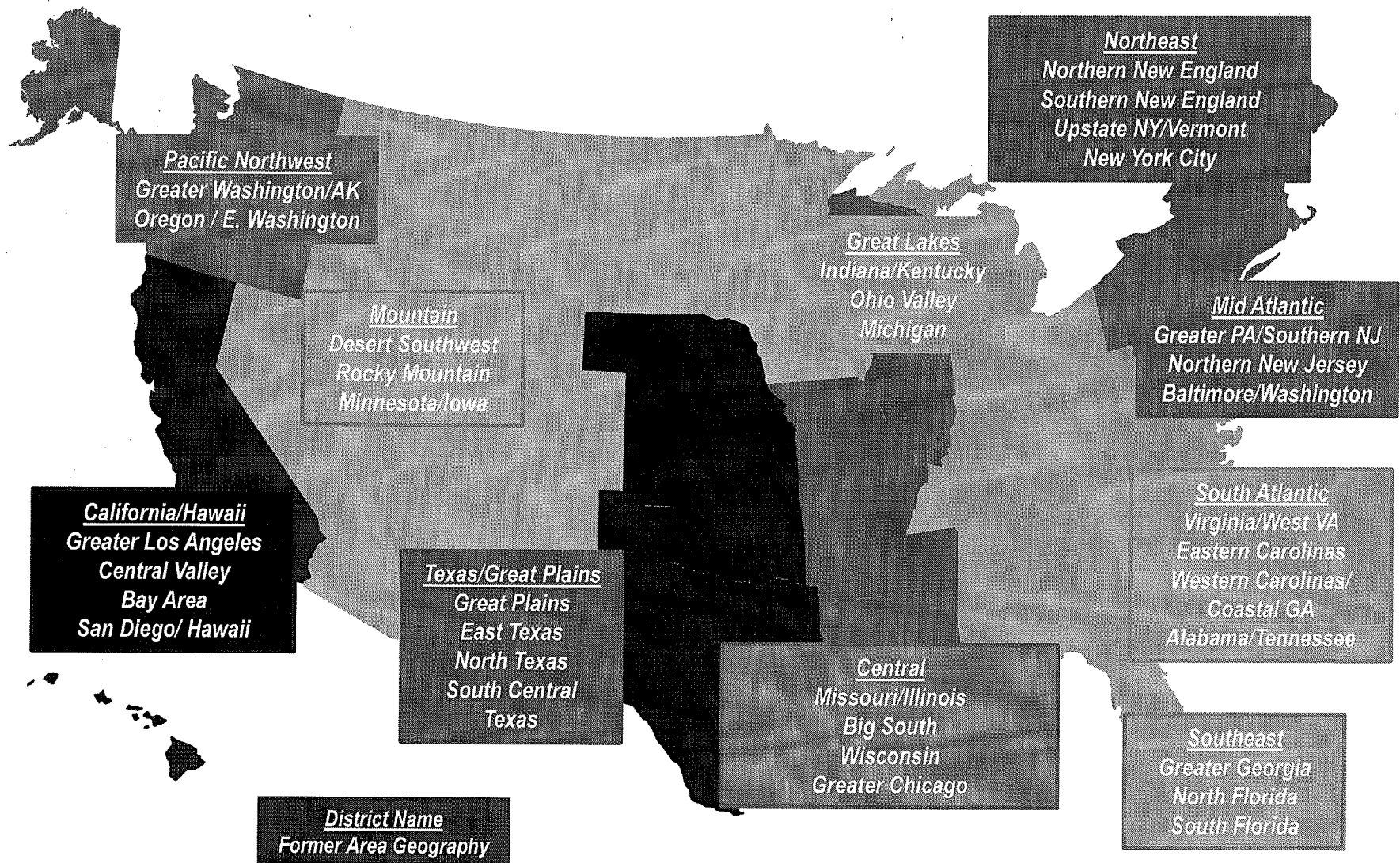


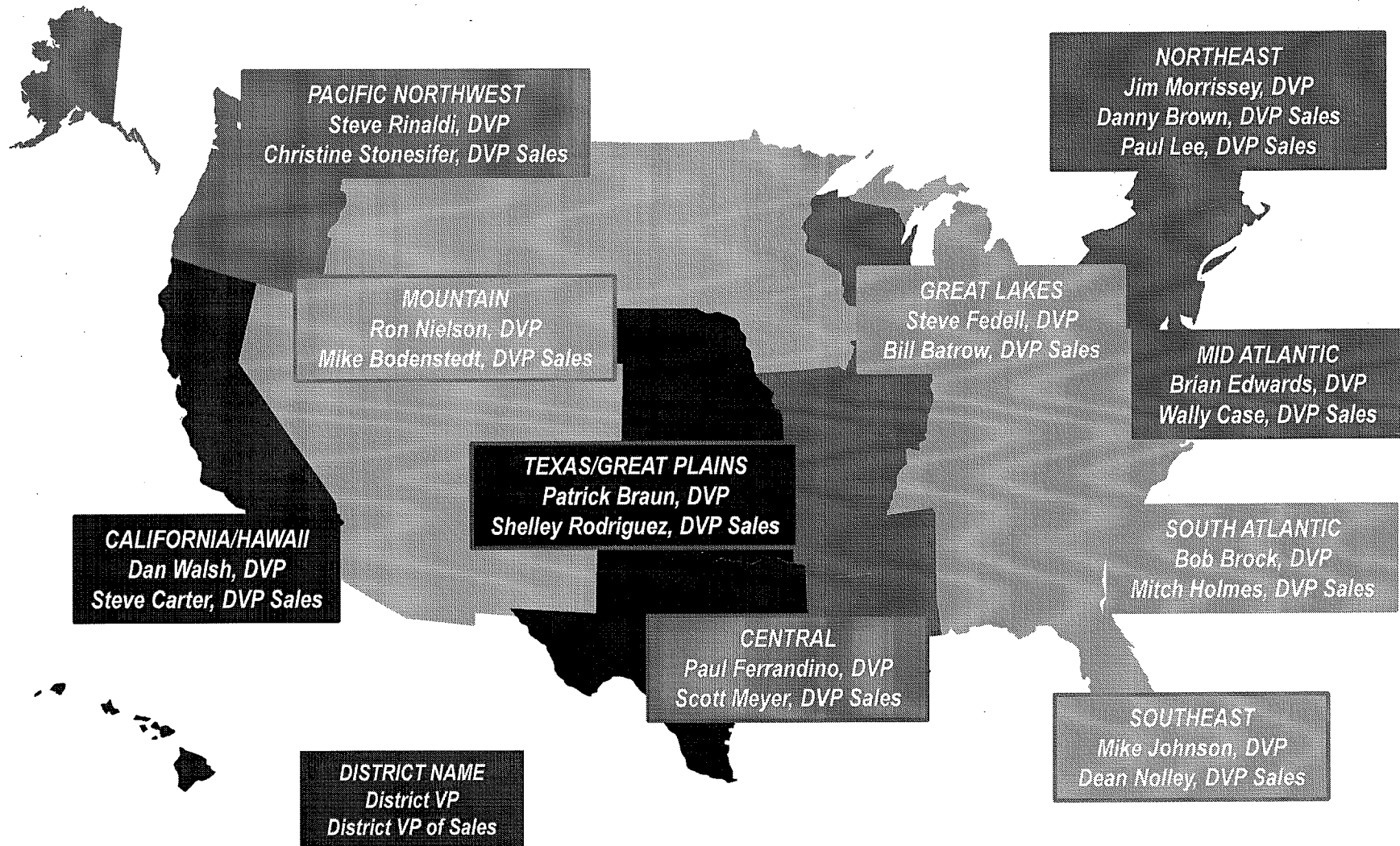
# District Geographic Coverage



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# District Sales Leadership



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## District Field Structure Announcement Employee FAQ November 3, 2011

### District Field Structure Questions

**1. What did we announce on November 3, 2011?**

We are introducing a new field structure in the U.S. for our direct channel that will bring a stronger alignment of growth initiatives to the field, as well as a balance to operational efficiency. The District model consists of 10 geographic Districts, which replaces the existing Region and Area structure. The District model combines the Regions and Areas into a single structure. Under this new structure, District Vice Presidents (DVPs) will drive our sales execution in the field. Additionally, we are nationalizing our field services delivery for Technology Services and Enterprise Services Operations with a national leadership structure.

**2. Why was the decision made to implement a new District field structure in the U.S. for our direct channel?**

Over the past decade, Ricoh has built a broad portfolio of products and services and gained market share in the industry through its strategic acquisitions and vision of growth. While these efforts have made Ricoh a stronger organization, there are several forces impacting our business, including rapid industry changes, continued global economic challenges, and an escalated customer demand to become more services-oriented. These factors have required us to take a look at our business structure and accelerate our transformation to a services-led organization. As a result of this accelerated approach, we are introducing a new field structure in the U.S. for our direct channel that will bring a stronger alignment of growth initiatives to the field, as well as a balance to operational efficiency.

**3. What is the effective date for the new District field structure for the direct channel in the U.S.?**

The new field structure announced on November 3, 2011, is effective immediately. Starting with our November business month, the new field structure replaces our prior Region and Area structure.

**4. Why are we introducing the District structure to replace the Region structure?**

The rapid industry changes and the continued global economic challenges, along with an escalated customer demand to become more services-oriented have required us to accelerate our transformation to a services-led organization and implement a new structure for our direct field sales organization in the U.S.

We are introducing a new field structure in the U.S. for our direct channel that will bring a stronger alignment of growth initiatives to the field, as well as a balance to operational efficiency that will accelerate our transformation to a services-led organization and drive growth.

**5. Are there any additional changes planned for the field sales structure in the future?**

Great companies are always in the process of transforming, and change is constant in our industry. We believe that our new District structure is the most efficient operating structure to meet our needs. We are committed to being nimble in the marketplace and will continue to transform the organization to meet our goal to become the most powerful organization in the industry.

The next steps in our integration journey call for aligning our direct organization under a single Ricoh brand in the U.S., and commencing our system integration to create a single operating system platform to drive further technological-based efficiencies in the U.S.

**6. What is Ricoh's strategy on hardware vs. services?**

Over the past 18 months, we have made investments to expand our services business, including our global Managed Document Services (MDS) infrastructure, a focus to IT Services, expansion of our

production print portfolio, as well as our vertical markets and 3-D selling approach. Ricoh has accelerated its approach to market leadership as a services-led organization and will continue to promote growth in our key growth strategies. With that said, we remain a manufacturing company, and will continue to focus on the development and production of innovative hardware technology and new products. Ricoh is a market share leader in MFPs and production systems, and we continue to launch new products and solutions to meet the needs of our customers, including A4 products. Ricoh is also developing innovative communications technology, such as tablets, projectors and video conferencing systems.

**7. Will the organizational restructure impact the Ricoh dealer channel?**

There will be no changes to the dealer division structure with our new field structure for our direct channel. Jim Coriddi will continue to have responsibility for Ricoh's U.S. dealer channel, and will continue to report to Kevin Togashi, Chairman and CEO, Ricoh Americas Corporation.

Ricoh remains committed to the dealer channel and it will remain a critical part of our strategy going forward. We will continue to foster strong collaboration between our direct and dealer channels, and our District structure provides a streamlined point of contact for our dealers into our direct channel.

**8. How do these changes impact our Managed Services sites and customer relationships?**

We do not anticipate any changes at the site level, and our customer service levels and our contractual commitments remain our number one priority. Our Enterprise Services Operations will continue to support all operational aspects of customer agreements, backed by our Service Excellence Promise to deliver the highest level of service.

Some customers may notice a change in their primary contact at the Integrated Account Manager level. As always, we will ensure that our customers are introduced to any new field operations staff aligned to their account.

**9. How do these changes impact our Technology Services customer relationships?**

Our national leadership structure for Technology Services includes changes at the leadership level, with five District Directors of Technology Services aligned to two Districts each. At the Field Service Manager and Technician levels, there are no changes in alignment to geography or customer relationships in connection with the transformation to a District model.

**10. Will there be consolidation of any sales offices, customer administration centers or supply chain locations?**

One of the areas that we will continue to look at throughout integration planning is our real estate footprint across the U.S. We have already recognized the benefit of reduced cost and increased efficiency by consolidating some warehouse locations and other locations as leases have expired. The announcement of the District model for the direct channel in the U.S. does not include any office consolidations or closures; however, we will continue to evaluate ways we can optimize use of our existing real estate going forward.

**11. What changes are happening in the Headquarters and "back office" functions to drive growth and balance to operational efficiency?**

Our headquarters and support functions are committed to supporting our growth initiatives. In order to create the most effective and streamlined structure to support our sales organization, many functions have taken some action to reduce headcount within their departments. These reductions were designed to balance operational efficiency with strategic investments in the field to drive our growth initiatives.

**12. Will we still have two Headquarters locations?**

As we continue to integrate and align our teams, we have made the decision that the senior leadership team reporting to me will be based primarily in the Malvern office. Both the Malvern and West Caldwell facilities will continue to function as key headquarters centers for strategic and functional support, allowing us to draw upon the strengths of our teams in both locations.

**13. Will there be any change to our branding?**

Our future integration calls for further alignment under a unified brand. In April 2012, we will leverage the strength of a single brand, transitioning the IKON brand to Ricoh in the U.S. This marks three years of planning and integration to create a strong, unified organization. There is confidence on the part of our employees and customers in the strength of a combined brand and it is a natural and complementary fit of two strong companies. Our single brand will continue to build on our culture of service excellence, and all our sales teams and employees will go to market under the Ricoh brand. More details on the branding strategy will be shared in the coming months.

**Field Sales Questions**

**1. How long will the integration planning take before all direct channel field sales employees are fully integrated?**

We have taken a thoughtful approach for a phased integration of the direct channel field sales teams based on ensuring business readiness. We anticipate that the direct field sales organization will be one of the last functional areas to fully integrate as it has the most complexities in terms of systems and processes. A key component driving the integration of the direct field sales organization is the integration of our back end support system. In May 2012, we will begin the first of six migrations of Oracle 11i to the Oracle R12 system, and we anticipate all migrations will be completed by the end of calendar year 2013. This will provide us with a single system and integrated platform for driving further efficiencies.

**2. How will this new structure impact the way the District leadership team and national services teams work together?**

This new structure is based on strong collaboration between District and national leadership, just as Area, Region, and national leadership have worked together in the past. Leaders in Technology Services and Enterprise Services Operations are aligned to Districts to foster continued support and collaboration. In addition, field support leaders in Finance, HR and Marketing are also aligned to a District. The new structure allows a streamlined flow of communication for nimble response in the market place.

**3. To whom do I go to for approvals?**

Your manager will outline the new organization structure in your function and geography and provide details on approval processes.

**4. When will I meet the leaders in my District?**

District leaders are committed to traveling throughout November to meet with employees, share their vision for the future, and address any questions you may have.

**5. My DFO used to provide deal support, who will provide that support going forward?**

There will be a District Director of Financial Operations assigned to each District, and they will have a team of support analysts to provide deal support.

**General Questions**

**1. How will this announcement affect me? Will there be any layoffs?**

Ricoh's vision is to create the strongest organization in the industry with a competitive cost structure, and to expand our resources and invest in our growth. We continue to review our operations and look for ways to make us a stronger company with a continued focus on growth.

We believe the new direct structure will bring a stronger alignment of growth initiatives to the field, as well as a balance to operational efficiency. Some positions were eliminated as a result of combining our Region and Area structure into the District structure, as well as reductions in many of our functional support areas. These reductions were designed to balance operational efficiency and allow for strategic investments in the field to drive our growth initiatives.

Throughout our transformation and integration, it is important that all employees continue to focus on meeting our objectives and providing exceptional customer experiences.

**Communication Questions****1. Where can I direct my questions or find out more information about the District field structure?**

You can direct questions to your manager or functional leader, or email your questions to [QuestionsRicohHQ@ricoh-usa.com](mailto:QuestionsRicohHQ@ricoh-usa.com). Functional and District leaders will also follow up with their teams tomorrow and into next week to review some details by function, as well as review the new District structure in more detail. We will post these functional communications for all employees to review, and will send you the link next week.

**2. When a customer or dealer asks about this announcement, how should I respond?**

We have developed a set of customer and dealer talking points, as well as some FAQs to help respond to inquiries. Your manager or functional leader will distribute these documents, and they will also be posted on RicohNOW and [ikon.org](http://ikon.org). Please familiarize yourself with these documents and direct any additional questions to your manager or functional leader.