

HARMAN **LIVE**

People. Products. Passion.

Summer 2010

UNLOCKING THE ENERGY
OF A NEW HARMAN



HARMAN



HARMAN's new group identity mirrors the dramatic transformation that has shaped our company over the last few years. While many others went on the defensive during the recent global economic crisis, we were hard at work building for the future.

DEAR COLLEAGUES

The last few months have marked a dramatic rebirth for the company long known as HARMAN International. In order to best represent our new and energized company, we launched a new and streamlined brand architecture and bold new HARMAN logo. The phrase "by HARMAN" now accompanies each of our legendary brand logos to reinforce the quality and passion that go into every package.

HARMAN's new group identity mirrors the dramatic transformation that has shaped our company over the last few years. While many others went on the defensive during the recent global economic crisis, we were hard at work building for the future. We have restructured our businesses, launched hundreds of new products, invested in game-changing new technologies for both established and emerging markets, and improved our top-line and bottom-line performance.

Every one of you has contributed to the achievements behind this dramatic transformation. You have helped us deliver on our critical STEP Change program, which we expect to produce a full \$400 million in annual savings by the end of this fiscal year. Although the formal 24-month STEP Change process is now winding down, we must work hard to make sure that every dollar of benefits is permanent. We must also continue to look for improvement opportunities that reach well beyond those we have delivered.

Among the many elements of HARMAN's comeback, our continued focus on the emerging markets is critical. We have made tremendous progress in the "BRIC" countries (Brazil, Russia, India and China), where we are targeting \$1.5 billion in revenues within a few short years. Our acquisition of Brazil's Selenium, combined with new facilities in India and China, give us a head start. But now we must use these resources wisely both to attract new business and to execute more efficiently on existing business from around the world.

While balancing the many activities that characterize our business, we must keep a close eye on the four strategic pillars that will have the greatest impact. Growth in the emerging markets is one of these, as is the best-in-class capital and cost

structure that we began to shape with STEP Change. New innovations for smart infotainment solutions and greater penetration of our branded audio round out the critical strategy that leverages our core strengths while delivering them with new efficiency.

At times like this, I am reminded of the old saying, "When the going gets tough, the tough get going." Each of you has proven not only that you are tough but that you are also beginning to embrace a new HARMAN culture of accountability, transparency and bias toward action. I see it not only in our public communications but also in every visit with HARMAN employees who ask great questions, offer great suggestions and make clear that they too are committed to a great future for our company.

I hope that you will share this issue of *HARMAN Live* with family and friends who, like you, have supported our company through some very difficult times. We could not have accomplished so much without their patience and understanding. Many of you have been working under tremendous pressure to meet aggressive and complex deadlines, and it is important to me that you understand how much I appreciate this effort.

As in many of my communications, I must ask you not to become complacent. Our hard-won accomplishments could easily slip away if we rest for even a moment in delivering on our clear strategy. But we have earned the right to stand tall and take pride in our achievements so far through sound strategy, sound thinking and sound execution on the most complex set of priorities HARMAN has ever faced. Let's keep it up!

Best regards,

Dinesh C. Paliwal
Chairman, President and Chief Executive Officer



On the left: the HARMAN Consumer Northridge showroom.



A ROOM WITH A VIEW

HARMAN Consumer opens Northridge showroom

On June 11, twenty key European journalists and about 150 senior HARMAN Consumer employees took their first walk through a place that had been months in planning and execution: the HARMAN Consumer Northridge showroom. A space that had once held a corridor of offices had become a luxurious exhibition hall displaying the best of HARMAN's consumer division.

The journalists were on a "science of sound" tour that featured demonstrations of HARMAN's skill at designing and engineering fine audio products.

Mathias Brand, director for HARMAN Marketing Communications and a project leader behind the creation of the showroom, hosted the event. He thanked the designers, architects and builders who brought the showroom to life, as well as the HARMAN executives and other employees who supported the project. At 12:30 p.m., Brand cut the ribbon at the showroom's entrance and let the room's first visitors step inside.

The showroom's entryway included an angled wall covered from floor to ceiling in a timeline of great moments in HARMAN history. On the visitors' left was the luxurious John Eargle Theater, named after the GRAMMY® award-winning audio authority and longtime HARMAN product developer.

The room's plush couches could seat 10 people, and its movie screen — nearly 6 feet tall by 10 feet wide — could show them whatever the room's Mark Levinson® No. 502 media console and Lexicon® BD-30 Blu-ray Disc™ player could offer. A JBL® Synthesis® SDEC-4500P equalizer and eight Synthesis S800 power amplifiers filled the room with sound.

"The main objective of the showroom is...to create a showcase of our vision, how to improve the retail experience and to set a new standard in branding and product presentation at retail." — Mathias Brand, Director, Marketing Communications

Outside the Eargle Theater, the journalists and HARMAN people experienced more than 10 displays and presentations featuring more than a hundred current and upcoming HARMAN products, arranged as they would appear in retail stores. Opposite the Eargle Theater, for instance, stood another Mark Levinson No. 502 and Lexicon BD-30, flanked by black Revel® tower speakers.

The main showroom, filling more than a thousand square feet (about a hundred square meters), impressed both journalists and HARMAN employees. In one corner, for instance, they enjoyed trying out a Sound for Vision demonstration area. As a flat-screen television showed clips from a Harry Potter movie, a Dave Matthews concert and other shows, the signage encouraged visitors to hit a big, round button that would switch the sound from the TV's speakers to a HARMAN surround sound system — and then switch back to make the visitors realize what they're missing without HARMAN sound.

HARMAN employees and journalists circled pedestals and gazed at wall displays bearing HARMAN Consumer products, from the tiny JBL On Stage™ Micro II to the powerful, five-component harman/kardon™ HKTS home theater speaker systems. They lounged in a small "living room" area with a TV, a couch and a suite of JBL speakers to show how JBL sound can enhance watching shows at home. They tried out an interactive

AKG® listening station with eight different headphones and looked over dozens more headphones hanging on a nearby retail-style wall rack. They chatted in a conference room that included a TV with a harman/kardon AVR 7550 HD audio/video receiver and BDP 1 Blu-ray Disc player to fill the screen with entertainment; a white JBL in-wall speaker blended neatly into the décor as it delivered pristine, exciting sound.

Now that the showroom is officially open, HARMAN executives expect to show it off to everyone from prospective employees to visiting dignitaries. But the showroom's most important role is — as an example of what retailers can do with HARMAN products.

"The main objective of the showroom," Brand says, "is not the nice product presentation but to create a showcase of our vision, how to improve the retail experience and to set a new standard in branding and product presentation at retail." In the coming weeks, HARMAN executives will present the showroom to HARMAN's United States sales team and many existing and potential customers.

Brand concludes, "This will definitely help to build up brand recognition and awareness — and, finally, our and the retailers' business."

— David Seidman, Editor/Proofreader, Brand Services

WHERE SOUND MATTERS

New brand architecture celebrates the new HARMAN

For the first time in 30 years, HARMAN is changing its public face. On April 29, the company's top executives revealed to investors and stock-market analysts its new corporate logo: the name HARMAN anchored to a steel-blue rectangle. The logo, designed by HARMAN Brand Services in Northridge, succeeds a stylized orange "H" that has served the company since 1980.

Millions of customers recognize the JBL and harman/kardon nameplates, but many more are unaware that one company stands behind them. They don't realize that HARMAN offers the world's most complete portfolio of audio and infotainment technologies and brands. "All this is changing as we adopt a stronger and more recognizable identity to sit atop our rich brand portfolio," says Brad Hoffman, HARMAN's vice president for Corporate Communications. "Far more than a new logo on a piece of paper, the HARMAN brand is designed to unlock new awareness among our stakeholders and to celebrate the contributions of our employees."

In addition to launching the new logo, the company will use the tagline "Where Sound Matters" on marketing materials to celebrate HARMAN's nearly 60 years of contributions to the science of great sound. What's more, each of the company's individual brands will include the phrase "by HARMAN" with their logos on their Web sites, advertising, packaging and other promotional materials as a constant reminder that these brands are backed by the world's leader in audio and infotainment.

The company's marketing will use public awareness of the most famous brands to enrich other brands. The overwhelming majority of customer awareness comes via business-to-consumer transactions — purchases of products bearing the harman/kardon, JBL, Infinity®, AKG, Lexicon and Mark Levinson

nameplates. The customers who buy these products remember the brand names, and their awareness ultimately drives most of the larger business-to-business (B2B) project revenue. A recent analysis has shown that about 85 percent of HARMAN's revenues come from business-to-business channels, mostly in the automotive and professional segments, yet only 15 percent of customer awareness comes through these channels. Thus, HARMAN will increasingly feature the consumer brands in top-level communications while positioning the remaining brands as the "ingredients" of broader integrated solutions.

"The past few weeks have been very busy," Hoffman says. "A dedicated team of people worked around the clock for weeks to update the company's identity on the Web and prepare a fresh set of brand materials ranging from business cards to brochures."

Celebrities such as Quincy Jones, Peter Frampton and Rod Stewart, who have been loyal HARMAN fans for years, added their comments to the launch materials. The message took center stage in the pages of leading publications such as *The Wall Street Journal*, *Financial Times*, *The New York Times* and *Fortune*.

As this issue of *HARMAN Live* was going to press, detailed guidelines and brand materials were being developed for all divisions and businesses to use in digital and print materials. Hoffman urges employees to visit the Tools and Services section of the One HARMAN intranet site (www.oneharmannet) to review the new guidelines carefully and share them with external agencies or others who support the development of new materials.

"Congratulations to the dozens of people who have worked to make the brand launch possible," Hoffman adds, "and to the thousands more who have helped to write the story of a new and energized HARMAN!"



The goal is to strengthen our core ability to manage projects on time, on budget, with improved quality and enhanced customer satisfaction, to deliver sustainable improvements to HARMAN's bottom-line results.

NEW HARMAN CONSUMER LOGOS



NEW AKG APP DELIVERS FREEDOM, FLEXIBILITY AND FUNCTIONALITY

In addition to the great sound and reliable performance of AKG wireless systems, users now have a new tool to browse, monitor and control their wireless microphone and in-ear monitor (IEM) systems, from iPhone. With the introduction of its new iPhone application – which will be available for free in the Apple iTunes store – the AKG team has effectively streamlined the workflow for wireless microphone monitoring and configuration by linking HARMAN's HiQnet protocol to the iPhone and iPod touch app via Wi-Fi network.

The new application can be used to monitor wireless system parameters and radio frequency connections on stage for some of the most popular AKG wireless microphone systems, including the DMS 700, the WMS 3000/3500 and the IEM 4 in-ear monitoring system. The user can easily browse through the entire wireless system within the device list, monitor each device and its parameters separately within the stage view or use the IP monitor for checking the radio frequency connection of each wireless device.

"With the introduction of our new iPhone application, AKG has continued to build on the industry-leading versatility offered with our wireless microphone and IEM systems," said Philipp Seidelmeier, product manager for HiQnet and system integration. "AKG users now have the ability to control and monitor every aspect of their wireless systems from the palm of their hands, anywhere on the venue."

"AKG has continued to build on the industry-leading versatility."

The iPhone application is connected via the Wi-Fi network to a wireless router, which is connected to the AKG HUB 4000 Q. The application can be used side by side with HARMAN Pro System Architect because the entire system is based on HARMAN's advanced HiQnet protocol.

The HARMAN HiQnet protocol is the world's first connectivity and control protocol that integrates all product categories in the signal chain for professional audio systems of all types, sizes and applications. It no longer requires the user to manage multiple disparate operating systems or to be responsible for programming individual signal processors, speaker controllers, wireless microphone systems and mixing consoles. HiQnet was developed by engineers from across the HARMAN Pro Group and is coordinated by the System Development and Integration Group (SDIG), a team of dedicated systems specialists based in Salt Lake City, Utah.



Phone fun: the AKG HUB 4000 Q's iPhone connection

MONTHLY READERSHIP QUESTION

What's the most interesting thing that happened to you at your job last month?

Submit your stories to the e-mail address below and your entry may be in the next issue!

What would you like to see in *HARMAN Live*?

Do you have ideas or stories that you would like to see in our upcoming issues? If so, please e-mail your suggestions to:

brand.management@harman.com

HARMAN PROFESSIONAL PRESENTS WORLD'S LARGEST TRADE FAIR

Opening ceremonies benefit from JBL, BSS®, Crown®, Soundcraft® and Studer® audio

At the opening ceremonies of Expo 2010 Shanghai on April 30, fireworks exploded, world leaders spoke, and orchestras, solo instrumentalists and vocalists ranging from soul singer Siedah Garrett to operatic tenor Andrea Bocelli to traditional Chinese folk singers delivered hours of music. Tens of thousands of people watched and listened in person, and millions more saw and heard the event through television, radio and the Internet. And they heard it courtesy of HARMAN Professional.

JBL, BSS, Crown, Soundcraft and Studer audio experts supplied the equipment, laid the cables and worked the levers that sent every word and note throughout the ceremonies' multiple venues – the Shanghai World Expo Cultural Center, the city's vast Celebration Square and the Huangpu River – and around the world.

The demands on HARMAN Pro will go on well after the opening. The largest trade fair in history, Expo 2010 Shanghai will run for six months. An anticipated 70 million to 100 million attendees will view exhibits from more than 200 countries. HARMAN sound technicians have covered over 3.2 million square feet (300,000 square meters) of event space. They've deployed 440 channels of Crown amplification, totaling 350,000 watts of power, as well as nearly 40 miles (64 kilometers) of fiber-optic cabling – enough to encircle Beijing's Tiananmen Square 23 times.

To meet these enormous requirements, the sophisticated Studer route 6000 audio router manages sound input and output in formats from stereo to 5.1-channel surround sound. HARMAN technicians process the sound through 165 BSS Audio BLU 160 signal processors, creating a matrix of 660 channels. JBL systems deliver the audio to the Expo crowds through a large distribution system, including VRX Series and Control® 29AV

loudspeakers and VerTec® VT4889 and VT4880A line-array clusters. Simply putting all of the systems in place required a small army of 80 technicians working for nearly six weeks.

The Expo is clearly a big job for any audio company, but HARMAN Professional Executive Vice President of Marketing and Sales Michael MacDonald is confident. Describing the opening ceremonies, he said, "The scale, performance and reliability that an event like this demands can only be provided by a family of companies that are found within HARMAN." That statement fits the Expo's opening – and will apply all the way to the day, months from now, when the Expo reaches its undoubtedly spectacular closing.

HELPING UNITE THE WORLD THROUGH SOUND



All eyes may be on Shanghai as the host city for the 2010 World Expo, but all ears will be tuned in to HARMAN's thrilling audio. Visitors from around the world are converging upon Shanghai to experience the Expo under its theme, "Better City, Better Life," and HARMAN and its family of legendary brands are playing an integral role.

HARMAN is serving as the official sound sponsor to the USA Pavilion at the Expo. As an official sponsor, HARMAN's message is being displayed throughout the 60,000-square-foot (5,575-square-meter) pavilion in support of the theme of "Rising to the Challenge," which celebrates the American spirit of perseverance, innovation and community-building. Several dramatic multimedia presentations will be delivered via HARMAN professional audio systems, and HARMAN personal audio products will be featured in the pavilion gift shop.

HARMAN professional audio systems are also installed in all permanent venues at Expo 2010 Shanghai, including the USA Pavilion, China Pavilion, Shanghai Theme Pavilion and the World Expo Center Exposition Center, as well as more than 25 performance venues across the complex. In cooperation with the Expo organizers and exhibitors, including the U.S. State

Department, HARMAN is helping to inform and entertain an expected 70 million visitors to the six-month-long exposition. The company also expects to host various VIP delegations in parallel with its aggressive expansion of activities in the Asian markets.

"We are delighted to help welcome visitors from some 200 countries to the Shanghai World Expo," said Dimesh C. Paliwal, HARMAN's chairman, president and CEO. "In addition to our role as an official sponsor of the USA Pavilion, our professional audio systems will help broadcast the action at other key locations throughout the massive venue. The timing of this exposition is a perfect complement to our recent footprint expansion in China and some exciting marketing activities planned for the coming year."

HARMAN systems are widely used at prominent sporting and entertainment events around the world, including the 2008 Beijing Olympics, the recent 52nd annual GRAMMY Awards in Hollywood and the upcoming 2010 Commonwealth Games in India.



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— Dinesh C. Paliwal, HARMAN Chairman, President and CEO

AKG® PRODUCTS LAUNCH IN SHANGHAI – WITH A FEW SURPRISES

Quincy Jones, fashion show amaze retailers and the press

It was the morning of April 29. The venue was the peak Portman Ritz-Carlton Hotel on Nanjing West Road, Shanghai's version of Rodeo Drive and Fifth Avenue. The hotel's grand ballroom was dressed to perfection, with sound and lighting consoles at the ready. After months of planning and hours of rehearsal, the day was here.

The crowd of 150 audio retailers and key news-media representatives started arriving around 12:30 p.m. Hosts from AKG treated them to a welcome drink and escorted them to product kiosks along the walls for a quick look and listen to AKG products.

Then the lights dimmed.

The guests took their seats, and the show began. It started out like any well-run company presentation, with welcoming remarks from HARMAN China country manager David Jin and Tsu Man, managing director of Acton, the AKG distributor for China. HARMAN's Shanghai-based Asia Market Development Vice President Paul Bente took the audience through the life story of HARMAN International. AKG category manager Derian Staps, who had come all the way from AKG headquarters in Vienna, held the crowd with a look at the brand's past and present, and even a quick glimpse at the future.

That's when the show got really interesting.

Up came models sporting the latest AKG headphones in a full-on fashion show. The press shot hundreds of pictures, and the dealers couldn't wait to place orders. But the HARMAN and AKG team wasn't finished yet.

As the lights dimmed again and the public-address system played the anthem "We Are the World," Paul Bente roused the audience members onto their feet to welcome legendary producer and composer Quincy Jones. Jones, who's worked with top recording artists such as Billie Holiday, Frank Sinatra, Queen Latifah and Will Smith, has been developing new products with HARMAN since 2006.

Jones delighted the guests with a talk about his decades in show business and his work with HARMAN. For over two hours, he posed for pictures with the guests, signed autographs and generally charmed everyone in the room.

Thanks to Jones's appearance and the quality of the AKG products, retailers ordered special packages of new and classic AKG products. "The event was an overwhelming success," says HARMAN Director of Sales and Marketing Grace Koh. "The media coverage was super, and everyone commented that AKG has truly arrived in China!"



Music legend Quincy Jones, a long-time HARMAN fan, delighted guests at the AKG launch in Shanghai.



A model shows off the AKG X701 headphones.

OFF TO THE RACES WITH KIA® FORTE



Audio tracks meet race tracks: Infinity sponsorship drives Kinetic and vice versa!

Infinity Systems joins Grand-Am Car Challenge

Each year, HARMAN Consumer and HARMAN Automotive team up on the development of several one-of-a-kind show vehicles in support of their key original-equipment manufacturer partners for the Specialty Equipment Market Association (SEMA) show. A standout this year was the work they did with Kia® Motors, one of HARMAN's success stories. In addition to the special vehicle projects that were developed, they also announced an exciting alliance among Kia Motors, Kinetic Motorsports and Infinity Systems.

The relationship was announced during a press conference by Kia Motors America detailing the company's first-ever motorsports program in the US at the SEMA show in Las Vegas. The Infinity brand is recognized for superior sound systems and is the prominent sponsor of the all-new Forte Koup as it enters its inaugural season with the Grand-Am KONI Sports Car Challenge Series in the Street Tuner (ST) class.

The Grand-Am KONI Challenge Street Tuner class utilizes production-based race cars and has a wide variety of vehicles from the US, Europe and Asia, using weight and intake restrictions to maintain a level playing field for all entrants. Decorated drivers Nic Jönsson and Andy Lally of

Atlanta-based Kinetic Motorsports have been secured to drive the #10 Infinity Kia Forte Koup Race Car in the Grand-Am KONI Challenge Series in 2010.

Kia is a willing partner, and HARMAN Automotive has been in discussions on how the company can leverage the Grand-Am program to drive consumer interest and revenue. Over the next several weeks, the company will be speaking with Kia's marketing team and will develop the groundwork in support of this exciting new program. Like Toyota, Honda and others in the past, Kia will be using this racing program to elevate its position in the market. While extremely successful in the segments it currently occupies, it is launching more, bigger and better platforms.

"As we continue to reposition our brands with a new strategy, this partnership is viewed as a powerful tool that we can use now and in the future," said Robert Myers, senior manager of Global Marketing for HARMAN Automotive Division. He and Chris Dragon, director of HARMAN Consumer and Field Marketing, plan to plant a few seeds with incentives such as tickets to races with pit passes for trade promotions, guest appearances by the drivers and cars at our events, and product sampling and demonstrations at the races.

HARMAN PRO GOES TO NIGERIA

Producer of West African *Who Wants to Be a Millionaire* uses JBL, AKG, Crown and dbx® equipment

When you think of advanced technology or spectacular TV shows, you probably don't think of Nigeria. After all, Africa's most populous country has only three television stations, and its people rank in the lowest one-fourth of the world's nations in purchasing power — not exactly a recipe for top-line equipment and superb production value.

But the ambitious programmers at Ultima Limited aren't letting such facts stop them. Nigeria's foremost provider of television content and production, Ultima Limited has been using top HARMAN Professional equipment to capture some of Nigeria's most successful programs.

Ultima Limited has employed JBL loudspeakers, AKG microphones, Crown amplifiers and dbx processors in producing five seasons of the Nigerian *Who Wants to Be a Millionaire* and two seasons of the talent contest *Project Fame*. HARMAN System Architect™ software puts component controls and information on computer screens, and HARMAN HiQnet™ technology enables the components' software programs to work with each other.

Ultima Limited has employed JBL loudspeakers, AKG microphones, Crown amplifiers and dbx processors in producing five seasons of the Nigerian *Who Wants to Be a Millionaire* and two seasons of the talent contest *Project Fame*.

"The package of HARMAN Professional products, linked together with HARMAN HiQnet, allowed us to easily run the entire system," says Ultima Limited engineer Vincent Chime. "With System Architect, we had the system up and running in a very short amount of time, and with the JBL loudspeakers powered by Crown amplifiers, everything sounded fantastic."

What's next for Ultima Limited and its HARMAN equipment? The company's not giving away its future plans, but it's already begun expanding beyond Nigeria, producing a version of *Millionaire* for the nearby nation of Ghana. And wherever Ultima Limited goes, HARMAN will be ready to help the company make newer and bigger hit shows.

HARMAN FLEXES ITS TECH MUSCLES IN GENEVA

World-class automakers show off their HARMAN systems

Over 30 world premieres caused international journalists, manufacturers and visitors to flock to the shores of Lake Geneva, Switzerland, for the 80th International Motor Show (IMS) on March 4 through 14. The IMS, one of the world's most important automobile fairs, takes place at the beginning of March each year and has been a key showplace for auto technology since the first IMS in 1905. Virtually every major manufacturer in the United States and Europe has premiered new autos there. The show is also a launch pad where companies that provide components to cars announce some of their biggest breakthroughs. In 2010, as usual, HARMAN was among them.

At the 2010 show, the topic of electric cars was steadily gaining attention. HARMAN Automotive was well represented by presenting the innovative HALDsonic™ technology in three models: the electronic eFuel sports car from Ruf Automobile, the intelligently networked UC from Rinspeed, and the Evora 414E hybrid concept study from Lotus. In another important milestone, HARMAN's close cooperation with the German utility company RWE made its global debut in Geneva. Together with RWE, HARMAN showed for the first time how charging station and vehicle can be intelligently linked, enabling data transfer using the charging cable.

Highly concentrated HARMAN technology was also shown in the fascinating eFuel electric sports car. "I swear by the Infinity loudspeaker system. Ever since the 1980s, sound systems from this brand have been a permanent fixture in my home and offices," explains Infinity fan Alois Ruf, whose renowned car manufacturing business develops and produces the car. The Infinity sound, which is as energy-efficient as it is brilliant, is produced by 11 precisely positioned speakers and a powerful amplifier in the eRUF. Thanks to the electronically generated sounds produced with HALDsonic technology, the car has been given an acoustic identity of its own.

By using HALDsonic technology in the Evora 414E, HARMAN consolidated its close cooperation with Lotus. The hybrid also presented the external and internal sound synthesis system.

HARMAN also celebrated another important milestone with Lexus: The powerful LFA is the world's first production model with HARMAN GreenEdge™ sound technology. The high-quality, energy-efficient Mark Levinson GreenEdge music system meets the lightweight construction criteria of a super sports car. In addition, to mark the tenth anniversary of HARMAN's partnership with the Japanese premium class manufacturer, HARMAN also presented a new Mark Levinson nine-channel sound system in the compact Lexus CT 200h.

Cooperation with RWE is also opening up completely new areas of business for HARMAN. There were live demonstrations in two cars on the exhibition stand, a Micro Vett 500 and a Tesla Roadster. The Micro Vett 500 was used to demonstrate how the electric car can be connected to the charging station by means of the charging cable. A Tesla Roadster demonstration car belonging to RWE was used to show how it is possible to check on the availability of charging stations online, whereby data can be retrieved by the HARMAN infotainment system from its portal with RWE and transferred to the navigation system (See detailed information in the separate story)

In addition to the aforementioned cooperative projects and product presentations, HARMAN's extensive presence – particularly with high-quality audio systems but also with pioneering infotainment products – was evidence of the company's close links with the world's most important manufacturers: HARMAN products could be found in models from Audi, Bentley, BMW, Chrysler, Citroën, Dodge, Ferrari, Hyundai, Jaguar, Jeep, Lexus, Maybach, Mercedes-Benz, MINI, Peugeot, Porsche, Land Rover, Rolls-Royce, Toyota and Volkswagen.

The future is green: a Rinspeed UC with harman/kardon





Where the cars are the stars, the International Motor Show

Together with German utility company RWE, HARMAN showed for the first time how charging station and vehicle can be intelligently linked, enabling data transfer using the charging cable.

Getting Futuristic at the IMS

HALOsonic, GreenEdge, Rinspeed UC, Ruf Greenster: These high-tech words and phrases are the future of driving, HARMAN-style. They also contributed to some of the hottest news at the 80th International Motor Show.

HARMAN's GreenEdge sound system was built into the Swiss automaker Rinspeed's UC urban commuting concept car and the German Ruf Greenster, an electric version of the Porsche 911. GreenEdge technology combines lightweight materials with amplifiers and sound transducers that require very little current, resulting in a very energy-efficient sound system.

The Rinspeed UC and Ruf Greenster also featured HARMAN's HALOsonic sound-synthesis technology. Both the UC and the Greenster are electric cars that run in almost perfect silence. To ensure that unsuspecting pedestrians can hear them coming – and to please drivers who love the rumble and thunder of a powerful engine – the HALOsonic sound system projects an artificial soundtrack of growling motors. "Safety is our prime concern, which is why an engine sound must be generated that unmistakably warns other road users that an electric car is approaching and that gives the car a special acoustic identity," said Ruf founder Alois Ruf.

In addition, the Rinspeed UC displayed a suite of other HARMAN technologies. Using HARMAN's new, scalable infotainment platform, UC drivers and passengers can send and receive e-mail, access their home music libraries, reserve a parking space or book a train ticket, all from inside the car. If they want to make the system do more, they can. "It's an Apple-like approach," said HARMAN CEO Dinesh C. Paliwal. "You can add applications even as you drive."

"Our participation in events centering around music [is] a perfect fit.
What better way to get consumer reaction to products
[and] design than at music events?"

— Chris Dragon, HARMAN Director of Consumer and Field Marketing



REACHING CONSUMERS WHERE THEY PLAY

HARMAN sets up at the Coachella and Stagecoach music festivals

"One of the most effective ways that we can build our brands and drive consumer interest in our products," says HARMAN director of Consumer and Field Marketing Chris Dragon, "is reaching them where they play."

Dragon is talking in particular about the hard-rocking Coachella Valley Music and Arts Festival and about Stagecoach, California's top country-music fest. Coachella's main attractions were rapper Jay-Z, heavy rockers Muse and the eclectic alterna-band Gorillaz, while Stagecoach starred Australian singer-guitarist Keith Urban, tough-talking singer-songwriter Toby Keith and the most successful duo in music, Brooks & Dunn. Stagecoach and Coachella took place a week apart (April 16-18 and 24-25) in the same venue: the Empire Polo Field in Indio, a desert city 125 miles east of Los Angeles. Together, the festivals flooded Indio (population about 85,000) with more than 200,000 visitors.

And HARMAN was there to greet them, both through the professional audio systems that beamed out great HARMAN sound from the stage and with high-profile consumer displays to build new brand loyalty among the fans. "At both festivals," Dragon says, "we built a 40-foot-by-40-foot [12-meter-by-12-meter] air-conditioned environment that included a dedicated home theater room where we auditioned a complete JBL/harman/kardon home theater. We also had demonstration kiosks where concertgoers were able to audition the harman/kardon GLA-55, harman/kardon Go + Play™ Micro, JBL On Time™ Micro, JBL Creature™ III and AKG consumer and professional products. This included both consumer and pro headphones. Each of these kiosks had an Apple laptop playing a video on each of the products to reinforce our message."

The HARMAN tent wasn't all promotion and sales pitches. "To generate fun factor, we partnered with Sony® PlayStation® and built a Singstar® stage where concertgoers had a chance to show off their vocal chops," Dragon says. "We used Coachella and Stagecoach to launch the JBL Facebook fan page, and our event team made sure that concertgoers signed up. Plus, for signing up, concertgoers were able to download two performance tracks from each festival. How cool is that?"

Dragon has planned a summer full of additional festivals (See the accompanying sidebar article for the schedule.) Many of the events take HARMAN into the world of car audio.

But music – in cars, homes and elsewhere – stands at the center of HARMAN's appeal, and Coachella and Stagecoach proved so successful that Dragon is eager to do more concerts and music festivals. "Our participation in events centering around music [is] a perfect fit," Dragon says. "What better way to get consumer reaction to products [and] design than at music events?"

← The fest out west: music lovers in the tens of thousands at the Stagecoach music festival.

HEAR HARMAN

Here's a list of American and Canadian events that HARMAN has attended this spring and will attend this summer and fall to show off HARMAN products.

- May 7** Minimoto World Finals races *Las Vegas, NV*
- May 8** Formula DRIFT Road to the Championship races *Braselton, GA*
- May 16** Crutchfield electronics show and sale *Charlottesville, VA*
- May 30** United States Autosound Competition International (USAC) Slamming and Jamming event *Lebanon, TN*
- June 5** Formula DRIFT The Gaurilet races *Wall, NJ*
- June 5** Hot Rod Power Tour *Newton, IA*
- June 6** Hot Rod Power Tour *Springfield, IL*
- June 7** Hot Rod Power Tour *DuQuoin, IL*
- June 8** Hot Rod Power Tour *Bowling Green, KY*
- June 9** Hot Rod Power Tour *Chattanooga, TN*
- June 10** Hot Rod Power Tour *Birmingham, AL*
- June 11** Hot Rod Power Tour *Mobile, AL*
- June 26** Car Toys Tent Sale *Denver, CO*
- June 27** USAC Scrapin the Coast event *Biloxi, Miss*
- July 10** Formula DRIFT Throwdown races *Monroe, WA*
- July 25** Texas Heat Wave car show *Austin, TX*
- Aug 7** Formula DRIFT Locked and Loaded races *Sonoma, CA*
- Aug 8** Autofest *Durant, OK*
- Aug 15** Crankworx mountain-bike festival *Whistler, BC*
- Aug 21** Formula DRIFT After Dark races *Las Vegas, NV*
- Sept 19** ABA BMX US Open Nationals races *Chula Vista, CA*
- Oct 9** Formula DRIFT Title Fight races *Irvindale, CA*
- Oct 17** Mobile Electronics Competition Association (MECA) Finals Soundfest *Lebanon, TN*
- Oct 24** ABA BMX Disney Cup Fall Nationals bike races *Orlando, FL*
- Nov 28** ABA BMX Grand Nationals Pro Series Finals bike races *Tulsa, OK*

OK! Magazine Spotlights HARMAN Products

OK! magazine gave its OK to the harman/kardon Go + Play loudspeaker dock and JBL Duet™ II desktop speakers in its spring gift guide. One of the most popular lifestyle/celebrity consumer glossies in the US, with a circulation of more than 750,000, OK! featured the two HARMAN products in its editorial pages along with other hot new consumer technology gadgets. As part of the feature, a harman/kardon Go + Play Micro was given away to one lucky reader.

HARMAN STYLE GOES GLOBAL

The goal is to strengthen the core ability to manage projects on time, on budget, with improved quality and enhanced customer satisfaction, to deliver sustainable improvements to HARMAN's bottom-line results.

HARMAN launches pilot program for project management and leadership training

A new One HARMAN global training initiative, aimed at providing select senior managers across HARMAN divisions with a strong foundation in project management and leadership skills, was recently introduced with full support of the company's Executive Committee. The goal is to strengthen the core ability to manage projects on time, on budget, with improved quality and enhanced customer satisfaction, to deliver sustainable improvements to HARMAN's bottom-line results.

The Global Learning and Development Initiative will educate current and future company leaders on best practices through an extensive eight-month program. Managers will experience the course through three one-week "modules." The first module was managed in mid-March in Karlsruhe, Germany, by Denis Kerrigan, director of Global Learning and Development. There were 23 participants representing different business units and functional areas.

One aim of this program is to have participants become "ambassadors" of common HARMAN culture and management practices, including project-lifecycle leadership, change management, coaching and feedback, presentation skills, negotiation, financial acumen and Six Sigma online training and certification. (Six Sigma is a system for reducing errors and standardizing management methods.)

During the session in Germany, senior Automotive Division and Human Resources management addressed the team and underlined the importance of project-management skills.

Team leaders David Dankenbrink and Russel Krystolovich helped guide the team through the week's sessions, which linked to CEO Dinesh C. Paliwal's weekly communication efforts. Initial participant feedback has been extremely positive and constructive.

An initiative of this nature would not be possible without the hard work and effort put forth by the project team consisting of Denis Kerrigan, Simone Brisach, John Fitzgerald, Broker Hawley, Sylvester Johnson, David Dankenbrink and Russel Krystolovich.



STUDER® VISTA 8 MAKES HIT SHOWS FOR RIHANNA AND UK TV

“Like each performer had their own console”

From sold-out Rihanna concerts to the United Kingdom's popular TV show *The X-Factor*, RedTX has been the driving force behind many of the UK's live broadcast performances for years. Providing sound for such a wide array of performances and events, the company has needed an arsenal of equipment. It is because of this need that RedTX recently purchased a Studer Vista 8 digital console for all of its recording and broadcast needs.

According to Tim Summerhayes, sound engineer for RedTX, one of the most important features of the Studer Vista 8 is the snapshot recall that comes standard on every console. Because RedTX works at many events that feature multiple acts, it is often forced to change sound parameters in a very short time. With the Studer Vista 8, RedTX has the ability to preprogram equalization, gain and every other component before the actual

show and adjust for each song in real time at the touch of a button.

Events where the Studer Vista 8 played a pivotal role include the broadcasts of the UK's hit singing competition *The X-Factor*. The show pitted 12 contestants against one another, with a panel of high-profile judges eliminating one contestant each week. According to Summerhayes, each song required its own arrangement, but the engineers had very limited rehearsal time. With the Vista 8 console, RedTX was able to work out the requirements of the engineers and producers before the show, and adjust for each band at the touch of a button during the broadcast.

“With the Studer Vista 8, it was like each performer had their own console,” said Summerhayes. “With the snapshot recall, we were able to dial in the recall for each band in about two seconds and at the touch of a button. With other consoles, the

changeover is choppy and harsh, but with the Studer Vista 8, it's absolutely seamless and fadeless.”

Another event where the console's versatility, functionality and usability were key was Rihanna's concert in December at London's Brixton Academy. There, RedTX worked with the performer's sound team during two rehearsals to program the console before each show, when it was possible to preset each song's equalization and sound effects, and isolate certain audio channels on the console during the show for a flawless performance.

“Operationally, the Vista 8 is very intuitive and straightforward,” Summerhayes said. “It's like any computer when you know where all of the parameters are, and you can just go to it and change it. The headroom is good, the metering is excellent, and the fact that we can adjust with layers is amazing. It's just a high-end board that we couldn't do without.”

“The headroom is good, the metering is excellent, and the fact that we can adjust with layers is amazing. It's just a high-end board that we couldn't do without.”

– Tim Summerhayes, Sound Engineer, RedTX



JBL ON TIME™ MICRO SETS TONE FOR THE DAY

Web campaign shouts, "Monday mornings rock!!"

How are your Monday mornings? Whether you wake up singing or grumbling, the JBL On Time™ Micro will help you set the tone for your day. More than just an alarm clock and a docking station, the JBL On Time Micro wakes you up with your favorite tune, putting you in a good mood from the very beginning of the day.

To support the launch of the product, the EMEA (Europe, Middle East, Asia) marketing team has come up with the tagline "Monday mornings rock!!" which it is using in a fully integrated marketing campaign.

A recent survey on morning habits shows that singing in the shower is a popular activity. So to help bring out the inner Jon Bon Jovi or Beyoncé in all of us, the team promoted an unofficial "Sing in the Shower Day" on May 13 at the JBL On Time Web site. It is also using public relations and social media as part of the product launch.

"Monday mornings rock!!" is also the motto for the JBL On Time Micro microsite, a playful tool through which the consumer can discover all the features of the product. Launched in the Netherlands, Germany, France and the Nordic region, the microsite is supported by a banner-ad campaign and Google AdWords displays that consist of 10 million banner impressions, along with Facebook advertisements and e-mail. The team expected to receive more than 140,000 visitors to the microsite by the end of June. Check out the site at www.jbl.com/ontimemicro.

The JBL On Time Micro is also being featured in stores. A special shelf display was developed to create better visibility, inviting consumers to listen to the device. Displays will be spread throughout Europe.



Music in the morning: screen shots from the JBL On Time microsite.

STING DEBUTS NEW MATERIAL WITH STUDER® VISTA 5 SR

Twelfth-century church challenges sound engineers

You're working for one of the world's most famous and serious musicians: Sting. He's about to play concerts in England's venerable Durham Cathedral, completed in AD 1133 – a national treasure that its builders never intended as a recording studio. You've got to get every detail right, because you're mixing the concert's sound live for Sting's invited guests as well as for major CD and DVD releases – and Sting's playing only two shows, so you'd better catch every note. What's more, Sting isn't performing merely with his guitar and his voice. Although the event will be called "an intimate concert," he's brought a 16-piece string section, multiple percussionists, a brass section and backing vocalists, as well as a large selection of musicians playing traditional English instruments such as the Welsh harp, lutes and Northumbrian pipes – more than 60 audio inputs.

If you're Howard Page, the concert's senior director of engineering, you get a Studer Vista 5 SR digital console for front-of-house mixing. "The transparency of the Studer Vista 5 SR was certainly a great help to achieve a breathtaking experience," Page has said.

The compact Studer Vista 5 SR digital mixing console is a road-ready version of Studer's popular Vista 5 broadcast console. The 5 SR combines the award-winning Vistonics™ display interface with preset configurations for front-of-house and monitor use. The Vista 5 SR also comes with tools to aid production. For instance, HARMAN's proprietary Studer VSP panning system can follow audio movement without shifting the level of audio volume.

Sting is no stranger to HARMAN products. During the 2006 Rock in Rio music festival, for instance, his performance reached the crowd via JBL VerTec line-array speakers.

But how well did HARMAN do in delivering Sting's music this time?

A reviewer on Amazon.com put it best: "This is like a howling wind on a long grey winter day, this is like snow crunching under your boots – and yet, this is like merry fire dancing in the hearth on a cold night when you're wrapped in a warm wool blanket reading stories of old. This is not a Christmas album, yet it celebrates winter as it is – cold and biting, yet full of wonder and bleak but sparkling beauty. Truly great music."



Sting is no stranger to HARMAN products. During the 2006 Rock in Rio music festival, his performance reached the crowd via JBL VerTec line-array speakers.

HARMAN REVS UP NEW YORK AUTO SHOW



Seeking the light, tuning the sound
HARMAN at the New York International Auto Show

The New York International Auto Show took place in April at the Javits Center in New York City, and HARMAN was there. This show is over 100 years old and for 10 years in a row has had attendance of 1 million people or more each year. More than 1,000 vehicles were displayed in almost 900,000 square feet, and many of them featured HARMAN systems.

Daniel Webb, manager for HARMAN's Global Marketing department; Joanne McNary, the global marketing manager for HARMAN Automotive NA/E (North America and Far East),

and Rob Myers of HARMAN Automotive attended the press days to support HARMAN customers. The team provided a sound lounge on the auto show floor with Hyundai and, for the third year in a row, participated in the Kia Motors off-site media event with a lounge at Skylight Studios in Manhattan.

More than 1,000 vehicles were displayed in almost 900,000 square feet, and many of them featured HARMAN systems.



HARMAN'S BIG WHEELS

Showcase truck takes HARMAN sound from coast to coast

"What is that thing?"

That's the question that thousands of people may ask as the oversize, shiny semitrailer truck with the HARMAN logos rolls up. Even the man in charge of the truck — HARMAN's director of field services, Chris Robinson — characterizes it as "imposing." But the most impressive part of the truck isn't its enormous, mysterious exterior. It's the equipment within.

Robinson can tell you all about it. He has deployed the truck, formally known as the HPAV (High-Performance Audio/Video) Showcase Truck, from the HARMAN Specialty Group's offices in Elkhart, Indiana, to events all over the United States. He uses the truck for demonstrating high-end JBL Synthesis®, Mark Levinson, Lexicon and Revel products to dealers, sales representatives and consumers.

Inside the trailer are two demonstration rooms: the Audiophile Room, showcasing a Mark Levinson/Revel system, and the Home Theater Room, sporting a Synthesis K2® system. These systems are calibrated to their respective rooms, which accommodate six or seven listeners/viewers at a time.

The Mark Levinson/Revel system in the Audiophile Room includes \$98,000 worth of equipment. Two Mark Levinson Reference No. 53 monaural amplifiers power two Revel Ultima Salon2 speakers, with a Mark Levinson No. 326S preamplifier controlling the system and a No. 512 CD/SACD™ player as its source component. Visitors get "a large, lifelike presentation of music," Robinson says, "and their response is, 'Are these the only speakers?' People think there is something more going on than two amplifiers, two speakers, a preamplifier and a CD player."

Inside the Home Theater Room, the Synthesis K2 system features a pair of K29900 compression-driver floorstanding speakers. The matched center-channel speaker is an SK2-1000 installed behind a perforated screen. Four S2S 15-inch subwoofers are situated in each room corner, and the surrounds are S4A in-wall bipole speakers. The electronics are a JBL SDP-40 surround processor and SDEC4500P and 4500X digital equalizers. Five amplifiers are used, including four S820 two-channel amps and one S7165 Seven-channel amplifier. The system also uses three Lexicon BD-30 Blu-ray Disc™ players. The entire system sells for \$127,000.

"We tell people, 'Here's an installed [home] system that uses professional technologies,'" Robinson says. "Then we blow them away with a dynamic movie soundtrack and a high-impact music performance. When the lights come up, they leave with a sense of having an experience they've never had before in a [home] theater presentation. And they're happy."

Robinson adds that the truck has been used about 40 percent for marketing to dealers, at events that are "number one in terms of value for us", 40 percent for sales representatives, who in turn may invite several dealers, and 20 percent for marketing outside the luxury-audio industry, directly to consumers. Since its debut in September 2009 at the CEDIA EXPO in Atlanta, the top trade show for the electronics-systems industry, the truck has traveled to as many as five events per month.

Appearances at consumer events, such as the *Architectural Digest* Home Design Show at New York City's Pier 94 and the Newport Film Festival in Newport Beach, California, in April, are intended to expose qualified potential customers to something that they might not know even exists: the luxury category of audio.

Typically, a staff of three supports the truck at an event: Robinson or someone else from HPAV Sales (Ron House, Patrick Gaffney, Todd Packer or Andrew Dieleman) to make the product presentations, driver Greg Dalman or his backup, Rick Modjyska, and a local sales representative.

The trailer of the truck measures only 8 feet wide. But both sides slide out, nearly tripling the truck's width, to set up the two showrooms. The truck has a lower-than-normal deck with "belly boxes" that hold the braces and steps for the expansion. Merely opening the doors requires sliding out the sides.

There isn't much to see inside until all of the pieces are unpacked and installed. The entire setup takes about three hours to complete and three more to fold back up.

The truck was built by MHA (Mobility Resource Associates), a Michigan company that specializes in custom mobile tour vehicles, at a cost of about \$500,000. Marc Kellom, vice president for marketing (Crown/HPAV) in Elkhart, designed the interiors.

"It's a very unusual tool," Robinson says. "No one has done this before in this space [the luxury-audio industry], a truck that showcases these types of products."

Additional information on the HPAV Showcase Truck can be found at www.soundthatstirsthesoul.com.

— George Ruppel, Editor/Proofreader, Brand Services

"It's a very unusual tool. No one has done this before in this space [the luxury-audio industry], a truck that showcases these types of products." — Chris Robinson, Director of Field Services

The big beast: HARMAN's showcase truck.



JBL, FLYAUDIO AND A BOOMING CHINA



On the fly, FlyAudio is JBL's model car.

Chinese company agrees to distribute JBL car audio in fast-growing market

China's car industry is shooting upward, and HARMAN has just signed a deal to join the ride. On May 27, representatives of the JBL auto division and China's FlyAudio — a maker of high-tech entertainment and GPS navigation systems for cars — announced that FlyAudio will become the exclusive distributor of JBL aftermarket car audio in China. As an expert in the Chinese car audio market, FlyAudio will be in charge of marketing.

There is a lot of marketing to do. Sales of passenger vehicles in China have risen by 25 percent over the past 12 months, according to the China Automotive Technology and Research Center.

The two companies made their announcement at a day-long event, the China Car Audio Development Forum. More than 200 journalists and car dealers listened as FlyAudio product manager Huabo Liu and Paul Bente, HARMAN Consumer's vice president for Asia market development, unveiled JBL/FlyAudio systems for cars from Toyota, Honda, Buick, Nissan and Mitsubishi. The presentation covered the history of the two companies and their plans to offer China's motorists some of the world's finest car audio systems. The day also included demonstrations of JBL products.

"The event was a tremendous success," said Elaine Liu, HARMAN Consumer China's product marketing coordinator. "Many dealers put orders in [for] the new car audio systems." She added, "All attendees showed great interest in these systems — and they got a chance to experience the famous JBL sound quality too."



A man and his machine: driver Greg Dalman.

In the Driver's Seat

Greg Dalman, road warrior of the Showcase Truck

"I love this gig. The guys are cool. The places you get to go."

Minutes before driving out of the Northridge campus parking lot in May for events in Idaho, Washington and Nevada, Greg Dalman stopped to talk about his job as driver of the HPAV (High-Performance Audio/Video) Showcase Truck.

"Other home theater companies don't come close to the equipment JBL Synthesis has in this truck," he said. From his home base in Elkhart, Indiana, he has driven the truck coast to coast, from New York to Florida and California, to events in 16 states — over 20,000 miles in less than a year. Having driven the truck since October 2009, Dalman has concluded that the Johnny Cash tune "I've Been Everywhere" should be its theme song.

Although the truck is seen most of the time by dealers, Dalman says the *Architectural Digest* Home Design Show at New York City's Pier 94, a show in March for the buying public, was "premier." Walking around the show "undercover," he noticed, "the buzz was about this trailer. The enthusiasm was contagious... [When consumers] hear the music and see the movies, they are enamored."

JBL VERTEC LINE ARRAYS ROCK VENEZUELA'S SOLID FEST

20,000 people per day party in Caracas

In one of Venezuela's largest annual live-music events, rental sound company Grupo Zonico provided an extensive audio system for Coca-Cola Solid Fest 2010 at Hipódromo La Rinconada in Caracas. JBL VerTec line arrays comprised the main PA system for the four-day event, which included performances by leading international and local artists for crowds averaging 20,000 people per day. With separate themed event days presenting rock, urban and Latin artists, performers at the festival included Karu, Oscar D'León and Luis Fonsi.

Grupo Zonico deployed a main PA system featuring two array hangs, each comprising 15 VerTec VT4889-1 full-size line-array elements and three VT4887ADP compact powered line-array elements with DrivePack technology. The system also included 26 VT4880A full-size arrayable subwoofers, with an additional 12 VT4887ADP loudspeakers provided for front fill. Crown I-Tech HD12000 and HD9000 amplifiers powered the main suspended arrays, while I-Tech 8000 amplifiers powered the subwoofers. Grupo Zonico also set up a supplemental tower featuring 12 VerTec VT4888DP midsize powered line-array elements. The overall system was configured and remotely controlled and monitored with HARMAN HiQnet System Architect software.

According to José Valieretti, system engineer for Grupo Zonico, the system performed beyond the company's expectations.

"The level of total system control we achieve through System Architect makes the job easier, as no other manufacturer in the audio industry can provide anything similar."

"I feel very proud and satisfied to provide a sound system so efficient that it meets and exceeds the expectations of the different engineers that have used it in terms of high

Guillermo Sánchez, business development manager for Crown Audio, Latin America, noted that the system's performance and reliability allowed Grupo Zonico to focus on its main task—pleasing the artists and engineers. "The power and vocal clarity outperforms any other system available in the market, and the benefit that Grupo Zonico is receiving from JBL VerTec line arrays with Crown I-Tech HD amplification is priceless," he said.

"HARMAN Pro's support... is a key element in our success." — Hugo Morillo, Director of Operations, Grupo Zonico

SPL (sound pressure level), sound quality and effectiveness," said Hugo Morillo, director of operations, Grupo Zonico.

"HARMAN Pro's support, along with local support from HARMAN's distributor Media CA, is a key element in our success as leaders in the production industry."

JBL TECH ENTERTAINS 50,000 AT WINTER OLYMPICS' O ZONE

Sixty acres of music, art and sports

In a unique application of JBL VerTec line arrays, SW Audio Visual deployed a complete outdoor wintertime entertainment audio system to accommodate up to 50,000 people for the Richmond O Zone, one of the official celebration sites of the 2010 Olympic Winter Games in Vancouver, British Columbia, Canada. The O Zone was open for the duration of the Games from February 12 to 28, and featured live performances by some of Canada's most successful musical artists across a broad range of genres.

Situated on 60 acres in the heart of the Richmond City Centre, the O Zone featured large high-definition video screens to

display the competitions, along with outdoor ice skating, art exhibits, ice sculptures and even a virtual-reality bobsled attraction. The O Zone also hosted theme nights celebrating Canada's diverse cultures and regions, including a Chinese New Year Celebration on February 14.

"There were all kinds of performers throughout the two and a half weeks the O Zone was open," said event audio engineer Rob Aarden of SW Audio Visual. "The variety of talent was impressive, but it also posed a challenge because every act had its own unique set of requirements. We made sure we had enough gear to adapt to each situation."

The main stage at the O Zone featured 16 VerTec VT4889 full-size line-array elements per side, along with six VT4888DP-CN powered midsize line-array elements (with JBL DrivePack® technology) per side. A total of 14 JBL SR4718 subwoofers provided supplemental low-frequency support for the system, which also included 14 JBL TTM149 stage monitors.

"I was really happy with the performance of the VT4889s and was pleased with the outstanding amount of high end the system had," Aarden said. "Because we had so many guest engineers working for the different artists, it was crucial to have a reliable and dynamic system. Everything ran smoothly."

"It was crucial to have a reliable and dynamic system. Everything ran smoothly."

— Rob Aarden, Event Audio Engineer, SW Audio Visual

COME TO THE ISLANDS WITH HARMAN/KARDON AUDIO AND MERCEDES-BENZ AUTOS

Dealer programs provide incentives to promote harman/kardon systems

At the beginning of March, the HARMAN Automotive Division opened three new themed "island stands" at Mercedes-Benz® locations in Stuttgart, Berlin and Munich. At the same time, the division also launched an exclusive new Mercedes-Benz dealer program.

Each themed island has a Mercedes-Benz vehicle featuring integrated harman/kardon sound and infotainment systems. Next to the vehicle stands a touchscreen monitor. Visitors can find out about every aspect of the harman/kardon systems by activating the appropriate area on the monitor, which will also automatically take them to the Mercedes-Benz/harman/kardon microsite at www.mercedes-harmankardon.com.

Anyone who wants to hear the harman/kardon sound system can use the touchscreen to select a title from the "Sounds of New York" music tracks created to show off the system's capabilities or one of three tracks specially composed for Mercedes-Benz. The sound will be accompanied by an emotionally powerful visualization of the music on the graphics screens. LED lights set into the island platform will change color while the music plays.

While customers enjoy harman/kardon sound, Mercedes-Benz dealers and salespeople enjoy another benefit.

Thanks to the long-established, intensive collaboration between the Mercedes-Benz and HARMAN employees, the automaker is happily supporting HARMAN's initiative in establishing a sophisticated new dealer program. The program integrates the harman/kardon island stands with specific dealer training in order to establish an emotional link to the harman/kardon brand in the customer's mind. The program has gotten off to a good start, and Mercedes-Benz dealers have received it enthusiastically. Their feedback has been extremely positive, and they expect a significant increase in take-rates (the number of people who buy harman/kardon systems). Mercedes-Benz executives plan to roll out the program to all locations throughout Germany.

In addition, harman/kardon multimedia displays were installed in the Netherlands' Mercedes-Benz Experience Center – a showplace that immerses visitors in the heritage and values of the Mercedes-Benz brand – at the end of April. Initial feedback has been extremely positive. Mercedes-Benz dealers have demonstrated great interest and have asked about installing similar multimedia displays in their showrooms.

The Mercedes-Benz/harman/kardon microsite is headlined "Mercedes-Benz and harman/kardon: A Perfect Match." Mercedes-Benz dealers and their customers seem to agree.



Island living: a harman/kardon themed island.

HARMAN KICKS OFF A SOUND EXPERIENCE WITH BMW

The relationship between the harman/kardon brand and the automaker BMW was strengthened recently with the introduction of a new dealer-incentive program themed as a "Sound Experience for All Senses."

Launched May 3, the program adds harman/kardon technology to the BMW Sellers' Club, an online Web portal that provides the automaker's dealer network with sales information and tools, as well as a points system based on reaching various targets and promotions. The harman/kardon "Sound Experience for All Senses" campaign is designed to increase the "take rate" (the number of buyers opting for premium audio and infotainment systems in their new BMW vehicles) and to motivate BMW dealers.

Nearly 4,000 BMW sales reps across Germany, Austria and Switzerland are able to participate in the program. Reps visit a

special Web site, where they take a qualifying quiz to learn more about the harman/kardon premium audio offerings. Once the reps qualify and register for the program, their recorded sales will give them points in the BMW Sellers' Club, which they can then use to win various harman/kardon audio products.

To spur the competition, reps will also be able to see who is ranked highest in qualifying sales. At the end of the six-month incentive program, the top-selling dealership will earn a grand prize of a harman/kardon cinema night, with perfect cinema sound, entertainment and refreshments.

The HARMAN Automotive division and BMW are evaluating the program and may expand it across Europe in fiscal year 2011.



Brand Services Is a Winner

Brand Services is barely a year old, but it's already an award winner. The Northridge-based department, successor to the Consumer division's immensely successful and warmly respected Marketing and Design Center, has won three of *Graphic Design USA* magazine's prestigious American Inhouse Design Awards.

AN ACOUSTICAL MASTERPIECE

Oregon church uses JBL system to reach parishioners

A new audio system at St. Francis of Assisi Church in Bend, Oregon, features JBL Professional PD Series loudspeakers, chosen to deliver the highest articulation with the least speakers possible. Morgan Sound of Lynwood, Washington, was responsible for the acoustic consulting and design and, using its past experience with the PD Series as the deciding factor in the choice of speakers, teamed with Anderson Group International of Eugene, Oregon, for the installation.

The installation at the St. Francis of Assisi Church initially presented many challenges to the team. It is a very large space with polished concrete floors, concrete masonry unit walls, and granite and marble covering the substantial altar platform, all of which work together to create a very reverberant room. There was a desire to maximize the presentation of sound without filling the entire auditorium with large, overbearing speakers, which is why Morgan Sound President Charlie Morgan ultimately chose the JBL PD Series, powered by Crown amplifiers. With the exceptional pattern control of the JBL speakers, the church presenters are able to reach high SPL levels when needed with excellent speech clarity.

"As the application engineer at JBL, Jay Fuller's advice was most helpful in using the PD boxes," Morgan said. "The sound in the room is focused, very intelligible and even throughout the entire seating area. In short, we couldn't be happier with the result."

In addition to the JBL PD series loudspeakers and Crown amps, there are JBL Control 29AV loudspeakers, all of which are controlled by a BSS London processor. An analog mixer on the platform gives the choir director control of the local inputs, and there is also the option of running everything in static mode with 16 microphone channels controlled through the BSS London processor. The system includes HARMAN's HiQnet System Architect software for quick and easy configuration.

"We finished the installation in the 700-person auditorium of the church...and the customer is just thrilled with the result."

Morgan added. "Using the HARMAN brands together gives the user a tremendous ease of use, and topping it off with the JBL loudspeakers means that they are getting the best possible sound available."

Morgan Sound (www.morgansound.com) is a 35-year veteran of live sound and design/installation services. The company features a wide range of HARMAN products in its inventory, including JBL VerTec Series and Crown Macro-Tech amplification.



Speakers for the saints: JBL Professional at the St. Francis of Assisi Church.

INTERNATIONAL SALES CONFERENCE ANNOUNCES A NEW DIRECTION

"The Power of Sound" heralds back-to-basics approach

In April, HARMAN employees, sales staff and representatives from around the world descended en masse to Amsterdam for the annual International Sales Conference (ISC). For one week, various divisions of the company presented their plans, product roadmaps and visions for the future.

The ISC offers an opportunity for the divisions to get together in one location each year and to share opinions on how to improve processes, systems and performance as an organization, while informing each other thoroughly enough to develop business plans for the next fiscal year.

The 150-strong group of attendees started by taking a guided tour of the company's new Amsterdam offices. For some of the delegates, this was the first glimpse of the facility. The tour included an informal dinner and listening sessions with some of HARMAN's products for 2010.

The following morning, Thijs Linthorst, the general manager for EMEA, discussed the theme for fiscal year 2011, "The Power of Sound." The new direction is a reflection of how HARMAN is going back to basics and embracing the heart of what the company stands for. Linthorst was followed by a branding overview and customer segmentation by the vice president of Marketing Services for HARMAN Consumer, Eric Plaskinos, and a round-up of expectations for fiscal year 2011 by Carsten Olesen, the commercial director for EMEA.

The country representatives then took center stage to present their best practices and results from the past year, which was a great platform for sharing information and picking up potential new tips to implement in the coming year. The presentations included the case study for the retail program "Sound for Vision," presented by Kurt Lindner, sales manager for HARMAN Consumer (Austria), who shared his secrets for its successful implementation.

The presentations also formed the basis for each local market's entry in HARMAN's prestigious 2010 awards. The winners were announced at a special ceremony on April 15. The categories for the awards are shown at the right.

The workshops were both interactive and informative, and they were an open forum for discussions. Above all, the ISC was a great opportunity for the divisions to bond. On one evening, attendees participated in collaborative cooking at De Kookfabriek,

where they split into groups and prepared a four-course meal for each other. The next night, delegates took to the canals of Amsterdam for an evening of music and conversation, which culminated in the prestigious 2010 awards.

Overall, the structure and evening activities were extremely well received, even in light of the volcano eruption that stranded a large part of the group in Amsterdam. In fact, the extra days together only served to bring the attendees even closer.

International Sales Conference Award Winners for 2010:

Business Consistency:
MAGNELUSA (Portugal)

Business Development:
BUG (Israel)

Innovation:
KURT LINDNER (Austria)

Growth:
**GERMANY
and
NORDICS**



Winning and grinning: the International Sales Conference award winners celebrate their victories.



HARMAN ADDS SELENIUM TO ITS BRAND ROSTER

Bem vindo, Selenium!

HARMAN continues to extend its global reach with the successful acquisition of audio company Eletrônica Selenium of Brazil.

Eletrônica Selenium, like HARMAN, has a long and successful heritage. Founded in 1958, Selenium manufactures and sells professional loudspeakers, including line arrays, and screen and portable systems, along with technologies for both the public sound reinforcement sector and automotive aftermarket. Over the years, Selenium has supplied sound for events such as the Pan American Games, the Cartagena International Music Festival and several cinema, retail and infrastructure facilities.

More than 400 people work for Selenium, including at manufacturing facilities in Manaus and Porto Alegre, located in northern and southern Brazil, respectively. Eletrônica Selenium's market channels include a network of more than 100 distributors across Brazil and two distribution and logistics centers in the US. The company is also active in e-commerce transactions for both procurement and sales, utilizing the MercadoR® system, which is the largest B2B online platform in Latin America.

According to HARMAN Chief Executive Dinesh Paliwal, HARMAN's expansion into Brazil represents a key part of the company's growth strategy. "The acquisition gives HARMAN instant access to this emerging market through very well-established sales channels, a local manufacturing footprint and a well-functioning, extremely efficient engineering center," he said.

One of the so-called BRIC countries (BRIC is an acronym that refers to the combined economies of Brazil, Russia, India and China), Brazil is moving at light speed beyond its traditional

image as the exporter of coffee, football stars and samba-infused beach culture. The country already has the world's eighth-largest economy and will reintroduce itself to the world at upcoming major events, such as the 2014 FIFA World Cup and 2016 Summer Olympics in Rio de Janeiro.

For HARMAN, these world-class events will bring immediate and longer-term business opportunities. Our professional audio business will be poised to meet the demand as new stadiums, performance venues and other infrastructure projects get off the ground. In areas such as consumer electronics, increasingly sophisticated infrastructure such as digital television broadcasting is being rolled out across the country, driving sales of digital TV sets and, by extension, surround-sound audio systems. In the automotive sector, Brazil is on track to overtake Germany as the world's fourth-largest vehicle market this year, after China, the US and Japan. Growth is expected to hit double digits over the next few years, and with that comes increasing demand for audio and infotainment solutions from experts such as HARMAN.

"Selenium is a proud addition to the HARMAN family, and we look forward to expanding our technologies throughout this growing and important market," Dinesh said. "HARMAN's rich product portfolio, together with Selenium's established market presence in Brazil and Latin America, will drive new business opportunities across the automotive, consumer and professional markets."

Former Selenium Chief Executive Rodrigo Knies has been named country manager (Brazil) for HARMAN. Rodrigo and his experienced team are now working with HARMAN management to carefully evaluate our technology, brand and market strategies toward the mutual goals of profitable growth and uncovering new opportunities throughout the Latin American region.

**SELENIUM IS NOW A PART OF
THE HARMAN GROUP AND IS
MORE POWERFUL THAN EVER.**

SELENIUM
by HARMAN

www.harman.com

www.selenium.com.br

Harman, a global leader in audio solutions, is Brazilian also. With Selenium's acquisition, Harman arrives in Brazil. The Brazilian company is the newest member of the group that already has other world wide leading brands such as JBL, Harman Kardon, Infinity, AKG, Mark Levinson and Lexicon. It's a new era in technology, distribution and an even more complete line of products.

SELENIUM
by HARMAN

harman kardon

Infinity



Mark Levinson

lexicon



Are You a Facebook Fan of HARMAN?

This social-networking site provides new ways to reach customers – more than 12,000 people have declared on Facebook that they like the JBL page, more than 11,000 people like the HARMAN page, and a gigantic 25,000 like the AKG page.

Log on to www.facebook.com today to find the pages and join the conversation.

JAPAN, CHOPIN, HARMAN AND 800,000 FRIENDS

Japan's biggest classical-music festival draws thousands to HARMAN booth

What pulls more than 800,000 Japanese music lovers to celebrate a French-Polish composer who's been dead since 1849? La Folle Journée au Japon ("The Days of Enthusiasm in Japan"), a week-long music festival in Tokyo and other cities that featured displays of HARMAN products.

"This is the largest classical-music event in Japan," says Tim Wada, manager of HARMAN Japan's international business. "This is one of our major marketing events. And [it] is uniquely targeted to general consumers."

HARMAN has been a sponsor and exhibitor at the event for five consecutive years. This year, its exhibit-hall booth stood near one of the festival's main stages. The location meant a constant flow of music lovers, since La Folle Journée included more than 300 concerts and other performances. "Even the largest hall, with 5,000 seats, was filled up," Wada adds.

HARMAN's booth workers helped everyone from individuals to entire families try out headphones, home speakers, iPod and iPhone docks, and other products. "AKG headphones and JBL MX100 [drew] the most attention," Wada says. (The MX100 is better known outside Japan as the harman/kardon MS 100 music system.)

La Folle Journée was born in the French city of Nantes in 1995. The Japanese version included movies, master classes, programs for children and a live radio and television broadcast from the event. "The spirit of the festival is to make the classical-music experience easily accessible to broader audiences," Wada explains. This year's festival celebrated the 200th birthday of Frédéric Chopin, born on March 1, 1810.

The festival's organizers haven't yet named the composer whom the show will spotlight in 2011. But if the event is anything like the 2010 festival, it will be one gigantic musical party – and HARMAN will be one of its hosts.



Crowds for the classics: an audience at a La Folle Journée performance.

"The spirit of the festival is to make the classical-music experience easily accessible to broader audiences."

NORTH TO THE ARCTIC CIRCLE WITH SOUNDCRAFT SYSTEMS

Norwegian city picks a Vi6 console for its House of Culture

Up in the Arctic Circle, farther north than Reykjavik, Iceland, or Fairbanks, Alaska, stands Bodø, Norway. To reach the town that calls itself the city of the sea eagle, you'd have to drive more than 1,800 miles (3,000 kilometers) from the headquarters of HARMAN's Soundcraft brand in Hertfordshire, England – but when the Bodø performing-arts center Kulturhus (House of Culture) recently needed a sound system, local sound specialist Lydteamet Bodø picked a Soundcraft Vi6 console.

The first large-format Soundcraft digital live desk, the Vi6 console uses a HARMAN Vistonics touch-screen color monitor with rotary controls – a “where you look is what you control” user interface that lets a sound engineer run the desk intuitively. But the main virtue of the Vi6 system is its sound.

“To my eyes and ears, the quality of the Vi consoles is unmatched,” Håvard Christensen, sound engineer at the Kulturhus, said. “In addition to this most important feature, the console is proving to be very easy and flexible in use.”

Christensen has become something of an expert on the subject. As the sound engineer for Nordnorsk Symfoniorkester (the Norwegian Arctic Philharmonic Orchestra) and the arts festival Festspillene i Nord Norge (Festival of North Norway), he said, “I have had many opportunities to work with Vi's in various applications over the years, and with good reason. This platform has become a quasi-standard here in Norway.”

“Our own Vi6s have been a great success since we invested in our first console in 2008,” added Morten Buvik from Lydteamet Bodø. “The main reason, apart from the obvious requirement for a digital console, was the exceptional sound quality.”

That kind of praise is always welcome, but it's nothing new to Keith Watson, HARMAN Professional vice president of marketing and communications. After all, he pointed out, the Vi Series “has quickly gained favor on many of the world's greatest tours, including Elton John, Lily Allen, Bob Dylan and Deep Purple, [and] world-class installations like the Nokia Center in L.A. and the Kennedy Center in Washington, D.C.” He added, “Being equipped with other HARMAN processing technologies from legendary brands like Lexicon and BSS enhances the [Vi6] console's audio performance beyond any

others out there. And with the Vi2 winning this year's MIPA award for best-sounding live console and the Vi1 launched to rave reviews just a few weeks ago, we're set to continue our winning streak.”

The Bodø Kulturhus is only one of the Soundcraft forays to the frozen north. The city of Whitehorse in Yukon Territory, Canada, recently bought and installed a Soundcraft Vi6 for its Yukon Arts Centre (YAC). YAC has become one of the far north's premier venues for performing arts, from hip-hop to modern dance to cutting-edge and everything in between. “Being in a fairly remote area of the country, we have to try to be all things to all people,” explained Yukon Arts Centre technical director Patrick Matheson.

Of course, Soundcraft systems have been installed in places – other than the far north – but if Santa Claus ever needs a pro sound setup to entertain the elves at the North Pole, he'll probably get a Soundcraft system.

Behind the board: Håvard Christensen running the Kulturhus's Vi6



