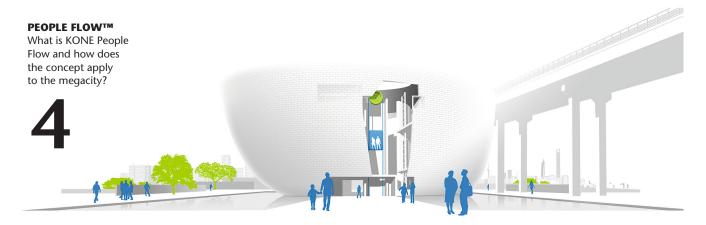


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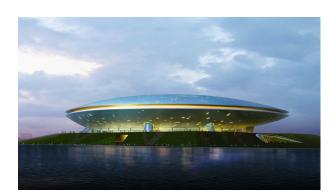


**CENTENNIAL** KONE celebrates a century of People Flow by participating in Shanghai's 2010 World Expo.



**KONE IN CHINA** Dramatically changing demographics in China are creating a fantastic application of KONE's People Flow concept.





**WORLD EXPO 2010** KONE is the proud supplier for 21 World Expo pavilions.



**MAP** Pull-out map of the World Expo 2010 area; including pavilion locations.

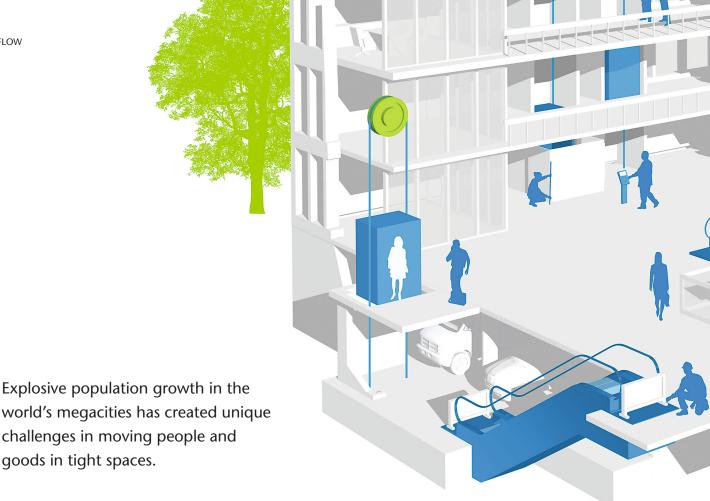
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People Flow is KONE's stakeholder magazine. KONE Corporation, Keilasatama 3, P.O. Box 7, Fl-02150 Espoo, Finland, +358 204 751, www.kone.com Editor-In-Chief: Simon Barrette Editorial Board: Simon Barrette, Liisa Kivelä, Anne Korkiakoski
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PEOPLE FLOW: AN APPROACH FOR THE MEGACITY

**COMPILED BY:** TIM BIRD AND LESLIE MCMANUS ILLUSTRATION: KONE

weeping change is transforming the way people live all around the world. In 2008, for the first time in recorded history, the world's population was equally balanced between rural and urban areas. Today, according to United Nations figures, 3 billion people live in urban areas. By 2030, that number is expected to rise to 5 billion.

That kind of urban migration is boosting the number of megacities – cities with more than 10 million inhabitants – around the globe. In 1950, there were two megacities. By 1990, there were 10. This year, the count is expected to rise to 21. As urban growth expands at a rapid pace, more and more people are living and working in tighter spaces than ever before.

As a global megatrend, urbanization presents an enormous challenge to ur-

ban planners. Buildings today account for 40 percent of global energy consumption and elevators can account for up to 10 percent of a building's energy consumption. A leader in environmental excellence, KONE is fully committed to developing People Flow solutions that focus on interrelationships between energy efficiency, optimal density and building life cycles.

### THE SCIENCE OF PEOPLE FLOW

The challenge of People Flow is compounded in the megacity, where overcrowding and environmental problems demand new solutions.

"People Flow is the smooth, safe and comfortable movement of people into, through, and out of buildings," comments head of People Flow for KONE, **Pekka Korhonen**. People Flow is getting quickly from a hotel room to the reception area. It's arriving on the platform in plenty of time to catch a train. It's what eliminates the stress from a trip to work or shopping expedition. People Flow is when things work as they should do, and it is obvious to anyone who has ever arrived at the door of an out-of-service elevator with a shopping cart full of groceries. For KONE, People Flow is at the heart of the company's operations, from the conception of a product and R&D right through to the user's experience.

### **IMPROVED PRACTICES**

People Flow is a visionary outgrowth of KONE's longstanding culture of innovation. KONE has a demonstrated record in safety, quality, reliability and ride comfort. Equally important is the company's commitment to proactive maintenance, repair and moderniza-



tion, guaranteeing optimum building performance.

"The importance of People Flow is related to everything KONE does and everything the company should do," says Korhonen. He considers KONE's competitive advantage to lie in faster installation or modernization practices - with the goal of least interruptions in daily business.

"When commuting, good People Flow means being able to take the escalator into the metro without waiting during the morning rush. Or it's about going to a sports match in a stadium, and quickly reaching the lower level to buy snacks during halftime. This may sound simple, but it involves studying what people do, observing and finding out what is relevant, and then working out solutions to make lives easier."

# PEOPLE FLOW SOLUTIONS FOR EVERY NEED

A complex synergy exists between buildings and the people who occupy them. KONE delivers People Flow solutions that increase effectiveness and make sense. For instance, when elevators, escalators and other transport devices, such as autowalks, are positioned in a manner that minimizes the queuing and blocking of passenger traffic, building owners can ensure that their buildings remain as efficient as possible once occupied and eliminate user frustration.

"People Flow puts enormous importance on understanding and anticipating passenger needs so that the operations in a customer's building can be optimized. Special consideration is given to target groups – children, the disabled and blind – to ensure a safe and responsive environment. Ultimately, innovative KONE solutions make it easier for everyone to move around in buildings in a smooth, quick, efficient and safe manner," adds Korhonen.

### **BUILDING FOR THE FUTURE**

How does KONE maximize the People Flow experience? Through relentless work in research and development, KONE continually explores technologies in other industries and monitors changing markets, trends, customer needs and working methods. The company strives to meet and exceed customers' needs, a job never considered to be finished. Minimizing wait times is a classic example of how People Flow can be improved. The KONE Polaris™ Destination Control System (DCS) allows passengers to choose their destination floor before entering the elevator. This can significantly save energy by increasing a building's people-handling capacity and decreasing the number of trips an elevator has to make. ●



INTERESTED IN
LEARNING MORE ABOUT
KONE'S PEOPLE FLOW
SOLUTIONS SUCH AS
DESTINATION CONTROL
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IN 1910, KONE WAS BORN IN A SMALL MACHINE SHOP
IN HELSINKI, FINLAND. ITS EVOLUTION INTO TODAY'S
INCARNATION AS A GLOBAL LEADER IN TECHNOLOGICALLY
ADVANCED ELEVATORS AND ESCALATORS IS EVIDENCE OF THE
COMPANY'S ABILITY TO REMAIN RESILIENT YET RELIABLE. THIS
CENTENNIAL YEAR WILL SEE CELEBRATIONS APLENTY; IN SHANGHAI
AS WELL AS IN 1,000 KONE LOCATIONS AROUND THE WORLD.

# CENTENNIAL CELEBRATION: REACHING NEW HEIGHTS

**TEXT: CINDY KOHTALA PHOTOS: KONE** 

The same year KONE began its operations, the International Exposition was held in Brussels, Belgium, garnering an amazing 13 million visitors, according to some estimates. In 2010, Shanghai is proudly hosting the World Expo, which will be the largest in Expo history. The international fair will boast over 200 exhibitors and is expecting over 70 million visitors.

Considering the rate at which nations are urbanizing and numerous cities are becoming megacities, the Expo's theme 'Better Life, Better City' is timely, even urgent. Shanghai hopes the Expo can serve as a kind of laboratory for human-centered innovation and dialogue: a potent, lasting example of sustainable urban living where pilot

ONE 10

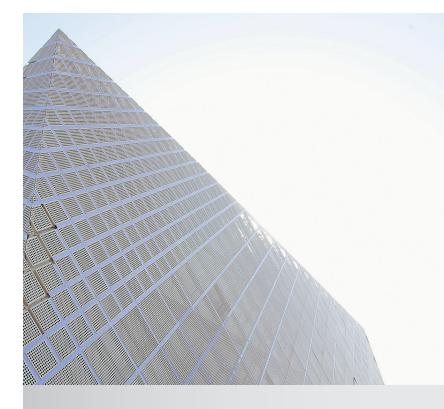
projects and viable ideas can be shared, spread, reshaped and scaled up. The Expo's Urban Best Practices Area, for example, is an ideal platform for displaying to the world advanced sustainable solutions for housing, mobility and urban planning.

And of course KONE is there, as a major contributor to numerous pavilions and as a national partner for the Finnish pavilion. KONE is also pleased to be able to use the World Expo 2010 as a venue and opportunity to celebrate its Centennial Anniversary.

Matti Alahuhta, President & CEO, KONE Corporation, considers this a good match. "Following KONE's successful involvement in the 2008 Beijing Olympics, we are very proud to be part of an international event of this caliber once again. We believe that our association with the Finnish pavilion is an ideal partnership considering the World Expo's location and theme: Better City, Better Life. China and other Asian markets are important markets for us and this is a great opportunity to be involved in the largest World Expo in history. The year 2010 also marks a special milestone in KONE's history as we will be celebrating our company's 100th anniversary."

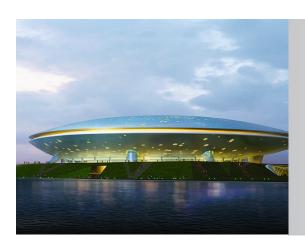
# PROUD SUPPLIER FOR 21 WORLD EXPO PAVILIONS

There will be even more to celebrate for KONE at the World Expo. The company is the proud supplier of equipment for 21 different pavilions: 59 elevators and 34 escalators have been supplied for the pavilions of Australia, Austria, Belgium, Denmark, Finland, Hong Kong, Ireland, Russia, Saudi Arabia, Singapore, and Spain; as well as to the London Case Pavilion, Culture Center, Expo Logistics Center, State Grid Pavilion, Information and Communication Pavilion, China Aviation Pavilion, Daming Palace Pavilion, Coca-Cola Pavilion, DevNet Pavilion and Broad Pavilion. continues on page 13



### STATE GRID PAVILION

The State Grid Corporation Pavilion is designed as a 'magic box' with a crystal cube embedded inside. The theme of the pavilion is based on the relationship between electricity and daily life. A solar light system resembling sunflowers will illuminate the flooring. The pavilion covers 4,000 square meters and the underground substation provides electricity to other pavilions in the area. KONE solutions include 9 units. •



### **CULTURE CENTER**

The Culture Center is a permanent building and consists of a large central stage, large functional hall which can house up to 18,000 guests and supporting facilities. The Culture Center has a floor area of 126,000 square meters, of which 74,000 square meters is above ground and 52,000 square meters un-

derground. The central stage is the first of its kind in China, and can be adjusted to form different shapes within 360 degrees. KONE solutions include 17 elevators and 26 escalators. Five of the elevators were installed already during the construction phase and used as freight elevators. •





## 11 AUSTRIA PAVILION

Elevators: 1 Unit



12

SINGAPORE PAVILION

Elevators: 1 Unit



13

LONDON CASE PAVILION

Elevators: 2 Units



IRELAND PAVILION

Elevators: 1 Unit



15

DAMING PALACE PAVILION

Elevators: 1 Unit





CHINA AVIATION PAVILION

Elevators: 4 Units

17

DEVNET PAVILION

Elevators: 1 Unit

18

STATE GRID PAVILION

Elevators: 3 Units Escalators: 6 Units

19

INFORMATION & COMMUNICATION PAVILION

Elevators: 3 Units



20

COCA-COLA PAVILION

Elevators: 1 Unit

**21** 

BROAD PAVILION

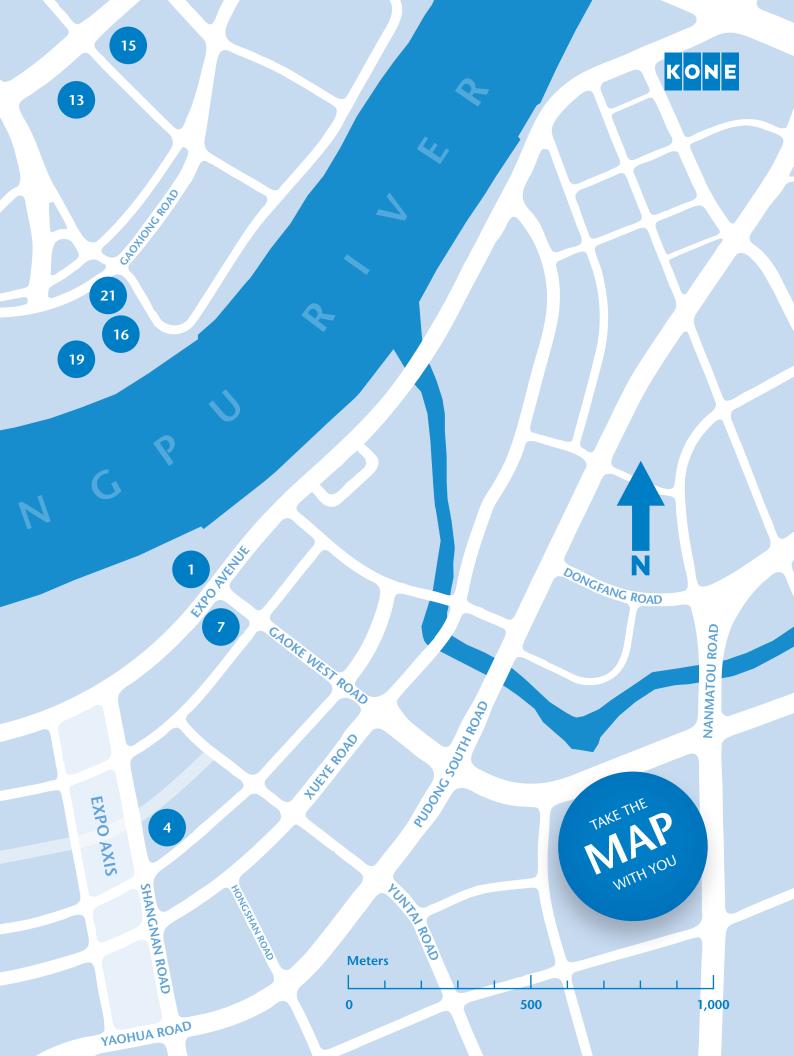
Elevators: 2 Units

# **EXPO AREA**

**PAVILIONS WITH KONE SOLUTIONS** 

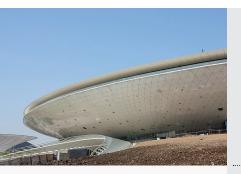
- 1. CULTURE CENTER
- 2. EXPO LOGISTICS CENTER
- 3. FINLAND PAVILION
- 4. HONG KONG PAVILION
- 5. SPAIN PAVILION
- 6. AUSTRALIA PAVILION
- 7. SAUDI ARABIA PAVILION
- 8. BELGIUM PAVILION
- 9. DENMARK PAVILION
- 10. RUSSIA PAVILION
- 11. AUSTRIA PAVILION
- 12. SINGAPORE PAVILION
- 13. LONDON CASE PAVILION
- 14. IRELAND PAVILION
- 15. DAMING PALACE PAVILION
- 16. CHINA AVIATION PAVILION
- 17. DEVNET PAVILION
- 18. STATE GRID PAVILION
- 19. INFORMATION & COMMUNICATION PAVILION
- 20. COCA-COLA PAVILION
- 21. BROAD PAVILION





# **PAVILIONS WITH KONE SOLUTIONS**

KONE SUPPLIED 93 UNITS IN TOTAL FOR 21 PAVILIONS



# **CULTURE** CENTER

Elevators: 17 Units Escalators: 26 Units



### 6 **AUSTRALIA PAVILION**

Elevators: 4 Units



## 2 **EXPO LOGISTICS** CENTER

Elevators: 3 Units



# **SAUDI ARABIA PAVILION**

Elevators: 2 Units



# **FINLAND PAVILION**

Elevators: 1 Unit



# **BELGIUM PAVILION**

Elevators: 2 Units



# HONG KONG **PAVILION**

Elevators: 1 Unit



# **DENMARK** PAVILION

Elevators: 1 Unit



**SPAIN PAVILION** 

Elevators: 8 Units



10 **RUSSIA PAVILION** 

Escalators: 2 Units





### **SPAIN PAVILION**

The wicker-covered Spanish pavilion signifies the link with the host country and successfully delivers its concept of sustainable development. The pavilion occupies a total floor

area of 8,500 square meters and has an open square for cultural performances and an indoor area for exhibitions and cafeterias. KONE solutions include 8 elevators. •



### CHINA AVIATION PAVILION

The China Aviation Pavilion resembles a white cloud and will give visitors the feeling of 'flying in the sky'. The pavilion covers 4,000 square meters and show-

cases future aviation technology and service together with its impact on people's life via interaction and personal experience. KONE solutions include 4 elevators. •

▶ its aesthetics to how it integrates advanced technology. The details of the elevator's interior have been painstakingly created to serve as a showcase for state-of-the-art elevator design as well as the perfect complement to the overall pavilion aesthetic: from the handcrafted ceramic artwork of the floor designed by well-known Finnish ceramists Karin Widnäs and Pekka Paikkari to the high quality semi-transparent glass with integrated lighting from German glass experts Schott. The elevator design is inspired by China's five elements: wood, water, earth, fire and metal.

"Our challenge was to seamlessly blend the elevator's design with the look and feel of the pavilion's beautiful architecture," says **Anne Stenros**, vice president, KONE Design. "The Finnish pavilion's architecture is already unique in many ways. Our main goal was to come up with a design that not only complements the whole pavilion, but also enhances the pavilion's ambiance. The result is a unique elevator interior and user experience which will change the way people look at elevator design."

The detailing of the elevator even extends to what we cannot see: the latest Destination Control Systems as well as RFID technology that control access to the VIP areas have been integrated. And knowing KONE elevators' energy efficiency credentials makes the ride even more enjoyable.

The scenic elevator and the glass shaft are dramatically lit to be visible both inside and outside the pavilion as the elevator seemingly floats up to the highest reaches. The most impressive view is in the main hall where the glass shaft (decorated with special graphics by Aimo Katajamäki) will create a moving piece of art with the elevator traveling up and down. Normally, tools and technologies embed themselves invisibly into everyday routines: in this case, the Kirnu elevator stands out as a symbol of hightech meeting high-touch, a special design for a special pavilion – and a special year. •

200

THE WORLD EXPO IN SHANGHAI BOASTS OVER 200 EXHIBITORS



# Waves of change deliver opportunity in China

**TEXT: LESLIE MCMANUS PHOTOS: KONE** 

Like a pebble dropped in a pool, an enormous population shift in China is creating far-reaching ripples. For KONE China, this translates into waves of

opportunity.

apid urbanization is driving huge population swings in China. In 1990, the country's rural population accounted for 74 percent of the national total. By late 2006, rural population had dropped to 56 percent – more than 730 million of the total population of 1.3 billion. By 2035, it's predicted that 70 percent of the Chinese people will live and work in urban areas.

"Urbanization has been the leading driver for our business – that, plus increasing home ownership," comments William B. Johnson, managing director of KONE China. "The immediate trend is to own your own property, so that is especially driving the elevator element. Infrastructure projects are also multiplying as people move from the countryside to the cities. At the same time, the standard of living is increasing."

### **URBANIZATION SPURS GROWTH**

There will also be pressure on the use of land, Johnson adds, so building will continue upwards – and downwards. "That plays right into our hands as an elevator and escalator solutions company. It's a scenario that puts particular importance on People Flow™ and KONE's life cycle approach to its business."

Dramatically changing demographics in China are creating 'a fantastic application' of KONE's People Flow concept. "In this country, they are not only looking at using elevators in individual buildings, but across neighborhoods, linking metros with urbanized walkways and the rest of the infrastructure," he notes. "Here, you don't just build in isolation. You need to understand how the building fits into the context of the community."

### **EMBRACING OPPORTUNITY**

The company's commitment to environmental excellence and sustainability, however, put it in an enviable position. "We are introducing the right kind of eco-efficient technology that China is looking for," Johnson says. "The government is taking the environment seriously, adding 'green' requirements to every aspect of building and construction, so energy savings and eco-efficiency are at the forefront."

Features like those were showcased in KONE projects familiar to millions during the 2008 Olympic Games in Beijing. High profile Beijing installations include the National Stadium (also known as the Bird's Nest, the main venue of the 2008 Olympics), the Beijing Capital Airport and the National Grand Theater.

# 70% OF THE CHINESE PEOPLE WILL LIVE AND WORK IN URBAN AREAS BY 2035

KONE became the largest elevator and escalator equipment provider for Beijing Olympic construction projects. The company was responsible for nearly 900 units of elevators, escalators and autowalks – accounting for over 50 percent of total equipment for the Beijing Olympic projects.

"The Beijing Olympics in 2008 really raised our visibility," comments Johnson. "High-ranking government officials visited the venues, as well as athletes, media and other visitors. All of them had a chance to get to know the KONE brand."

More recently, KONE was awarded orders for the Beijing-Shanghai Express Railway network (342 escalators), the Leaptop Plaza building in Guangzhou (33 elevators and 2 escalators), two lines of the Beijing subway system (140 escalators and 32 elevators), the new Kunming international airport (90 machine room-less elevators and 16 autowalks), as well as for Raffles City Chengdu (38 elevators, 22 escalators and 6 autowalks).

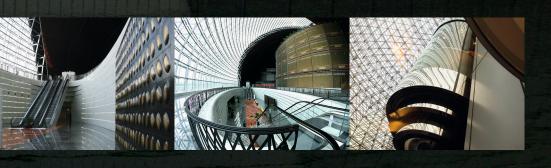
"We are one of the fastest growing elevator companies in China; and have been for the last four years. With a quarter of a century of experience in China and an entire century of experience worldwide, we are confident KONE is looking towards a solid future," Johnson concludes.

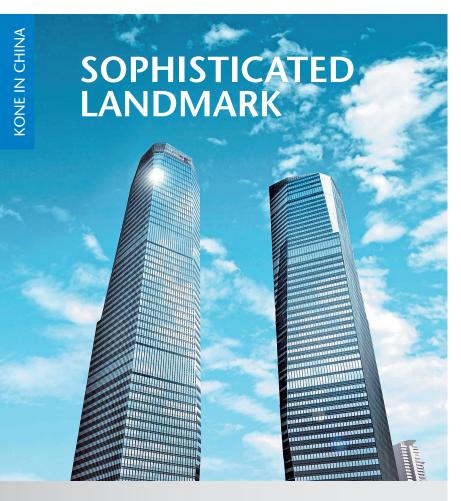
### KONE IN CHINA

ONE's business in China started in 1985, when KONE began marketing directly to China from its Hong Kong unit," recalls William B. Johnson, managing director of KONE China.

KONE Elevators Co., Ltd. was founded in 1996 and two years later a local headquarters was established in Kunshan, close to Shanghai. In 2005, KONE China moved its headquarters to Shanghai and today that operation is the hub of the KONE China network. Linking 34 branches and more than 100 service depots, KONE China employs more than 3,400 experts which cover all operations for the entire country.

Kunshan, meanwhile, is now the site of a KONE production site with approximately 142,000 square meters. The facility produces elevators and escalators for the Chinese market and deliveries also extend to the Middle East, Southeast Asia, Australia, New Zealand and Europe.





hanghai International Finance Center (IFC) is the latest skyscraper to dot the city skyline. Located in the heart of the Lujiazui financial center in Pudong, this integrated commercial development will comprise of three towers, including twin office towers measuring 260 meters and 250 meters respectively, as well as another 85-meter tower. The complex will host offices, two hotels, as well as a high-end mall with an array of international retailers.

The IFC is the first office development in Shanghai to have Leadership in Energy and Environmental Design (LEED) gold pre-certification from the US Green Building Council.

KONE will supply and deliver 84 KONE MiniSpace™ and 11 KONE MonoSpace® elevators, and 4 KONE double-deck elevators, which will be the first of its kind installed in China. When installed, the fastest elevators will travel up to speeds of 8.0m/s and the highest traveled distance will be roughly 250 meters.

The South tower has recently been completed; the other buildings are under construction and slated to open in late 2010. •



### KONE CHINA'S COMMITMENT TO RESPONSIBILITY AND QUALITY

ONE strives to be a responsible corporate citizen of the global community, and also participates in local projects to improve the welfare of the communities surrounding its bases of operation.

Around China, KONE has been a strong and active participant in programs and activities that aim to enrich the communities in which its employees live and work.

- 1996: KONE China sponsored a Finnish Chamber Orchestra China charity performance and financially assisted an SOS Children's Village in Tianjin.
- June 2007: KONE China signed the Memorandum of Understanding for the Poverty-Alleviation Project with the Ministry of Foreign Affairs of the People's Republic of China, donating RMB 1 million to Malipo and Jin Ping counties in Yunnan Province.
- May 2008: KONE Corporation employees reached out to help earthquake victims. All donations went to Suzhou Province and Finnish Red Cross branches.
- December 2008: KONE China supported UNICEF by purchasing New Year greetings cards from the organization.
- April 2009: KONE China launched a donation program that to date has raised nearly RMB 100,000 for the purchase of books, stationary, and daily necessities to help the poor and provide financial aid to students in Malipo County, Yunnan Province.



# FAST FACTS KONE CHINA

ONE Elevators Co., Ltd. was established in December 1996. With a total land area of 142,000 square meters in Kunshan Jiangsu Province, KONE Elevators Co., Ltd. is the main elevator and escalator manufacturing base in the Asia-Pacific region of KONE Corporation.

• KONE has made great strides over the decade, being one of the largest suppliers of elevators and escalators now in China. Currently KONE China has over 3,700 employees from 38 branches nationwide aside from its sales and maintenance network with up to 120 depots around the country. KONE exports its products to Thailand, Malaysia, Singapore, the Middle East and other parts of the world besides meeting its domestic demand.

- Since 2005, KONE has been recognized as the fastest-growing international brand in China's elevator industry for four consecutive years thanks to its over 50 percent annual growth rate.
- In 2008, KONE was awarded one of 'China's 500 Most Powerful Growing Enterprises' by the organizing committee of the 2008 Asia Influential Brands Leadership Annual Summit.
- 'Green Architecture & Excellent Technology Brand of 2008 Beijing Olympic Games' by the CSTCMOC and 'National Quality Safety Level AAAAA Brand' are among KONE China's honored titles.
- In addition to its own operations, KONE has founded two significant joint ventures in China: an escalator manufacturing joint venture with Toshiba Elevator and Building Systems Corporation; and a joint venture with Zhejiang Giant Elevator, one of China's largest elevator companies. •



5:30 P.M.

www.kone.com