

PHILIPS

Research for value creation

Peter Wierenga
CEO Philips Research
Lighting and Innovation Analysts' Day
September 28, 2007

About Philips Research

- Over 90 years of industrial research
- 1,800 employees with >50 nationalities
- 600 PhDs
- 25 Part-time Professors
- Mix of expertise areas
- Source of R&D talent
- 750 external visitors
- 1.5 patents filed per scientist/year
- 0.6 reviewed publications per scientist in 2006, frequently cited
- Strong track record in innovation



Track record in innovation



1891



1927



1930's



1940's



1960's



1981



1999



2004



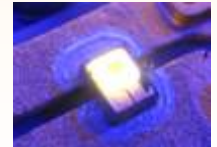
2005



2006

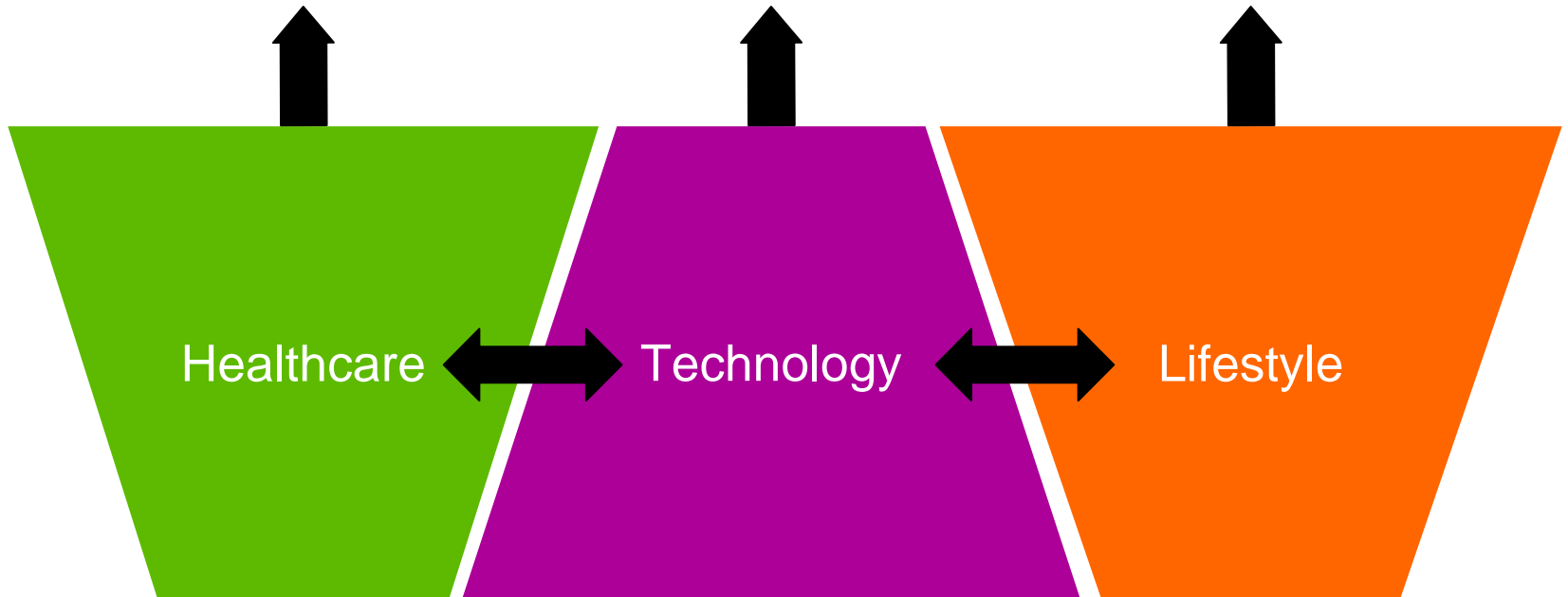


2007



2007

Focus on Healthcare, Lifestyle & Technology



- Imaging
- Monitoring
- Molecular Medicine
- Clinical Care

- Solid State Lighting
- Intelligent Sensors Solutions
- Energy management

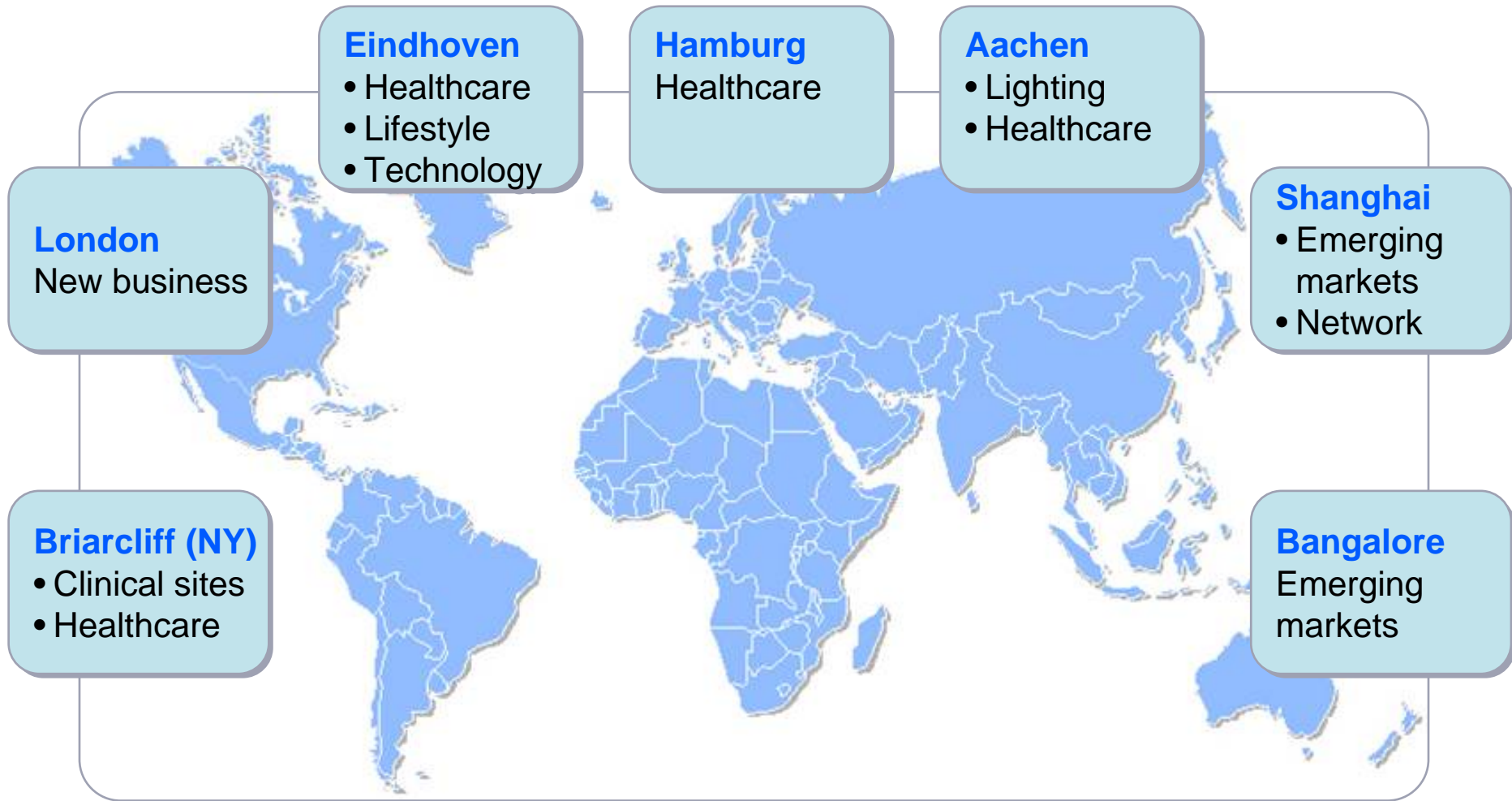
- Experience
- Interaction
- Body/appearance

Healthcare

**Lighting, Healthcare,
Consumer Lifestyle**

**Consumer Lifestyle,
Lighting**

Regional representation



Maximizing the hit rate

- Identifying the right opportunities
- Filling the innovation pipelines
- Combining the right competences
- Bringing in the right partners – Open innovation
- Continuously testing on consumers



Identifying the right opportunities

Research Portfolio Creation: Example Lifestyle

Step 1

Understanding Future Lifestyles

Trends Research

- societal
- technological
- lifestyle



Lifestyle Scenarios for 2015

Step 2

Identifying Innovations for Future Lifestyles

>700 ideas



103 Concept Market Combinations



Consumer Lifestyle Strategy filters



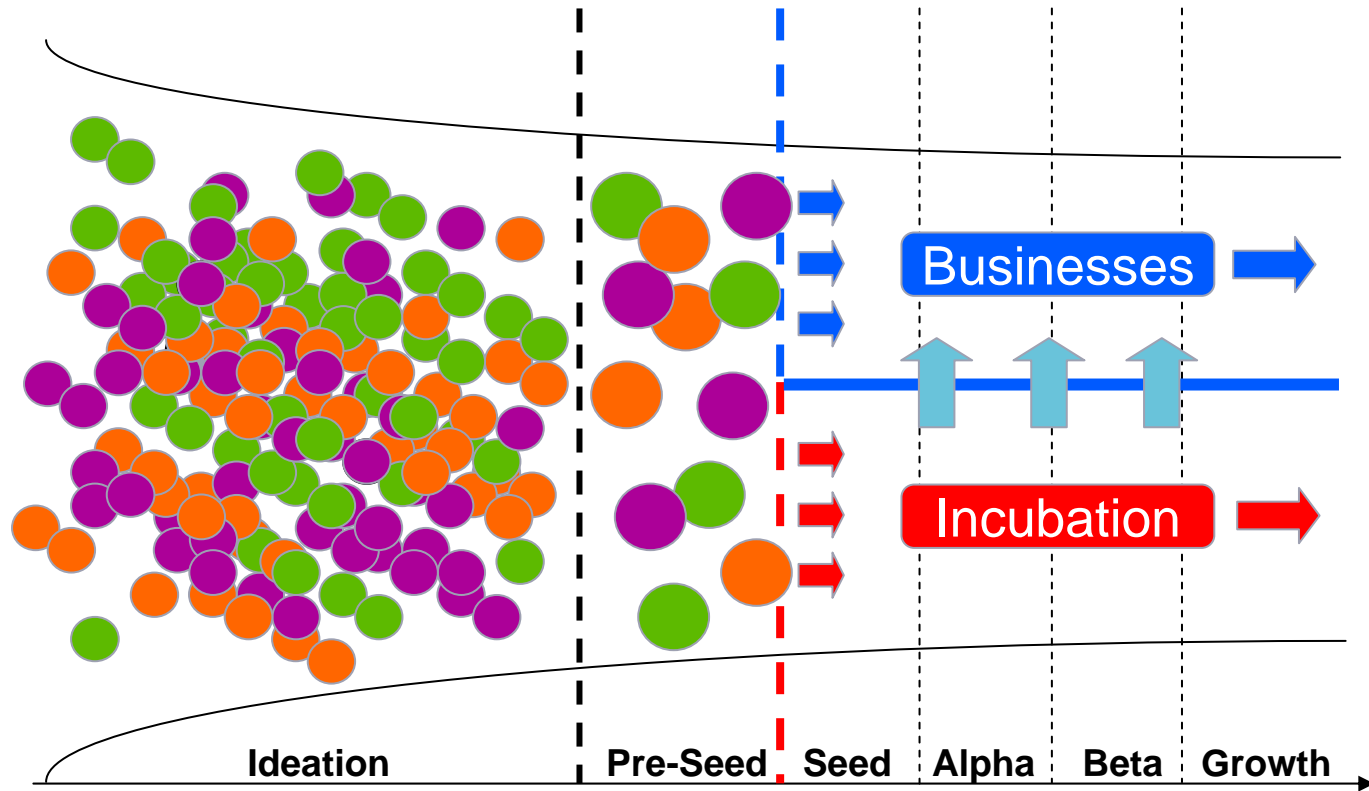
9 priority Concept Market Combinations

Step 3

Deepening and Underpinning Innovation Areas

>50 research projects

Filling the innovation pipelines



Combining the right competences

- Chemists
- Electrical engineers
- Physicists
- Biologists
- Medical Doctors
- Biomedical engineers
- Sociologists
- Psychologists
- Business Developers
- Marketeers
- Entrepreneurs



Bringing in the right partners – Open innovation

> 50 companies and
> 6000 people at
High Tech Campus Eindhoven



Corporate
innovators



Research
institutes



High Tech Campus Eindhoven



Economic
development
companies



MiPlaza



YACHT

Consultancy
& services

accenture

EUROPARTNERS



Continuously testing on consumers

HomeLab

ShopLab

CareLab



Video

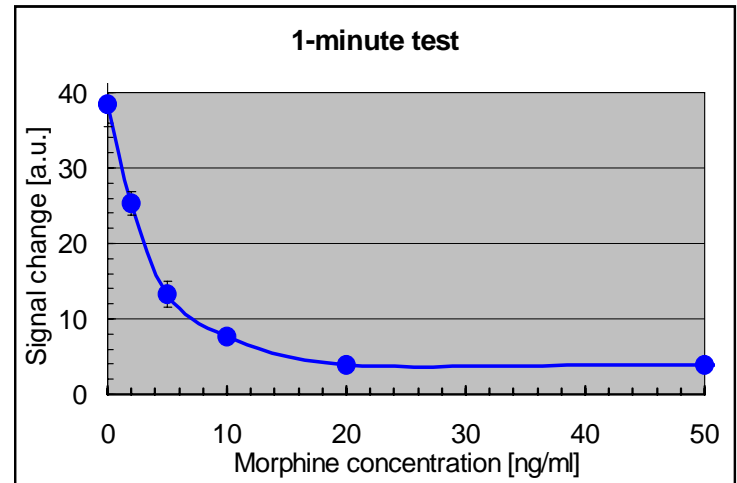
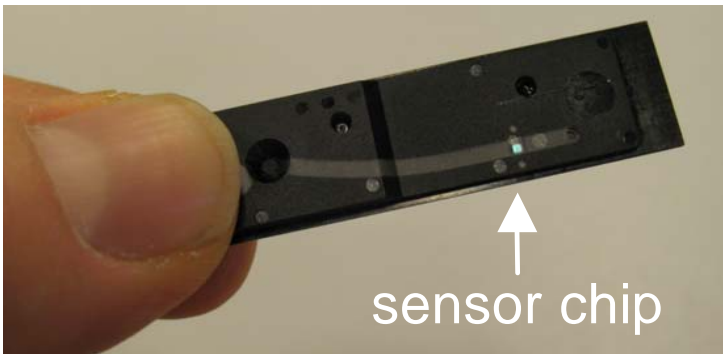
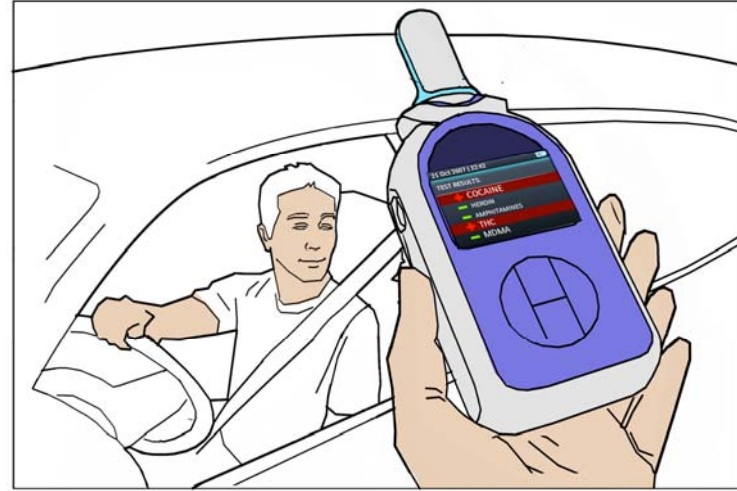
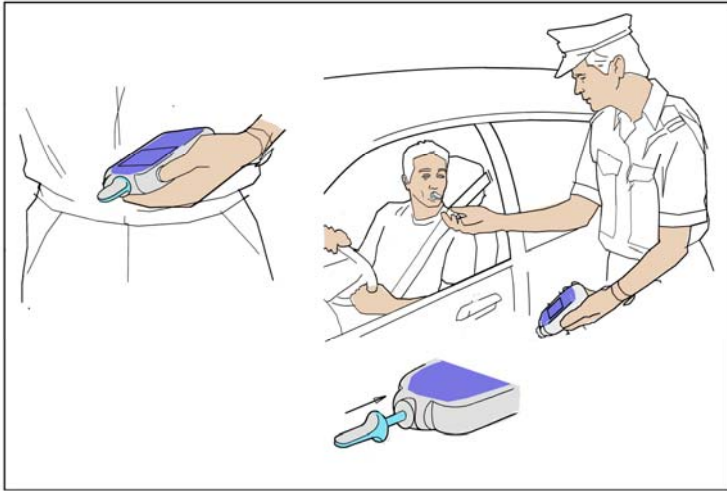
Example: Aurea TV



Example: Woodstove



Road-side drug-testing



Example: Lumalive



Research for value creation: Conclusions

Philips Research

- uses systematic approach to come to new innovations
- provides a stream of opportunities to the businesses
- consists of high-caliber pool of scientists of mixed disciplines
- partners with companies and institutes (Open Innovation)
- builds upon insights and tests with users

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sense and simplicity