



Hans de Jong
CEO
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Royal Philips was one of the founding companies of the EFQM in 1989. At that time, Philips was active in many different industries, with leading positions in Consumer Electronics, Semiconductors, Displays, Passive electronics and media (music distributor Polygram). The launch of the Compact Disk in the beginning of the 80's was one of the many proof points of the innovative strengths of Philips. Many of its innovations had their origin in Philips' central Research organization. Apart from a continuous flow of leading products, this has resulted in transformations of the Philips organization as a whole. Started as a lamp-making business, Philips expanded into medical devices (X-ray tubes), radio (tubes), and television in the first half of the 20th century.

After a financial crisis in the beginning of the 90's, Philips continued re-inventing itself. Around 2000, focus was brought into the business portfolio. Health and Well-being became the central theme under the leadership of Gerard Kleisterlee. The EFQM Model was deployed company-wide, and self-assessments, peer assessments, and external benchmarking became common practices in most parts of Philips. Meanwhile strategic acquisitions and divestments re-shaped the company into its current three sectors: Healthcare, Lighting and Consumer Lifestyle. From a relatively small player in

the medical device industry, Philips developed into a global top-3 player. The leading position in Lighting was sustained, even though the lighting industry itself was going through massive transformation because of LEDs replacing incandescent and fluorescent lighting in many applications.

In 2011, Frans van Houten took over as CEO of Philips. He started a new wave of transformation with the Accelerate! program, emphasizing end-to-end standardized business process management and a winning culture focused on excellence and customer centricity. Meanwhile, the traditional TV, video and audio industries of Consumer Lifestyle were spun-off, with a stronger focus on Personal Care, Oral Care, Kitchen Appliances, and Coffee.

Throughout all the above transformations, innovation has been one of the most important strongholds of Philips. Structured methods have been developed and improved to stimulate creativity in R&D, but also in design, marketing and manufacturing. Capturing ideas, claiming intellectual property and optimally leveraging this in products and services are practiced on a world-class level. Partnerships of various nature have been established with other innovative companies to co-create and bring innovations successfully to the market. Open innovation



has been embraced as best practice for speeding-up access to external knowledge, and for optimally capturing value from ideas that fit less well in the proprietary industrial set-up or brand promise. Within a decade, the High-Tech Campus in Eindhoven transformed from Philips-owned research premises into a 3rd-party owned hot-spot of human-centered open innovation, accommodating more than 125 companies/organisations covering various parts of the innovation chain. The relevance of local innovation increasingly is evaluated in joint initiatives with partners world-wide, recognising the value of cultural diversity as well as the need for dedicated solutions for customers and end-users with large differences in buying power. Cooperation with hospitals, knowledge institutes, local authorities and NGOs has become common practice. Deep people

and cultural insights are at the foundation of our innovation process, with iterative collaboration, input and feedback with stakeholders as innovations move from ideas to market. Philips' stakeholders range from medical professionals to consumers in mega-cities as well as rural areas.

Improving people's lives through meaningful innovations has been selected as the mission of Philips in this most recent transformation process. Philips has defined its vision to improve the lives of 3 billion people by 2025. This promise will be kept, building on the proven creative talent in the company and understanding that innovation, sustainability, and customer centricity are key factors for future success. This has been underlined in the recent brand re-positioning of Philips: "Innovation and you".



About Philips Benelux

Hans de Jong has been Chairman of the Board of Philips Benelux since May 1, 2012. Within Philips Benelux he is responsible for Marketing and Sales, business development, government relations and communications.

Philips has approximately 17,000 employees in Benelux. Mr. de Jong is a member of the executive and general management of VNO / NCW and vice-president of Brainport Foundation.



HARNESSING CREATIVITY & INNOVATION