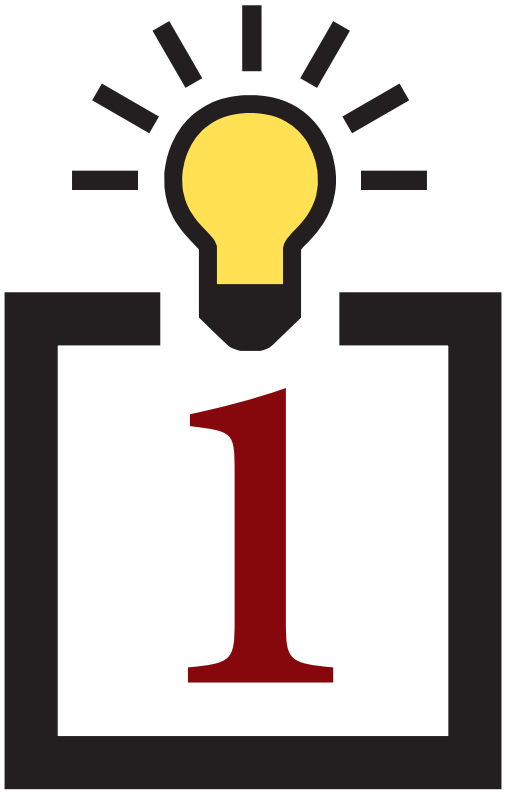


BEST
INNOVATOR

European Best Innovators
– The New Frontiers –

A.T. KEARNEY

Agenda

Introduction

Chapter 1

Innovation Management has significantly gained boardroom attention over recent years. “Innovate or die” is an often heard phrase these days and it is especially true for European companies, aspiring to obtain or maintain the role of true global players.

The European Commission’s most popular innovation index shows an alarming “innovation performance gap” between the EU and the USA, but do these numbers tell the truth? In most industries, the top European firms tend to invest as much or even more into R&D than their US. competitors, however, in contrast to the US. significantly fewer EU companies are playing in the high-end R&D industries. The European Commission found that 80% of this gap is attributed to three areas: patents, higher education and business R&D. But are these the clear cut answers needed to react at a corporate level or is there more to explore?

Some of Europe’s most innovative companies – all of them decorated award winners in A.T. Kearney’s 2004 Best Innovator contest – recently gathered for a 2-day roundtable in Paris. All had qualified themselves for this event by demonstrating high-performing innovation management in correlation with a significant profitability and growth rate when compared with their peer group.
This group discussed the innovation “hot-topics” they face today and the challenges they foresee in the near future.

Four selected hot-topics to enhance Innovation Management performance are covered in this publication:

- How to leverage the Innovation Network?
- How to maximize Product Profitability?
- How to achieve excellence in Time-to-Profit?
- How to ignite and sustain Passion for Innovation?

We hope that you will find it interesting to read how leading innovators discuss and address these key areas.

Düsseldorf, April 2005

Best Practice Overview

Best Innovator 2004 - Best Practice Overview

Executive Summary

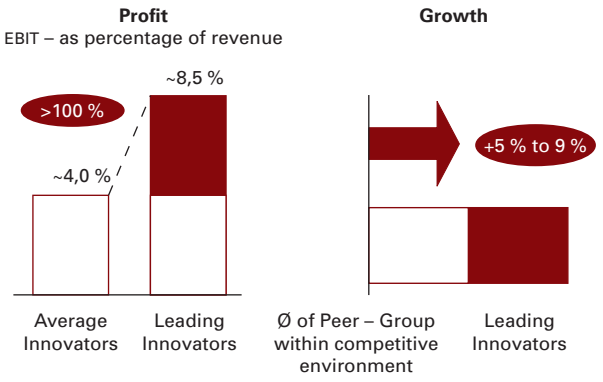
The 2004 Best Innovator contest provided insights into the best practices and capabilities of leading European companies – and underlined the importance of Innovation Management as a key driver for superior profitability and growth. 10 critical success factors were distilled and fuelled the selection of the four hot-topics for the European Best Innovator Roundtable in Paris.

The Best Innovator contest is a European corporate competition on strategic Innovation Management excellence. It aims to identify and promote the qualities and practices of truly successful product and service innovations and intends to recognize those firms that demonstrate exceptional Innovation Management skills.

More than 300 firms across Europe have participated in the 2004 Best Innovator contest. The diversity and quality of the firms involved was impressive. More than 90% stated, that Innovation Management is among the top 3 subjects on their CEO agenda.

The insights prove that professional Innovation Management is key to achieve higher profitability and superior growth. The contest showed in detail that corporations with highly sophisticated Innovation Management capabilities (the "leaders") achieve profitability that is twice as high and grow 5% to 9% faster than their less innovative competitors (the "followers").

Out-performance of corporations with sophisticated Innovation Management



Source: "Best Innovator 2004"

This superior performance of the leaders is governed by the sustainable implementation of a set of critical success factors. Translated into the framework of the A.T. Kearney "House of Innovation", which covers a well thought through innovation strategy, an innovation embedded organization and culture, an innovation life cycle management and high-performing enablers, the following 10 success factors are what separates the leaders from the followers:

1. The innovation strategy is driven "top down" and managed as an integral part of the corporate strategy

2. The innovation strategy and related search fields are fixed in writing and translated into operationalized targets

3. The corporate culture is open for ideas and innovation but also knows how to stop a project without discouraging the owners

4. The organization is open for internal and external collaboration and networking, which is orchestrated in line with the innovation strategy based on a clear view on capabilities along the value chain

5. The idea pipeline, being the initial phase of the life cycle management, is pro-actively managed based on KPIs (e.g. funnel value)

6. The following phase of the life cycle management has a high degree of corporate-wide standardization and re-use of process and product technologies, which increases the potential number of product launches and speeds up the "Time-to-Profit"

7. As part of the life cycle management, clear objectives are set, rigidly tracked, and structured learning from experiences is established

8. As enabler, the corporate controlling system reflects Innovation Management performance along targets laid out in the innovation strategy

9. HR tools (e.g. capability management, performance management, reward systems) integrate the subject innovation

10. Most recent web-based IT-technologies are used to simplify processes and to speed up the information flow

Depending on the industry, the importance of these success factors differs. On a company level, Innovation Management must reflect the industry-specific product life cycle drivers such as customer needs, product and production technology dynamics and the competitive environment, to truly reach a stage of excellence.

The four selected Innovation Management hot-topics covered in this publication refer to the above-mentioned success factors and were intensively discussed among representatives from leading companies during our European Best Innovator Roundtable in Paris. Developing capabilities to master them ranks high among their priorities as they aim for the "next level" in Innovation Management.

Innovation Networks

Chapter 3a

Innovation Networks – How to leverage the power of value chain partners

Executive Summary

As the level of vertical integration in most industries has decreased continuously over time, the importance of leveraging the network for innovation across the value chain is gaining the attention of top management. Seven distinct capabilities need to be developed in order to maximize the benefits and to avoid common pitfalls. Integrating the right partners in the network and creating a lasting win-win situation are key to effectively leveraging the innovation network.

Leading companies in the A.T. Kearney 2004 Best Innovator contest have all established a strong internal and external innovation network – but they are continuously struggling to maximize the benefits as they discover that successful collaboration across company borders is something that cannot just be taken for granted. Although they have a strong brand to attract other companies on board the innovation network, leading companies are well aware of the fact that specific capabilities still need to be further developed to fully leverage the innovation network. The leaders represent the best, but they do see further improvement potential in prioritized capability areas such as

- Managing own competencies – a clear commitment to a focused approach in order to differentiate from the competition
- Creating the corporate ethos – going for "best-from-anywhere" instead of "not-invented-here"
- Leveraging suppliers – recognizing suppliers as a valuable source of ideas and developments instead of treating them as subservient providers of components and/or systems
- Using market intelligence and managing customers – turning your customers into active co-developers instead of passive recipients of innovations
- Controlling the innovation process – enabling your organization to respond to demands and to expand into new markets faster and better, going beyond the traditional focus on increasing revenues and margins or speeding up Time-to-Market
- Innovation scouting – institutionalizing regular trend and innovation scouting to detect upcoming changes in demand patterns and technology to seize first mover advantages
- Managing intellectual property/capital – deliberately sharing and expanding the existing IP/IC for leverage while safeguarding the competitive advantages that lie within

When talking about current strengths in leveraging the innovation network, a strong brand is seen as a key success factor to attract innovation partners. While it might be convenient to be in that type of position, it poses a different challenge – that of developing the competence to build and manage different kinds of networks at the same time. Being at the very center of the innovation network and acting as the information interchange hub requires the capability to create and maintain true win-win situations with the network partners. It also requires undisputed technological leadership. If innovation network leaders fail in either of the two dimensions, they run the risk of losing their most valuable network partners or of their network being taken over by other players.

The growing importance of suppliers in the Innovation Management arena is a key finding of A.T. Kearney's most recent global AEP study (AEP–Assessment of Excellence in Procurement, 2004). A supplier's innovation potential will increasingly become the most important selection criterion. Leading procurement organizations see themselves as active drivers of innovation.

None of the leading companies see an alternative to innovation networks. It is a universal need and necessity. Opportunities are seen in different areas, ranging from the desire to become a first mover in emerging markets or segments trying to escape a "merger endgame" scenario of an industry. In between that spectrum, opportunities oscillate around getting new ideas faster, reducing time-to-technology, and learning from suppliers of other industries.

Thinking about the seven improvement areas of existing innovation networks, the discussion among the innovation leaders was candid and frank. They openly admitted, that a lack of structure and resources – together with deficits in processes – hinders them from getting the maximum out of their existing innovation networks. Some see improvement potential in their idea evaluation skills, others in their distinct capability of integrating different cultures, as their network is becoming more and more global and their network partners are changing over time. Others expressed the fear of getting distracted by the sheer number of ideas and partners (current and potential), resulting in a loss of focus over time.

Key success factors for leveraging the innovation network are the capability to select and integrate the "right" partners and to create a lasting win-win situation. Team spirit among partners in a somewhat virtual environment, as well as shared values and objectives help the partners stay on track.

Interview with Sven Thormahlen,

Vice President, Groupe DANONE R&D

A.T. Kearney: What are DANONE's strengths in leveraging the innovation network?

Sven Thormahlen: The network question is a key subject when talking about innovation. It is key because innovation is at the crossroads of a multitude of skills and expertise that must be constantly called on and renewed. To succeed, the Groupe DANONE relies on key in-house programs, processes and organisational methods that enable ideas to circulate rapidly and be turned into relevant concepts for consumers. It is in this spirit that Danone Vitapole was designed with the aim of bringing the research, development and marketing functions together to create synergies and accelerate innovation. Serving the Groupe DANONE three divisions – Fresh Dairy Products, Beverages and Biscuits – the Danone Vitapole teams are dedicated to bringing the benefits they find to each division.

A.T. Kearney: What are the opportunities for DANONE to leverage the innovation capabilities of suppliers?

Sven Thormahlen: The approach we take towards our suppliers raises the same initiative. We are convinced that they are a powerful vector for innovation because they themselves are at the crossroads of multiple projects coming from a wide variety of players. Let me cite an initiative that seems especially significant. Last year we organised a one-day conference in our offices with 11 suppliers, each of which had a stand for presenting the activities of their R&D teams. The objective was to find ways in which our efforts complement each other and initiate new projects. We will be repeating the experiment again this year. In addition, we are forming strategic partnerships with suppliers of flavourings and raw ingredients and we will regularly host two of them at our site starting next month. We are also conducting an exclusive research programme with private and public organisations.

A.T. Kearney: What would you consider to be the key factors to further develop DANONE's innovation network?

Sven Thormahlen: The Groupe DANONE culture is deeply rooted in the idea of change, dreams, challenge and speed. This spirit is one of our major assets. We will continue to nourish it by remaining curious about everything and profoundly close to our environments.

Product Profitability

Chapter 3b

Product Profitability – How to maximize efficiency and effectiveness of new products

Executive Summary

The elimination of design waste and the use of commonality are seen as key challenges for achieving profitable products. Approaches and tools to manage the bottom-line seem to be well known by industry leaders but are rarely executed in a rigorous way. Even where the innovation portfolio is strictly managed, companies miss out on opportunities to boost their products' profitability – resulting in sub-optimal portfolio profitability.

Identifying design cost reductions before, or in parallel with, new product development is a capability which only few companies master. Features or properties of a product are either "above the surface" and thus directly visible to the customer or "below the surface" and thus invisible to the customer. Maximizing product profitability encompasses three main approaches:

- Design cost reduction – addressing both above the surface and below the surface properties, with the key challenge to minimize design-driven product costs by eliminating any kind of design waste while ensuring design integrity and minimized engineering costs in parallel

- Commonality maximization – addressing below the surface features and properties, with the key challenge to maximize re-use while preserving differentiation across brands/product lines

- Portfolio optimization – addressing above the surface features and properties, with the key challenge to minimize complexity costs while maximizing segment-specific appeal

The discussion between innovation managers from leading European companies centered around the point to which extent the potential of these three approaches is used in their respective industries and what they currently perceive as success factors and unresolved issues.

Design cost reduction and use of common platforms are both seen as key success factors for achieving profitable product portfolios in many industries. However, even the leaders claiming to know the approaches and tools to be applied usually lag behind when it comes to rigorous and consistent execution. Hence their product portfolio profitability is less than the sum of their products' profitability potentials. In the course of the discussion, the impression was gained that many innovation managers currently tend to focus more on managing top-line aspects, such as how to drive sales volumes, than on doing the detailed homework of eliminating design waste. Their credo of the moment seems to be that selecting the right innovations and launching the right product mix are the keys to sustained profitability.

At the same time, they admit that reading the crystal ball of marketing correctly remains an eternal challenge. What counts in the end is the final perceived value by the customer. Providing superior value to your customer is key to superior product profitability. Demonstrated best practice approaches for manaing the product portfolio show that searching for radical product innovations within the perimeter of the home turf is a promising and rewarding strategy. Focusing on innovations that are perceived as radical by the customers but largely use existing manufacturing assets or supply chains, existing processes or sales channels is a good way to minimize risk and boost the portfolio's profitability. Since many of the design questions have already been solved in previous product development cycles, risks are limited and incremental improvements are relatively low-hanging fruits.

Industry leaders differentiate themselves from the followers by equally emphasizing the importance to manage the selection of the right innovation initiatives and the rigorous and consequent elimination of design waste in their products. Bringing these aspects together results in compelling product portfolios with maximized profitability, separating the leaders from the rest of the pack.

Time-to-Profit

Chapter 3c

Time-to-Profit – How to achieve excellence in terms of managing innovation projects to break even

Executive Summary

Time-to-Profit is on its way to replacing the popular Time-to-Market view, shifting the paradigm from "the faster – the better" to "maximizing profitability" over the entire product life cycle. Although the importance of differentiating between these views varies widely between industries, leading innovators of all industries seem ready to take this step – being well aware of its limitations in the event of step-change or disruptive technologies. Seven virtues were identified as key success factors of leading innovators when optimizing Time-to-Profit, making them both faster and more profitable – the best of two worlds.

It was indicated that Time-to-Profit measures the business impact of innovation more accurately than other market-driven indexes. Many companies focus instead on Time-to-Market, assuming that bringing a product or service to market as fast as possible goes hand-in-hand with maximizing profits. In many cases, this assumption will prove correct and a first-mover advantage will materialize, with cost and product/service performances playing a subordinate role. High-tech and communication companies and – to some extent – the automotive industry are showcases in this respect (see BMW interview). However, the discussion among innovation leaders confirmed that an increasing emphasis will be put on expanding the view to total product life cycle profitability. Time-to-Profit is seen as the advanced approach, focusing on the time it takes to recover all costs and investments incurred to bring a new product to market and to commercialize it, including the often very high costs required to improve product/service performances in the early stages of their commercial lives, thus shifting the paradigm from "the faster – the better" to "maximizing ideation to phase-out profitability."

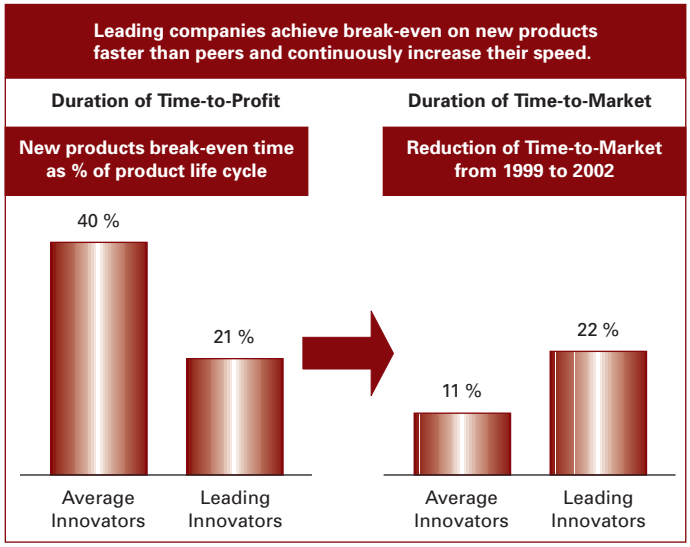
Innovation leaders agreed on picking the official start of a product-specific development project as the starting point of any Time-to-Profit calculation, disregarding the previous "raw" ideation phase and the cost of continuous basic R&D. With product life cycles varying significantly across industries – ranging from 6 to12 months for mobile handsets to up to 30 years for aerospace & defense products – it is no wonder that the importance of speed was keenly discussed. It also turned out that even if companies use a wide range of internal rates of return to discount future cash flows, which makes meaningful cross-industry/cross-company comparisons difficult to do, the ultimate decision criterion seems to converge versus a calculated net present value (NPV).

The question "if Time-to-Profit can be misleading" was answered with a clear "yes" from the innovation leaders. When step-change or disruptive technologies emerge, it takes quite a while to establish an environment – from gaining top management support via adapting internal processes to managing customers' expectations – suitable for the new thing to come. Having to compete for scarce resources with a bunch of traditional innovation ideas, that typically reach their break-even points much earlier in time and with a controlled risk, they might never make it to a funded project. Relying solely on Time-to-Profit when selecting between projects could – in the long run – indeed be misleading. There may be good reasons to bring new features or technologies on board, e.g. to cultivate an innovative brand image or to learn about new technologies at an early stage, so that the capability of mastering this new technology is available in-house once it takes off.

The leading companies in the 2004 Best Innovator contest clearly out-performed their peers in achieving break-even at an astonishing 21% of the product life cycle time – leaving the average of all other companies behind at around 40%. So innovation leaders reach break-even with their products 50% faster than the average producer and they continuously improve their performance, realizing an average reduction in Time-to-Market by 22% from 1999 to 2002. What is it that separates the leaders from the followers?

According to innovation leaders, several success factors have to be managed simultaneously to achieve excellence in Time-to-Profit, among them:

- Create a culture open for innovation
- Do not compromise on what the customer truly perceives as valuable and innovative
- Don't go far outside your "home turf" to maintain profitability
- Stick to your plan, living a culture of "no late changes"
- Systematically scout markets and technologies to anticipate changes in market needs and regulations – "be the first to know"
- Leverage innovations from suppliers, inside and outside your industry
- Stop projects in time – and reward the decision, instead of blaming the project manager or team



Source: "Best Innovator 2004"

Combining these virtues with shortened Time-to-Market, innovation leaders manage to penetrate markets faster due to innovation-driven product differentiation, allowing even for premium prices. All this adds up to superior Time-to-Profit – faster and more profitable, the best of both worlds – and partly explains, why leading innovators run their businesses at significantly higher profit margins than followers.

Interview with Dr. Klaus Büttner

Head of Innovation Transfer Management, BMW Group

A.T. Kearney: Do you consider Time-to-Profit more important than it was in the past?

Dr. Büttner: Yes, for BMW Group this is to a certain extent daily business. The "Time-to-Profit-Question" is part of the evaluation in every innovation project. It is the key to controlling the profit contribution of innovation activities from the earliest point in time possible in order to select the right innovation projects.

A.T. Kearney: What do you see as the challenge for a Time-to-Profit concept?

Dr. Büttner: Most of the innovation projects are decided in the early stages of their life cycle from a strategic point of view. Basis is definitely a business case, but it is a very rough one. The main challenge is determining the right point in time to report the innovation project financially. This is still within the timeframe when innovation management governs the process. At the end of this early life cycle phase, our objective is to transfer as many projects as possible to the car projects. This also implies the handover of Time-to-Profit responsibility. Here, the challenge is to generate the necessary acceptance for the innovation project targets.

A.T. Kearney: What are the success factors to apply a rigid Time-to-Profit concept?

Dr. Büttner: Assumptions should be as realistic as possible. A common evaluation process with internal customers increases commitment and builds the necessary acceptance for innovative things. Also critical to success are the opportunity and freedom to think through without any restrictions in early phases within our centers of competence. And last but not least, determining the right point in time to start controlling on a Time-to-Profit basis is another critical success factor.

Passion for Innovation

Chapter 3d

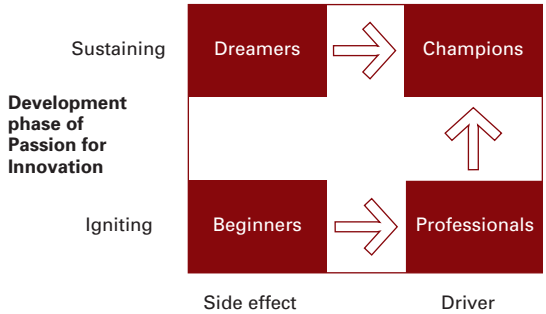
Passion for Innovation – How to ignite and sustain a fervor for future growth

Executive Summary

Igniting passion for innovation requires a strong top-down push. Sustaining this passion requires a focus on channeling the stream of innovation into a continuous flow while maintaining the passion throughout the entire organization. Both during the igniting as well as the sustaining phase, innovation has to be closely linked to the company's strategy for value-building growth.

Leading companies achieve value-building growth and out-perform their competitors by mastering both revenue and profit growth at the same time. Accordingly, innovation champions target their passion for innovation on both revenue and profit growth simultaneously to ensure their value-building growth. Companies that are at the beginning of establishing a passion for innovation are generally busy collecting as many new ideas as possible. Passion for innovation at this stage is driven by management that wants to mobilize and engage the entire organization to fill the pipeline up with new ideas and projects. Employees and departments with the largest number of new ideas are featured as the innovation heroes.

Value-building Growth and Innovation



Role of Value-building Growth

Source: A.T. Kearney

However, as long as these companies celebrate the quantity of new ideas without taking a closer look at their market potential, a value-building innovation push will not take place.

These "Beginners" are out-performed by the companies that - right from the beginning - focus on the value-building growth potential of their innovative ideas while igniting the passion for innovation. They, too, encourage all their departments to come up with creative new ideas and create excitement for the number of ideas that have been put on the table - and more importantly, excitement for those that made it through an evaluation process. "Professionals" rigidly assess the ideas at a very early stage in their "innovation funnel" in terms of growth potential and profit potential. They establish a process with clear evaluation criteria linked to profit as well as to revenue potential where the top management challenges new ideas on a regular basis. Thus they create the basis for openness and trust - a prerequisite for passion. Ideas that make it to an innovation project are awarded. The "Professionals" build on the motivation by rewarding the teams at each key milestone of the projects. The higher the impact of an idea becomes on value-building growth in the course of the innovation project, the higher the incentive can be. That is how "Professionals" ignite the passion for innovation. They create the confidence that new ideas are not seen as threats to the "comfort zone", but rather as the most valuable contribution to business success.

Companies are put to the test when it comes to sustaining the passion for innovation – in particular, the "Beginners" who managed to ignite the passion for innovation run the risk of not being able to master the flood of ideas. If those companies don't start to link their innovation potential to value-building growth criteria quickly, they will not be successful.

Passion for Innovation

"Dreamers" like these are found in engineering –, R&D-driven organizations, where interfaces between customers, consumers and in-house marketing and sales departments are too far apart. Revenue and profit growth potential of the new ideas/projects are either overestimated or not leveraged sufficiently.

The challenge for the "Professionals" on their way from igniting to sustaining the fervor for growth is to keep the pipeline filled. The sources of ideas often seem to be depleted. Colleagues are frustrated that their idea didn't make it through the evaluation process and in the worst case start to oppose the innovation initiative as a "buddy" and "school-boy-network" business. The passion for innovation begins to fade. To overcome this hurdle, commitment to clear evaluation criteria has to be strengthened. Therefore, some "Professionals" intentionally involve "opposing" colleagues in innovation projects to get them back on track and to tap their creative potential. If they took this as a chance to contribute to the company's growth they were accordingly rewarded, if not, this behavior was sanctioned, last but not least, to demonstrate that management is serious about creating passion for innovation.

The difference between "Champions" and all of the others is that they managed to embed the passion for innovation in the corporate culture and even further in their brand DNA. They constantly leverage the innovation potential, while they channel the creativity to increase value-building growth and enhance their brand. In this way, they prevent their organization from plunging into creative chaos and from being trapped in an innovation hamster wheel. "Champions" differentiate themselves not so much by what they do - but by how they do it and how well accepted it is throughout the organization. For "Champions", passion for innovation is a given, and not an objective anymore.

Everybody knows that leadership, motivation and success orientation are essential for igniting and sustaining the passion for success. Therefore, "Champions" have a passionate (top) management in place that ensures the continuous realization of innovation targets and innovation values. This management lives up to the company's values by promoting innovation, while in other companies (top) management is still more cost driven, which results in shrinking budgets or short-term horizons. Consequently, "Champions" still have a wide funnel of new ideas. However, they keep them in this wide funnel for the shortest time possible by processing them through a transparent evaluation process and applying clear selection criteria at an earlier stage than the "Professionals".

During the roundtable discussion it was stressed that "Champions" also take the risk that not all money that is invested in innovation will pay off – similar to advertising.

At "Champion" companies it is an established incentive to work in innovation teams. Motivation is kept at a high level by offering career opportunities to active innovators. Management also provides regular feedback on successes as well as on failures. "Champions" reward teams at key stages of a project not just at its end, as teams don't always get to see the process through. Thus they maintain a perspective on progress and success. True "Champions" also recognize teams that stop a project as soon as it becomes obvious that the value is limited. This is not considered a failure as those companies learn from their mistakes and can divert valuable resources to other innovations.

Especially in industries with long development cycles, maintaining motivation is a challenge. Here "Champions" transfer the idea, and later on the project, to new teams – from the initial ideation team to the challenger group and onwards to the shaper and industrialization teams.

One roundtable participant pointed out that it is important to maintain the link between various groups and to foster creativity to increase motivation. A clear recommendation from the "Champions" is not to over-formalize the innovation process and to give the opportunity to stop if necessary without causing trauma.

"Champions" collect fresh thinking by building on working experience from very different areas. This requires strong integration of an organization as well as clear ownership for a process or its parts by each individual.

When igniting the passion for innovation, top performers intentionally develop an innovation culture. Later on, when the organization runs the risk that passion for innovation will fade, they leverage this innovation culture to sustain the passion. The major challenge is establishing an innovation culture that frees up the creative potential in the organization and, at the same time, increases value-building growth for the company.

Interview with Jim Dick

President, Smith & Nephew Wound Management Unit

A.T. Kearney: How would you describe your organization's passion for innovation?

Jim Dick: By harnessing the innate desire of Wound Management staff to help patients achieve more mobility and reduce pain, our unit has built a real passion for innovation. With "Helping People Regain Their Lives" now the underlying philosophy of the unit, the entire organisation has become more engaged in the need for better research and more new product development.

A.T. Kearney: Why is this passion so important for your business?

Jim Dick: Our company has the largest specialist wound management sales force in the world and provides nurses and clinicians in Europe, America and Africa/Asia/Australasia with a full range of training services in support of the firm's products. Last year, Smith & Nephew trained more than 100,000 medical staff in advanced wound management techniques such as wound bed preparation. It is this passion and culture of our firm, that has helped foster a real spirit of creative problem-solving and innovation and a healthy belief in ignoring current boundaries and doing things differently.

A.T. Kearney: What are the success factors to sustain this passion for innovation?

Jim Dick: By now, the innovation process is so deeply ingrained in the heart of our 149-year-old global business. Our unit's current ambition is to use innovation not only to deliver sustainable growth but to help drive the company into a top quartile performer when compared to other global medical device companies. This includes that we are always on the lookout for potential opportunities outside our traditional footprint of dressings. It is our patient-centred approach – which encourages staff to listen to patients' stories and their hopes for the future – enabling us to provide an advanced range of treatments and new solutions for hard-to-heal wounds, that helps us sustain the passion for innovation.

2005 Outlook

Chapter 4

Conclusions and 2005 Outlook

The European Best Innovator Roundtable in Paris has demonstrated an impressive wealth of best practices and thought leadership provided by the representatives of some of the leading European companies in Innovation Management. The discussion on four selected "hot-topics" was insightful and inspiring – the willingness to share and exchange overwhelming. A clear majority expressed the wish to reconvene and to continue this multi-faceted exchange. A.T. Kearney has therefore committed providing this platform by organizing another "European Best Innovator Roundtable" in early 2006 involving the winners of the 2005 Best Innovator contest.

Innovation Management will increasingly dominate the CXO agenda of European companies. Based on discussions during the Executive Roundtable and the various feedback sessions, it became clear that two issues in particular are perceived as top priority: "speed – bringing the right idea sucessfully to market" and "networking – orchestrating the internal and external capability network towards the best innovation". As a result these issues became the two key themes in the 2005 Best Innovator contest.

Best practices in Innovation Management will further develop and new "hot-topics" will emerge. By participating in the 2005 Best Innovator contest, you will not only be able to position yourself among an exclusive field of innovation-minded companies, but also gain access to leading corporations from multiple industries across Europe.

With all the uncertainty around, we can safely say that excellence in Innovation Management will continue to separate industry leaders from the followers in terms of growth and profitability.

European Best Innovator Roundtable

Chapter 5

Participants 2005

Philippe Aumont, Faurecia
Group Product Planning Vice President

Reinhard Büscher, European Commission
Head of Innovation Policy Unit, DG Enterprise

Dr. Klaus Büttner, BMW AG
Head of Innovation Transfer Management

Dr. Peter M. Delwing, Villeroy & Boch AG
Head of Innovation Management

Jim Dick, Smith & Nephew Wound Management Unit
President

Luc Alain Dohan, SEB
Chief Technology Officer

Christoph Felbinger, BSH Bosch und Siemens Hausgeräte GmbH
Coordinator Innovation Management

Thomas Houlon, TAG Heuer
Head of Innovation Management

Nicholas James, British Sky Broadcasting
Product Development Director

Dr. Wilfried Löffler, Siemens Medical Solutions
Head of Research & Development

Dott. Allesandro Mariani, Isagro S.p.A.
Direttore Commerciale - Svillupo Commercio

Prof. Pierfrancesco Morganti, MAVI SUD S.R.L.
Chief Executive Officer

Marco Marioni, PIRELLI Pneumatici S.p.A.
Product Management and Target Cost Management

Dott. Marco Nassi, Centro Ricerche FIAT
Director of Business Development

Jean Michel Renaudie, Faurecia
R & D Interiors Vice President

Dominique Roussel, Legrand
Head of Technology and Innovation Management

Dr. Michael J. Schorn, BREMBO S.p.A.
Group Director Technology and R&D

Mark Sinclair, Quickheart
Chief Executive Officer

Dott. Marco Spinetto, PIRELLI Pneumatici S.p.A.
Head of Quality and Innovation Management

Dott. Furio Suggi, Illycaffé S.p.A.
Head of Research & Development

Jean Luc Tonneau, Danone
Head of Strategy, Targets and Processes

Giordano Zappelli, SOLVAY Chimica Italia
Chief Executive Officer

A.T. Kearney Facilitators

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