



PHILIPS

Philips Consumer Lifestyle

BU DA

Consumer Care Book

Easy Speed Successor GC19xx

E34

Dry/Travel/Steam irons

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Date : 2009-May-18

Philips Consumer Lifestyle Domestic Appliances Singapore

1 INTRODUCTION, PLANNING

1.1 GENERAL INTRODUCTION

Successor model for EasySpeed GC17xx/18xx

1.2 IPD MILESTONES

VPD	wk851
AA	wk918
PPC	wk921
PV	wk943
IR	wk950
CR	wk1002
LD	wk1011
PE	wk1026

1.3 STROKE VERSIONS, INTRODUCING REGIONS/COUNTRIES, QUANTITIES, PRICE

TYPE NUMBER	STROKE VERSION	FIRST SHIPMENT	TOTAL PLANNED QUANTITY	FSP	ICOGS	GOING PRICE
GC19XX	HV, COATED WITH FUSE / 02	LTS PENDING FINALIZED	9.397 MIO (4 YEARS)	REFER BELOW	\$	REFER BELOW

Going prices:

Going price										
Currency	2009 consolidation	GC1903	GC1905	GC1910	GC1920	GC1930	GC1960	GC1980	GC1990	Trade factor
RMB	China/TW/HK/India	149	0	175	189	229	249	299	339	1.81
THB	Thailand	890	890	1090	1290	0	0	1490	0	1.8
Eu	ASEAN (incl Korea)	0	17.64	18.9	19.8	0	27	27.9	28.8	1.8
Eu	Latam	26.18	26.84	27.5	28.16	0	34.54	0	37.4	2.2
Eu	MEA	17.55	18.3	0	20.25	0	0	0	0	1.5
Eu	WE	25.6	28.2	0	26	0	0	33.6	0	2
Eu	GME+CEE	0	31	0	0	0	34.8	36.4	0	2

Planned quantities as per business plan

APMEA sales: 7233K (4 years) → 1808K per year

EU sales : 1144K (4 years) → 286K per year

LATAM sales: 1020K (4 years) → 255K per year

4 YEARS VOLUMES: MARCH 2010 - MARCH 2014 (1000 units)												
Growth rate	Country Sales	Production Site	GC 1903	GC 1905	GC 1910	GC 1920	GC 1930	GC 1960	GC 1980 /81	GC 1990 /91	Total	Region Split
	0% China/TW/HK/India	China	0	0	770	520	360	440	120	192	2402	26%
	5% Thailand	SGP/BATAM	229	411	366	91	0	0	183	0	1280	14%
	5% ASEAN (incl Korea)	SGP/BATAM	0	137	274	411	0	206	183	114	1326	14%
	5% Latam	Virginia	457	274	137	914	0	23	0	23	1020	19%
	5% MEA	SGP/BATAM	457	594	0	366	0	0	0	0	1417	15%
	0% WE	SGP/BATAM	200	140	0	0	0	0	100	0	440	5%
	5% GME+CEE	SGP/BATAM	0	251	0	0	0	229	224	0	704	7%
	Total		1343	1808	1547	2303	360	897	810	329	9397	100%
	Types Split		14%	19%	16%	25%	4%	10%	9%	4%	100%	

- 50% of unit sales done by L.E. (GC1903-GC1910)
- 53% of unit sales done by Asian countries (China – Thailand – Asean)

Customer service offering and repair process

REGION	CSO Front end	CSO Back end	REPAIR PROCESS
APMEA	REMOTE SOLUTION WEB SUPPORT	CARRY IN/SHIP IN REPAIR	COMPONENT LEVEL REPAIR
LATAM	REMOTE SOLUTION WEB SUPPORT	CARRY IN/SHIP IN REPAIR	COMPONENT LEVEL REPAIR
BENELUX	REMOTE SOLUTION WEB SUPPORT	CARRY IN/SHIP IN REPLACE/CREDIT	NO REPAIR
DACH	REMOTE SOLUTION WEB SUPPORT	CARRY IN/SHIP IN REPLACE/CREDIT	NO REPAIR
FRANCE	REMOTE SOLUTION WEB SUPPORT	CARRY IN/SHIP IN REPLACE/CREDIT	NO REPAIR

2. TECHNICAL SPECIFICATION

2.1 KEY SPECIFICATIONS

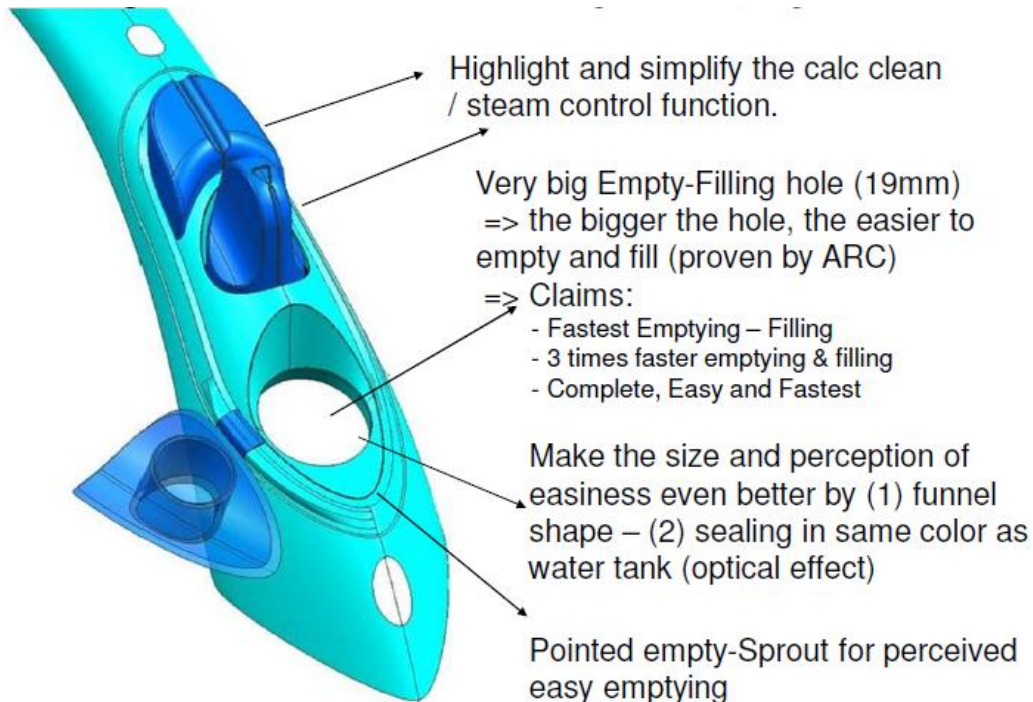
Range-Build up EasySpeed SS

Brand	Philips	Philips	Philips	Philips	Philips	Philips	Philips	Philips	Philips	Philips
Model	GC1903	GC1905	GC1910	GC1920	GC1930	GC1960	GC1980	GC1981	GC1990	GC1991
Predecessor	B2B model	B2B model	GC1710	GC1720	GC1730	GC1815			GC1830	GC1830
Soleplate	Aluminium	Aluminium	Blue Ceralon	Blue Ceralon	Blue Ceralon	Blue Ceralon	Golden Dynaglide	Golden Dynaglide	Golden Dynaglide	Golden Dynaglide
Power claim China (Claim based on 220V)	1200W	1200W	1200W	1200W	1450W	1450W	1450W	1450W	1450W	1450W
Power claim (Max. Claim based on 240V - WE)	1400W	1400W	1400W	1400W	1700W	1700W	1700W	1700W	1700W	1700W
Steam output (g)	17	17	17	17	17	22	22	22	22	22
Anti-calc	Y	Y	Y	Y	Double Active	Double Active	Double Active	Double Active	Double Active	Double Active
Spray	-	Y	-	Y	Y	Y	Y	Y	Y	Y
Steam boost	-	-	-	-	Y (80g)	Y(80g)	Y(80g)	Y(80g)	Y(80g)	Y(80g)
Vertical steam boost	-	-	-	-	-	Y	Y	Y	Y	Y
Dripstop	-	-	-	-	-	-	-	-	-	-
Auto safety shut-off	-	-	-	-	-	-	-	-	Y	Y
Water tank (ml)	180	180	180	180	180	180	180	180	180	180
Cord length (m)	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8
Pilot lamp	Y(white)	Y(white)	Y(white)	Y(white)	Y(white)	Y(orange)	Y(orange)	Y(orange)	Y(orange)	Y(orange)
Swivel (degrees)	180	180	180	180	180	180	180	180	180	180
Filling door	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Water outlet (complete-fast-easy emptying)	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Storage solution	-	-	-	-	-	-	-	Y	-	Y
Soft touch	-	-	-	-	-	-	-	-	-	-
Other features	Pointed Tip	Pointed Tip	Pointed Tip	Pointed Tip	Pointed Tip	Pointed Tip	Pointed Tip	Pointed Tip	Pointed Tip	Pointed Tip
Comments	B2B model	B2B model								
Competitor	-	-	Pana S150@167	Pana S200@188	Pana S300@215	Pana B55@270; 550TS@270	Pana B55@270; 550TS@270	Pana B55@270; 550TS@270	Pana S600@322	Pana S600@322
RRP	Not for China	Not for China	175.0	189.0	229.0	259.0	299.0	299.0	339.0	339.0

2.2 EXPLANATION OF NEW COMMERCIAL FEATURES

Key new features:

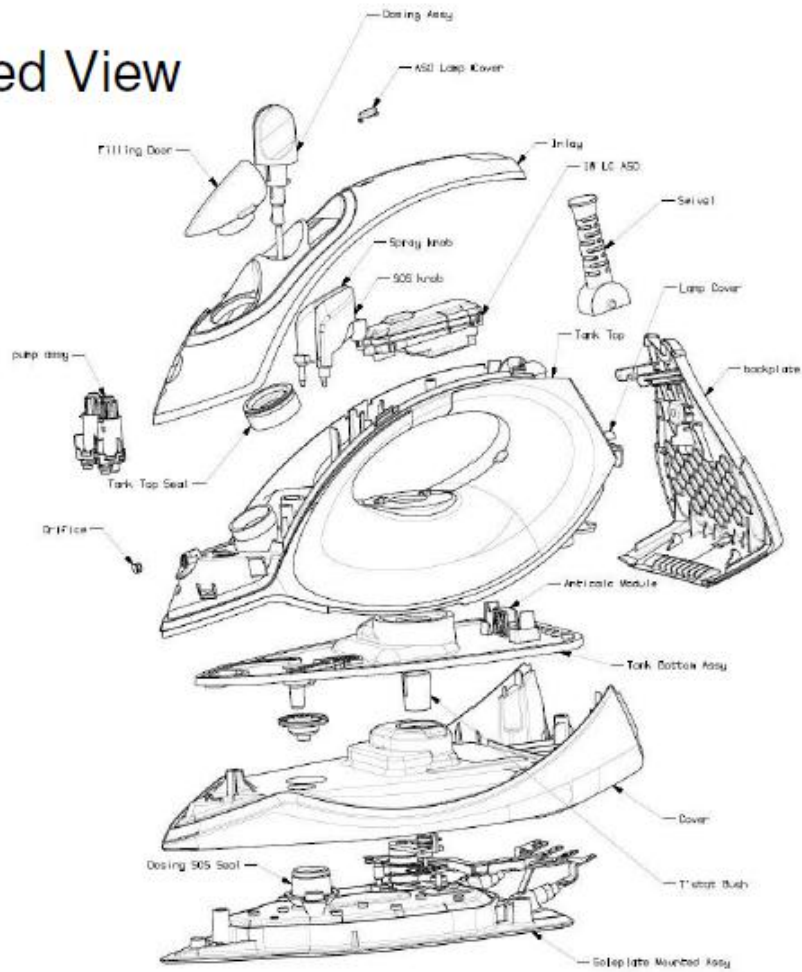
- Easy filling - Emptying
- Socks added in the box (China ONLY)



3. ARCHITECTURE AND CHARACTERISTICS

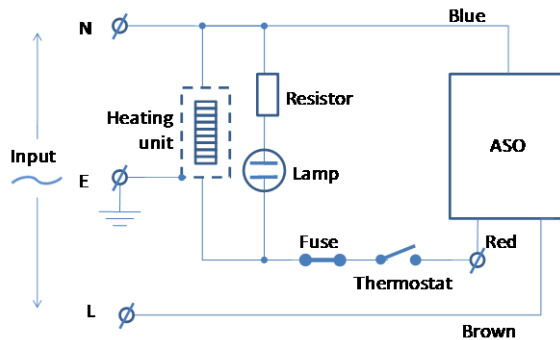
3.1 MECHANICAL

Exploded View

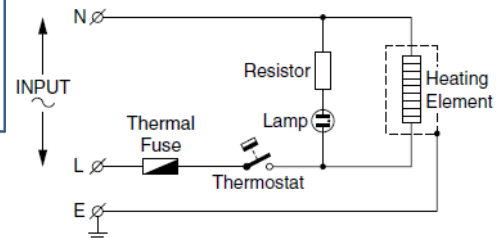


3.2 ELECTRICAL BLOCK DIAGRAM

ASO VERSION



NON-ASO VERSION



4. CUSTOMER SERVICE COST PREDICTION

4.1 CPI (COST PER INCIDENT) & EXPECTED CALL CENTER COSTS

Region	Labour	Transport	Parts	Total	Cost per call	CPI Estimation
APMEA; LATAM	-	-	-	€ 4.7 based on est. 20% average going price €23.3 (ASEAN region)		€ 4.7
EUROPE	NA	NA	€ 14.2 (REFERENCE : AVE. NNP AT WE)	€ 14.2	€ 4.6 based on Euros 1/min based on average 4.6 mins/call	€ 18.8

AVERAGE NNP AT WE REGION : €14.2

	NNP									
Currency	2009 consolidation	GC1903	GC1905	GC1910	GC1920	GC1930	GC1960	GC1980	GC1990	Trade factor
RMB	China/TW/HK/India	82.3	0.0	96.7	104.4	126.5	137.6	165.2	187.3	1.81
THB	Thailand	558.3	618.8	681.3	808.3	0.0	0.0	931.3	0	1.8
Eu	ASEAN (incl Korea)	0	9.8	10.5	11	0	15	15.5	16	1.8
Eu	Latam	11.9	12.2	12.5	12.8	0	15.7	0	17	2.2
Eu	MEA	11.7	12.2	0	13.5	0	0	0	0	1.5
Eu	WE	12.8	14.1	0	13	0	0	16.8	0	2
Eu	GME+CEE	0	15.5	0	0	0	17.3	18.2	0	2

SERVICE REQUEST EUROPE P3C EASYSPEED: Average 4.6mins per call
AVERAGE 20 CALLS PER MONTH

eu1_p3c_siebel7 - Cognos PowerPlay Web Explorer - Windows Internet Explorer

http://www.pcc.philips.com/cognos/cgi-bin/ppdscgi.exe?BZ=1AAACbOXYSHUABEWU6VFCpEradyQeXNzpa6YsrMFVemTky9fII

eu1_p3c_siebel7 - Cognos PowerPlay Web Explorer

eu1_p3c_siebel7

Cube build date/time: Monday, May 18, 2009/12:52:29 PM
Data up to and including: 17/05/2009 Sun
Description: Service requests/activities/first time resolutions for Europe in time

Calendar Quarter EasySpeed Brands Geography ACT Contact method SR Contact method Service Request reasons

MEASURES as values	SR volume	SR AVG duration (min.)	Total duration / SR Volume	ACT volume	ACT AVG duration (min.)	TOTAL duration (min.)	ACT Volume / SR Volume	MEASURES
2007 Q 1	14	4.9	4.8	14	4.8	67.62	1.00	NA
2007 Q 2	11	7.1	5.1	12	4.7	56.53	1.09	NA
2007 Q 3	11	6.0	6.0	13	5.1	66.45	1.18	NA
2007 Q 4	15	9.1	9.1	17	8.0	136.20	1.13	NA
2008 Q 1	29	8.9	8.5	51	4.9	247.57	1.76	NA
2008 Q 2	41	6.1	6.9	62	4.6	284.60	1.51	NA
2008 Q 3	39	9.8	7.8	53	5.7	303.98	1.36	NA
2008 Q 4	53	5.3	6.8	70	5.1	359.68	1.32	NA
2009 Q 1	92	3.9	4.1	106	3.6	381.20	1.15	NA
2009 Q 2	47	3.3	3.3	54	2.9	156.85	1.15	NA
2009 Q 3	0	0.0	/0	0	/0	0.00	/0	NA
2009 Q 4	0	0.0	/0	0	/0	0.00	/0	NA
Calendar Quarter	352	5.8	5.9	452	4.6	2,060.68	1.28	NA

ACT volume

3 Internet E... 2 Microsoft O... Consumer Car... Easyspeed suc... 3 Microsoft O...

Local intranet 100%

Search Desktop 9:46 AM

4.2 CoNQ AS PERCENTAGE OF SALES

$$\left\{ \frac{\text{FCR} \times \text{CPI}}{\text{Net selling price}} \right\} + \left\{ \frac{\text{ACR} \times \text{cost per call}}{\text{Net selling price}} \right\}$$

Region	$\left\{ \frac{\text{FCR} \times \text{CPI}}{\text{NSP}} + \frac{\text{ACR} \times \text{call cost}}{\text{NSP}} \right\}$	CoNQ (% of sales)
EUROPE	98.6K Euros/year	1.83%/year
APMEA	113.9K Euros/year	0.33%/year
LATAM	24.0K Euros/year	0.50%/year
TOTAL	236.5 K Euros/year	0.53%/year

*Note:

Assumption gross margin: 33% (as per project plan)

Europe

- Based on SITEL data for 2008, average ACT volume is 20 calls per month with average duration of 4.6 minutes per call. Each call charge at 1 Euros per minute.
ACR cost for Europe = 12mths*92mins/month*1euros/min = 1.1 K Euros/year for Europe region.
- CONQ due to Repair & Exchange = 2.4/100*14.2*286K/year = 97.5 K Euros/year for Europe region.
- Sales in Europe = 286K * 14.2 Euros (NNP/pc) * 1.33 (gross margin) = 5401.4 K Euros/year

APMEA

- Based on SITEL data for 2008, majority of calls from Europe region,
- Average FCR for DTS Low End category in APMEA (Reference Korea FCR Apr 2009) is 1.34%.
- CONQ due to Repair, = 1.34/100*4.7*1808K/year = 113.9K Euros/year for APMEA region.
- Sales in APMEA = 1808K * 14.2 Euros (NNP/pc) * 1.33 (gross margin) = 34145.9 K Euros/year

LATAM

- Based on SITEL data for 2008, majority of calls from Europe region,
- Average FCR for DTS Low End category in Latam (Reference Brazil FCR Mar 2008) is ~2.00%.
- CONQ due to Repair, = 2/100*4.7*255K/year = 24 K Euros/year for LATAM region.
- Sales in APMEA = 255K * 14.2 Euros (NNP/pc) * 1.33 (gross margin) = 4815.9 K Euros/year

4.3 TARGET FCR AND KEY COMPONENTS COSTS

CREX @RfD : 2.4% (Predicted best case)

Key component cost information will be available by PV i.e. CES phase.

	Current Easyspeed	ES SS		
		Option 1 (with rear outlet, only HE models with filling door)	Option 2 (without rear outlet, only HE models with filling door)	Option 3 (without rear outlet, all HE/LE models with filling door)
CR % (predicted best case for ES SS)	2.65	2.79	2.49	2.40*
Actions	Current FCR %	Predicted CR contribution breakdown % ES SS		
Addition of rear outlet	0	0.30	0	0
Addition of filling door	0.52	0.42	0.42	0.33
Changing from plastic shaft to metal shaft	0.10	0.04	0.04	0.04
Sub-total FCR	0.62	0.76	0.46	0.37
Δ FCR improvements		(-0.14)	0.16	0.25

*Consol criteria to use CONQ/Sales % (<2%). Blue card directive of 15% improvement from predecessor serves as reference as project started before the directive came into effect.

4.4 CRITICAL SPARE PARTS

(PARTS TO BE AVAILABLE AT INTRODUCTION OF THE SET)

- Soleplate mounted assy
- Water tank assy
- Flex assy
- Plastic parts (base on drop test results)

4.5 CHARGE BACK

BACK CHARGE AGREED - **NO**

SPECIFY FOR WHICH REGION

IN CASE THE DECISION HAS NOT YET BEEN MADE AT PRS-STAGE INFORM HERE AT WHICH MILESTONE (AND IF POSSIBLE BY WHOM-PURCHASER??) THE AGREEMENT WILL BE FORWARDED

4.6 FAST FEEDBACK PROGRAM

INFORMATION TO BE DELIVERED BY QPL.

FAST FEEDBACK REQUESTED? YES

IN CASE FAST FEEDBACK HAS BEEN REQUESTED:

❖ **EARLY MARKET FEEDBACK? YES**

Market complaint iron ship-back agreement

-Service centre in Germany: Arrivo

-Service centre in NL: E-Care

-Service centre in Singapore: mDR

-Service center in China

❖ **REPAIR VIA INITIAL WORKSHOP? YES**
QUANTITIES? 100% ANALYSIS

-ARRIVO 100% ANALYSIS OF MARKET COMPLAINT IRONS.

(Data accessible online via Arrivo Internet site)

-In-house service workshop 100% analysis of Singapore market complaint irons.

❖ **FIRST 100 CALL CENTRE (SITEL)? YES**




-NPS Extract to gather first hand consumer insights.

❖ **RAPID EXCHANGE (USA)? NO**

❖ **INTENSIVE FAST FEEDBACK
SUPPLIER INVOLVEMENT? NO**

5. CONSUMER CARE PACKAGE PLANNING

IPD Process Consumer Care Planning - EasySpeed Successor GC19xx

-  Target
-  Completed on-target
-  Completed out-target

		2009													2010																
Timeline (wk)		21	24	26	28	30	32	34	36	38	40	42	43	46	48	50	52	02	04	06	08	10	11	14	16	18	20	22	24	26	
PCP Milestone		PC											CES			RFP		RFD					LD	Fast field return				PE			
IPD Milestone		PPC											PV			IR		CR					LD	Fast field return				PE			
Activities																															
Consumer Care book approved																															
Consumer Care package review																															
Consumer Care package approved																															
Elements of Consumer Care package:																															
Service readiness	Serviceability report																														
	Service BOM ready																														
	Initial stock CSP confirmation by supplier																														
	Service manual ready																														
	Sparepart on-stock																														
Contact Ctr / Web support readiness	Leaflet (draft)																														
	DFU (draft)																														
	FAQ (draft)																														
	Leaflet (Final)																														
	DFU (Final)																														
	FAQ (Final)																														
	Product sample for contact center (SITE)																														

PACKAGE	APMEA	EUROPE	
LEAFLET	BY PV	BY PV	
USER MANUAL (DFU)	BY PV	BY PV	
FAQ KNOWLEDGE BASE	BY PV	BY PV	
SERVICE MANUAL	AT CR	NA	
SERVICE BILL OF MATERIAL	BY CR – 2 WK	NA	
PRODUCT SAMPLE FOR CONTACT CENTRE	IR + 2 WK: SITEL: 2 SETS	IR + 2 WK: SITEL: 2 SETS	
TRAINING FOR CONTACT CENTRE	IR + 2 WK	IR + 2 WK	TRAINING PACKAGE

1) FOR EUROPE; 800-NUMBER WILL / WILL NOT BE ADDED TO USER MANUAL AND QUICK START GUIDE

2) FAQ WILL BE TRANSLATED IN TO 10 LANGUAGES

- English, French, Danish, Spanish, Italian, Dutch (for all version)
- Portuguese (additional for Latam version /55)
- Chinese Simplified (additional for China version /93)
- etc