



# Innovation: Bigger, Better, Faster

With increasing global competition, it is crucial for a successful FMCG company to constantly introduce new products and improve existing ones. That means discovering and applying new proprietary technologies.

At Unilever, we do this through our six strategic R&D laboratories that deliver ground-breaking technologies and 31 major development centres that develop and implement product innovations. Additionally, at 92 locations around the globe we have R&D teams implementing innovations in countries and our factories.

## Innovation: Genesis Programme

In 2009 we launched our Genesis Programme, a more robust process for fuelling our longer-term innovation pipeline. Genesis is now a way of life for us. When we discover a breakthrough technology, we apply it across categories, enabling us to benefit from much bigger market opportunities.

For example, whitening is an essential benefit not only in fabric care but also in oral care. We have adapted the whitening technology from the laundry category and applied its active system to toothpaste to deliver instant whitening in one brush. Three years after launch, this breakthrough White Now innovation is still unmatched by the competition. We are building more strategic relationships with our suppliers and defining joint innovation programmes with many. We have also amplified our open innovation activities, working with academic institutions as well as small and medium enterprises.

**We are proud of our reputation as a world leader in R&D. We're using breakthrough technology to get bigger and better innovations into the market faster.**

## Sustainable innovation

Unilever R&D has an important role to play in the design and use of our products that allow consumers to increasingly 'do their bit' for the environment. Unilever R&D already has a long history of developing products that meet the diverse and changing needs of consumers in all our markets. Looking to the future, all our products will incorporate social, economic and environmental metrics in their innovation plans.

Some recent examples include:

- An upside-down roll-on deodorant that uses 18% less plastic in each pack.
- Pureit, a battery operated home water purification device which gives households in India access to clean, pure drinking water at low cost.
- Small and Mighty laundry liquids which, because of their size and concentration, reduce CO<sub>2</sub>, water usage and transportation costs.
- Comfort Easy Rinse fabric conditioner which minimises the amount of water needed to rinse clothes.
- ProActiv margarines that contain plant sterols, clinically proven to lower cholesterol.

These innovations form an important part of the Unilever Sustainable Living Plan target to halve the environmental impact of the making and use of our products.

## R&D highlights

**€928 million**  
invested in R&D in 2010

More than **300** new patent applications filed each year

A portfolio of more than **20,000** patents and patent applications

More than **6,000** scientists, engineers, chefs and technicians around the world

## Safe drinking water...

...is a scarce resource in many countries. Water-borne diseases can be life-threatening so we are focused on finding ways to provide people with an affordable source. Pureit's new technology represents a critical breakthrough because it meets international germkill requirements at prices that low-income consumers can afford. Every glass of purified water from Pureit saves the planet 80% less carbon emissions than boiled or bottled water.



# Our six strategic R&D laboratories

Our strategic research and development laboratories are located in the UK, the Netherlands, the US, China and India.



## Port Sunlight, UK

Around 800 employees work to combine understanding in biosciences, neuroscience, sensory science, material science, physical sciences, process science, measurement science, data modelling and HTS that contribute to brands such as Omo, Dove, Sunsilk, Rexona, Axe, Domestos, Cif and Signal.



## Bangalore, India

Around 300 employees work in Bangalore and this site specialises in microbiology, virology and microstructure creation. With a focus on foods and beverages for south east Asia, the centre contributes to brands such as Lifebuoy, Pureit, Pond's, Fair and Lovely, Radiant, Omo, Brooke Bond, Lipton, Wall's and Knorr. Unilever's recent initiative on water purification product, Pureit, was developed chiefly at Bangalore.



## Colworth, UK

Around 650 employees at our laboratory at Colworth specialise in plant science, cell and molecular biology, genomics, health psychology, social science, imaging, biomechanical measurement and advanced web communications, contributing to brands such as Lipton, PG Tips, Flora/Becel, Magnum and Solero.



## Shanghai, China

With approximately 430 employees, our Shanghai research centre provides capabilities in synthetic and mechanistic chemistry and traditional Chinese medicine. The centre conducts global research and development of hair and skin products, and contributes to brands such as Clear, Lux, Hazeline, Zhong Hua, Wall's, Pond's, Lipton, Knorr, Vaseline, Rexona, Omo and Comfort.



## Vlaardingen, the Netherlands

More than 1,000 employees and over 40 nationalities at our centre in Vlaardingen focus on bioscience, nutrition & health, sensation, perception & behaviour, structured material and process sciences, advanced measurement and data modelling.



## Trumbull, US

Besides expertise in the areas of cell & molecular biology and imaging, the 400 employees at our Trumbull centre also work in packaging design and engineering, process design and engineering, and information technology and management.

## Manufacturing

We have 264 manufacturing sites worldwide. Since 1995, our performance, per tonne of production, has improved steadily:

**CO<sub>2</sub>** from energy has **decreased** by 44%

**water use** has **decreased** by 66%

total **waste** has **dropped** by 73%

Our total recordable **accident frequency rate** per million hours worked – a measure of safety – stood at 1.61 in 2010, a **drop** of 15.7% over the previous year

## Customer Development

Our customers range from big international retailers like Walmart, Tesco and Carrefour, trade 'cash and carry' stores like Metro, and the tens of thousands of small 'mom and pop' stores in more than 170 countries around the world.

- Around one-fifth of Unilever's sales are through ten major retail chains
- Our products are sold in over 10 million small shops in developing and emerging markets
- More than 50% of sales are from developing and emerging markets
- In July 2010 Unilever was named 'Best Supplier in the World' by Walmart – the retailer's highest annual accolade for suppliers
- In February 2011, Unilever was awarded Tesco's 'International Supplier of the Year for 2010/11'.