

Accenture High Tech Solutions

High Performance Through Accenture Product Innovation

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accenture

High performance. Delivered.

• Consulting • Technology • Outsourcing

Product innovation: Why it's a challenge

Today's new challenges and opportunities

In their journey to achieve high performance, companies and governments around the world are rethinking how to deliver innovative products and services. There's a trivergence happening, markets and workers are becoming global, high volume low margin market demands are outpacing the traditional markets, digital and IP created content is taking the place of traditional content formats.

As new products and services are developed, it is increasingly important to efficiently and effectively execute research and development activities. R&D represents significant corporate and government investments that must yield desired results to justify this spend and to deliver the right product to market at the right time and the right cost.

Today's R&D activities are faced with some essential global realities:

- Innovation is increasing—but increased R&D spend does not necessarily translate to growth.
- Emerging markets are innovating faster—at half the cost.
- Collaborative product development is happening across enterprises—and around the world.
- More flexible R&D capacity is needed—to match greater market volatility.
- Products are increasingly complex—with a higher number of engineered parts coming from software.

- The consumer base is increasingly fragmented—and more demanding.
- Industry-specific challenges (such as environmental regulations) place additional demands on the R&D process and engineering overall.

How would you answer these questions:

Are you developing the right product?

Are you developing the product right?

Are you developing it globally?

Are you developing it competitively?

Are you developing it predictably?

Are you developing it digitally?

Do you have a culture that motivates employees to think innovatively?

If you answered "I don't know" or "No" to one or more of these questions, Accenture brings consulting, systems integration and outsourcing expertise to assist you in changing your responses and improving your innovative capabilities with services such as:

Accenture Product Engineering & Development Services. These consist of offerings for product software architecture, development, testing and maintenance. Accenture's software development process infuses quality from the beginning—promoting stage containment through verification, validation and testing. Accenture offers efficiency in improving time to market for new products with faster delivery of product software, reduced operating costs due to higher productivity, project management discipline and best practices methodology.

Take advantage of an integrated development environment of onsite, onshore, nearshore and offshore staff using automated testing tools, embedded software development processes and methodology, and rapid transition suite for embedded software development.

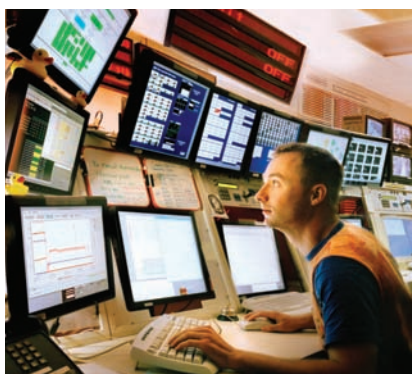
An increasingly effective and efficient way of helping to increase R&D spend is by partnering to address your cost and capacity needs for certain engineering tasks. Accenture is able to provide support for many engineering tasks, from mechanical and electrical design, to engineering process management, to assessing and optimizing your global engineering operating model.

Accenture Product Cost Management.

Accenture can help you optimize overall product cost and quality across the product development value chain. The Accenture Product Cost Management offering helps our clients eliminate unneeded product features; reduce complexity through standardization of materials, parts, and equipment; optimize the supply base; and reduce product lifecycle costs through value engineering and supplier improvement.

Accenture Product Lifecycle

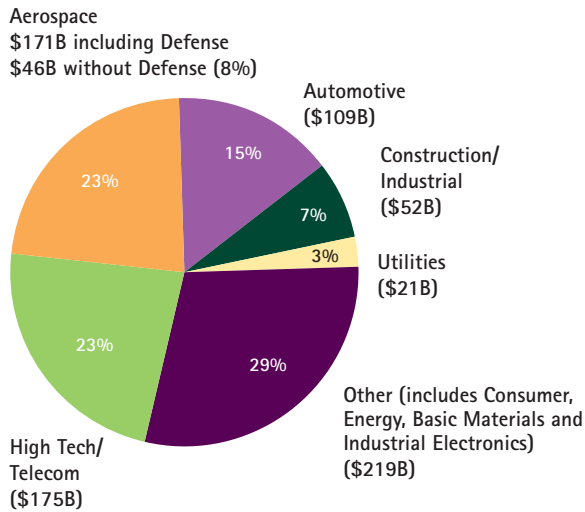
Management. With a top ranked Product Lifecycle Management practice, over 250 successful product development and Product Lifecycle Management projects, and a full end-to-end Product Lifecycle Management asset portfolio, Accenture can assist from vision to implementation to support, including Product Life Cycle Management program restarts and change outs.



Across most industries, R&D spending is at least comparable to or greater than spending on IT, HR or finance. The financial implication of good processes for R&D is significant and directly impacts positive company financial results.

Where is the money being invested?

In 2004, the global engineering spend was \$746 billion and was split among the industry sectors below. By 2020, the spend on engineering is projected to reach \$1.1 trillion.

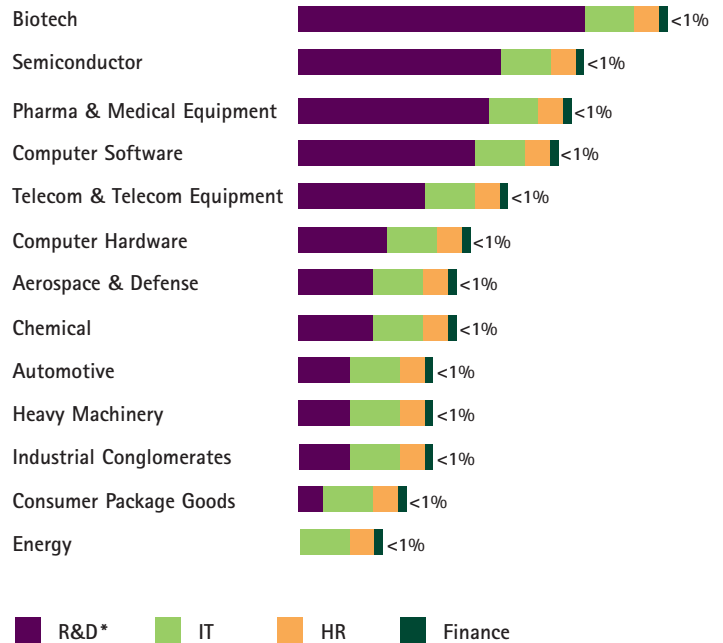


Total = \$746B

Source: Nasscom & Booz Allen Hamilton Report: "Globalization of Engineering Services", August 2006.

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*Source: From 2006 MIT Technology Review R&D Scorecard of Top 150 Companies by R&D spend

**Average spend across industries

One experienced leader: Accenture

Innovating throughout the Electronics and High Tech industries

For decades, Accenture has worked with the world's leading electronics and high tech companies to implement growth strategies. Our research indicates that the ability to innovate is directly tied to an enterprise's ability to achieve high performance. That is why leading communications and high tech companies and aerospace and defense companies have capitalized on Accenture's strengths to drive innovation and thereby achieve greater productivity through product development.

Accenture's strengths consist of global cross-industry experience as well as deep capabilities in supply chain management, new product development and emerging technologies.

Teaming with Accenture helps clients improve their return on research and development investment, reduce materials costs and enhance product quality and reliability and cut time to market.

For more information on achieving high performance through Product Innovation go to www.accenture.com/ProductInnovation or contact your local Accenture representative to learn more about how Accenture is transforming product innovation in the electronics and high tech industry.

For more information on achieving high performance through Product Innovation, contact your local representative or call Accenture Direct at +1 877 889 9009. Outside the United States and Canada please dial +1 312 737 8842. Or log on to:
www.accenture.com/ProductInnovation

About Accenture in the Electronics and High Tech Industry

Accenture helps deliver innovation that assist our clients to become high-performance businesses. Our depth and breadth in Electronics and High Tech (EHT) industries gives companies competitive advantages in bringing innovative products and services to market globally with increased profitability. For the Electronics and High Tech Industries of software, consumer electronics, enterprise technology (hardware), semiconductors and communications technology, Accenture offers multiple paths to boost business performance. Clients benefit by leveraging Accenture's experience in helping clients build stronger relationships with their customers in a volatile global marketplace; expedited

development and delivery of leading-edge products that bring more value to their customers; operational and process efficiencies. Our global breadth and depth helps clients to design, manufacture, and distribute at speed and in the right geographies to manage the infrastructure costs associated with launching new products. We also help our clients to seize new market opportunities and cultivate loyalty through improved segmentation, channel management, pricing management, and sales operations.

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About Accenture

Accenture is a global management consulting, technology services and outsourcing company. Committed to delivering innovation, Accenture collaborates with its clients to help them become high-performance businesses and governments. With deep industry and business process expertise, broad global resources and a proven track record, Accenture can mobilize the right people, skills and technologies to help clients improve their performance. With more than 158,000 people in 49 countries, the company generated net revenues of US\$16.65 billion for the fiscal year ended Aug. 31, 2006. Its home page is www.accenture.com.



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