



Power Electronic Architecture for Appliances

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Whirlpool at a Glance:

- **Products:** Full line of major domestic appliances
- **2003 revenues:** US\$12.17 billion
- **2003 net earnings:** US\$414 million
- **2003 units shipped:** 38 million
- **Manufacturing:** 13 countries in four continents
- **Marketing:** 170+ countries
- **Employees:** Approx. 68,000 worldwide
- **Brands:** 7 key brands
- **2003 Fortune “500” ranking:** 161

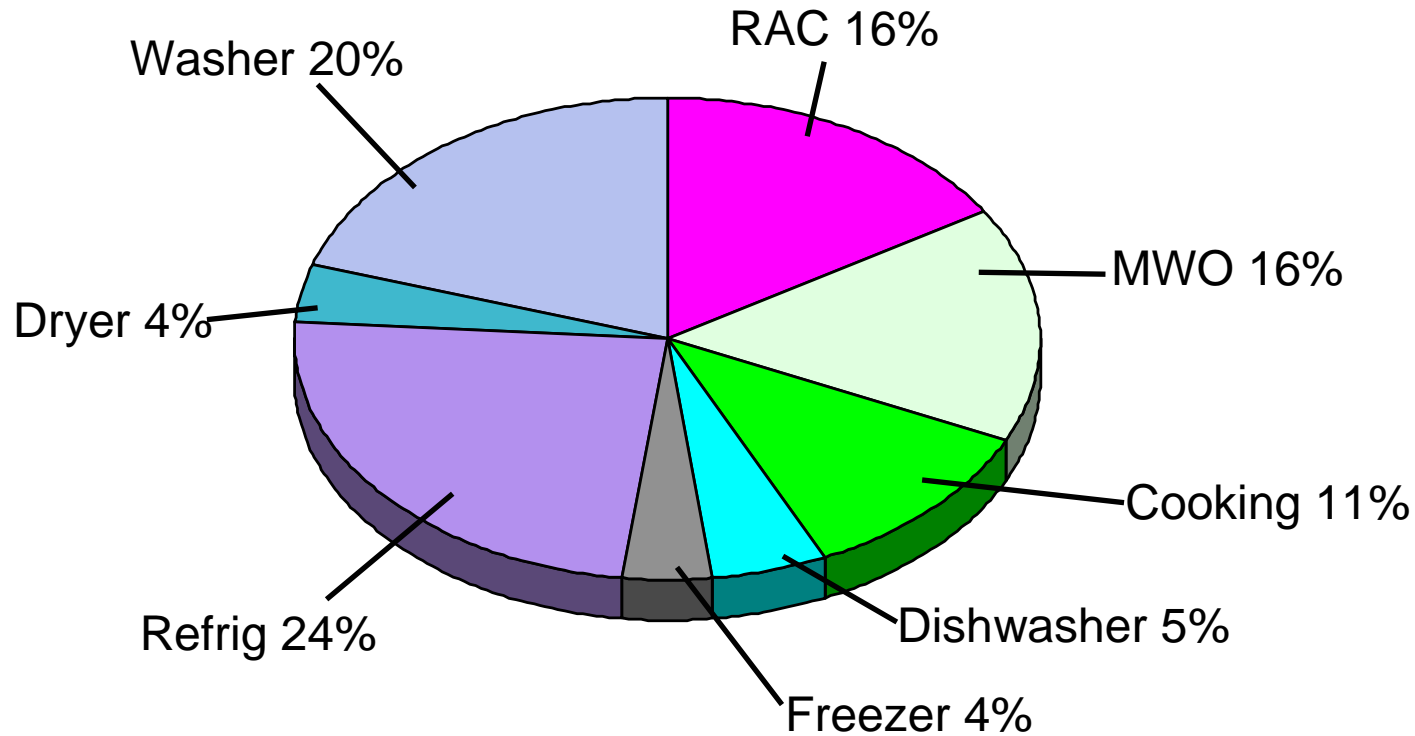


Our Portfolio:

- Top and front-load clothes washers
- Dryers
- Dishwashers
- Refrigerators, free-standing and built-in
- Freezers, free-standing and built-in
- Built-in Cooktops
- Built-in Ovens
- Ranges
- Microwave Ovens
- Air Conditioners/Air Purifiers/Dehumidifiers
- Compactors
- Gladiator™ GarageWorks offers modular organizing solutions for your garage
- KitchenAid® Counter Top Appliances
- Full line of services including, delivery, installation and repair



Worldwide Product Demand



*** World demand 281M Units in 2004**

*** World demand 354M Units in 2008**



Consumer Trends

- New consumers and “replacement” consumers will drive consistent annual growth in electrical home appliance demand
- Global GDP growth drives demand for more sophisticated products at all consumer levels:
 - 2-4% Developed Markets
 - 4-6% Emerging Markets
- Low saturation rates in developing countries will provide huge future opportunities
- Consumers will also expect more functionality, more features and more value from these appliances



Technology Trends

- Design is a driver to shape consumer experiences-creating the emotional connection to the product
- Development of a platform with high reuse allows us to rapidly introduce new capabilities while reducing costs and improving quality
- Advanced electronics-- ever increasing importance for delivering value to our Customers
 - Electro-mechanical controls are being replaced by electronic controls
 - Single speed motors are being replaced by variable speed models
 - Induction motors being replaced by Permanent Magnets
 - Electronics & controls integrate the entire design, manufacturing and use of Appliances



What's Changing at Whirlpool

- We provide process systems for the home
 - Internally designed subsystems
 - OEM optimized subsystems (e.g. Invensys, AKO, etc)
 - Branded OEM product custom solutions
- Consumer value expectations are changing
- “High technology” can fill gaps in new ways
- Opportunity to provide leadership for growth and change in the industry



A New Paradigm is Needed

- Other industries have successfully reinvented themselves
 - Telecom
 - Automotive
 - Consumer electronics
 - Industrial automation
- **Process automation is the key**

Move From

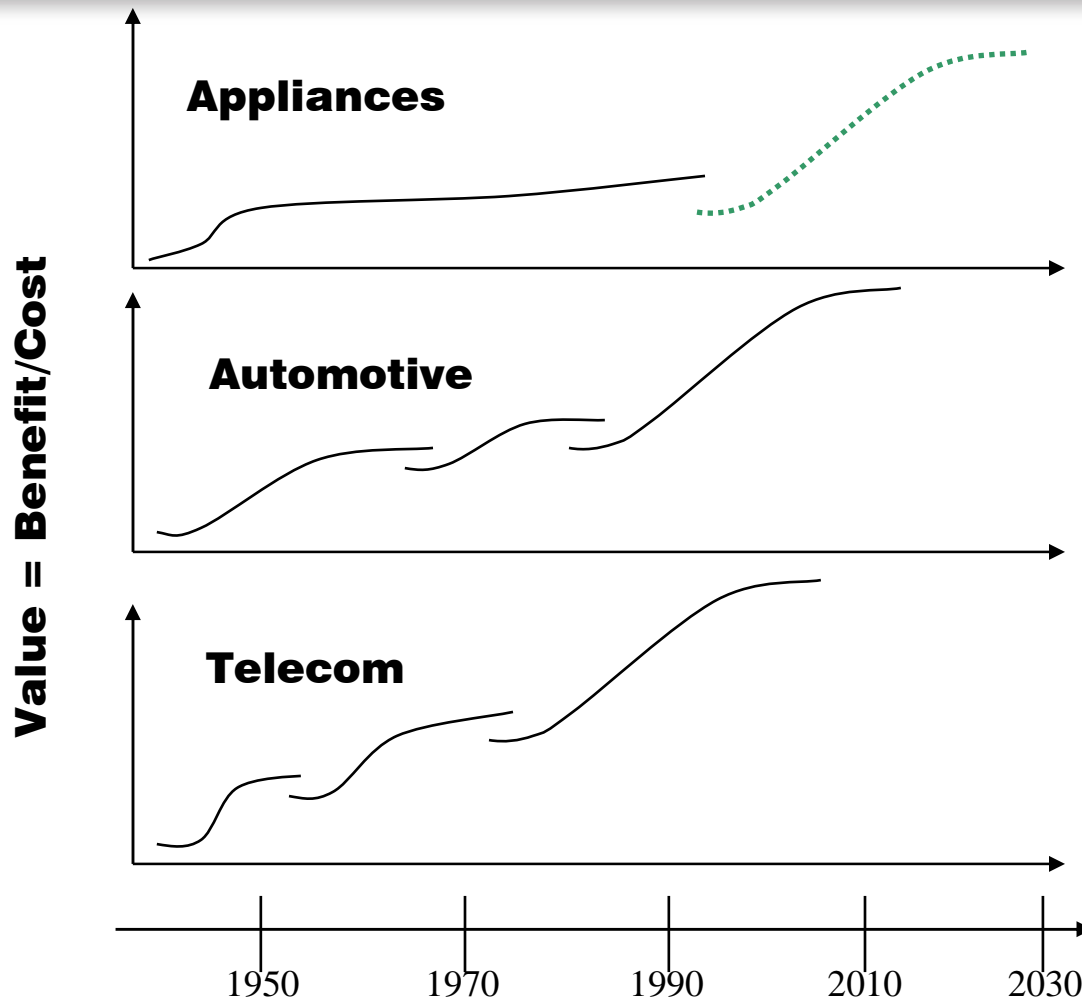
Ad-hoc single point of
value products

To

Rapidly growing families of process
automation devices and system
engineered and optimized product
architectures



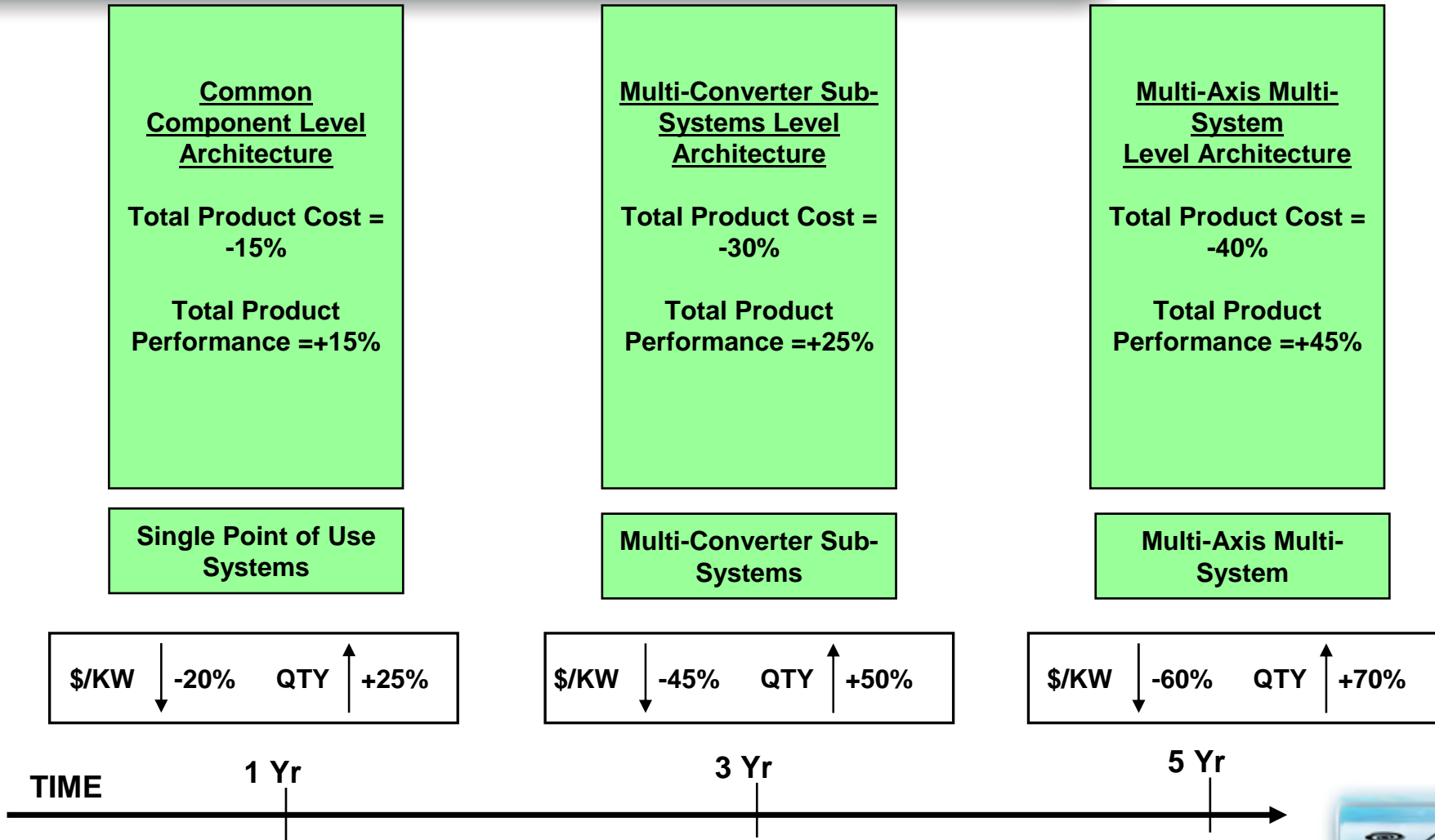
System Value “S” Curves



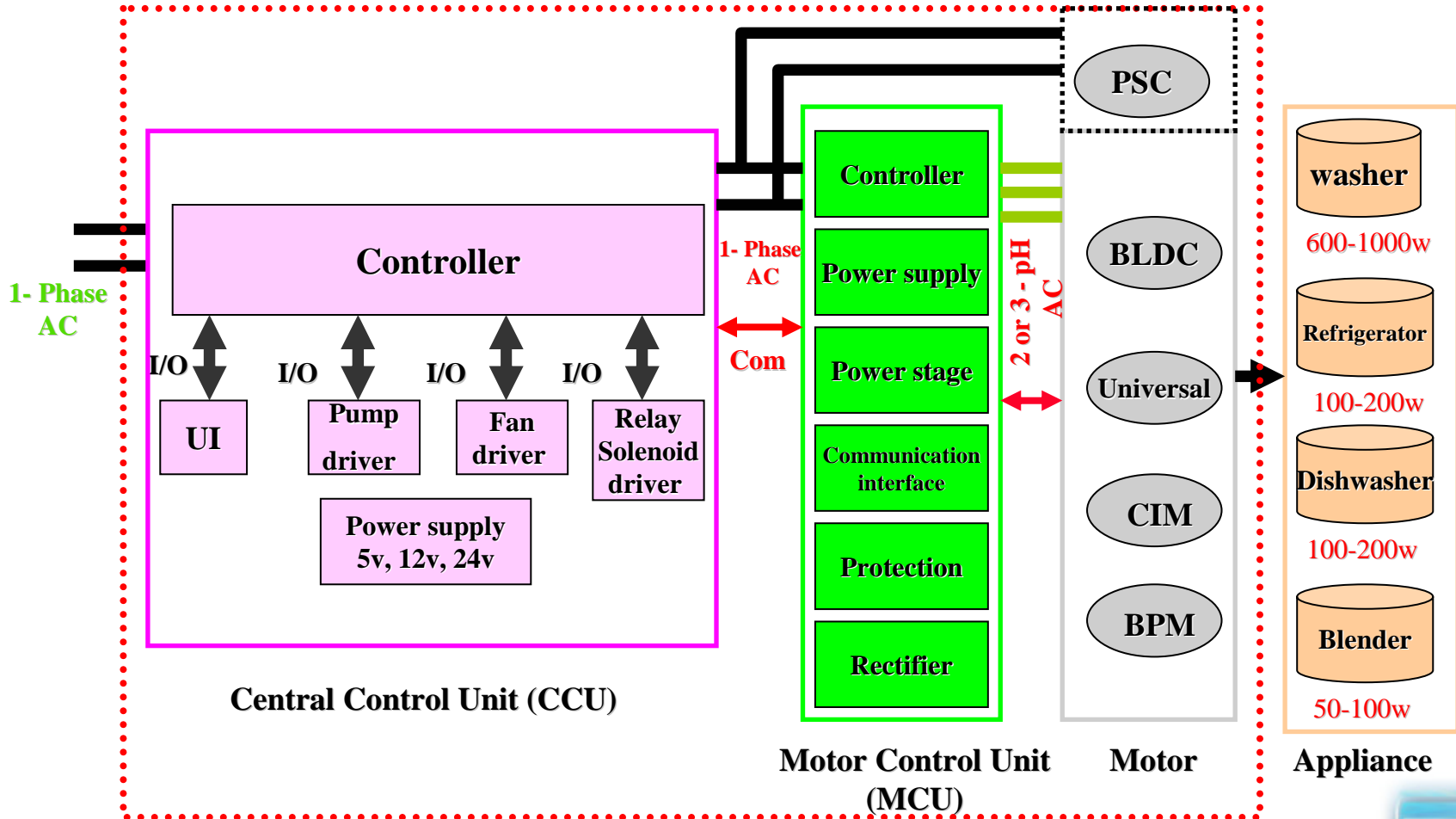
*“An Industry poised for
A huge value increase”*



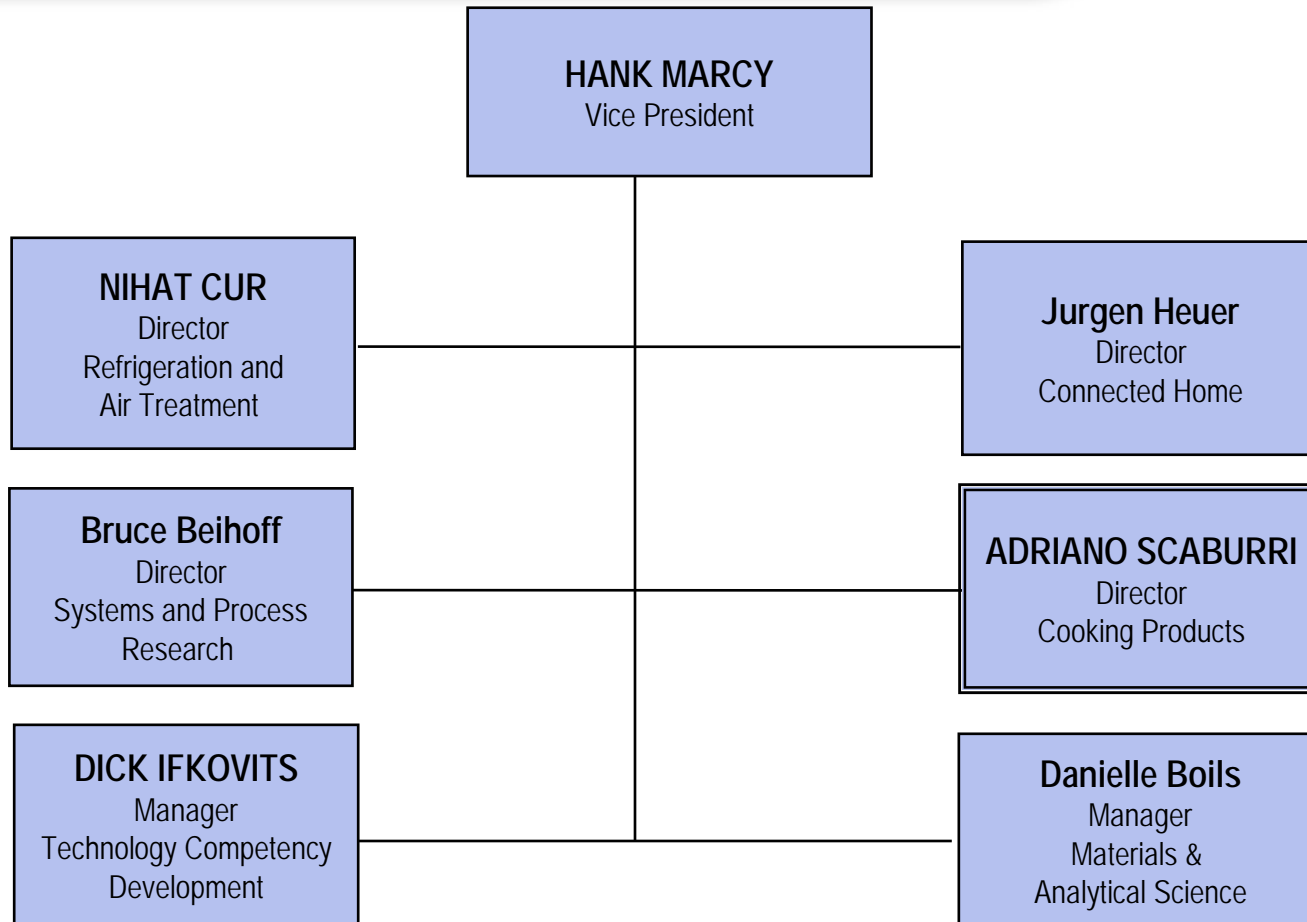
Power System Total Product Leverage



Appliance Power Architecture



Corporate Innovation & Technology

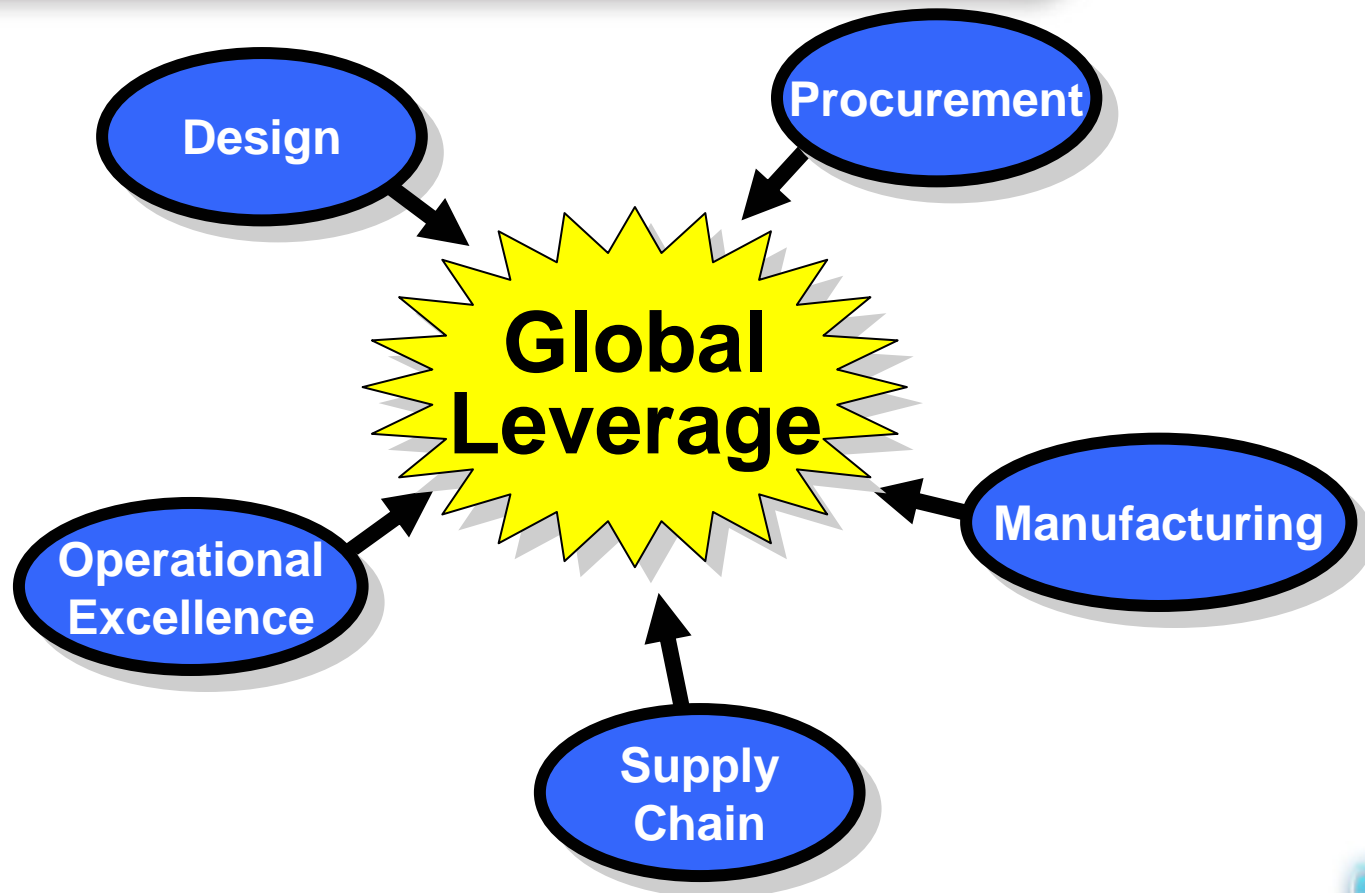


Global Product Leadership

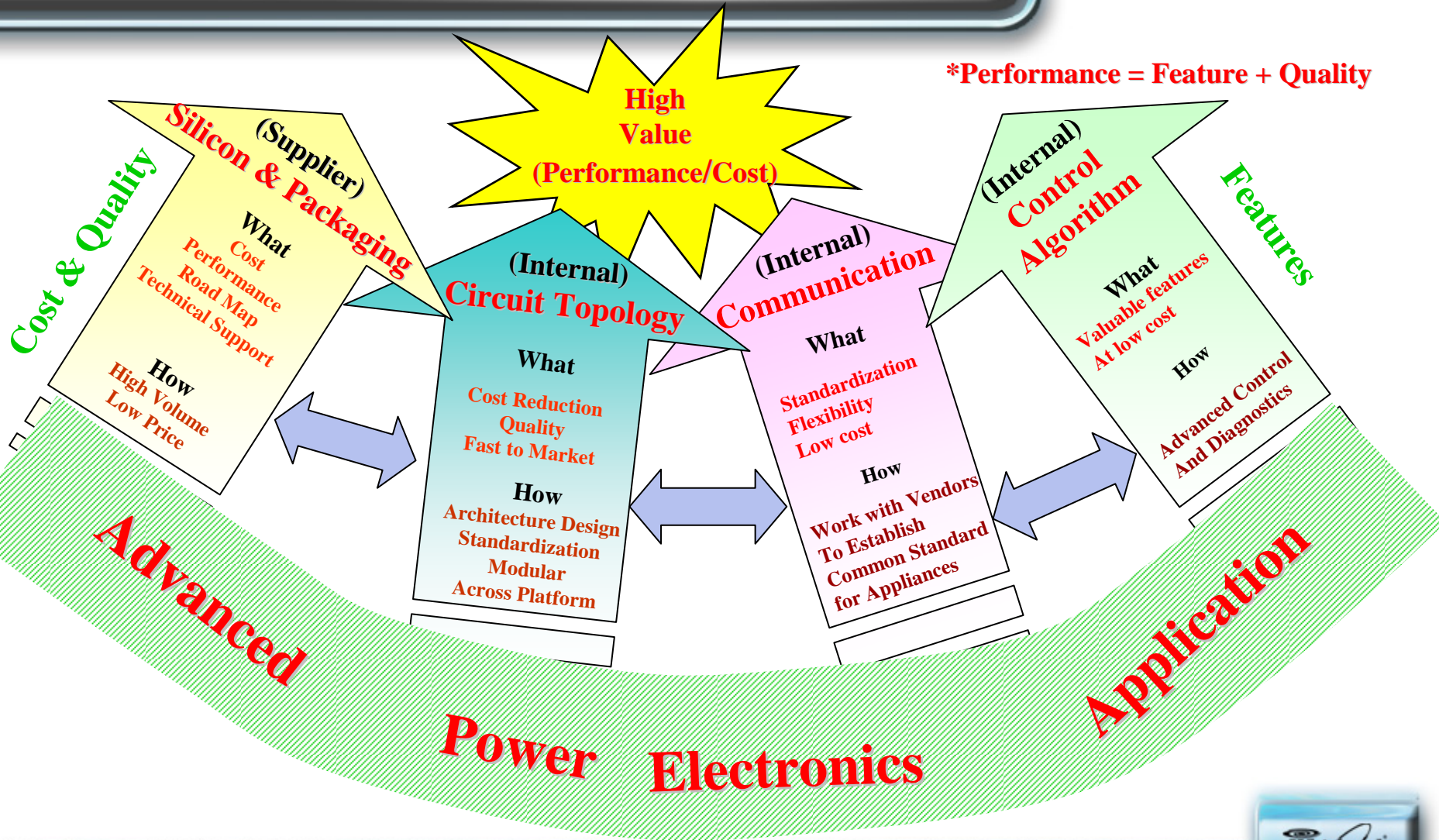
- Drive more business results from Innovation
- Lead development of new component, product and process architecture
- Enable quality to breakthrough levels
- Foster value extraction vs. global leverage
- Set the pace and cadence of innovation



5 Areas of Focus for Our Global Operational Excellence . . .



MCU Architecture & Strategy



Going Forward

- Advancing the architecture of home appliances is our primary goal
- We need your help in shaping and driving this change
- Defining the model for the future
- This change can fuel a new economy in the appliance industry





Appliance Energy Efficiency Improvements

Annual Average KilowattHour Usage

Supporting

