

SYLVANIA

THE MARKET

Sylvania is a comprehensive lighting solutions supplier for Sylvania-branded products.

The company develops, manufactures and markets high-quality lighting systems, including incandescent, fluorescent, compact fluorescent, high-intensity discharge, halogen, neon, LEDs, special lamps and lighting fixtures.

Sylvania has earned a reputation for quality, innovation and customer service.



With regard to product positioning, Sylvania is at the top end of the mass market and serves niche markets with special innovative products. Sylvania markets its products via three major distribution channels – wholesale, retail and project (which includes both the private and government sectors). Sylvania is one of two major brands to offer a complete range of lighting products including various kinds of lamps, lighting fixtures and control systems. Sylvania (Thailand) is responsible for sales distribution in Thailand and several other countries including Vietnam, the Philippines, Cambodia, Laos and Myanmar.

Growth in Thailand's lighting industry looks very promising in line with the growing number of new construction projects in Bangkok and throughout the country's major urban areas.

ACHIEVEMENTS

Since its establishment in 1993, Sylvania (Thailand)'s business has grown more than fivefold, even taking into account the country's economic crisis which began in 1997 and reversed the country's strong growth of over three years. The company's success has been especially noteworthy in the retail and modern trade businesses. Sylvania has taken over the number one spot for lighting sales in supermarkets and DIY store chains by building high consumer confidence and improving its brand image. The achievements of Sylvania in Thailand have coincided with the successes achieved by Sylvania Lighting International (SLI), which has

been ranked one of the top ten global brands for lighting products.

With its company focus clearly on the lighting industry, combined with its versatile range of products, technical expertise and service offering, Sylvania has been awarded many projects from both the government and private sectors. Sylvania has lighted stadiums for the 13th Asian Games in Bangkok, Volvo and BMW showrooms, the National Theatre in Nakhon Ratchasima province, Laem Cha Bang Port, plus major highways, superstores and golf driving ranges.

HISTORY

The Sylvania brand was established by GTE International Inc, USA in 1901 and was acquired by SLI in 1993. The SLI group's headquarters are in New York. SLI has operations in 30 countries with more than 30 plants in 13 countries. SLI manufactures and markets the world's foremost lamp fixtures with system expertise in the integration of lamp, fixture and control products which have received certification from major international standards organizations, including ISO 9001, ISO 9002 and ISO 14001.



Sylvania (Thailand) Ltd was established in March 1993 as an affiliate of SLI. When Sylvania first entered the Thai market, it could only supply products through the wholesale market and through government-owned utilities. Project sales and retail sales only began in 1994 and 1996, respectively.

In mid-1997, Thailand faced an economic crisis. The local currency was devalued by 111 percent against the US dollar at the end of 1997,



affecting the product cost of all imported items. Consequently, the company's sales in the wholesale and project areas suffered. However, due to strong sales in the retail market, which was more stable than other markets, Sylvania was able to reverse the downward sales trend by 1999.

Sylvania (Thailand)'s 2003 sales were up 545 percent on the 1993 result as a result of stronger sales activities and distribution networks. The Sylvania image has become much more visible due to the increase in retail sales and due to a series of effective advertising and promotional activities.

THE PRODUCT

Sylvania supplies a complete range of lighting products including lamps, lighting fixtures, lighting components and lighting systems designed for architectural, industrial, commercial, residential as well as outdoor applications. The success of Sylvania products can be attributed to three main principles: quality, innovation and customer services.

For quality, the emphasis is on longer life lamps, more durable and energy-saving products utilising high-grade materials, and high-tech procedures.



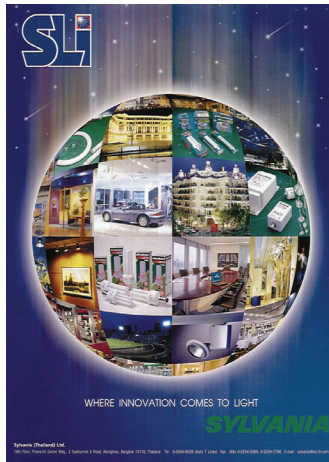
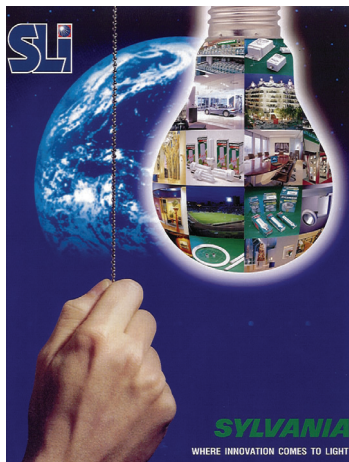
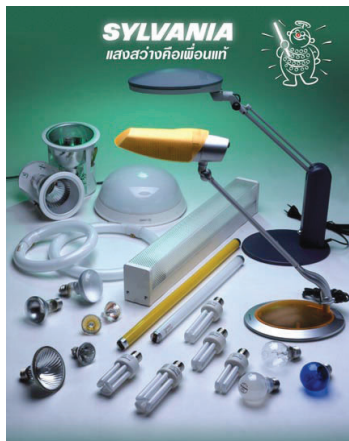
For innovation, continually-updated data are used to introduce improved, more innovative products such as LEDs, small and slim energy-saving products, main-voltage halogen GU10 and small metal halide GX10 lamps. These products showcase new designs in compact sizes with convenient functions - many being the first of their kind in the Thai market.

With regard to customer services, knowledge-based service is provided to Sylvania customers through current brochures, product packages and other forms of product introduction and lighting design seminars. The company always treats its customers as knowledgeable and reliable assets in Sylvania's progress.

RECENT DEVELOPMENTS

Since the new millennium, Sylvania has experienced strong growth in each of its three markets - retail, wholesale, and project sales. In the retail market, the product-mix strategy has been particularly successful in gaining firm expansion of the customer base in the 145 modern trade retail outlets in Thailand. Sales and net profits exceeded company expectations. Varying forms of strategic ventures are also being utilised to expand the company's business in the highly competitive wholesale and project sales markets.

New product development, including new designs for making products more convenient to use, more colourful styles and more durable materials, have been applied to the new Sylvania lighting fixture range to serve both the commercial and consumer markets. In 2004, Sylvania was the first company to introduce small



energy-saving lamps with spiral shapes from five to 25 watts in Thailand. These energy-saving lamps can be installed in any size fittings and provide better light distribution and longer life.

Furthermore, as initial expansion into neighboring markets has proven highly successful, the company's future focus is on further expanding its presence in regional markets.

PROMOTION

Sylvania advertises in all major media forms including television, radio, magazines, outdoor ads and printed materials to promote the Sylvania brand throughout the country. The company's television commercials have won many awards, namely the Bronze Lions at Cannes, France in 2001; Gold and Silver Awards from the Top Advertising Contest of Thailand (TACT) Awards and the Bangkok Art Director's Association (BAD) Awards during 2000 - 2002. These awards have supported the strengthening of the company's brand image.

Besides the use of advertising, Sylvania uses sales promotion for the retail and wholesale markets by offering special discounts, premiums, gifts, coupons, rebates and games for fast-moving items through major distributors and modern trade outlets. This strategy has built product awareness and brand image among consumers. In addition, Sylvania donates lighting products to various government agencies and charitable associations.

In order to be the preferred brand among consumers, Sylvania will continue to build its brand image while adding new distribution channels to make its products available to more and more potential customers.

BRAND VALUES

According to an independent marketing survey, the Sylvania brand had been associated with high-

quality products and high price. With various forms of informative promotion and successful strategic management, the brand image has undergone something of a transformation. The general public now retains a perception of the Sylvania brand as representing high-quality products with innovative designs and reasonable prices - high-grade products that are affordable.

The new Sylvania symbol, Mr Light Man, and the accompanying slogan, Light Is Friend In Need, has struck a chord with Thai consumers as Sylvania now ranks as one of the country's most recognised brands.

With qualified and experienced lighting engineers and a strong customer support team, Sylvania provides lighting design services which utilise the latest computer modeling and sophisticated point-by-point calculation techniques. Sylvania can meet every customer's need, whether it is for functional lighting systems for commercial and industrial applications or decorative and architectural systems for domestic and interior design lighting. Clients know that Sylvania has the capabilities and solutions to deliver exactly the lighting result they require. This is the reason Sylvania is the preferred brand that fully meets customer requirements with high quality, innovation and reliable customer services.



THINGS YOU DIDN'T KNOW ABOUT SYLVANIA

- Despite having entered the Thai retail market only eight years ago, Sylvania has become number one in terms of lighting sales by providing a complete range of lighting products
- Sylvania introduces over 50 innovative lighting products every year
- Sylvania is the leading brand in innovative lighting products of halogen and energy-saving lamps in Thailand that combine long-life lasting function with modern design