

BRAUN

designed to make a difference

THE MARKET

Braun GmbH is a world-wide manufacturer of small electric appliances based in Kronberg, near Frankfurt (Main), Germany. Braun products are universally recognised for the quality of their design and manufacture, as well as their high level of innovation.

The brand's worldwide range includes over 200 products in eleven sectors. Braun is the worldwide leader in five of these sectors: electric razors, epilators, electric toothbrushes, blenders and thermometers. The company is also the European leader in hair driers.

In Australia Braun dominates the electric toothbrush and electric toothbrush refill markets. Braun also has a strong presence with high-quality products in other market segments including electric shavers, epilators and kitchen appliances.

ACHIEVEMENTS

From Braun's early days, success has come through innovation, supported by the quality and the design of the products. The company has led its various industries in a variety of ways and has frequently introduced revolutionary appliances. In 1929, for example, Braun was first to include the receiver and speaker in a single radio device to create the radio receiver as we know it today. In 1932, Braun came up with another innovative idea and combined a radio and a phonograph to create the first radiogram.

The company also kept looking to new and interesting industries, and in fact created more than one product category all by itself. In 1950, Braun launched the first electric razor, the 'S 50'. This employed a set of oscillating blades and a very fine steel grate - a major innovation which resulted in vastly improved precision. The principle is still used today, although it has evolved tremendously since Braun created it.

In 1956, in quite a different industry, Braun launched the first totally automatic 35 mm slide projector. This was the 'PA1'. In 1963, the company created the electric toothbrush, 'Mayadent', and in 1971 Braun launched the first pocket lighter. In the year 2000 it was the turn of the first in-car electric razor.

The razor 'Activator' and the electric toothbrush '3D Excel' are other examples of the many innovative technical designs Braun has created and produced. The reputation of the brand and its products has been suitably enhanced by a long series of international exhibitions, including one at the Museum of Modern Art (New York) and another at the Center Pompidou (Paris).

Braun has never stopped innovating and creating products in response to the needs of the consumers.

HISTORY

Braun has come a long way from designer of radio transmitters in an out-of-the-way part of Europe to global leader in the manufacture of small appliances. In 1921, the engineer Max Braun (born in 1890 in the east of what was then Prussia) established his business to build radio transmitters.

Two years later, Braun began making components to supply the radio industry, then in its infancy. In 1925, the company began to specialise in the large-scale production of items like dial faces and buttons, thanks to Braun's invention of effective and efficient plastic presses. By 1929, that production had grown

to include complete radios. Braun soon became the leading German radio manufacturer.

The Braun brand itself was finally born in 1935 and a year later, Max Braun conceived his first portable, battery-powered radio. Its principal characteristics were convenience, utility, simplicity and the functional form of the case.

It did not take long for international recognition to arrive. Braun received the prize 'Pour réalisation exceptionnelle en Phonographie' for this innovation at the time of the Universal Exposition of Paris in 1937.

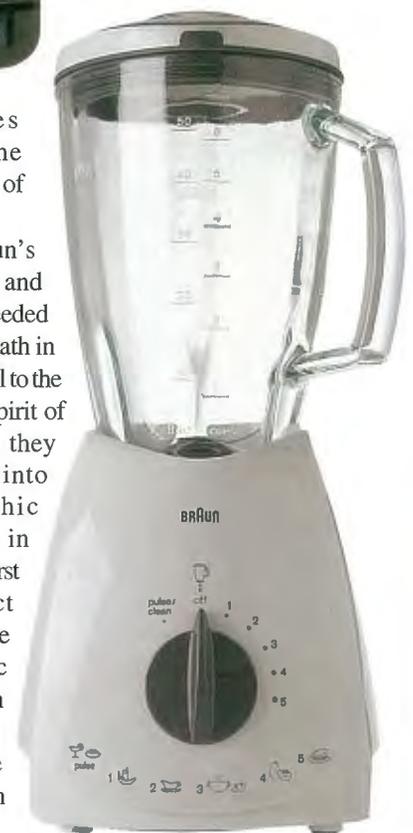
In 1947, Braun initially focused production efforts on the company's principal products: the radio sets and pocket lamps 'Manulux'.

But Braun could not sit still, and began to diversify again. The company made a major breakthrough with the development of the first electric razor under the direction of Max Braun, assisted by his son Artur. In 1950, Braun launched mass production of the electric razor 'S 50' as well as developing a line of kitchen

appliances under the brand name of 'Multimix'.

Max Braun's sons, Artur and Erwin, succeeded him at his death in 1951. Faithful to the innovative spirit of their father, they launched into photographic electronics in 1952. Their first new product was the electronic camera flash 'Hobby'.

A key time for Braun



was to begin in 1953. Artur and Erwin Braun demonstrated timeliness in the market where they were already the leader - radios. To distinguish the brand from its competitors, they presented 'devices more inexpensive, more different and more functional', vastly improved over the conventional radios of the time with their gilded edges and high speakers.

Product improvements in this and other categories continued, and eventually, in December 1967, The Gillette Company became the majority shareholder in Braun.

In 1988, Braun's epilator division purchased the French Silk-épil. The launch of the electric toothbrush 'Plak Control' with a circular oscillating head revolutionised the market in 1991. More diversification came in 1996 when Braun bought the American business ThermoScan, then the market leader in infrared thermometers.

THE PRODUCT

Today, Braun markets 200 products in eleven categories: dental hygiene, electric razors, epilators, blenders, coffee makers, irons, citrus fruit juicers, hair driers and curling irons, thermometers, alarms and calculators.

Outstanding products include the Syncro with its Clean and Charge unit which cleans the shaver in alcohol, dries it and charges it ready for use. The Syncro also offers a Smart Logic battery management system. The Braun Independent Steam Cordless Straightner makes salon quality straight hair possible anywhere, and the ThermoScan ear thermometer makes it easy to take children's temperatures without waking the child.

Ten factories in seven countries (Germany, Ireland, France, Spain, Mexico, China and the United States) make 250,000 devices a day. Braun employs close to 9,000 people around the world.

The extended Gillette distribution network allows Braun to supply markets right around the world with its many products.

RECENT DEVELOPMENTS

In 2000, Braun launched the 'Syncro System', the world's first self-cleaning electric razor followed by 'FreeGlider' in 2002, which includes the



release of a protective lotion. This innovative concept was developed in partnership with Gillette.

In 2003 Braun launched a new range with the 'Silk-épil SoftPerfection ... the softest and most effective of the epilators', to the three million users of electric epilators.

Always aware of domestic products, Braun also launched the 'Multiquick Advantage', a powerful high-performance blender, in 2003. The brand's success with blenders in a maturing market has been outstanding, with Braun developing and growing the market in the premium category through increases in power and design.



PROMOTION

Braun promotes its brand and products in a wide variety of ways. Strategic television campaigns generally focus on the brand, using premium products to convey the brand slogan 'Better by Design'.

Seasonal promotions feature premium-branded gifts with purchases, and recently during a shaver promotion Braun offered buyers the opportunity to put in some 'Hot Laps' with the company-sponsored Team Braun Porsche, which competes in the high-profile Carrera Cup. Subsequently Braun even gave away a Porsche Boxster to a lucky purchaser in a popular Christmas promotion.

In quite a different element, superstar swimmer Michael Klim is the face of electric shaving for Braun. Klim has held world records and has won gold medals at an international level, and personally recommends Braun electric shavers.

A recent Father's Day promotion offered buyers up to five free EA games.

BRAND VALUES

Braun believes that brand image is a major factor in the company's success. This is based on the principal values that innovation, design, and quality give rise to demand.

"We strive to fulfil the consumer's true needs with products that distinguish themselves through meaningful innovative features and benefits, high quality standards in performance and durability and ergonomic, distinctive and aesthetic design", said Bernhard Wild, President of Braun.

Braun refuses any compromise on quality. Severe tests are carried out on a large scale in the Braun laboratories in order to guarantee that all products attain the highest standards of security, solidity and longevity. The key to Braun's success has been the strict demand for a functional design of the highest quality.

Braun's design elements are originality, functionality, ergonomic simplicity, integrity, aesthetics and durability. For Braun, design is a philosophy that penetrates all aspects of life.

www.braun.com

THINGS YOU DIDN'T KNOW ABOUT BRAUN

- Today's shavers use the same basic foil and cutter technology as the first electric shaver ever invented, by Max Braun in 1950.
- In 1929, Braun was first to include the receiver and speaker in a single radio device.
- Braun is the worldwide leader in five product sectors: electric razors, epilators, electric toothbrushes, blenders and thermometers.
- Braun created the radiogram by combining radio and phonograph in 1932.
- Braun employs close to 9,000 people around the world.