





# Turning ideas into opportunities

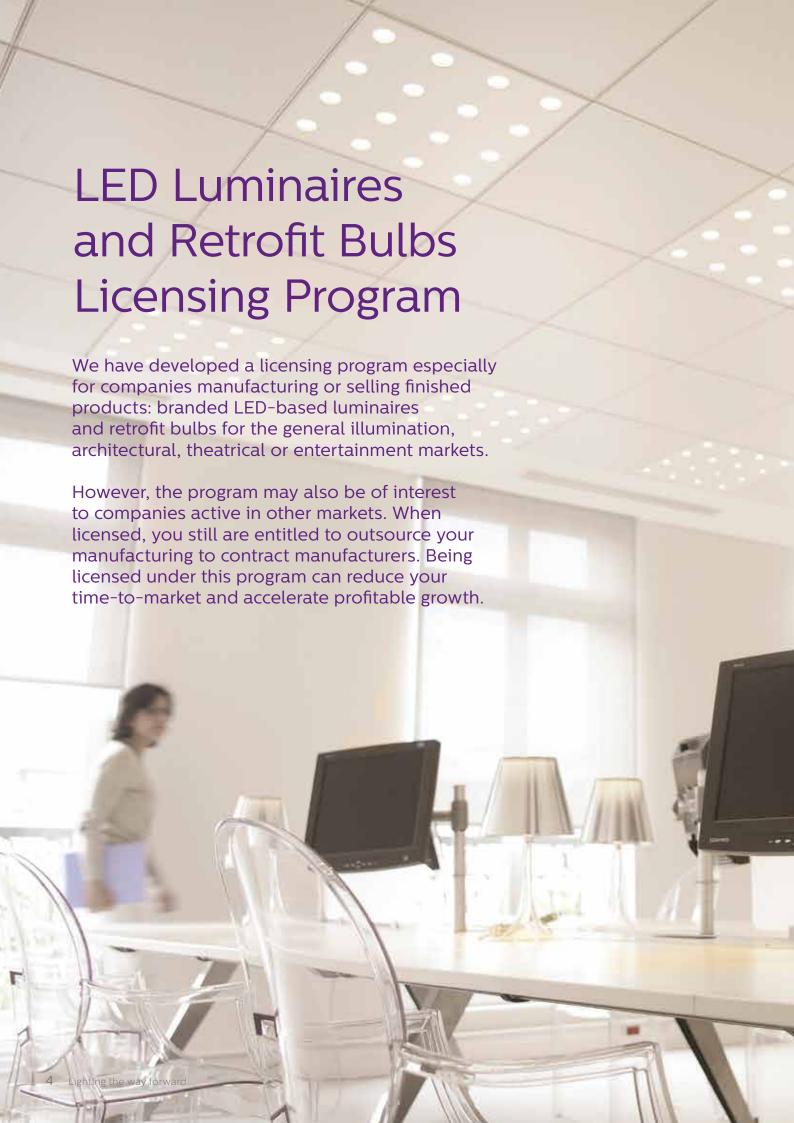
Many companies have creative ideas for new product applications and designs. Innovation creates opportunities and sparks new markets. It is one of the keys to grow any industry. Creating new ideas can be very challenging. By adopting existing enabling technologies from other companies, creative ideas can be marketed faster and against affordable prices.

That's why we at Philips believe in open innovation and thus in sharing our ideas through licensing our intellectual property (IP). Giving others access to enabling technologies speeds up the path from invention to products from which everyone benefits: inventors, manufacturers and consumers.

To support you in seizing opportunities in the rapidly growing LED market, we are offering access to our patented basic LED control and system technologies through an open licensing program.











## What does the program offer?

First of all, the program provides access to the most comprehensive portfolio of basic LED control and system-level technologies available. This includes technologies for single-color, tunable-white and color-changing luminaires and retrofit bulbs.

The program relates to over 200 different innovations resulting in more than 1000 individual patent rights and applications. These innovations encompass the complete range of core technologies that can enable you to deliver state of the art LED lighting solutions.

In addition, the program affords you greater freedom to design optimal solutions with an excellent balance of cost to quality. Whether you are designing your own controls and systems, or sourcing LED engines, drivers and components, being licensed under the program can not only cut development time, but will also help you deliver high-quality design and performance.

Last but not least, you can delight your customers with an exciting choice of innovative, energy efficient products at attractive prices.





You can choose between a standard royalty approach or a weighted average royalty approach.

### **Standard royalty**

Standard royalties are calculated on a country by country and product by product basis and are based on net revenues. This means royalties only apply on products made or sold in a country where Philips has a patent granted covering a feature of that product. So royalties may not apply to all your products or to sales in all countries.

### Weighted average royalty

The alternative is a simple weighted average royalty approach. Royalties are determined with a so-called flat rate, which reflect the average rate over all your products sold, independent of the country where they were sold or manufactured. This construct adds more convenience to your business operation and reduces the level of detail to be provided with respect to your product and sale activities.

We calculate your flat rate based on all the countries and components relevant to where you manufacture and sell.

Do you want to know the weighted average royalty rate for your business? Together with our local contact, who will do an assessment of your portfolio, you can find out the rate that applies to your sales.

As a licensee no royalties are due if your luminaire is only using qualified components (light engines, drivers and control components) from the qualified suppliers.

This applies to both the standard and weighted average royalty approach.

### Let's talk

You can find more about our LED Luminaires and Retrofit Bulbs Licensing Program on our website. Please do not hesitate to contact us directly. We have a global team available to answer all your questions about our LED Luminaires and Retrofit Bulbs Licensing Program. Let's talk!

Website: www.ip.philips.com/licensing/ssl Email: info.ssllicensing@philips.com

