



## SENSING THE DIFFERENCE

### Market

Since the revolutionary changes to the country that started in 1989, the needs, tastes and demands of the ordinary consumers have been developing rapidly in just about every area of day-to-day life. This applies to both consumer demands on quality and the design of home appliances. Customers have already acquired the taste for special features, various accessories and product design; now they are interested in the time and energy that can be saved by such products and the degree that they can lighten the load of household chores. This is the main reason for the growth of interest in Whirlpool brand appliances fitted with patented forms of intelligent technologies, above all the "6th Sense".

Today's customers are showing an ever growing willingness to pay that bit extra for a product which corresponds to their requirements and that can meet their expectations. It is no wonder, therefore, that the Whirlpool brand is the most widely sold major home appliance brand in the Czech Republic.

### Achievements

Whirlpool Corporation believes that the year 2006 was a turning point: its purchase of the Maytag Corporation, the company's largest acquisition in its history, the launch of a record number of new products on the market, and worldwide consumer demand for preferred brand names increased the company's year-on-year annual sales by 26%, giving a total amount of \$18.1 billion worldwide.

Whirlpool CR also achieved success in the same period, consolidating its leading position on the market and increasing its market share by an additional 2%. This was largely caused by the company's focus on innovation: on average, the company was able to launch two innovative products a week in the Czech Republic during 2006.

Since 2004, Whirlpool's worldwide net sales have increased by 8.6% to a record \$13.22 billion. Gross profit in the Czech Republic soared by an astonishing

64%, and the company is preparing for an even more powerful attack on the number one position worldwide during the course of 2007.

The company focuses on the patented intelligent technologies that are typical for Whirlpool appliances: namely the 6th Sense technology, which has a significant impact on power, water and time consumption. The built-in appliances, representing the most popular products worldwide is also enhanced substantially by the exclusive "Gallery" series which includes new "built-in" products such as the coffee machine and dish warming drawer.

The dishwasher product range benefits from the unique "Power Clean" feature that makes perfect cleaning of even the largest pots and pans possible. Use of an antibacterial "Microban" surface for the detergent's feed entrance in washing machines is also quite exceptional, as is the new "Never Frost" feature for drawer freezers and the "Essence" design series of built-in appliances that is on the market.

Whirlpool has collected an array of prestigious prizes from all around the world, including the International Design Forum "iF" prize for the "In Home" concept by Whirlpool Europe. Whirlpool was also awarded two prizes for innovation (Grand Prix d'Innovation) at the international trade fair in Paris: FOIRE de PARIS 2007 – receiving a special prize for its "Evolution" hood, as well as a prize for technological innovation for its "Side by Side" fridge with a built-in espresso machine.

Whirlpool representatives also won the prestigious "Innovation Management Award 2006" for innovative solutions used in products launched on the world market within the year; and on the Czech Market the company has once again dominated in the category for major home appliances in the "Good Brand 2007" contest.

### History

The history of the Whirlpool brand began in 1911 in the American town of St Joseph, state of Michigan, where the brothers Lou, Fred and Emory Upton set up a small family enterprise producing a combined electric washing machine and clothes wringer under the name of Upton Machine Co. In the same year they secured their first big contract for the delivery of 100 washing machines.

In 1916, the company started cooperating with a popular mail order catalogue then called Sears, Roebuck and Co and began full washing machine production under the brand name Allen. Demand



soon began to exceed production, but prospects of growth were put to a halt by the First World War.

Only at the end of both World Wars was the company able to return to its former production programme, and in 1947 the very first automatic washing machine was launched onto the US market. Three years later the company changed its name to Whirlpool Corporation and its range of products was soon enhanced by automatic clothes dryers, refrigerators and air-conditioning systems.

In the 1950s, Whirlpool experienced a real boom, topped off by a request from the US Air Force to solve the theoretical problem of a cosmic kitchen – where astronauts could prepare and eat food in a state of zero gravity. Later, Whirlpool contributed to the Gemini and Apollo space exploration programmes and still, today, the company develops kitchen appliances, washing machines and dryers for the US space stations.

At the beginning of the 1980s, Whirlpool Corporation entered the European market, opening its European Headquarters in Italy. It also began operations in Mexico, India, Canada and Brazil, and in late 1989 it crossed the borders of Central and Eastern Europe. The first foreign joint venture company for washing machine production was set up in Poprad, Slovakia and this plant now ranks amongst the ten most effective Whirlpool enterprises in the world.

Whirlpool CR, spol. s r.o. was incorporated in the Czech Republic in 1993 and by 1997 a wide range of home appliances from the Whirlpool brand had hit the Czech market. Amongst other things, consumers were impressed by the unique technology based on electronic sensors, offered under the name '6th Sense'. During this time, the "Crisp" feature was also introduced, allowing food to be baked in the



microwave until golden as is the case with traditional ovens. It was no surprise, therefore, that the company won "Best in Europe" in the "Trade Partners Satisfaction" competition, whose main criterion focuses on the satisfaction of trading partners.

### Product

Whirlpool sells a wide range of its products on the Czech market, including washing machines, dryers, refrigerators and fridge freezers, traditional and microwave ovens, gas and electric glass-ceramic cooking hobs, dishwashers, kitchen hoods and, recently, wine cellars and built-in coffee machines. The majority of these products are fitted with the unique patented technology called '6th Sense', which makes them quite unique.

Modern kitchen design is leading to a growing demand for built-in appliances and this dictates the unified appearance and utmost performance from all of Whirlpool's kitchen products. Such demand can be perfectly satisfied by the most recent Essence series as well as the "Gallery" series of built-in appliances. This series includes the traditional "Speed Oven", a fully automatic coffee machine, and a warming drawer; all of which have a stainless steel design and fingerprint-free surface finish.

The new generation Whirlpool microwave ovens "Jet Chef" and "Maximo" are fitted with both the '6th Sense' and "Crisp" technologies as well as the "Steam" technology which offers the most up-to-date method of steam cooking. The new Vitesse series which was launched in 2006 offers all of these appliances at a very reasonable price, providing users with all of the comfort needed for everyday life.

By the simple press of a button, washing machines fitted with the '6th Sense' technology react immediately, deciding which programme a particular textile requires. The premium models even include a feature called "Jeans" ideal for washing denim clothes. Perfect washing and sanitation are also guaranteed by the new revolutionary antibacterial "Microban" filter fitted into the detergent's feed entrance.

### Recent Developments

The majority of the 300 Whirlpool products offered on the Czech market are equipped with unique and intelligent technologies including interactive displays that communicate with their users in their native language! The Czech market has also been recently enriched by combined fridges that can be connected directly to the water mains, providing

fresh, filtered and chilled water. The new "Evolution" hood has also become a design icon, not only for exhausting fumes, but also as a special source of light and "Flat Screen" is yet another example of innovation; it is installed on the wall next to the hob, thereby saving space and improving lighting and it facilitates more efficient air filtering through its unique design.

Both free-standing and built-in dishwashers fitted with the 6th Sense technology benefits from the new "Power Clean" technology, which uses 32 spray nozzles and has a special space for dishes in the bottom tray.

Aside from its products, Whirlpool CR is also focusing on further improvements in its services. The company believes that the enhanced technical skills of its service technicians and an extended warranty period for selected products are the right steps towards a satisfied customer.

### Promotion

Whirlpool CR is involved in a number of humanitarian and sponsorship projects.

In 2004 the Company started a charitable project known as the "Children's Act of the Year", in order to encourage the younger generation to carry out good deeds, and to spread real-life stories about the acts of brave children. A year later, the Company founded the "Children's Act of the Year Endowment Fund" which now acts as the main organizer of the project bearing the same name. This project has involved 10,207 children since its incorporation – either as direct participants and authors of stories of good deeds, or as members of the children's jury, making decisions on the prize awards in the six categories: Saving Human Life, Helping the Family, Helping Other Children, Helping Other People, Nature Conservation and Good Ideas. The project is supported by Pavel Bém, the mayor of Prague, the Czech Department of Education, Youth and Sports, and the Czech Department of Health.

The company has also been co-operating with the "Drop of Hope Endowment Fund" since 2003 and through this cooperation, Whirlpool appliances worth CZK 900,000 have been helping in hospitals, social



welfare institutes, and children's homes all over the Czech Republic.

In early December 2003, the Company began a highly successful cooperation with cyclists from Hradec Králové, forming the PSK Whirlpool team on January 1, 2004. Since then, they have won a number of titles and medals, averaging around 80 to 100 a year! Whirlpool Europe also started a successful and innovative partnership with the Sony Ericsson WTA Tennis tour in 2004. For Whirlpool this association means higher brand awareness, active involvement of its customers, and broader cooperation with trading partners and other communities.

Whirlpool also provides support, either financial or by donating its appliances, to other branches of sport (sports aerobic, skiing), as well as many other cultural projects.

### Brand Values

"Sensing the Difference!" is the expression of the Whirlpool business philosophy throughout the world. The Company has already accustomed its customers to the slightly extravagant fairies, who, along with



Whirlpool appliances, deliver quality, performance, savings, comfort and beauty to our households. They also ensure that Whirlpool products are never overlooked by offering an original way of addressing the customer.

[www.whirlpool.com](http://www.whirlpool.com)

### THINGS YOU DIDN'T KNOW ABOUT:

### Whirlpool

- › Every two seconds somebody in the world buys a product made by the Whirlpool Corporation.
- › The Whirlpool Corporation is the biggest manufacturer and marketer of major home appliances in the world, with 73,000 employees and annual sales of \$18 billion. It operates more than 70 manufacturing and technology research centres around the world.
- › The company markets Whirlpool, Maytag, KitchenAid, Jenn-Air, Amana, Brastemp, Bauknecht and other major brand names to consumers in more than 170 countries.
- › Whirlpool CR has been operating on the Czech market since 1993.