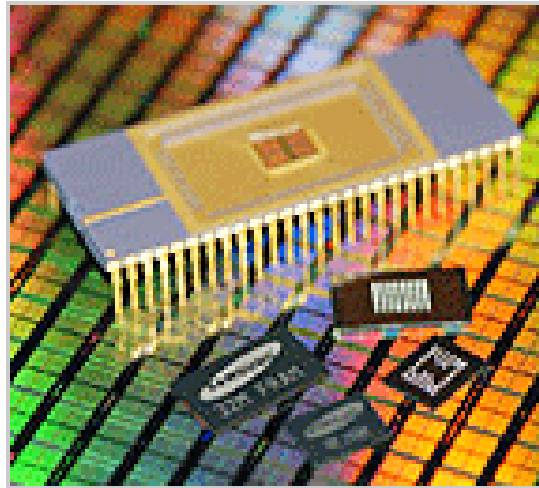
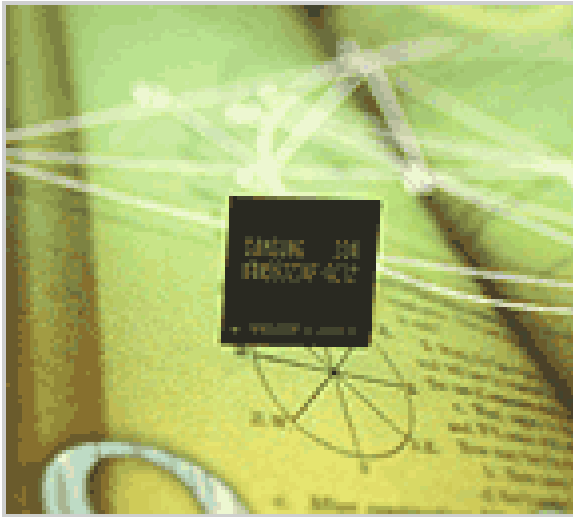


A decorative graphic on the left side of the slide, featuring a vertical black line intersecting a horizontal black line. To the left of the intersection are three overlapping squares: a blue one on top, a red one on the left, and a yellow one on the bottom right.

Samsung Electronics

By
Group 5

Timeline and History



Timeline and History

- Founding period (late 60s and early 70s)
 - Samsung-Sanyo electronics established.
 - Inexpensive black-and-white TV manufacturer and supplier. (Imitator of finished goods and subassemblies)



Timeline and History

- Industrial era in the 70s.
 - Established facilities for Monitor and Home appliance manufacturing
 - Microwave ovens began growth
- Reverse Engineering efforts began to take shape





Timeline and History

Entering the global technology marketplace in the 80s.

- In 1987, Byung-chull Lee, the founder passed away. Kun Hee Lee (Byung-chull Lee's son) was appointed Chairman and CEO of Samsung Group.
- In the late 80s, they implemented overseas manufacturing capabilities by setting up plants in many countries to service new local markets.



Timeline and History

- New management era in the 90s.
 - Asian economic crisis in 1997.
 - Strategy to face with.

Timeline and History

- Pioneering the digital age
 - In the 21 century, Samsung increase continually Research and Development (R&D) so it has been growing swiftly.





Timeline and History

- Expanded its market share in the United States, high-growth market, through collaboration and alliance with Dell Computer Corporation.



Yun Jong Yong

(January 21st, 1944 -)

Education and Career Path

Education	1988	Graduated from MIT Sloan School Senior Executive Course
	1966	Graduated from Seoul National Univ., B.A.in Electronics
Career	1999	Vice Chairman & CEO,SAMSUNG Electronics Co.,Ltd.
	1996	President & CEO,SAMSUNG Electronics Co.,Ltd.
	1995	President & CEO,SAMSUNG Japan Headquarters
	1993	President & CEO,SAMSUNG Display Devices Co.,Ltd.
	1992	President & CEO,SAMSUNG Electro-Mechanics Co.,Ltd.
	1991	President & Representative Director,Consumer Electronics Business Group
	1990	Vice President & Representative Director,Consumer Electronics Business Group
	1988	Vice President, Electronics Group
	1966	Entered The SAMSUNG Group

1997 Korea had economic crisis. Yun and nine senior manager took the following

strategies to save the company during the crisis:

- Cut costs by 30% over the next five months
- they all wrote resignation letters and pledged to resign if they failed
- reduced inventory levels
- sold nonperforming subsidiaries
- got rid of golf club memberships

[16]

Yun's Key Accomplishments:

- Profits up tenfold in 1991, to \$2.4 billion, on sales up 24%, to \$22 billion
- Share price up more than 20% in 1999 [12]
- Cemented Samsung's global leadership in the memory-chip business by grabbing nearly two-thirds of the market for NAND flash memory, a technology mainly used in removable cards that store large music and image files.
- Samsung displaced Motorola as the second-largest maker of cell phones in terms of value, but it remains No. 3 in volume. [11]



Carly Fiorina, CEO of HP, left,
Chin Dae-je, South Korea
 Information and Communication
 Minister, Seoul,
 Tuesday, **Oct. 12, 2004.** [17]

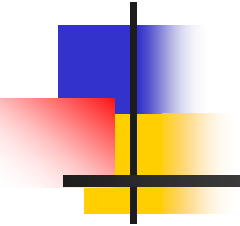
Chin was born on Jan.20,
 1952 in Euiryeong,
 Gyeongsangnamdo Province.

Education and Career Path

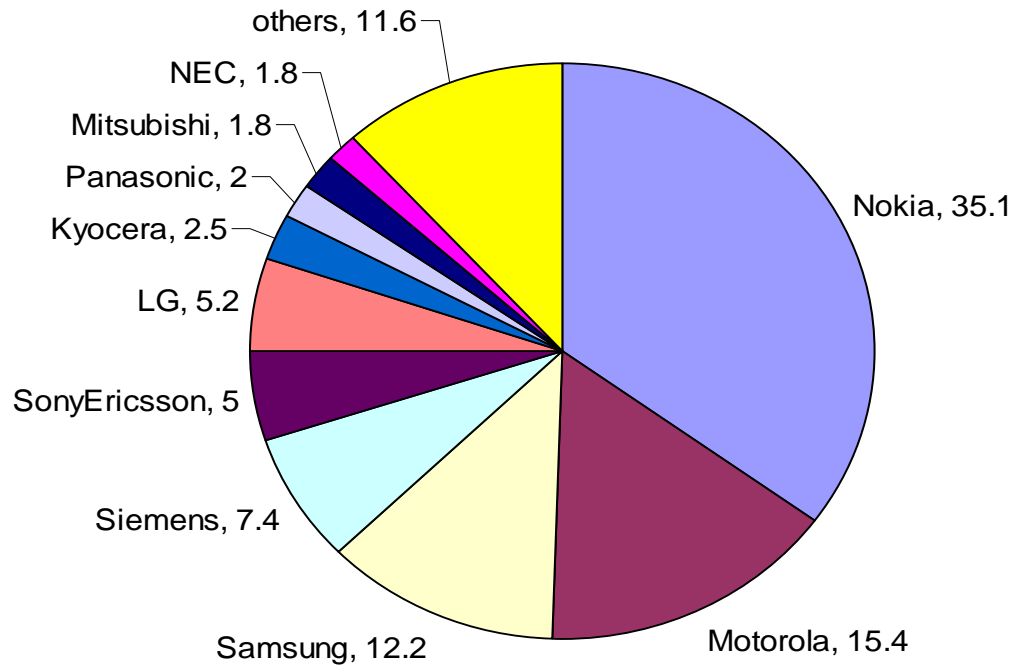
Education	1983	Ph.D., Electronic Engineering, Stanford University
	1979	M.S., Electronic Engineering, University of Massachusetts
	1977	M.S., Electronic Engineering, Seoul National University
	1974	B.S., Electronic Engineering, Seoul National University
Career	2000-2003	President, Digital Media Business, Samsung Electronics Co.
	1997	Executive Vice President, Samsung Electronics Co
	1987-1997	General Manager, Samsung Memory Business, Samsung Electronics Co.

Chin's Key Accomplishments:

- Jump-started Samsung Electronics' memory-chip business
- Semiconductor division was added to Samsung Electronics
- Was the first manager who decided to hire Koreans with American experience
- Because of him Samsung Electronics became world's leader in DRAM
- Invested in wireless communications, which became 3rd in world's cellphones sales



Market share in Percents (108.3 million cellphones sold)



Distribution of Cellphone Market (%) as
of 3rd Qrt of 2004 [14]



Mobilemag.com

Features:

Intel® Pentium® M LV up to 1.2GHz
 Windows® XP Home/Professional,
 Windows® 2000
 12.1" XGA (1024 x 768) TFT LCD
 PC266 DDR SDRAM up to 1GB
 Intel® i855GM IGD, DVMT max 64MB
 New Slim Dock or External ODD
 through IEEE 1394
 IEEE1394, S/PDIF, 2 USB 2.0
 802.11a/b, Bluetooth, 100 base LAN,
 V.90 Modem
 273 x 234.3 x 19.3/23.9 mm / 1.3Kg
Figure A13. Light laptop. [13]

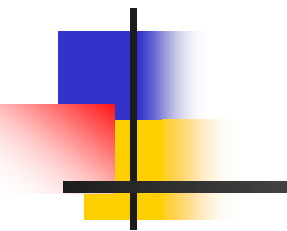
OS Microsoft Windows CE .NET (4.1)
 CPU Intel PXA250 400MHz
 Display 5 inch Transflective WVGA TFT
 LCD(800*480, 64k color)
 Memory - Flash ROM 64MB(NAND type) -
 SDRAM 128MB
 Wireless Comm. Built-in WLAN(802.11b)
 Module, Wi-Fi Certified
 Weight 250 g (include Battery & Leather
 Cover)

Figure A14. NEXiO [18]

Samsung Electronics Co., Ltd “Inventive Life” Timeline

Year	Samsung's Innovation in Technology
1990	Development of 16M DRAM completed
1991	Development of pen-based notebook PC completed
	Development of mobile phone handset completed
1992	Development of super-mini computer completed.
	Development of 1.4" color TFT LCD completed.
	Development of world's first 64M DRAM completed
	Single president system begun for more unified management structure
1995	World's first 33" double screen TV introduced
	Development of world's first 1G synchronous DRAM completed
1997	Developed worlds lightest CDMA cellular phone (137g)
	Exported world's fastest CPU(533MHz)
	Development of world's first 30" TFT-LCD completed
	Developed world's lightest PCS (105g)
1998	World's first 128M SDRAM introduced
	World's first 256M SDRAM produced
	Mass production of world's first digital TV begun
1999	Developed the world's first 1Gb DDR SDRAM
	Developed the world's fastest 1GHz CPU
	World's first to mass-produce 256-megabit SDRAM chips

2000	Develops Worlds Smallest Package for SRAMs
	Develops World First 512Mb DRAM
	Worlds First Commercial cdma2000 1X Service Imminent
	Unveils the Worlds Fastest Graphics Memory Chip
	Unveils TFT-LCD with Record-breaking Definition
2001	Develops World's first 40 inch TFT-LCD
2002	Acquires Intel Authentication for 512M DDR DRAM, for the first time in the industry
	Develops process for 70 nanometer level semiconductors
	Commercialization of 90 nanometer Memory for the first time in the world
	Develops FRAM for Mobile devices for the first time in the world
2003	Released the world's first 4G DDR Module.
	Acknowledged as the world's 3rd largest cellular phone maker in 2002.
	Selected as “the Best Cellular Phone Brand in the US” by Brand Keys.
	Released the world's first CDMA video cellular phone.
	Started the first mass production of 300mm wafer 1G DDR DRAM
	Developed the next generation P-RAM memory.
	Developed the world's first 70nano 4G NAND flash memory.
	Developed the world's first environmental-friendly HDD.
	Released the world's smallest 1G DRAM, using CSP (Chip Scaled Package) technology.
	Released the world's first DAB broadcast receiving home theater system.



Revenue Break-down by Business (<i>in trillion won</i>)					
Business	3Q03	2Q04	3Q04	Y/Y Growth	Q/Q Growth
Semiconductor	3.38	4.58	4.74	40%	4%
Memory	2.55	3.57	3.64	43%	2%
System LSI	0.44	0.62	0.63	43%	2%
LCD	1.38	2.47	1.9	38%	-23%
Telecommunication Network	3.74	4.94	4.82	29%	-2%
Mobile Phone	3.41	4.61	4.57	34%	-1%
Digital Media	1.87	1.99	1.95	4%	-2%
Digital Appliance	0.77	0.89	0.81	5%	-9%
Total Revenue	11.26	14.98	14.34	27%	-4%

Revenue for Samsung Electronics (2003-2004, quarterly) [13]

Achieving Innovation through Imitation

Inherent Risks of the Imitator Model

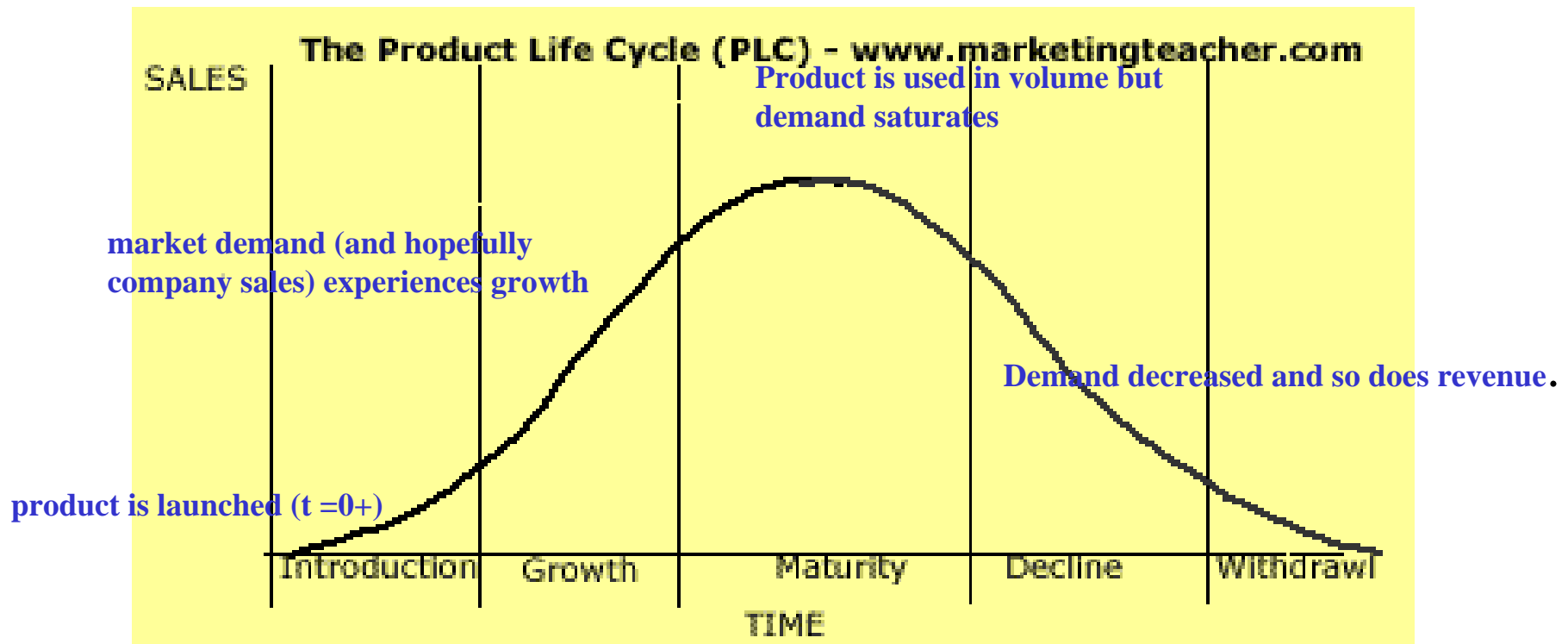
1. Awareness of products in the marketplace and/or due to enter the marketplace is continuous.
2. Need to identify the 'best-in-class' products that are targeted for production.
3. Limited Marketing efforts (front-end), always 'after-the-fact'.
4. Already Late to the market – How long is the Product Life Cycle (How long to recuperate investments and achieve return).



- ## The Product Life Cycle

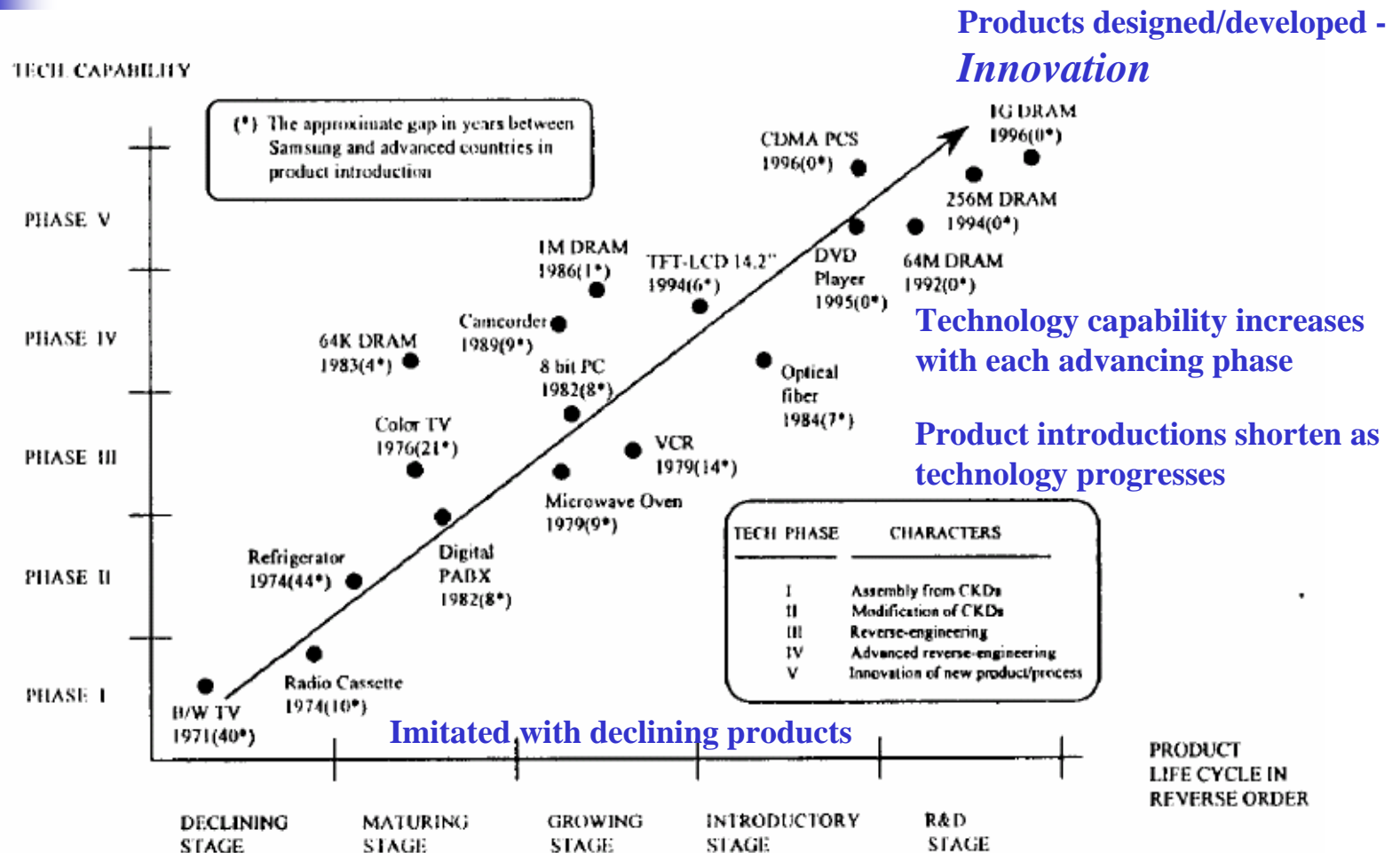
Every product or class of products can be represented by its PLC.

4 phases/stages:



Mapping Samsungs Technology Progression

(describing Innovation thru Imitation in PLC stages)



• Value Add thru Vertical Integration



{*Samsung Data Systems*}

SDS

- systems integration and business software
- Communications tools, enterprise portals
- SmartCard solutions, Graphics Viewer/editor

{*Samsung Corning Corp.*}

SCC

- designer/producer of picture tubes
- glass, coated films, touch panel tech.
- ceramics, ferrites

{*Samsung Electro-Mechanical*}

SEM

- producer of parts for consumer electronics
- multi-layer pcb's, BGA devices, tuners,
- LED's, filters, Bluetooth, yokes, transformers

{*Samsung Display Devices*}

**SDD
(SDI)**

- designer/producer of CPT/CDT's, LCD's
- TFT's

{*Samsung Electronics Corp.*}

SEC

- Semiconductors, System LSI, ASIC
- Graphics engines, DRAM/SRAM

LAPTOPS





Distribution of Technology

- What do you think of Samsung brand?
- How about 5 years ago?
- What about now?

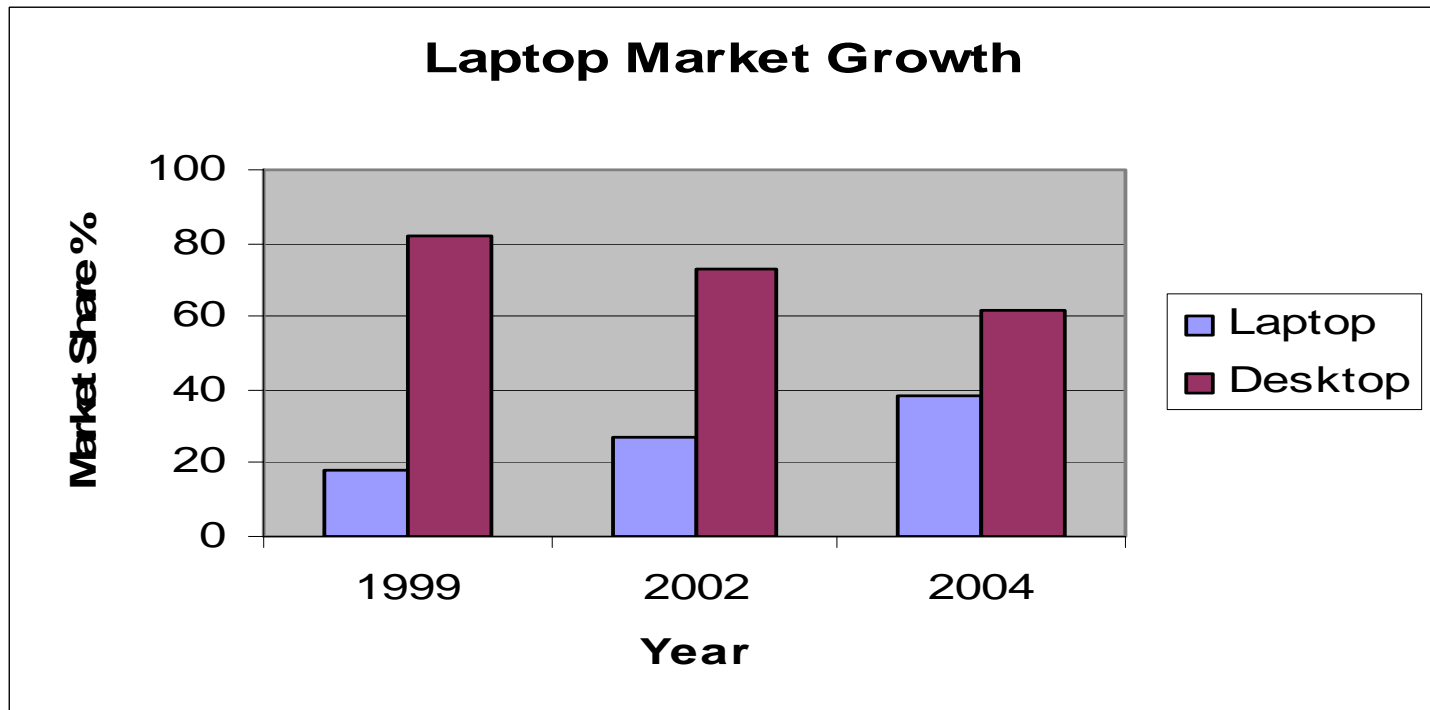


Holistic Brand Campaign

- Global brand communication strategy and single global advertising agency

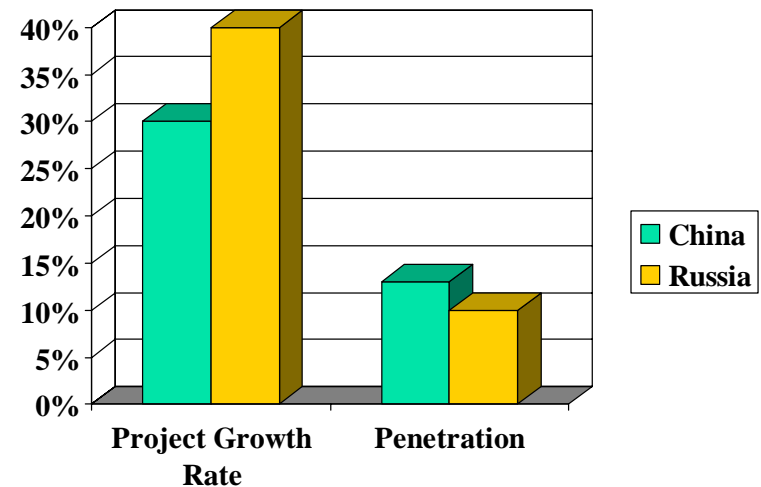
Marketing

- Laptop market growth



Selected Markets

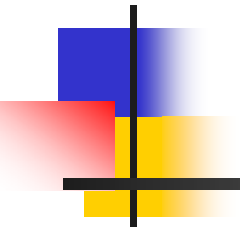
- Emerging Markets
 - UK, France, Germany, China, India, Hong Kong, Russia, Ukraine and Korea
- Less Competition
high growth rate





Future Strategies

- Vertical Integration
- Innovation through R&D
- Focus on Emerging markets
- Brand Recognition through aggressive marketing



Samsung Future Feature

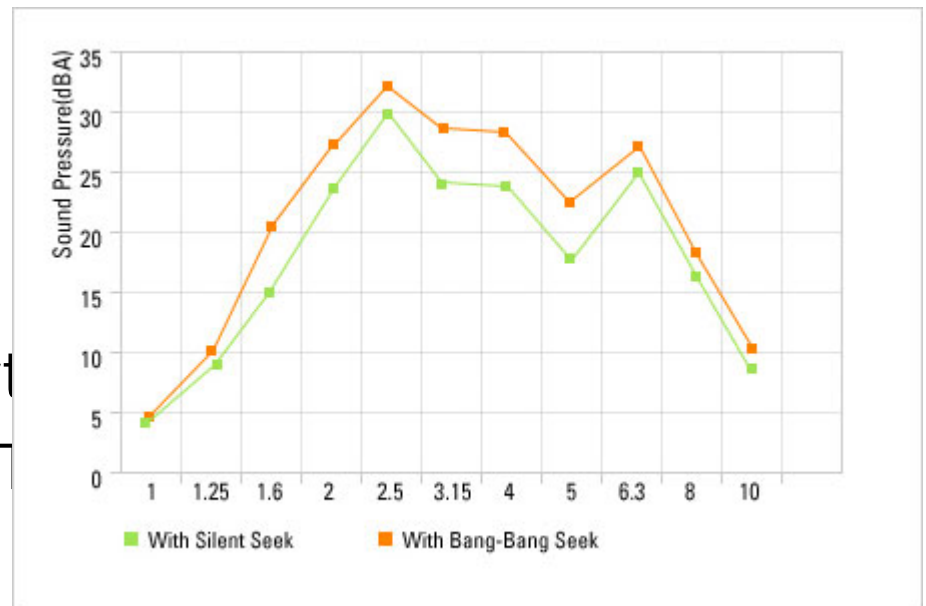
Latest Technologies

- 8 Gigabit NAND Memory
Using 60-nanometer process technology.
- Display Technologies:
 - Digital Natural Image engine (DNIE)
 - Largest HDTV-ready LCD at 4.1"
- Cell Phones:
 - 3G-ready phones (I500-Spring SGH-Z105)
 - SPH-V5400



Other Technologies

- Fastest Mobile CPU @ 667MHz (ARM1020E processor)
- Hard Drive Technologies:
 - Noise Guard
 - SilentSeek
 - ImpacGuard
 - Self-Monitoring Analysis and Report Technology (SMART)



Future Technologies

- Expected 16Gb NAND Memory by next year
- Samsung Advanced Institute of Technology (SAIT):
 - High-speed Liquid Crystal Displays (LCDs)
 - Field Emission Display (FED)
 - Plasma Panel Display as Flat Panel Displays (FPDs)
- Blu-ray
- 4G mobile communication
- Nanotechnology:
 - Cerium Oxide (Ceria)
 - Nano-silver
 - Carbon Nano Tube - FED





Questions?

- What could have been done differently and what would have changed as a result?
- Lessons Learned



What could have done differently and result?

- Sent laptop design to other companies as well
- Targeted the developed market as well
- Targeted the low end market as well
- Remained a part supplier



Lessons Learned

- An Imitator can evolve into an innovator
- Persistent strive for Innovation and ability to manage it are keys for the success of a technology company
- Properly configured vertical integration bring differentiation in technological innovation