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## The New York Times

SATURDAY INTERVIEW  
Business/Financial Desk; SECTC  
**Changing the Game With Innovations**

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1,002 words

24 May 2008

The New York Times

Late Edition - Final

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English

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CERTAINLY A. G. Lafley had his work cut out for him when he became Procter & Gamble's chief executive eight years ago. **Profits** were lackluster and the stock was way down. New product introductions had slowed to a trickle, and no more than 15 percent of those wound up making money.

Mr. Lafley quickly cut jobs, sold declining brands like Crisco shortening, and began reciting what became a familiar mantra: Innovate, innovate, innovate. These days, he said, more than half of Procter's new products are commercially successful.

Mr. Lafley still thinks **innovation** is the key to success. And he has codified that thinking in a book, "The Game-Changer," (Crown Business, 2008), which he wrote with Ram Charan, a management consultant.

In a recent conversation, Mr. Lafley elaborated on his views about **innovation** -- and on why a chief executive would become an author.

Q.You're already famous, I doubt you need the royalty money and I imagine that running P.& G. is a full-time job. Why would you write a book?

A. It was the last thing I wanted to do. But Ram said that, as long as he had access to other P. & G. people, he would only need 15 or 20 hours of my time, spread over a year and a half.

So I talked it over with Norm Augustine, our presiding director. And we decided that the book could advance P. & G.'s reputation as well as its strategy business model. So I said yes, and I'm donating any proceeds to charity.

Q.Reputation makes sense, but a strategy business model?

A. P. & G. was always really good at branding and commercializing products, but we weren't better than anyone else at that fragile front end, where the idea is created. So in 2000, we decided to stop being Fortress P. & G., and move to an open **innovation** system that could attract innovations of all stripes from the outside. We set a goal, that half of the innovations we take to market should have external front-end partners. And the book can help us attract those partners.

Q.But the book just came out. How have you attracted partners in the last few years?

A. We participate in Web networks, including one that taps our own retirees for ideas. We wanted to print Trivial Pursuit questions on Pringles, and one of these Internet networks helped us find a small bakery in Italy that knew a safe, edible way to print on baked goods.

We'll accept **innovation** help from any source, even competitors. We have a joint venture with Clorox on a press-and-seal wrap. We developed it, but it sells under the Clorox Glad brand. So we compete like crazy with Clorox on cleaning products, but partner with them on wraps.

Q.**Innovation** has become one of those words, like **sustainability**, that is so overused these days as to be almost meaningless. Why not just say invention?

A. Invention is just a new product or service. **Innovation** ties that idea to a better customer experience, and

results in increased sales and **profits**. It lets you make unlikely connections that enable you to solve wickedly hard problems. It is a team sport that uses the expertise of people from a lot of different fields.

It also means identifying your consumers and involving them early on. These days, Internet technology makes it so much easier to do that.

And it is vitally important. Consumers turned away from the first few rounds of cellphones because no one had made them intuitive to use. But Apple turned a 10-year-old technology into the iPod, because it understood what young music lovers wanted.

Q.You're putting a lot of emphasis on outside voices. What about internal **innovation**?

A. The first thing we did was open the internal **innovation** architecture. We worked on getting engineers and biochemists to work with marketing, and we got people from our different businesses to work with each other.

Each of our businesses used to do its own research. But our core technologies span businesses. We can manipulate surfaces, for example, be they kitchen counters or blouses or hair.

Gil Cloyd, our chief technology officer, and I have set up what we call communities of practice. These are networks of nanotechnologists, of biochemists, of people who specialize in packaging, and who work for all the businesses. And we have regular **innovation** reviews, where we move ideas and best practices around our 22 businesses.

Q.And yet only half of your product innovations succeed. Why isn't the rate higher?

A. I don't really want it to be. Human nature is such that, if we push our people to drive the batting average up, they'll try to hit more safely, take a shorter swing, go for the singles instead of home runs.

But we try to set milestones that innovations must meet at every step along the development process. As soon as they miss one, we allocate the resources to another product moving through the funnel. That's another difference from the old days, when P.& G. let bad ideas go too far.

Q.In your book you say you are moving Procter away from food and beverages because they have limited **innovation** potential. But I see new flavors and ingredients all the time. Explain.

A. In beauty and household products, we have access to ingredients and formulas that our competitors really can't get. But when it comes to food, the private label guys can get anything we can get.

Q.So getting back to your role as a co-author, did you really hold your input to 20 hours?

A. Are you kidding? Writing this book was my early morning and late night activity for six months.

PHOTO: A. G. Lafley (PHOTOGRAPH BY AL BEHRMAN/ASSOCIATED PRESS)

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Game development processes have undergone changes throughout the years, an observation that is true of all the participating companies. For this project, several playful innovation methods have been developed and tested. We have produced new card games for restriction-based brainstorming and contextual ideation, as well as studied the previously developed game-based tools further. The new concept of IDECARDS is introduced here and brings these findings together. 17 FINAL WORDS The Galn and GIIP projects created an ensemble of mini-studies that bring together different perspectives on game design and playful innovation. 30 Innovations That Will Change The World. Business Insider. 2012-08-15T14:49:00Z. The letter F. An envelope. It indicates the ability to send an email. An image of a chain link. It symbolizes a website link url. Ovarian Tissue Transplants Could Change Fertility. How Microbes Can Be Used To Make Energy. Commercial Space Flight And The Space Race. A Tiny Microscope That Attaches To A Cell Phone. Lab Grown Beef Could End The Food Crisis. This Miniscule Chip Could Restore Sight To The Blind. Supersonic Flight Will Get You There Quicker Than Ever. The video game industry has always been about innovation. New technology, new controls, and new experiences are to be expected. As the world moves more and more to time spent on their mobile phones, streaming services and mobile phone game playing will become an important arena for revenues, and large tech companies will look to leverage their current framework to get involved. Perhaps the most interesting change in the video game industry is the expanding demographics of gamers. With more people playing games, creating demand for more immersive entertainment, and looking for easier ways to ac These parameter-changing cultural innovations occur very rarely, but whenever one occurs, it triggers a dramatic shift towards a new cultural steady state. The smaller and more frequent punctuated cultural changes, on the other hand, are brought about by innovations that spur the invention of further, related, technology, and which occur regardless of whether the population is near its cultural steady state. Our model suggests that common interpretations of cultural shifts as evidence of biological change, for example the appearance of behaviorally modern humans, may be unwarranted. The time t