

History of philips lighting essay sample



**ASSIGN
BUSTER**

It was the incandescent lamps demonstrated by Thomas Alva Edison in 1879 that fascinated Gerard Philips, just like many other people. It made Gerard Philips start to experiment with electric light. Financed by his father - Frederik Philips, who was a banker in the Dutch town Zaltbommel, near the river Waal - Gerard managed to set up the first Philips factory, now known as Philips, the multinational electronics company.

In the first years of Philips Lighting, Gerard Philips was the man who took care of most of the jobs that had to be done. Next to the purchaser and salesman, Gerard did the developing, producing and acted as personnel officer. All these things were not enough to keep the business running. The only keyword for earning a living in the lamp business was: development. Obtaining constant quality was hard and therefore Gerard was often to be found in his laboratory.

The actual formula for Philips in the last 100 years can be said in 5 words: "Research is the driving force". This has been of great importance in Philips' existence. Philips has benefitted a lot of scientific discoveries and inventions, made by themselves or quickly adopted from others. These scientific discoveries and inventions came out in 1914. Gerard Philips started a scientific lab, which became the place of foundation of many new technologies. At this NatLab the development of X-ray tubes and radio tubes started: the basics for later divisions of Medical Systems and Consumers' Electronics.

Because in the first world war the supply of gasses and glass for the light bulbs decreased, or stopped; Philips aimed its own supplying companies, and

so, it also started the building of its own foreign production and selling organisations. This was the way in which, long before the second world war, a technological advanced and international operating commercial enterprise, which had, in 1939, 45. 000 people in service, of which 19. 000 were in Holland.

Due to the, at that time, advanced internationalisation, Philips could get through the 2nd World War, with not much “ damage”. After that, especially in the 1950s, Philips took a lot advantage of the enormous growth of the prosperity. Radios, televisions and refridgerators were sold in millions. The spectrum of activities and productsexpanded more and more with domestic appliances, radarsystems, telephone exchanges, computers, tape recorders, etc.

During the 1970s - the time that Philips had more than 400, 000 employees - the well-being grow started to come to an end, especially on the European domestic market. In consumers' electronics, the upcoming rivals from Asian countries started to have a bigger influence on the world market, and consequently on the European market. Also the technological developments in electronics started to develop very fast and they demanded much bigger investments for companies like Philips. Philips saw that it had to improve its efficiency and to make choices.

Since 1980 the concern is in a constant struggle with its existance.

Due to the heavy swing in the currency of the Dollar and the Yen, enormous achievements in the productivity of the Asian manufacturers and the “

erosion of the prices” that depends on that, causes the effect of healing and reorganisation to be brought down to zero in a short time.

Under the lead of President-Director Jan Timmers, Philips improved its productivity to 40% in the first half of the 1990s. That, in combination with the selling of certain parts of the company, was enough to survive and exist. But it was only surviving, and not more.