
R&D Centre in India

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Good Food, Good Life

Press Conference Speech

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Head of Nestlé R&D Centres, worldwide, Nestec S.A.

Distinguished guests, Ladies and Gentlemen

Good afternoon. It gives me great pleasure to see so many of you here, and to have the opportunity to share our plans for Nestlé's first R&D Centre in India.

Nestlé is, and always has been, driven by research and development. R&D provides the engine for innovation, creating product differentiation through nutrition, taste and texture—as well as through packaging. Last year, over a third of all Nestlé sales came from the new products that we launched since 2007. Our commitment to science, technology and product development gives us an R&D capability that is unmatched in the food and beverage industry.

Nestlé already has a global network of 29 R&D Centres, which together with our local application groups employ around 5,000 people. We have decided to strengthen our R&D organization by building a new facility here in India. This will bring the total number of Nestlé R&D Centres to 30 world-wide. The new centre will also support Nestlé India's growing and profitable business. This site has been chosen for its close proximity to Nestlé India's headquarters. . This proximity will help to facilitate cross-functional team work and ensure that the R&D programme is relevant and important for local consumers.

R&D India will initially be staffed by a team of about 40 scientists and engineers, and we expect this number to grow over the coming years. Most of the people who work here will be recruited locally. It is well known that India has a good reputation for its tertiary education system, which is also one of the largest in the world. Students from Indian universities account for over a quarter of the world's engineering graduates. Therefore, R&D India will benefit from being able to recruit from a rich source of local talent, especially in science and engineering.

This new centre will facilitate innovation in a wide variety of foods, including culinary, cereals, beverages, and dairy products. An important aspect of our work here will be to make good nutrition affordable. R&D India will adapt and apply Nestlé's vast experience in developing Popularly Positioned

Products, which embraces the whole value chain from the supply of raw ingredients to product distribution.

Many people in India lack key micronutrients, such as iron, iodine, zinc and vitamin A. Therefore, one of the challenges will be to find ways to fortify foods that are consumed regularly in order deliver affordable nutrition to meet the specific needs of Indian consumers.

Research on traditional Indian ingredients will also be an important part of R&D India's scientific programme. This will include work on Indian spices, milk and locally grown cereals.

And, needless to say, R&D India will develop products that give consumers pleasure and enjoyment. This is a perpetual challenge. It is never easy to enhance the sensory properties of a product that is already appreciated by consumers. There are also challenges in ensuring that taste is not compromised by nutritional improvements.

To achieve these ambitious goals R&D India will be fully integrated in Nestlé's global R&D network. It will work especially closely with the Nestlé Research Centre in Switzerland, with our R&D Centre in Singapore and with our Product Technology Centre in Germany, as well as with our centre in Marysville. R&D India will also collaborate with Universities and other research institutions in India in order to expand its knowledge-base and fast-track innovation. Therefore, today we are not only marking Nestlé's continuing long-term commitment to R&D, but also celebrating the building of Nestlé's first R&D Centre in India. The research at this Centre will provide exciting opportunities for innovation. It will allow us to offer consumers in India and beyond the choice of tasty, healthy, and nutritious products.

The planning stage of this project has been very exciting, and I am now impatient to see the building completed and the R&D programme started. I am sure that we can all look forward to seeing, and tasting, the exciting new products that will be developed here in the coming years.

Thank you

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