

LED Trends

Bill Hamilton
The Home Depot
July 18, 2012



LEDs at The Home Depot



PHILIPS



- Available for sale since 2009
- Now offer 104 LED options in-store and on-line
- Key to success is commitment to quality and partnering with world-class manufacturers
 - Conduct thorough quality testing on all LED skus
 - Mandate participation in Lighting Facts program
 - Product must meet our customer's expectations



Recent Price Changes



Philips 12.5W LED A19

2011 Retail: \$39.97

2012 Retail: \$24.97

-37%



Ecosmart 6" LED Downlight

2011 Retail: \$49.97

2012 Retail: \$39.97

-20%



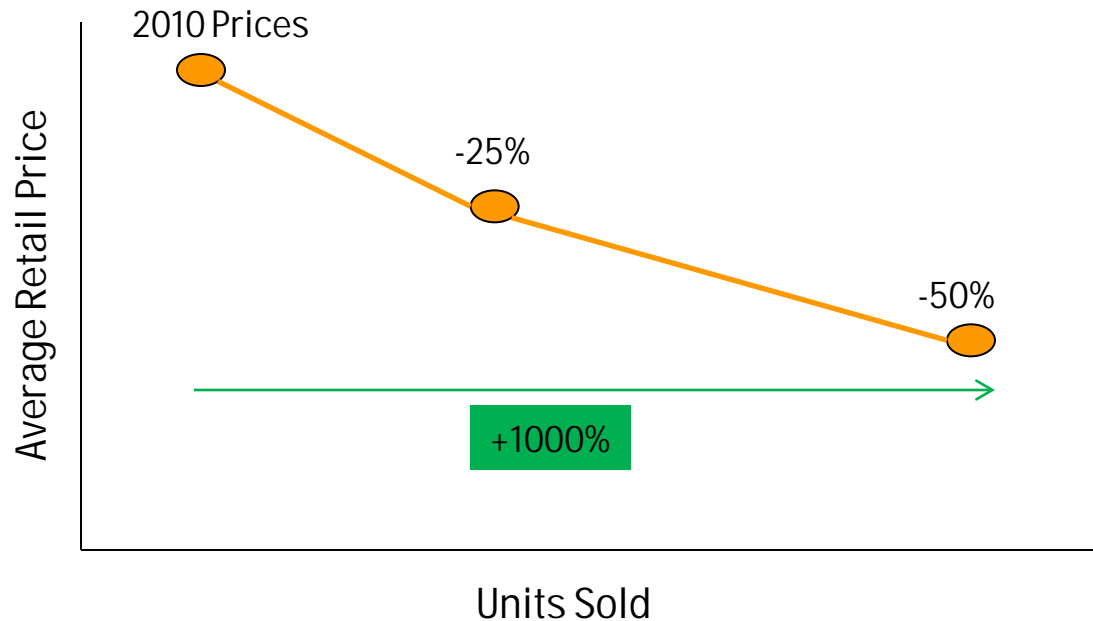
Ecosmart LED PAR38

2011 Retail: \$44.97

2012 Retail: \$36.97

-18%

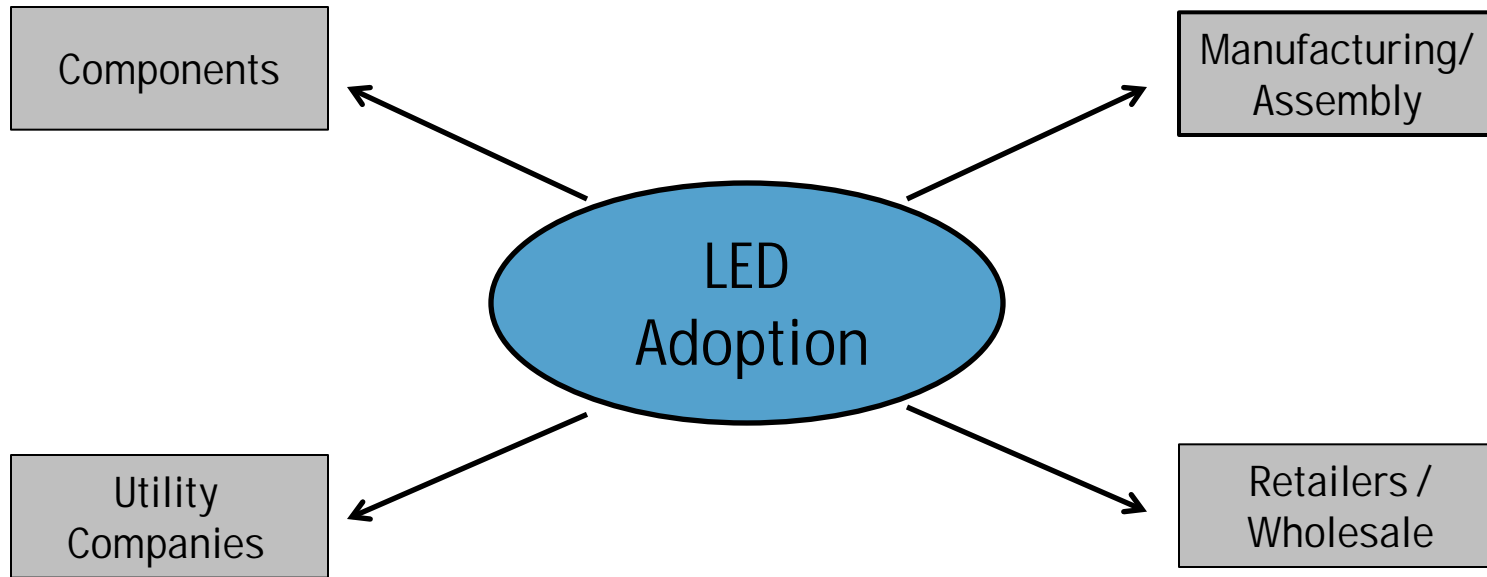
LED Performance & Price Sensitivity



*Sample basket of 6 LED skus

- No surprises – customers have responded to lower prices
- Continue to monitor at what price points LED sales move from early adopters to mass consumer segment

Keys to Future LED Pricing



- Further adoption dependent on actions of four key groups
- Product quality AND affordable pricing will determine speed of adoption – price is only one piece to the puzzle