

# *SSL Postings*

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This week, the U.S. Department of Energy (DOE) awarded the first [L Prize<sup>SM</sup>](#) to Philips Lighting North America, for its LED alternative to the familiar 60W light bulb. This remarkable achievement represents a major technology leap forward – one that that will impact our nation's energy future and help Americans save on their electricity bills.

When DOE launched the L Prize competition back in 2008, we knew at the outset that there wouldn't be a flood of entries right away. The bar was set so high that it's no quick and easy matter to engineer a product that meets the stringent requirements. We also knew that even after entries started coming in, it would be quite a while before a winner was announced, because of the extensive testing each entry must undergo. With the award of the first L Prize to Philips Lighting North America this week, that strategy is beginning to pay off in a big way.

Why? Because Philips' winning entry consumes less than 10 watts to produce 910 lumens – exceeding the light output of a 60W bulb – for an energy savings of 83 percent. DOE estimates if every socket in the U.S. were converted from 60-watt bulbs to the L Prize winner, we'd save approximately 35 terawatt-hours of electricity in one year – enough to power the lights of nearly 18 million households. That translates into a savings of nearly \$4 billion a year for consumers. We would also avoid 20 million metric tons of carbon emissions.

The 2,000 sample lamps Philips submitted to DOE in late 2009 for the L Prize competition underwent a long and rigorous evaluation

process that included [performance, stress, and lumen depreciation testing](#) conducted by independent laboratories and [field assessments](#) conducted in collaboration with utilities and other partners. The result is that in the Philips L Prize winner, consumers will have an energy-efficient alternative to the 60W incandescent lamp that's successfully passed more rigorous public testing than any other light bulb in history.

Competitions drive innovation, and innovation drives competition and choices for consumers. We're already seeing the benefits on store shelves, where the product features developed for the Philips L Prize entry are used in other products available today. Philips anticipates the winning L Prize bulb may be in stores as soon as early 2012.

As the first L Prize entrant in the 60W replacement category to meet the competition's requirements, Philips will receive a \$10 million cash prize as well as L Prize partner promotions and incentives. Philips plans to use the prize funds to invest in manufacturing and marketing the award-winning lamp here in the U.S., and to invest in further R&D to optimize production and reduce costs. The LEDs used in the lamp are manufactured at Philips Lumileds in San Jose, CA, and the bulb assembly will happen at a plant outside Milwaukee, WI. Between the production line at this site, expanded staff at the Philips Lumileds facility, and support staff, Philips expects the L Prize to create an additional 150-200 U.S. jobs.

To date, 31 utilities and other partners – many of which helped in field-testing the entry – have pledged to help promote and develop markets for winning L Prize products. All told, these partners provide access to more than 100 million potential customers, from Los Angeles to Cape Cod. DOE also will facilitate discussions between Philips and the U.S. General Services Administration about potential government purchases of the L Prize-winning product. Low initial sales volume and high development costs make new technologies expensive, and these joint efforts are positioned to bring prices

down far more quickly than would otherwise be possible.

DOE was directed to establish the L Prize competition by the Energy Independence and Security Act of 2007. Up to two additional products may be recognized in the 60W replacement category, and we've received letters of intent to submit from two other companies: Lighting Science Group and GE Lighting. DOE has now closed the 60W competition to any further letters of intent or entries.

But the real winners of the L Prize competition will be consumers, because with products that meet its stringent requirements, they'll get lower utility bills, excellent quality light, and a cleaner environment.

As always, if you have questions or comments, you can reach us at [postings@lightingfacts.com](mailto:postings@lightingfacts.com).

