Raj Rao, VP eTransformation

@nextby3M
#3Mrajrao

3M

Year-end 2012 – 3M Facts

3M is one of 30 companies in the Dow Jones Industrial Average and also is a component of the Standard & Poor's 500 Index.

Sales

Worldwide	$29.904 billion
International	$19.376 billion
65% of company's total	

Income

Net income - reported	$4.444 billion
Percent to sales	14.9%
Earnings per share – diluted – reported	$6.32

Taxes

Income tax expense	$1.840 billion

Dividends (Paid every quarter since 1916)

Cash dividends per share	$2.36
One original share, if held, is now	3,072 shares

R&D and Related Expenditures

For 2012	$1.634 billion
Total for last five years	$7.335 billion

Capital Spending

For 2012	$1.484 billion
Total for last five years	$6.328 billion

Employees

Worldwide	87,677
United States	34,746
International	52,931

Organization

- More than 35 business units, managed under these five business groups beginning in 2013:
  - Consumer
  - Electronics & Energy
  - Health Care
  - Industrial
  - Safety & Graphics
- Operations in more than 70 countries – 40 international countries with manufacturing operations, 35 with laboratories
- In the United States, operations in 30 states

Technology

- 46 technology platforms
- 8,200 researchers worldwide; 4,100 in the United States

Patents Awarded

- U.S. 527; Total 3,102

Environmental Results

- Prevented the generation of more than 3.5 billion pounds of pollutants since 1975 through completion of more than 10,000 Pollution Prevention Pays (3P) projects
- Received the ENERGY STAR Sustained Excellence Award for Energy Management

Community Citizenship/U.S. Community Giving

- 3M invests in education, social arts and environmental programs in many communities where we do business
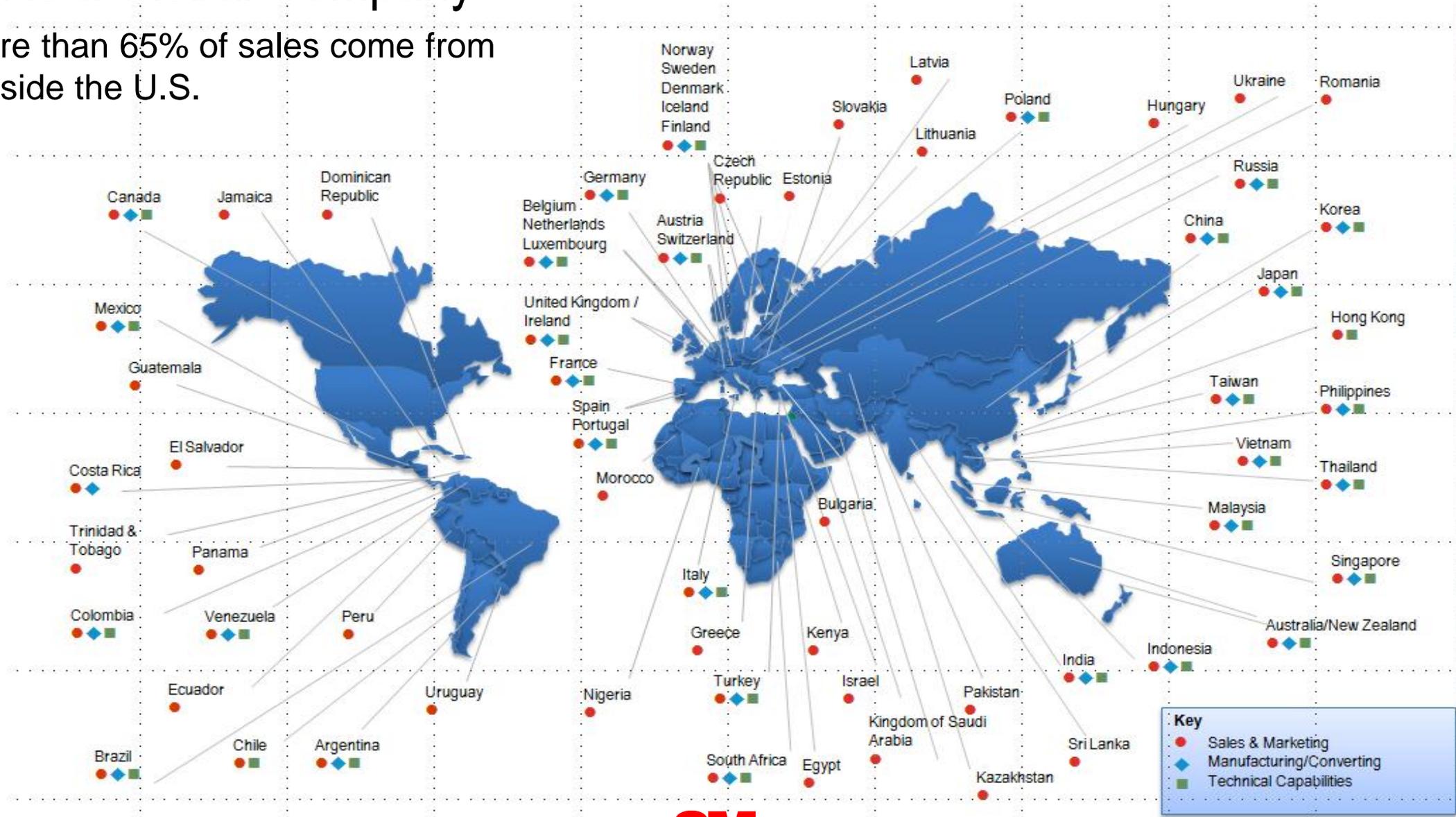- 3M and the 3M Foundation donated $56.6 million in cash and products to U.S. educational and charitable institutions

3M Advancing Every Company, Enhancing Every Home, Improving Every Life

3M is a Global Company

More than 65% of sales come from outside the U.S.

Key
- Sales & Marketing
- Manufacturing/Converting
- Technical Capabilities

3M

c.1920s

A Century of Innovation

1921
3M patented and introduced Wetordry™ waterproof sandpaper — the world's first water-resistant coated abrasive

1931
3M began producing Colorquartz™ roofing granules

1937
First successful test of reflective tape coated with glass beads.

1939
First traffic sign featuring Scotchlite™ reflective sheeting erected in Minneapolis

1945
Scotch™ vinyl electrical tape introduced

1954
RCA used Scotch™ magnetic tape to record TV programs for the first time

1969
3M products were used in the first moon walk on July 20. Astronaut Neil Armstrong left a footprint in the lunar dust in boots made from Fluorel™ synthetic rubber from 3M

1974
3M introduced Post-it® Notes, greatly enhancing office communication

1985
Academy of Motion Picture Arts and Sciences gave 3M a Scientific Engineering Award for magnetic film, improving audio capabilities of movie sound tracks

1995
3M introduced the first metered dose asthma inhaler, free of ozone depleting chlorofluorocarbons

3M receives the National Medal of Technology

1996
New products include flexible circuits for electronic products and HFEs (hydrofluoroethers), replacing ozone depleting chlorofluorocarbons

2005
3M developed Aluminum Conductor Composite Reinforced (ACCR) as a solution to thermally constrained transmission bottlenecks

2010
3M helps bring the EPA's ENERGY STAR Exhibit House to the Minnesota State Fair

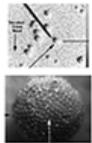| 1920s	1930s	1940s	1950s	1960s	1970s	1980s	1990s	2000s	2010s

1925
Scotch™ masking tape introduced

1935
3M's first automotive underseal coating product introduced

1947
Scotch™ magnetic audiotape introduced

1948
3M debuted its first surgical drape
3M's first non-woven product-decorative ribbon for gifts introduced

1952
Scotchlok™ electrical connectors and Scotchkote™ insulation introduced

1960
Scotch™ Brand Magic transparent tape introduced

1967
3M developed the first disposable facemasks and respiratory protection products

1979
Thinsulate™ thermal insulation introduced

1991
3M introduced Scotchshield™ window film, shatter-resistant, heat- and cold-resistant window protection

1997
Dental Products Division received the Malcolm Baldrige National Quality Award, the most coveted quality award in American business

2000
3M introduced the Vikuiti™ brand for light management products that make electronic displays easier to read

2011
For the eighth year in a row, 3M wins an award from the U.S. EPA and the U.S. Department of Energy for continuous improvement in energy management

THE GLOBAL INNOVATION 1000: MAKING IDEAS WORK

The early stages of innovation can be challenging. But Booz & Company's annual study of R&D spending reveals that successful innovators bring clarity to a process often described as fuzzy and vague.

by Barry Jaruzelski, John Loehr, and Richard Holman

Illustration by Francesco Bongiorni

Every economic downturn comes with the same refrain: The world, we're told, is losing its creative capacity, hurting our chances for a speedy recovery. Yet inevitably, when worries about innovation erosion surface, some company rises up with a great new product, technology, or service to prove the naysayers wrong. And all too often, observers simply fail to pay attention to the many companies that make successful innovation part of their regular practice — indeed, their operating model — in ways that don't necessarily make big headlines.

Those companies are the quiet stars of our annual Global Innovation 1000 study of R&D spending. As our study has consistently shown over the past eight years, there is no long-term correlation between the amount of money a company spends on its innovation efforts and its overall financial performance; instead, what matters is how companies use that money and other resources, as well as the quality of their talent, processes, and decision making. Those are the things that determine their ability to execute their innova-

Company	R&D Spending		
	2011, $US Bil.	Rank	As % of Sales (Intensity)
1 Apple	$2.4	53	2.2%
2 Google	$5.2	26	13.6%
3 3M	$1.6	86	5.3%
4 Samsung	$9.0	6	6.0%
5 GE	$4.6	30	3.2%
6 Microsoft	$9.0	5	12.9%
7 Toyota	$9.9	1	4.2%
8 TIE P&G	$2.0	72	2.4%
8 IBM	$6.3	17	5.9%
10 Amazon	$2.9	48	6.1%

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Raj Rao
Vice President, Global eTransformation

Digital Innovation, Commercialization & Transformation

eTransformation Excellence

customer experience
vision

strengthen competitiveness through 3M.com with world class customer experiences on desktops, tablets and mobile devices

»programs

Pillar Owner Kim Beach
Customer Experience Manager

Multi-Channel Digital Experience Framework
Vision: Boost customers with a coherent, coordinated and effective experience across all digital touchpoints. Build high satisfaction at 5 global levels.

3M.com Templates and Reusable Components
Vision: Gain efficiency, enhance global reach, reduce cost, enable data-driven optimization and shift from site building to assembly by compiling a library of page templates and UI components for 3M.com.

Optimize Customer Experience
Vision: Create an impeccable customer experience. Establish the Customer Experience Management Program, improve assets across 3M.com and m.3M.com, optimize processes, tools and playbooks.

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content excellence
vision

deliver tools and best practice processes for deploying high quality digital content, including customer generated reviews and online videos

»programs

Pillar Owner John DeMarco
eTransformation Content, Process & Optimization Manager

GPIM Staged Deployment
Vision: Jump-start growth by developing a global deployment and demand plan that maximizes business value delivery. Deliver high-quality digital content to critical business systems for product content.

GPIM Data Architecture
Vision: Define global product data architecture for GPIM, manage relationships across all systems, data types and outputs. Harmonize elements corporately and across businesses.

Remove GSDB Migration Barriers
Vision: Transition to GPIM. Connect all downstream systems, harvest GSDB, and minimize business risk and dual maintenance. Completely embrace GPIM as the only destination for product content.

Optimize Processes, Organization and Data Governance
Vision: Define GPIM workflows to support the product lifecycle and all outputs, within a cross-functional, global organization of 3M.

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customer online engagement
vision

establish leading edge online functionality through world class online customer engagement, lead management and website construction

»programs

Pillar Owner Tim McElroy
Customer Online Engagement Program Manager

Customer Support and Social Engagement
Vision: Enhance brand loyalty through state-of-the-art online customer support and extensive social media engagement. Drive sustainable growth, value and revenue for 3M.

Global Development Centers and Processes
Vision: Boost productivity, quality and efficiency by establishing a consistent, global process and regional centers for completing 3M.com website and mobile requests.

Platform Functionality and Cloud Based Services
Vision: Construct an acclaimed global web platform using Best of Suite content management and display. Include cloud-based services, social integration and other essentials.

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eCommerce
vision

achieve world class capability in eCommerce with robust shopping cart functionality and order management processes

»programs

Pillar Owner Jeff Hoogerhyde
eCommerce Manager

Direct eCommerce Front End
Vision: Make shopping and check-out a breeze, increasing traffic and conversions. Give customers a shopping cart on any 3M.com page that's easy to add/modify/delete in EWCD.

Integrate SAP Direct Commerce Roadmap
Vision: Maximize direct revenue and customer satisfaction by connecting direct commerce stores with SAP commerce roadmap. 3M.com provides a filtered view of personalized content.

Directed eCommerce (Where to Buy)
Vision: Reach higher levels of direct commerce revenue by ensuring that all 3M products are easy to find and purchase, both online and locally.

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operational excellence
vision

achieve operational excellence through analytics and governance via business insights through web analytics, search optimization and KPI reports

protect the corporation and improve business process efficiency

»programs

Pillar Owner Russ Vander Wiel
eTransformation Program Manager

Drive Satisfaction Via Actionable Insights
Vision: Think like the customer. Improve satisfaction by providing a tool to generate meaningful insights that drive the best product and best practices. Create a better user experience, repeat customers and increase revenue for 3M.

SEO Excellence
Vision: Increase traffic to 3M.com by improving position in search through best practices that are globally consistent yet localized where appropriate.

Legal Compliance, Assurance and Risk Management
Vision: Reduce exposure to 3M.com by creating a risk management plan that complies with all external laws and regulations. Ensure it's globally understood and applied.

Digital Standards Compliance and Governance
Vision: Develop sites that are fully compliant with internal policies and standards. Institute checks to move up product pages into the views customers from an auditor when appropriate.

Playbooks and Best Practices
Vision: Author consistent playbooks or programs with help from SME's with specialized practices. Easy to understand and optimize, accessible. Mobile, portable documentation for all stakeholders.

2012 THE YEAR IN REVIEW

HOW THEY FIND US

Visits from search engines in 2012

29.5Million

PSSST

3.1Million
Say social media is the primary influencer for their visit

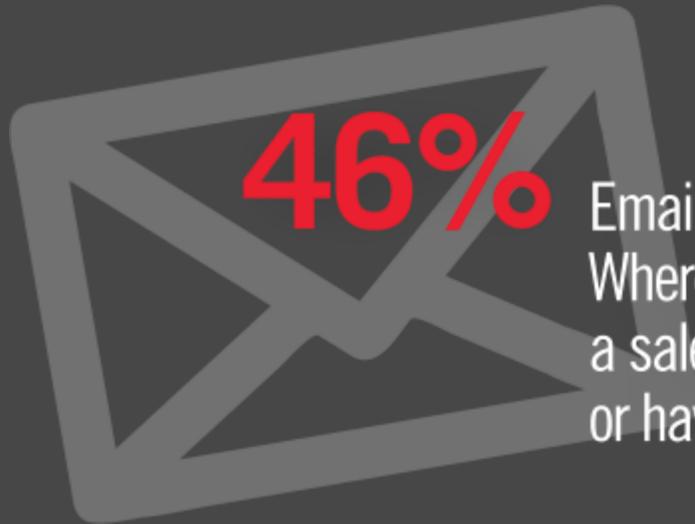Search engine **traffic** from non-U.S. search engines

81%

THEY LIKE ME

Popularity Contest Winner
3M Occupational Health & Environmental Safety division had highest visit volume

3M

594,032
Emails received from visitors

BUT THEY ALSO WANT ANSWERS

46%
Email from visitors who want Where-To-Buy information, are a sales lead, need a price quote or have other sales requests

YOU HAVE
294Billion
NEW MESSAGES

Estimate of email messages traversing the planet every day

2012 **THE YEAR IN REVIEW**

Sylvan Goldman invented the shopping cart in 1937

3M

THEY'RE DETERMINED TO BUY

7.65Million

Visitors intend to buy online or find an off-line purchase location

24%

ADD TO CART

Visitors who prefer to purchase directly from 3M online

33% iPhone most popular mobile device for visitors

Growth in mobile traffic since 2010

623%

Online/Technology   Mobile   Creative   Global Issues   Humanity
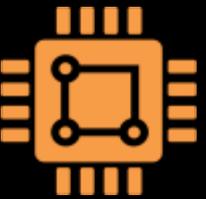
Mobile

The Future Of Mobile

How Mobile Phones Combat The Spread Of Global Disease

Turn Any Surface Into An iPhone Keyboard

My Walletless Month

New App Sends Smells Via iPhone
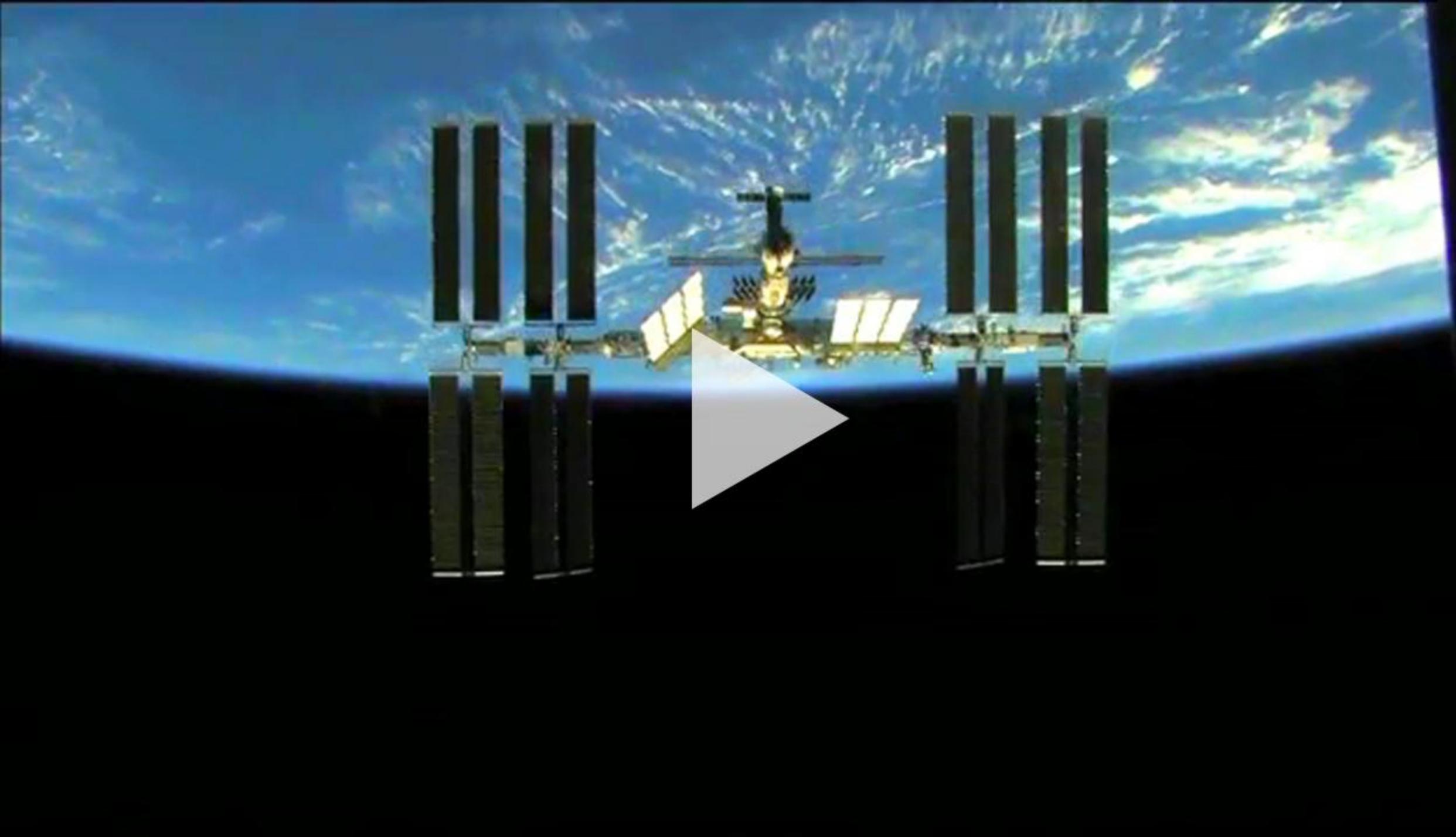
3M Visualize
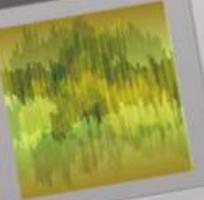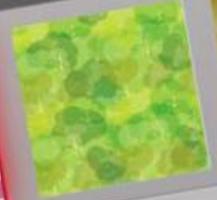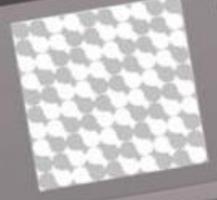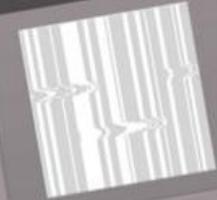
SoLoMo – Mobile Sales Management Application

Empower and energize the 3M enterprise through 'real-time' data-points and connectivity.

Digital Innovations
Inspired by Conversations with Always-on Customers

Design Innovations

Inspired by Conversations with Always-on Customers

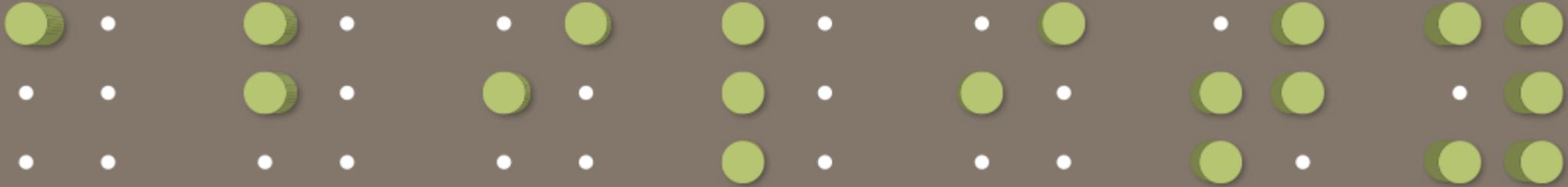# The New Digital Ecosystem ...

Continuous

Open

Collaborative

Stay Inspired and Connected

Visit go.3M.com/inspire and join the What'sNext LinkedIn group

Post what inspired you at today's event

Watch for an email from the group to receive our limited-edition book, *Encourage, Inform, Impact, Inspire*