

Why do you think Lenovo is positioned to grow and win?

Lenovo will grow and win by excelling in innovation, superior customer satisfaction and operational excellence. We are committed to innovation that delivers great performance and a lower total cost of ownership for customers, not just a lower purchase price. We are already number-one in key measures of customer satisfaction. And, our teams are focused on improvements in the third critical area, operational excellence.

We will create the infrastructure and marketing programs needed to capture a larger share of business from our customers, which range from transaction-based small businesses and consumers to relationship-based global enterprises. We will simplify our processes to improve the speed of our end-to-end global supply chain from planning products, to the sales process, to order fulfillment, to production and delivery.

Why is operational excellence so important?

Operational excellence is key to increasing customer satisfaction and generating sustained, profitable growth. We must have the most efficient supply chain, manufacturing and distribution, to get our products to our customers faster. We will drive operational excellence in three key areas: improved operational efficiency, improved market competitiveness, and expanding our worldwide dual business model.

How will Lenovo improve its efficiency?

The action plan we announced in March has three key initiatives focused both on expense and efficiency: integrating key customer support functions, streamlining global sales and marketing, and centralizing teams where it makes sense.

Integrating key customer-support functions will give customers a simpler "one-touch" relationship with Lenovo. We are reducing layers in our sales structure, empowering sales leaders and bringing decision-making closer to our customers. Centralizing teams where it makes sense will deliver multiple efficiency, design and production benefits.

You also mentioned market competitiveness as a focus of Lenovo.

We will take success of the desktop business unit in China and use the knowledge and experience to inject more excitement into the desktop marketplace around the world.

We will build on the leadership functionality and value of our flagship ThinkPad notebooks in our relationship customer business. And, we are only beginning to tap into transaction customers, such as small- and medium-sized businesses, with our new Lenovo 3000 and selected ThinkPad models.

I am also excited about opportunities in our newly established Services, Software & Peripherals business unit. The added value and profitability that options bring can have a tremendous effect on our business.

Marketing is an important part of competing. During your tenure as CEO, Lenovo has launched new advertising for the Think family and also, launched the Lenovo brand worldwide.

We are taking actions to establish Lenovo as a compelling worldwide brand. ThinkPad's image and reputation remain strong and, importantly, overall awareness of Lenovo is increasing. We're diversifying our initiatives, with exciting new campaigns on the Web, expanded public relations and corporate social initiatives and sponsorships, all designed to build recognition and trust for Lenovo and its brands.

What about business partners?

We are absolutely committed to our channel partners for serving our transaction customers and for fulfillment of our large enterprise customers. At the same time, we will continue to provide end-users who prefer to buy directly with the means to do so.

Looking forward, what are you most excited about?

"New World. New Thinking." is Lenovo's new advertising and marketing theme. I want it to become our mantra inside the company too. "New World. New Thinking." means taking the best thinking from our legacies, discarding outmoded thinking, and then driving brand-new thinking in the company.

Our company will delight our customers. We will build global brands, known everywhere for innovation, high quality, and great service. With customer success and operational efficiency comes profitable growth. We will be the company that others admire, point to, and try to emulate.



William Amelio President and Chief Executive Officer