

Gary S. Calabrese, Ph.D.
Vice President and Chief Technology Officer
Rohm & Haas

Biography

Dr. Calabrese earned his bachelor of science in Chemistry from Lehigh University, and his Ph.D. in Inorganic Chemistry from the Massachusetts Institute of Technology. Dr. Calabrese began his industrial career at Polaroid Corporation in 1983 as a research chemist. Two years later, he joined Allied-Signal at its Massachusetts-based Allied Health and Scientific Products Division as a research group leader. His interest in the high growth markets of electronics and semiconductors led him to the Shipley Company in 1989. In 1994, Dr. Calabrese was named Shipley's North American director of Engineering, responsible for scaling up manufacturing processes for new products, customer technical support and plant engineering. He returned to research in 1997 as global director of R&D for the Microelectronics Materials business, and was named vice president and chief technology officer for Shipley two years later, which is now known as Rohm and Haas Electronic Materials. Dr. Calabrese became the first director of Rohm and Haas Company's new Emerging Technologies Group in 2002, a department focused on uncovering step-out innovations and technology platforms for new products. He was appointed a vice president of Rohm and Haas and the company's chief technology officer in early 2003.



ROHM AND HAAS COMPANY

imagine the possibilities™

Innovation @ Rohm and Haas

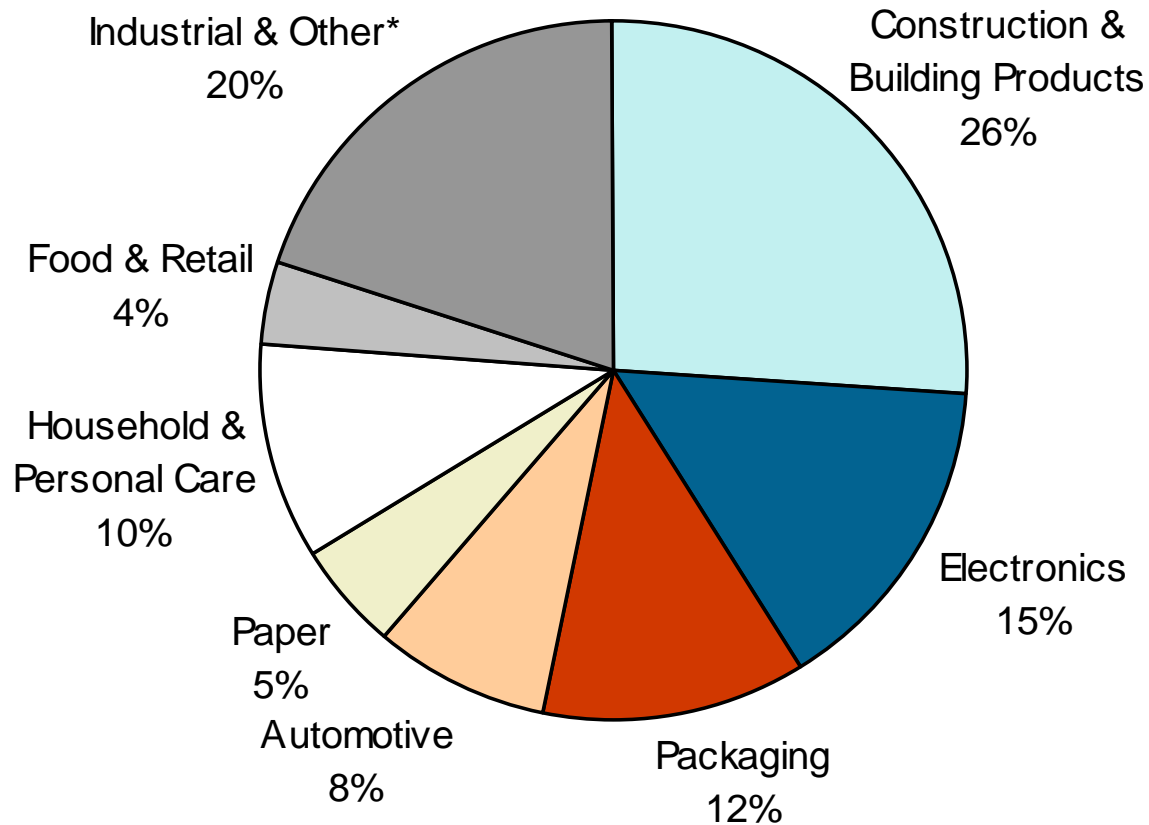
Dr. Gary S. Calabrese
Vice President
Chief Technology Officer

Who We Are

- A specialty materials company with sales of ~\$8 billion
- Focused on delivering technically advanced products and services to customers in more than 100 countries
- Approximately 17,000 employees
- More than 100 manufacturing sites and technical centers around the world

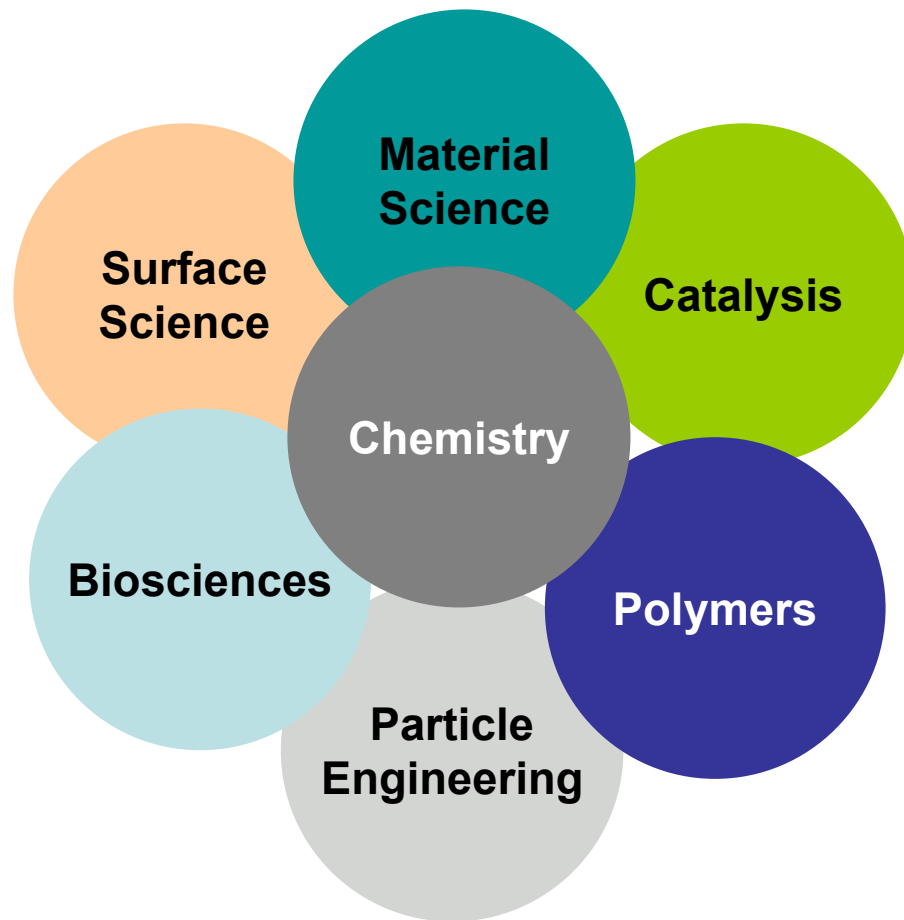


Markets We Serve



** Industrial and Other includes monomers, biocides, healthcare, paper*

Our Products Draw from Many Disciplines



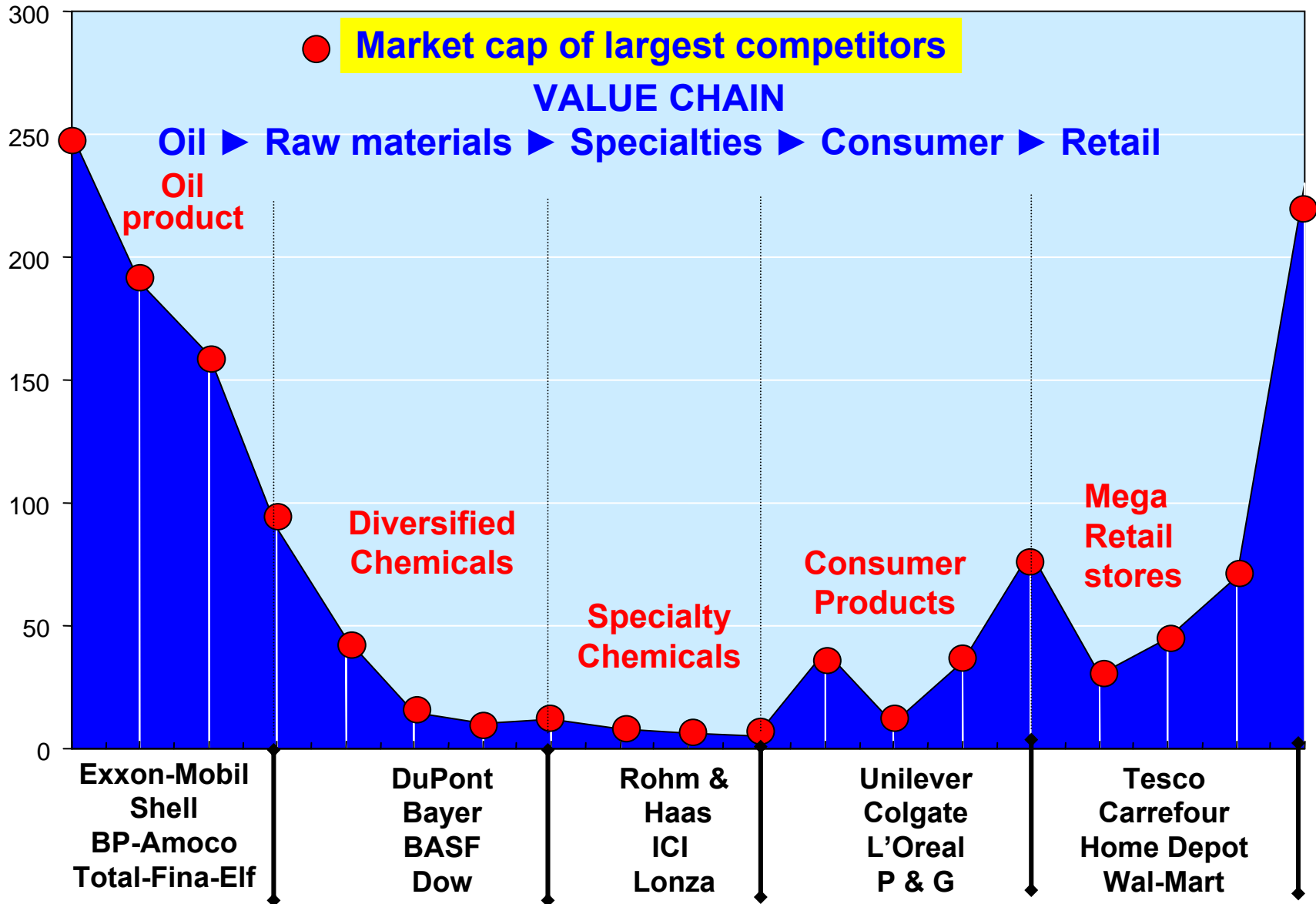
The Challenge for the Future



Profitable Growth

Why this is Hard!

(in billions of dollars)





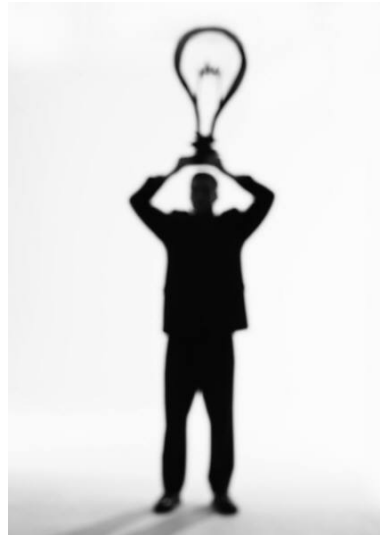
**We Must
Decommoditize Chemistry
Through
Innovation**

What is Innovation?

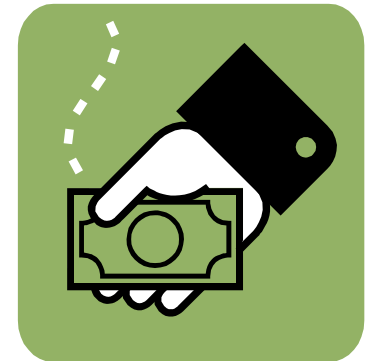


Want, Need, Desire, etc

+



Idea or Invention



Something of Value

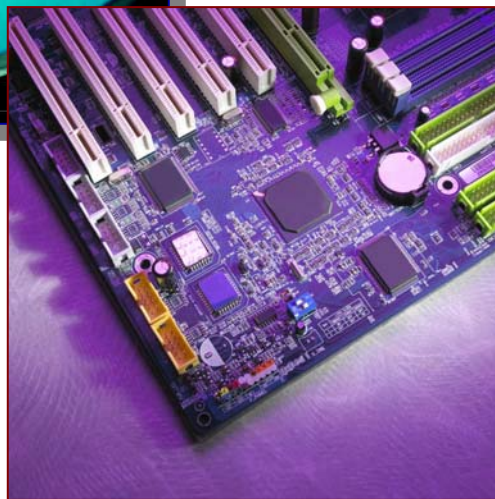
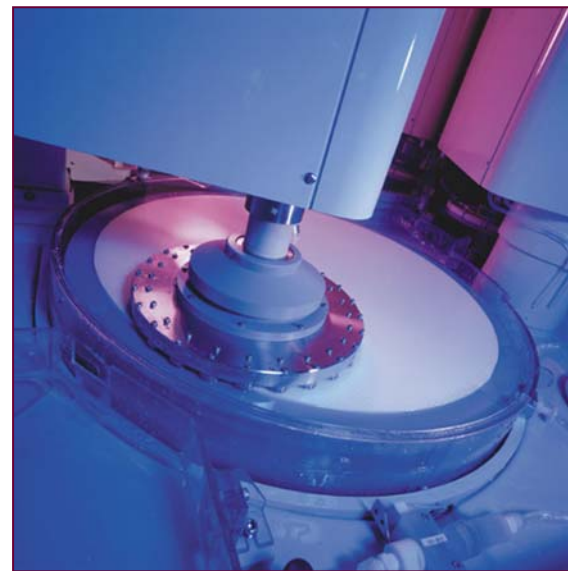
In other words...a valuable invention!

Many Types of Innovation

	Current Applications----->		New Applications----->	
	Current Customers	New Customers	Existing	Emerging
<p><i>Levels of Innovation</i></p> <p>Current Product Technology and/or Minor Extensions (Existing molecules/materials used with minor changes in formulation or manufacturing processes)</p>	Product A Product B Product C	Product B	Product C	Product B
<p>Significant Extensions of Current Product Technology (Significant molecular, formulation or manufacturing process inventions required)</p>	Product D Product E Product F	Product D	Product F	Product E
<p>New Technology (Technology which is new to us and/or the world)</p>	Product G	Product G	Product I	Product J

More sustainable “bang for the buck”
 In these regions, but riskier

Our Heritage of Innovation



Our Mission

“Keep coming up with cool stuff on a regular basis”



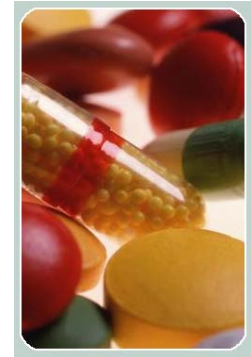
SmartFresh™



LoVo
Technology



Formaldehyde-free
Technology



Drug
Purification
Technology

The Foundation

- **Everyone** energized about growth through new technology
- **Enthusiasm** and **passion** among scientists, engineers, and technicians
- The right **leadership** and **talent** depth to execute
- Steady stream of **bold ideas** for creating new businesses



Going Beyond the Foundation

- Management involvement and intimacy
- Have a compelling vision
- Make BIG decisions
- Break down silos
- Outside-in/customer focus and intimacy



Role of Leaders

- Understand the reality
- Provide a compelling vision and resources to succeed
- Play an active role in acquiring and growing talent
- Help clear obstacles
- Cheer the troops



Executives@Rohm and Haas Spend Time on Innovation

- CEO-chaired growth board
- Frequent review of top projects
- High degree of visibility and interact frequently with members
- Provide tangible “help” on many top projects



Vision

- Need to get folks excited!

Cool iPod



everyone else's mp3 players

VS.



Boring!

- Be a \$20 Bn company by 2010
- Be #1 in our market
- Be better than the competition
- Put the quality and the customer first



Some Good Ones

SONY

“Be the pioneers with our products--out front leading the market. Lead the public with new products rather than asking them what kind of products they want.”

L.L.Bean

“Sell good merchandise at a reasonable price; treat your customers like you would your friends, and the business will take care of itself.”

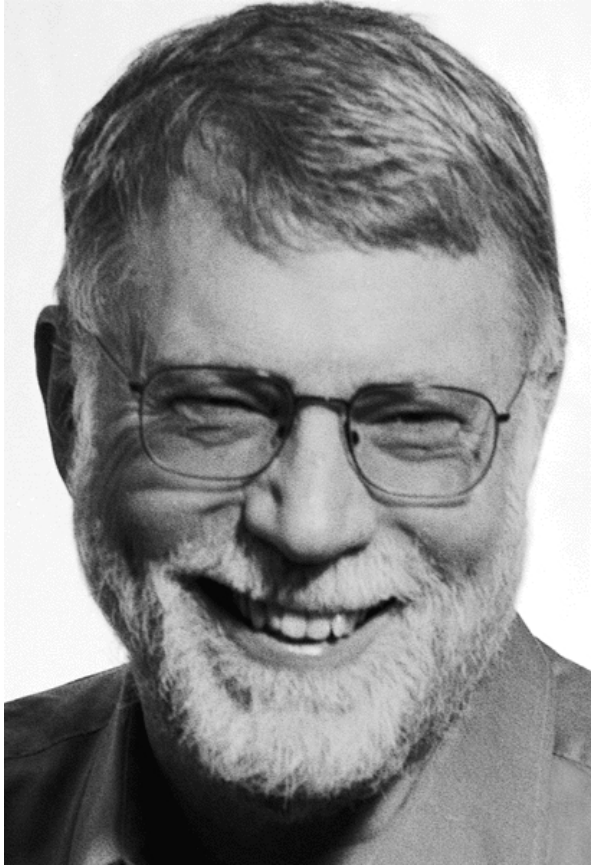
WAL★MART®
ALWAYS LOW PRICES. *Always.*

“Provide one stop shopping for people in rural areas, and overwhelm Mom and Pop stores with volume buying and discounting”

What's Ours?

*Hire the very best scientists
and engineers, and let
them solve problems that
customers really care
about*





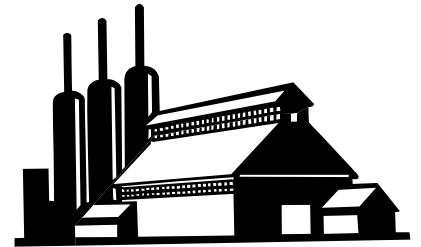
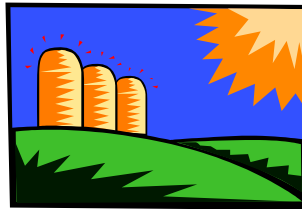
“If we only knew
what we know, we’d
be more effective”

John Seely Brown

Chief Scientist, Xerox

Silos, They're Everywhere!

- Between business units
- Within business units
- Within programs & functions



Learning What We Already Know!

- SWAT teams
- Cross-BU idea generation workshops
- In-house seminar series
- On-demand webcasts of new innovations
- CTO-hosted telecons on new technologies
- Website for technology community



Spotlight Site:
Visit the **!nVent** website



NEW!
China Research and Development Center
ChinaRDC.rohmhaas.com

My Innovate! [new profile](#)

- [Knowledge Center Home](#)
- [Electronic Subscriptions](#)
- [MicroPatent](#)
- [WROH Webcast Network](#)
- [Maps & Directions](#)
- [Collaborate](#)

ROHM AND HAAS NEWS

July 14, 2005

TECHNOLOGY COMMUNITY NEWS [archives](#)

Inventive young engineers selected to participate in NAE's 2005 U.S. Frontiers of Engineering Symposium (07/13) [more...](#)
Charlotte Technical Center receives "Carolina Star" Certification (07/11) [more...](#)

Search

ROHM AND HAAS ANNOUNCEMENTS [archives](#)

All Rohm and Haas employees accounted for in London (07/07) [more...](#)
Carter leaves Rohm and Haas; Wallace named director for EITS (07/06) [more...](#)

PRESS RELEASES & "IN THE NEWS" [archives](#)

Rohm and Haas Vice President Nick Gutwein speaks at Goldman Sachs Electronics Forum (07/13) [more...](#)
Rohm and Haas announces Second Quarter 2005 earnings release date and conference call details (07/08) [more...](#)
Rohm and Haas Advanced Materials and Asahi Glass Electronic Materials announce a joint development agreement (07/08) [more...](#)

INDUSTRY NEWS

CHEMICAL INDUSTRY HEADLINES

[all stories](#) [archives](#)



Visit the
Innovate!
Website

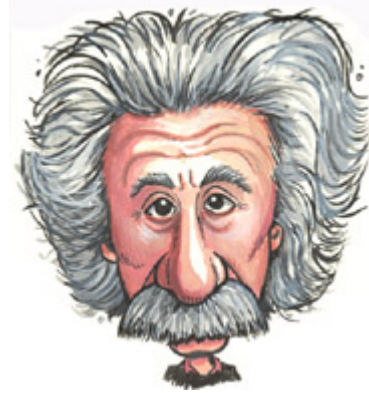
View the
Annual Meeting
Webcast Replay

Take the
5-Question
Viewer Survey

THE **Rohm and Haas**
TECH REPORT



We use the 3-C's for our “Einsteins”



- Coddle, Coach and Challenge them!
 - Responsibilities as technology leaders clearly defined
 - Make them the stewards of knowledge transfer
 - Give them special funds to encourage innovation
 - Hold them accountable by yearly review of each member outside the context of what they do in their individual business units



Big Decisions



- Kill “walking dead” projects to reassign resources
- Buy things we need
 - Companies, technology licenses
- Sell or write-off things we don't need
 - Commoditized product lines
 - technologies

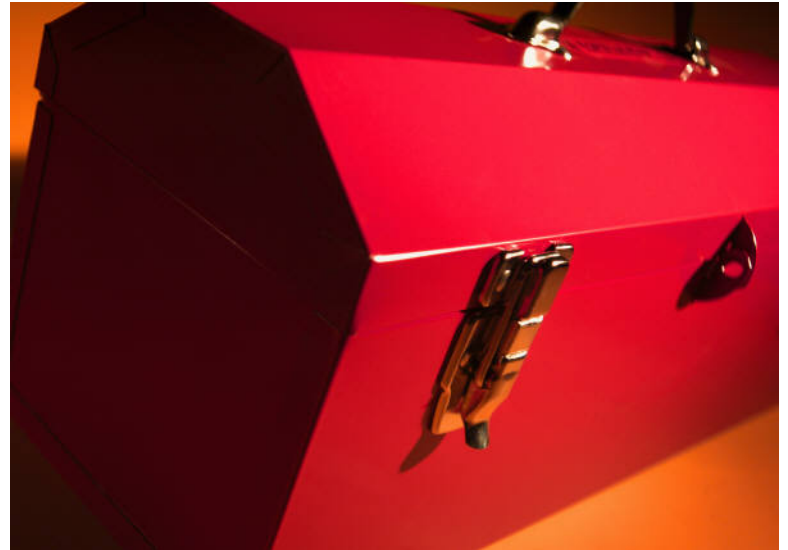


Outside-in/Customer Intimacy

- Important to have technical people engaged at the “front line”
- We must get prototypes to hungry potential customers with utmost urgency
- Talk to the customer’s customer, not just our customer!

Tools & Procedures

- Are important accelerators of innovation, but do not drive it
- Easy to spend “all your time” improving these!



Using the Computer to Cut Down on Lab Work And Get to the Right Product Faster

Business Needs

- Operational consistency, new value-added products, faster customer response

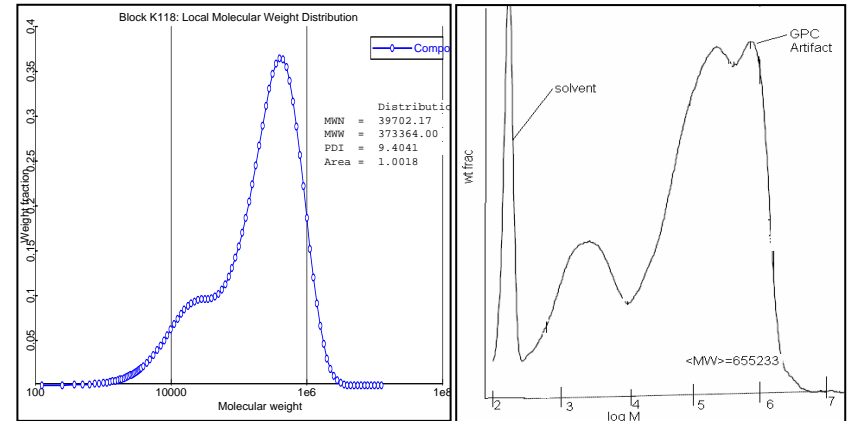
Features

- 1st principles tools – handles complex phenomena
- Scope window of operation, guide new product engineering

Advantages

- Speed time to market
- More efficient R&D, more discovery options, lower costs

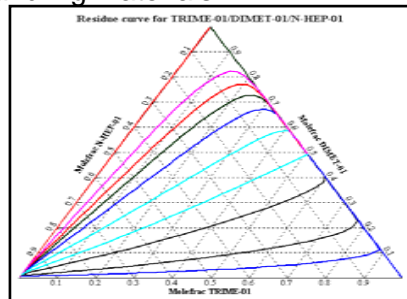
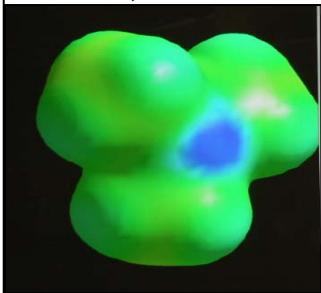
Polymers Plus – Model polymerization kinetics and product properties. Design new products, speed development and scale-up



MWD predicted vs actual

Chrom – Rigorous modeling of IX processes, design of new resins, optimization of bed operation.

COSMO – Predict VLE, electrolyte properties based on electron distribution. Speeds initial screening with limited data, reduces need for handling materials.



VLE Prediction for Metalorganic Compounds



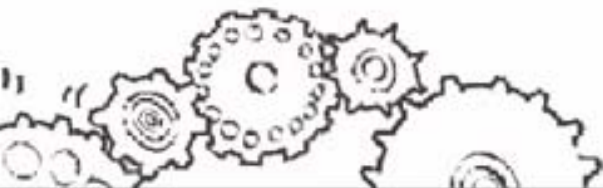
Welcome to InVent

Internal Venturing for Rohm and Haas Employees

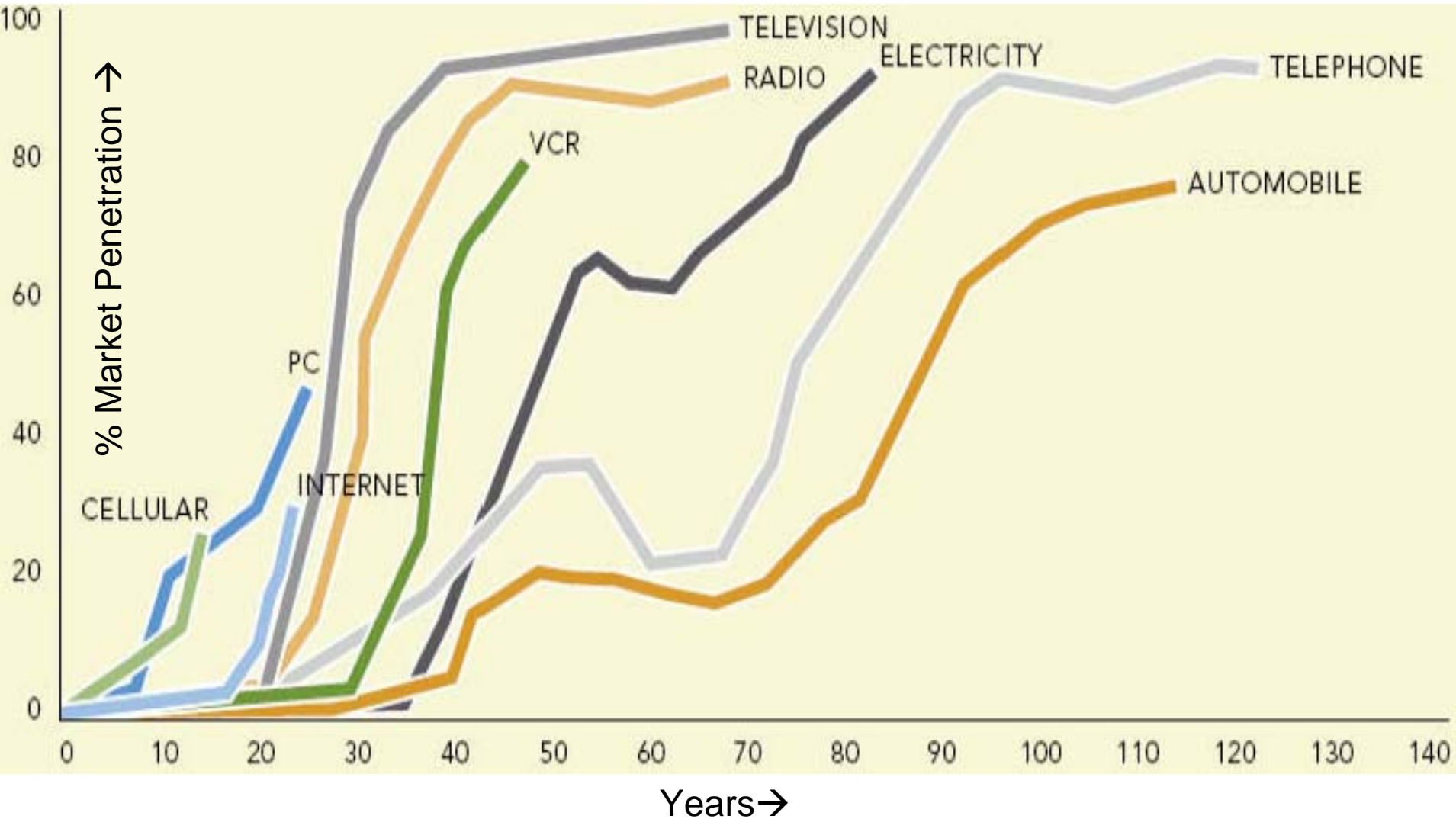
Welcome to **InVent**, an exciting new venture designed to nurture and support your innovations! Do you see ordinary products and envision extraordinary possibilities? Have ideas to improve a service or revolutionize a business? You don't have to be an inventor to **InVent**!

Submit your ideas and insights to **Invent** by downloading a submission form which may be completed away from the site at your convenience. The brightest new ideas will then be selected for development into brilliant new innovations. All contributors will receive an **InVent** pen, glowing green with the power of your ideas, as a token of the **InVent** team's appreciation. Ideas chosen for development will be further rewarded, gaining recognition, exposure, and the potential to revolutionize the way business is done! Contributing to **InVent** provides you with a unique opportunity to be a part of the evolution of innovation.

-  Success Showcase
-  Aspiring Inventors
-  Innovation Tools
-  Submit Ideas
-  Markets

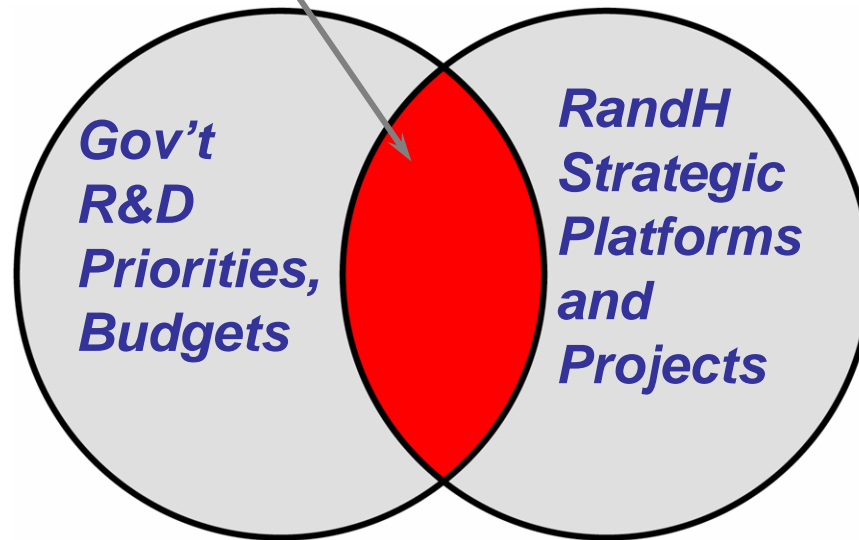


Why? Because we have less time!



Technology Partnerships: Leveraging External Resources to Accelerate Our Programs

*Find, Create and Leverage
this intersection*



Press Release

RODEL PARTNERS WITH NANOPHASE TECHNOLOGIES TO DEVELOP AND MARKET NANOPARTICLES IN CMP SLURRIES FOR SEMICONDUCTOR APPLICATIONS

June 26, 2002 - Phoenix, AZ - Rodel, Inc., an innovator of integrated materials for the microelectronics industry, today announced a strategic partnership and exclusive long-term supply agreement with Nanophase Technologies Corporation (Nasdaq:NANX). Under the terms of the relationship, Rodel will combine its patented chemistries with Nanophase's new nanoparticle technology to develop and market new chemical mechanical polishing (CMP) slurries for the semiconductor industry.

Press Release

SHIPLEY COMPANY AND SAMSUNG ELECTRONICS TO DEVELOP NEW 193NM PHOTORESISTS

December 20, 2000 - Marlborough, MA - Shipley Company and Samsung Electronics Company, Ltd. have launched a research and development partnership to speed development of a leading-edge lithography process for making faster, more powerful chips. Under the multi-year agreement, the two

Rohm and Haas News Room

[News Releases](#) [In the News](#) [Media Contacts](#) [Additional Resources](#) [Company Overview](#)

Rohm and Haas Company Awarded \$3.75 Million Grant to Develop New Technology for Low VOC Paint and Coatings

Spring House, PA, October 18, 2004 —Rohm and Haas Company (NYSE:ROH) has been awarded a \$3.75 million grant from the Department of Energy's (DOE) Industrial Technologies Program to develop new polymer technologies that can remove as much as 30 percent of raw materials used to manufacture a variety of paints and coatings.

Working together with Archer Daniels Midland (ADM), the University of Minnesota and DOE, Rohm and Haas will match its novel water-based polymeric binders with new biomass-derived coalescing agents to deliver architectural paints and coatings that offer breakthrough performance, environmental friendliness and cost efficiencies.

Partnerships



U.S. Department of Energy

Energy Efficiency and Renewable Energy

Industrial Technologies Program

Bringing you a prosperous future where energy is clean, abundant, reliable, and affordable

Featured Partner

Allied Partner

Rohm & Haas Company

Press Release

DUPONT I TECHNOLOGIES AND SHIPLEY ANNOUNCE JOINT DEVELOPMENT AGREEMENT TO PRODUCE 157 NANOMETER PHOTORESISTS FOR THE MICROELECTRONICS INDUSTRY

January 15, 2001 - WILMINGTON, Del., and PHILADELPHIA, Pa., - DuPont Technologies and Shipley, a wholly owned subsidiary of Rohm and Haas Company, today announced that they have signed a joint development agreement to produce fully formulated 157 nanometer photoresists and anti-reflective coatings which will be used to make future generations of

Press Release

ROHM AND HAAS ELECTRONIC MATERIALS AND XAAR TO JOINTLY DEVELOP DIGITAL INKJET PRINTING SYSTEMS

June 17, 2004 - Marlborough, Massachusetts and Cambridge, Massachusetts
Rohm and Haas Electronic Materials today announced a joint development agreement with Xaar plc. The companies are working together to develop digital inkjet printing systems for the electronics industry.

Press Release

3M AND RODEL ANNOUNCE ALLIANCE TO MARKET AND DEVELOP POLISHING SYSTEMS FOR SEMICONDUCTOR AND MEMORY DISK PRODUCTS.

Alliance Will Lead To Rapid Commercialization and Development Based On Rodel's Market Leadership and 3M's Advanced Technologies.

February 19, 1999 - St. Paul, Minnesota and Phoenix, Arizona - A new alliance

Innovation Ventures - News

Innovation Ventures (MLP) announces a \$5 million dollar investment from Rohm and Haas Company
Philadelphia, PA - July 2004

Rohm & Haas Company (NYSE:ROH) announced today that it made an investment of \$5 million in Innovation Ventures, L.P., a newly established venture capital firm.

Innovation Ventures is a
chemicals and materials
information technology

Rohm and Haas News Room

[News Releases](#) | [In the News](#) | [Media Contacts](#) | [Additional Resources](#) | [Company Overview](#)

Rohm and Haas News Room

[News Releases](#) | [In the News](#) | [Media Contacts](#) | [Additional Resources](#) | [Company Overview](#)

SHIPLEY COMPANY AND THERMA-WAVE ANNOUNCE ADVANCED NANO-METROLOGY JDA

Marlborough, Massachusetts, December, 19, 2002 - Shipley Company, a world leader in electronic materials and process innovations for advanced circuit board technology, semiconductor manufacturing and advanced packaging today announced it signed a joint development agreement with Thermo-Wave, Inc.

DOW CORNING AND ROHM AND HAAS FORGE STRATEGIC ALLIANCE

~ An Exciting Alliance Between Industry Leaders ~

Joint Press Release From Dow Corning And Rohm And Haas

MIDLAND, MI and PHILADELPHIA, PA, October 20, 2003 - Dow Corning Corporation and Rohm and Haas Company today announced the formation of a strategic alliance that will create innovative materials and services to address

unm
med



NEWS RELEASE

Rohm and Haas Company 100 Independence Mall West Philadelphia, PA 19106-2399

Rohm and Haas Company and Engelhard Corporation Awarded \$5.2 Million Grant to Develop New Technology to Produce Acrylic Acid from Propane

Spring House, PA, and Iselin, NJ, December 2004—Rohm and Haas Company (NYSE:ROH), with support from Engelhard Corporation (NYSE:EC), has been awarded a \$5.2 million grant by the U.S. Department of Energy's (DOE) Industrial Technologies Program to develop a major new manufacturing process that will use propane instead of propylene to manufacture acrylic acid. The novel technology, if adopted worldwide by acrylic acid and other propylene derivative manufacturers, could save up to 37 trillion BTUs per year, eliminate 15 million pounds of environmental pollutants annually, and potentially save U.S. industry nearly \$1.8 billion by the year 2020.

Rohm and Haas News Room

[News Releases](#) | [In the News](#) | [Media Contacts](#) | [Additional Resources](#) | [Company Overview](#)

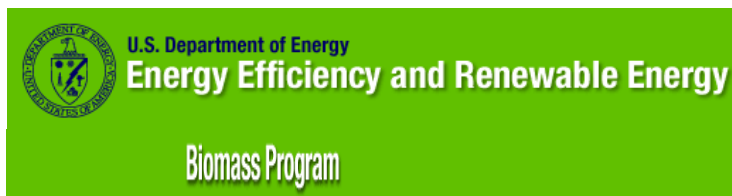
ROHM AND HAAS COMPANY BUILDS PARTNERSHIPS IN CHINA, DEEPENS COMMITMENT TO EMERGING TECHNOLOGIES

Philadelphia, PA, May 9, 2003 - Rohm and Haas Company (ROH:NYSE) has furthered its investment in and commitment to China through entering into a unique partnership with Fudan and Sichuan Universities.

According to the agreement, Rohm and Haas Company's emerging technologies group will work with these universities on patents in the development of polymer nanotechnology. Gary Calabrese, vice president and Chief Technology Officer at Rohm and Haas Company, said "Investment in nanotechnology is being

New Sustainable Chemistries: Adhesives, Foams & Elastomers

Develop a new generation of adhesives and sealants derived from soybeans and other renewable resources.



EASTMAN



imagine the possibilities™



\$2 million from DOE, plus industry cost share
2 years

New Sustainable Chemistries: *Low-VOC Coatings*

Develop novel water-based polymeric binders with new biomass-derived coalescing agents



RESOURCEFUL BY NATURE™



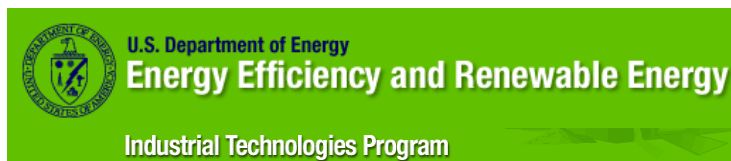
imagine the possibilities™



\$3.75 million from DOE, plus industry cost share
5 years

New Sustainable Chemistries: *Millisecond Catalysis*

Develop new catalyst technologies to produce acrylic acid from propane.



imagine the possibilities™

ENGELHARD

Change the nature of things.

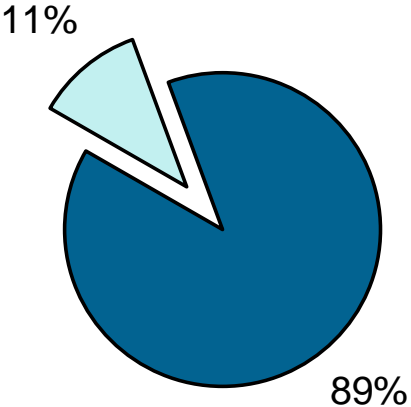
\$5.2 million from DOE, plus industry cost share
5 years

“Decades of research agree--growth ultimately means starting new businesses.”

David Garvin, Harvard Business School



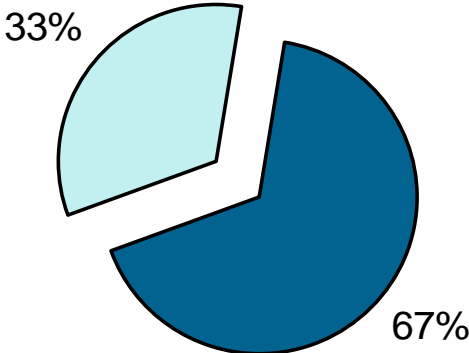
Shift to New Product Line Creation



1997

\$147 MM

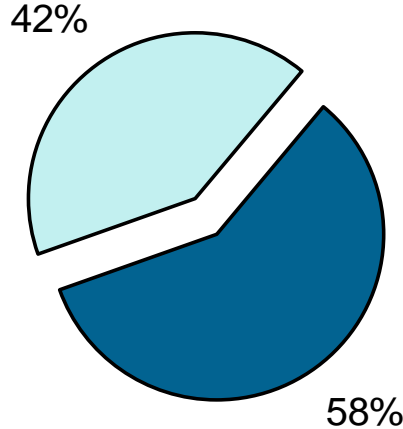
4.2% of
Sales



2000

\$223 MM

4.1% of
Sales



2003

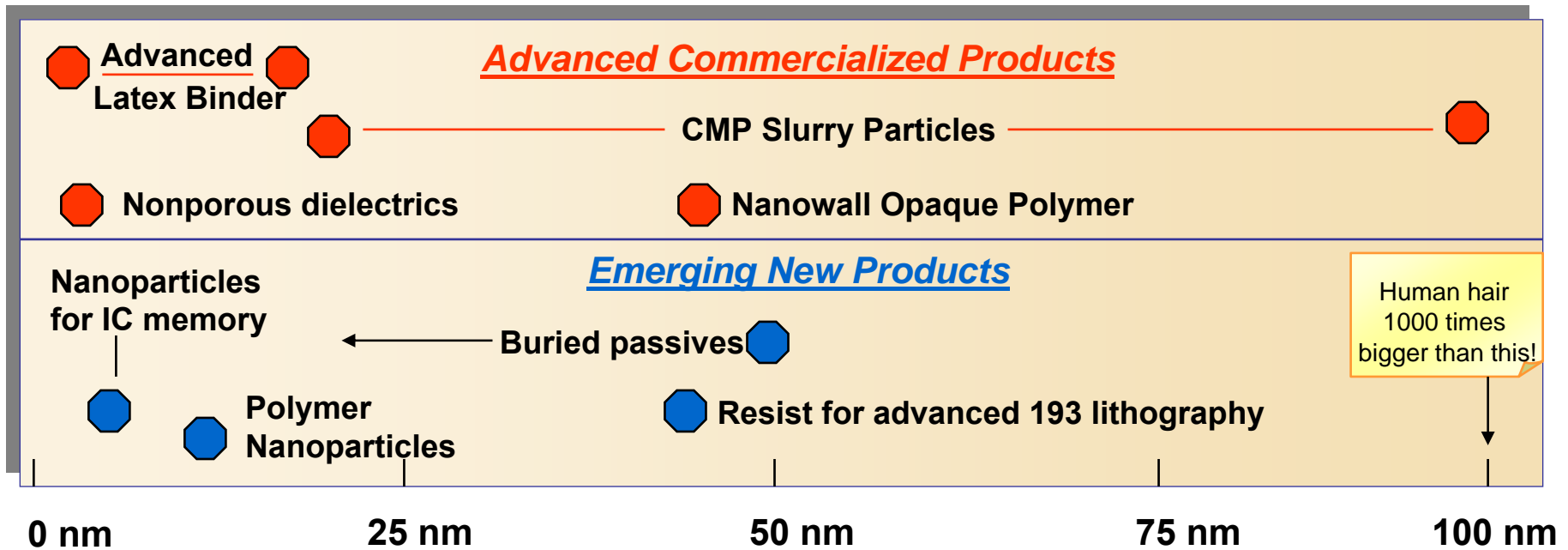
\$238 MM

4.2% of
Sales

- Spending for new products, new technology, step-out opportunities
- Regulatory, cost reduction, quality, and incremental product improvement

Statistics adjusted to remove influence of Agricultural Chemicals and Salt

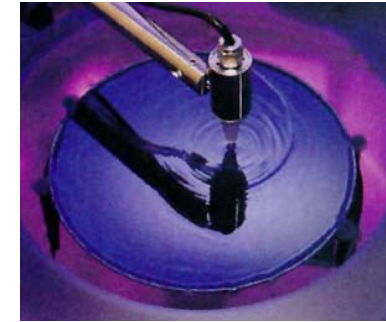
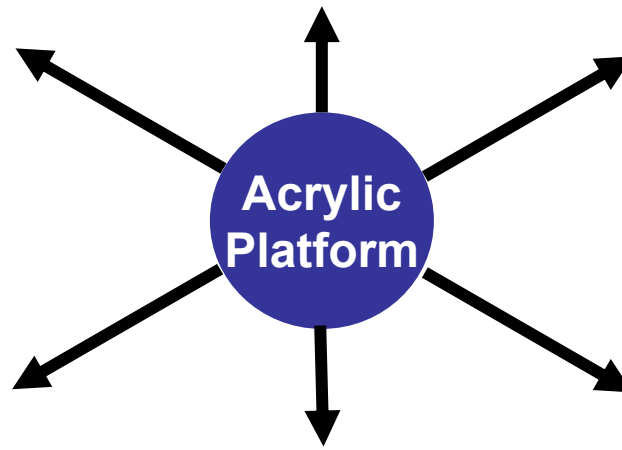
Nano is “Business as Usual” For Rohm and Haas



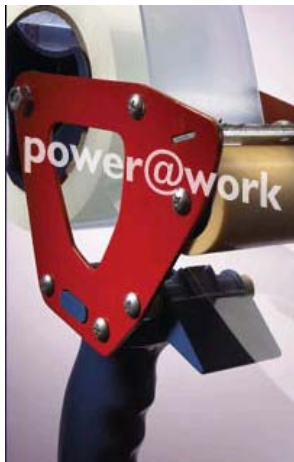
Leveraging Key Platforms for Growth



**Hollow Core
Polymers**



**193 nm
Photoresists**



**Advanced
Adhesives**



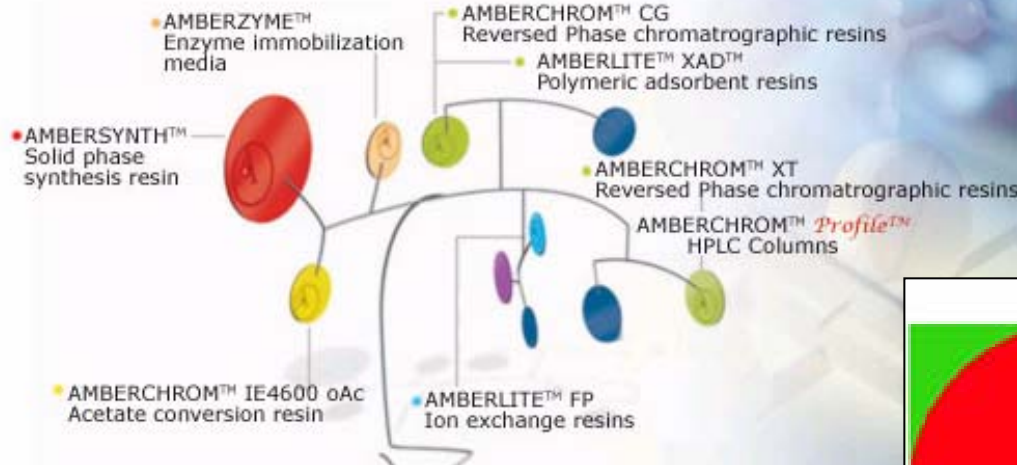
**LoVo
Coatings**



**Formaldehyde-free
Insulation**

Creating New Product Lines

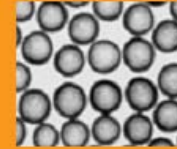
Technologies for Biopharmaceutical Manufacture



SunSpheres™ Powder

Hollow Sphere Technology

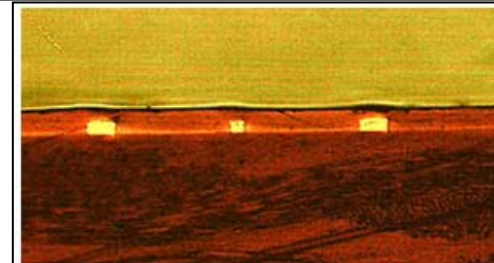
An SPF Booster with excellent product feel for Sunscreens and Cosmetics.



Bound to be beautiful—longer.



LightLink™ Optoelectronics Embedded Waveguide Technology



25 x 25 micron and 25 x 50 micron LightLink™ waveguides on FR4

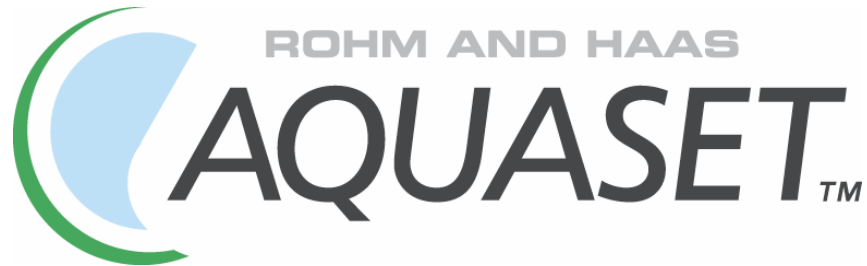
Rohm and Haas Example



Bound to be beautiful—longer.

- Creation of new product line and new business model!
- External connections were key - “brainchild” of an external “Einstein”
- Senior management was actively involved and helped secure extra resources fast enough for the team’s needs

Rohm and Haas Example

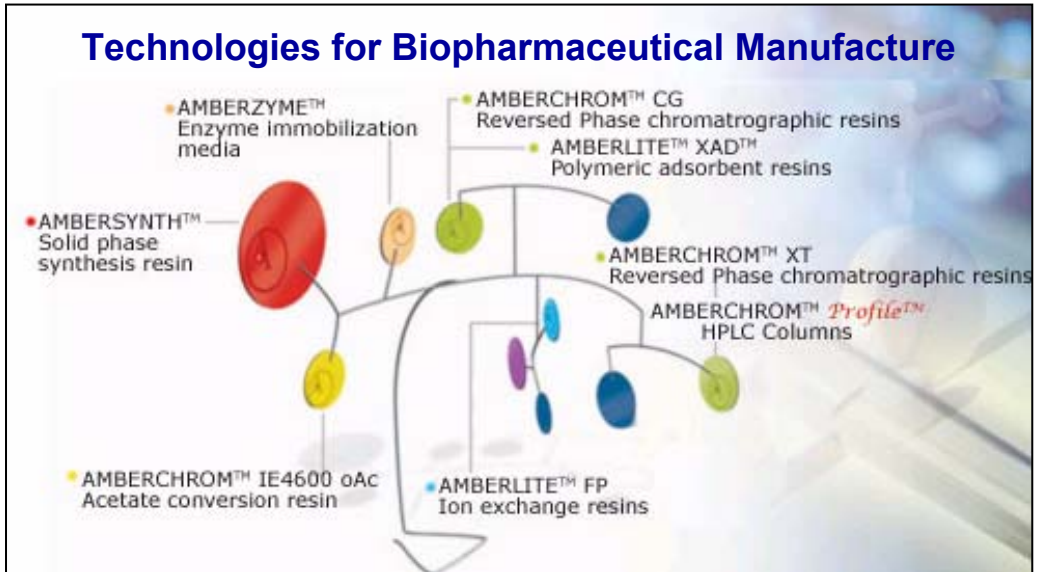


- Creation of new product line
- Lived at customer site to “make this work”
- Senior leaders actively involved in helping team to secure needed partners
- Brainchild of a Rohm and Haas “Einstein”



Thermosetting Resins

Rohm and Haas Example

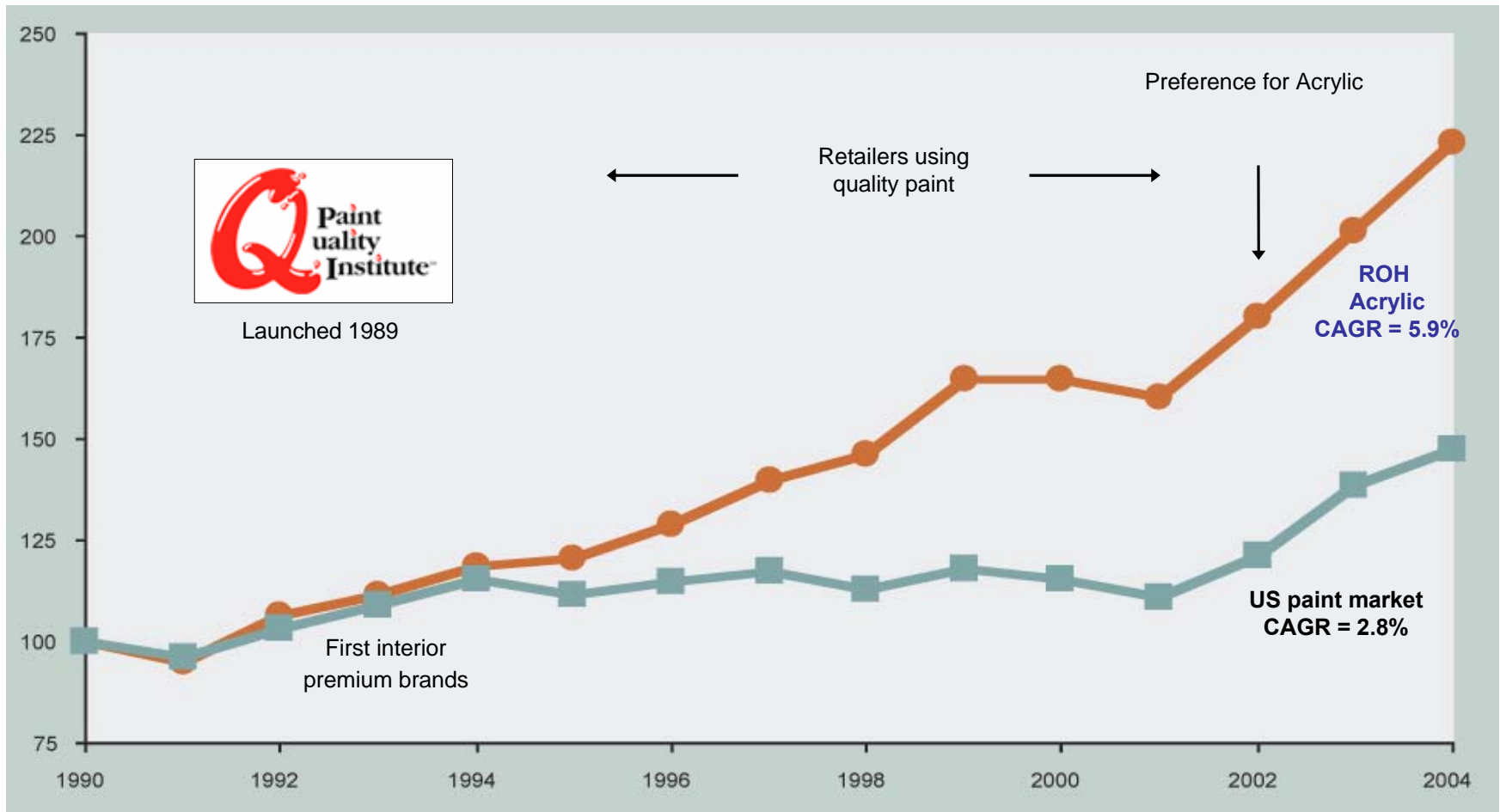


- Creation of new product line
- Tremendous number of “cycles of learning” through customer intimacy... “wormed” our way into our customer’s R&D to become the dominant design

Innovation Comes in Many Forms!

North America volume index
(1990 = 100)

Architectural Coatings North America



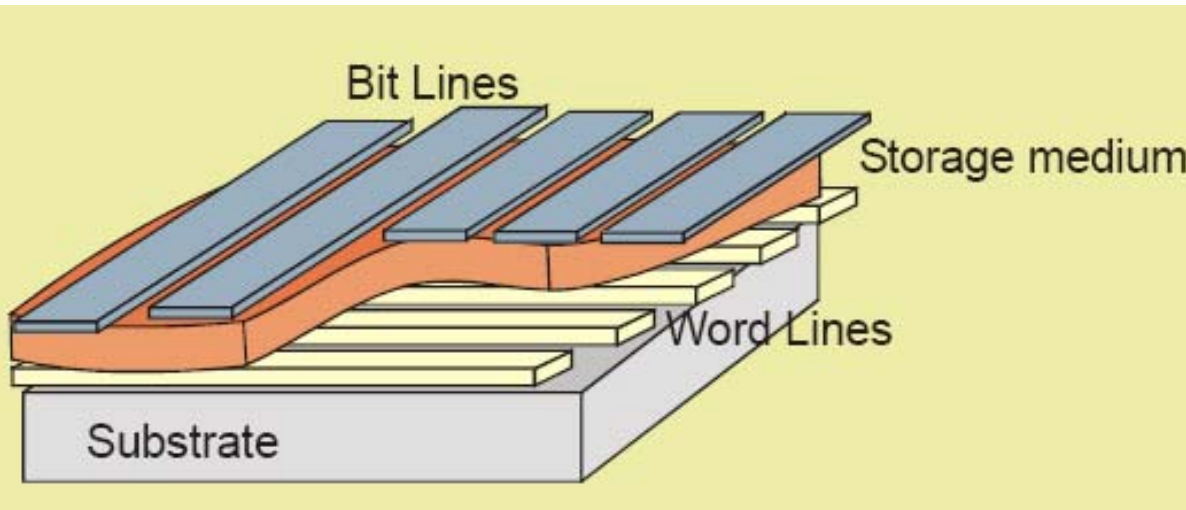
Source: US Census Bureau, Company data, 2004 is estimated

Some Trends Driving New Product Lines

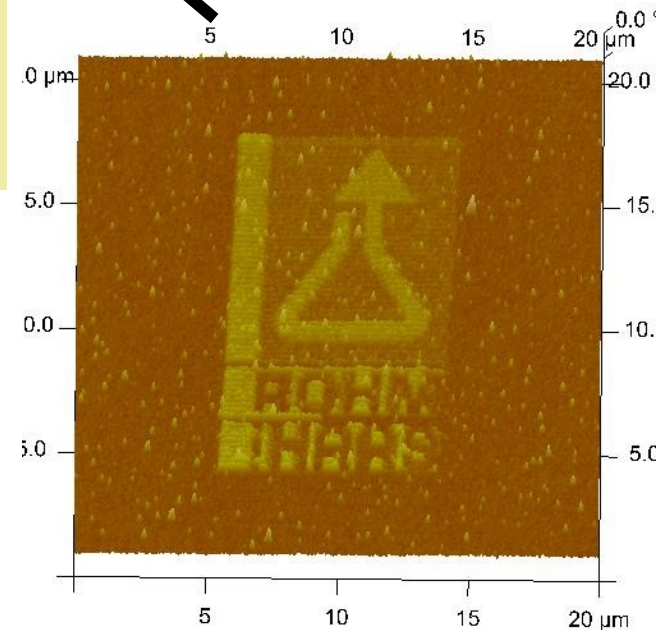
Energy (portable power,
and infrastructure)
Clean Water
Homeland security
Aging Population – Human
Health
Greener Alternatives to
today's products
End of CMOS scaling in
Electronics



Working on the Next Big Things



Advanced Polymer
Nanocomposite Memory
Storage Medium

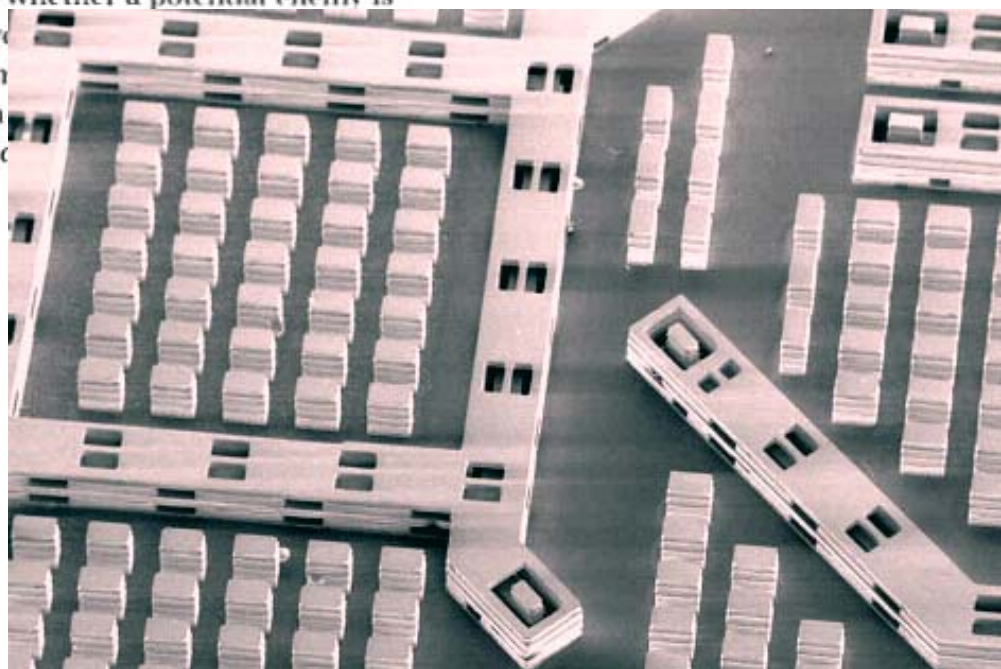


Radio Communications

Fabrication tricks promise handheld radar

SECURE WIRELESS-COMMUNICATIONS systems and sophisticated radar have transformed warfare. But manufacturing them is costly and time consuming: the delicate radio components must be connected manually, increasing the systems' size and decreasing their reliability. In an effort to make such systems smaller, cheaper, and more dependable—for example, shrinking a TV-size military radio down to walkie-talkie size—military contractors are developing a sort of “circuit board” into which designers could simply plug radio components, much as engineers lay out chips on computers' familiar green motherboards.

Many radar and radio communications systems under development use millimeter-wavelength transmissions; such systems enable long-range communications and image resolution high enough to let soldiers easily discern whether a potential enemy is concealing a gun or bomb. While some millimeter-wave systems are too bulky and expensive for widespread deployment, others are too small to be able to have things like a millimeter-wave radar on a handheld device. Kruglick, a consultant for the U.S. Defense Advanced



The Nuggets

- Innovation is key to our growth: past, present and future. Entire company energized by this!
- Our “formula for success”:
 - Recognition that we must continually create new product lines.
 - Highly involved management, right up to the top...they simply spend the time on innovation!
 - Relentless drive for customer intimacy, making important decisions quickly, and breaking down silos.
 - Coddle, Coach and Challenge the top innovators.
- We believe tools are important accelerators, but do not themselves drive innovation





ROHM AND HAAS COMPANY

imagine the possibilities™

Thank You!