



## Does Innovation Really Create Value?



EXECUTIVE SUITE  
Talking Business with Ron Insana

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### Focus on strategies, core business helps P&G progress

"Innovation has been an engine of growth for us," Procter & Gamble's A.G. Lafley says.

You might think of Procter & Gamble (PG) as a proud, old-line 169-year old consumer products company. But its stock performance has been on a five-year tear, rising nearly two-thirds in value and setting new highs while the Standard & Poor's 500 index is essentially flat for the same period. It reported net income up 29% to \$2.55 billion, topping analysts' expectations again and leaving many to wonder if this juggernaut will ever end.



**Ron Insana: How do you continue to drive growth, even as you get bigger by the year?**

**A.G. Lafley: I'd say three things.**

1. All our businesses were reasonably strong across the board. We're building market shares on two-thirds to 70% of our businesses around the world. That was obviously the main driver.
2. **We continue to Lead in Innovation.** In many regions and countries, **Innovation has been an Engine of Growth for us.**
3. **Focus.** We told everybody to stay focused on delivering on their current business plans, and if involved, **Focus on Delivering a Great Innovation.**