



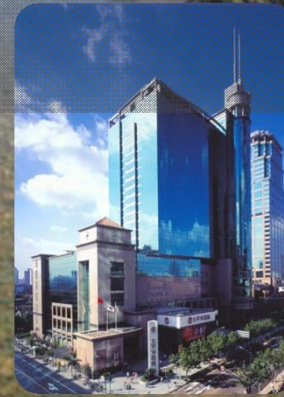
Transforming Services in the World of Life Sciences

Kirk Malloy
Vice President Global Customer Solutions

illumina, Inc.

illumina Today

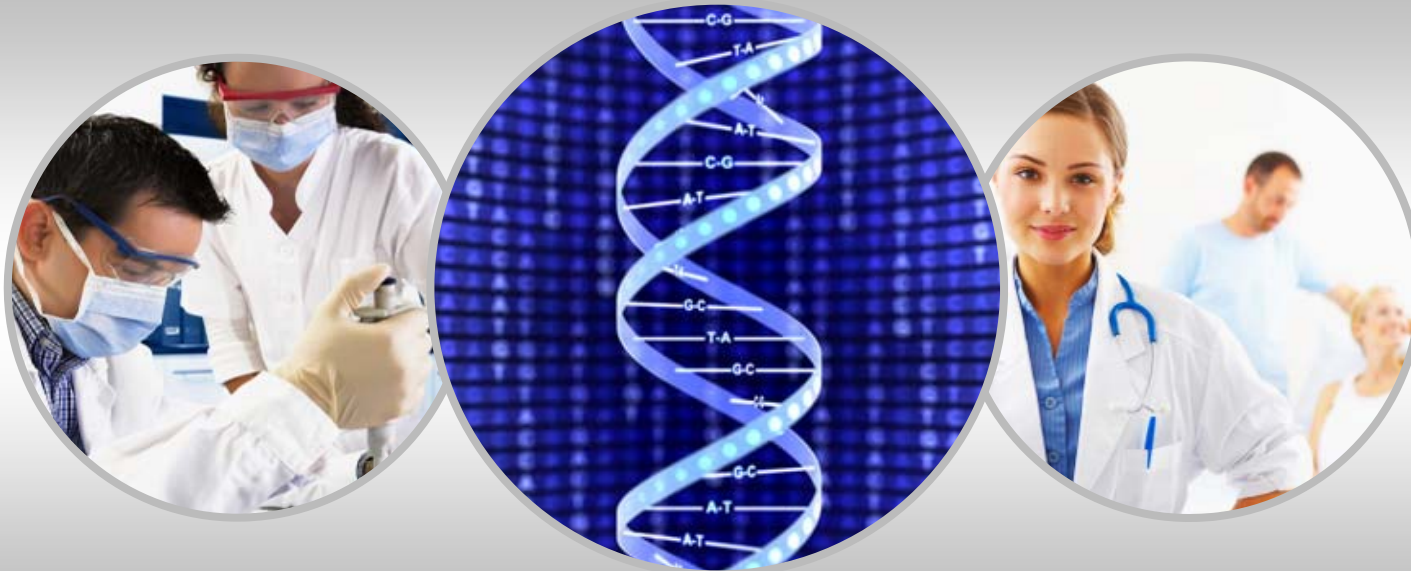
- ▶ >2500 employees
- ▶ IP portfolio of 135 issued patents and 168 pending applications
- ▶ Headquarters in San Diego, CA
- ▶ Offices in Hayward, Wisconsin, Sao Paulo, Tokyo, Singapore, Shanghai, Beijing, Melbourne, U.K., The Netherlands
- ▶ Commercial Presence in over 50 countries
- ▶ ~\$1.1B in annual sales



illumina's Mission

Improving Human Health by Unlocking the Power of the Genome

From Genome Wide Discovery...



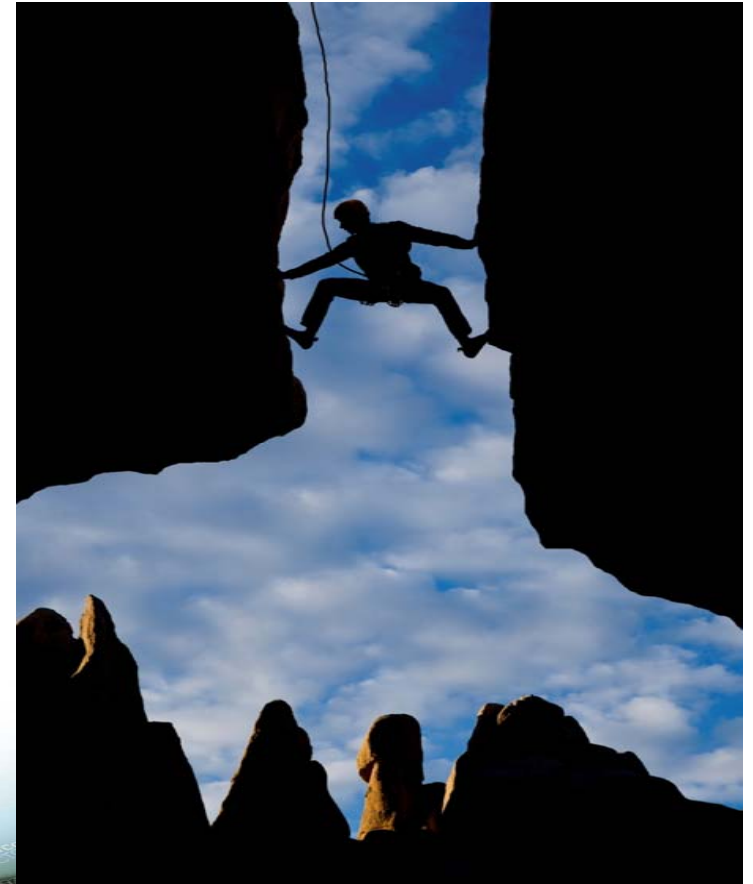
To Targeted Validation and Beyond...

illumina has transformed genetic discovery by enabling a scale of science not previously possible. Our innovative sequencing and genotyping solutions provide the advances that underpin this revolution, which we will extend into clinical diagnostics, applied and consumer markets.

Customer Solutions Vision

To enable the genomics community to fully utilize Illumina technology to advance the understanding of genetics and health

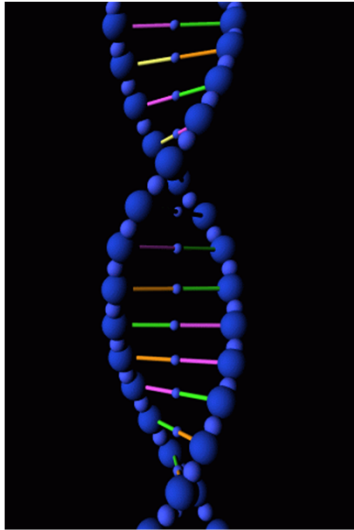
- We are dedicated to helping our customers make groundbreaking discoveries & improving human health by partnering with you from installation to publication or result.
- We take responsibility for outcomes – uptime, data quality, publication deadlines, analytical accuracy, your success – not just transactions
- We are empowered to do whatever is necessary to make customers successful
- Our success is defined by our customers success



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illumina®

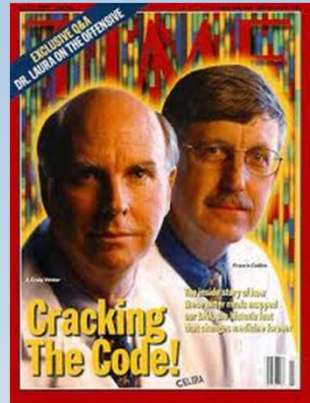
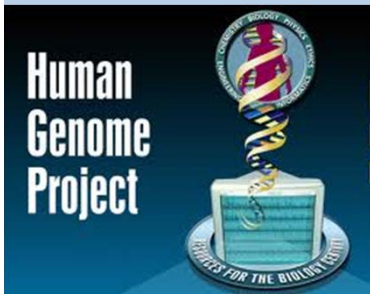
DNA in 5 minutes or less



“...the sequence of the human DNA is the reality of the species, and everything that happens in the world depends upon those sequences.”

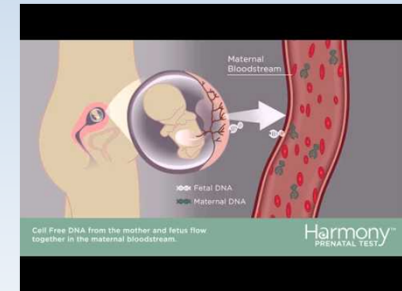
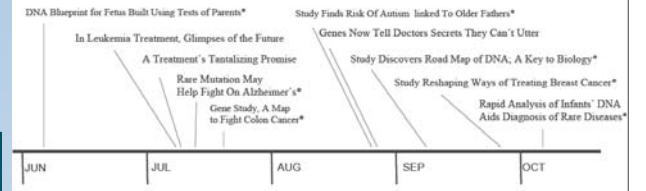
Renato Dulbecco, Nobel Laureate





The New York Times

Ten front-page articles in The New York Times



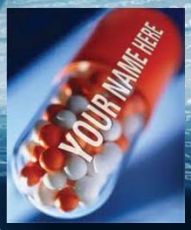
illumina®



The Journey



Scaling Channel Strategy Executive Influence

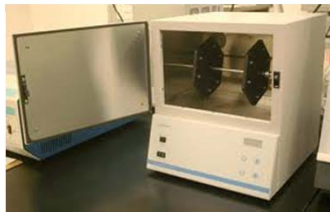


Customer Engagement

Chips (2002-2006)



- ▶ \$300k-\$1M Turnkey Lab + \$300K/yr in consumables
- ▶ Proprietary Scanner, Chips & Software
- ▶ Lots of OEM parts
- ▶ Highly Reliable & Robust
- ▶ 20-50 Large Academic Research Centers
- ▶ Part of HapMap & Follow on Studies
- ▶ 150,000 – 500,000 Data Points in 1 week

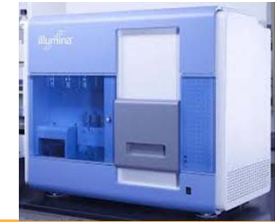




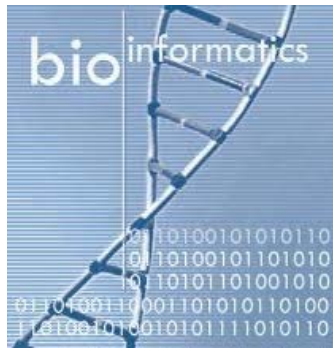
The Voice of the Customer

- ▶ 95% buy from Illumina because of the rate of innovation
- ▶ 92% say the data quality meets or exceeds expectations
- ▶ 97% feel support is equivalent or better (60%) than the competition
- ▶ Awarded the “North Face” Award 2009 & 2010

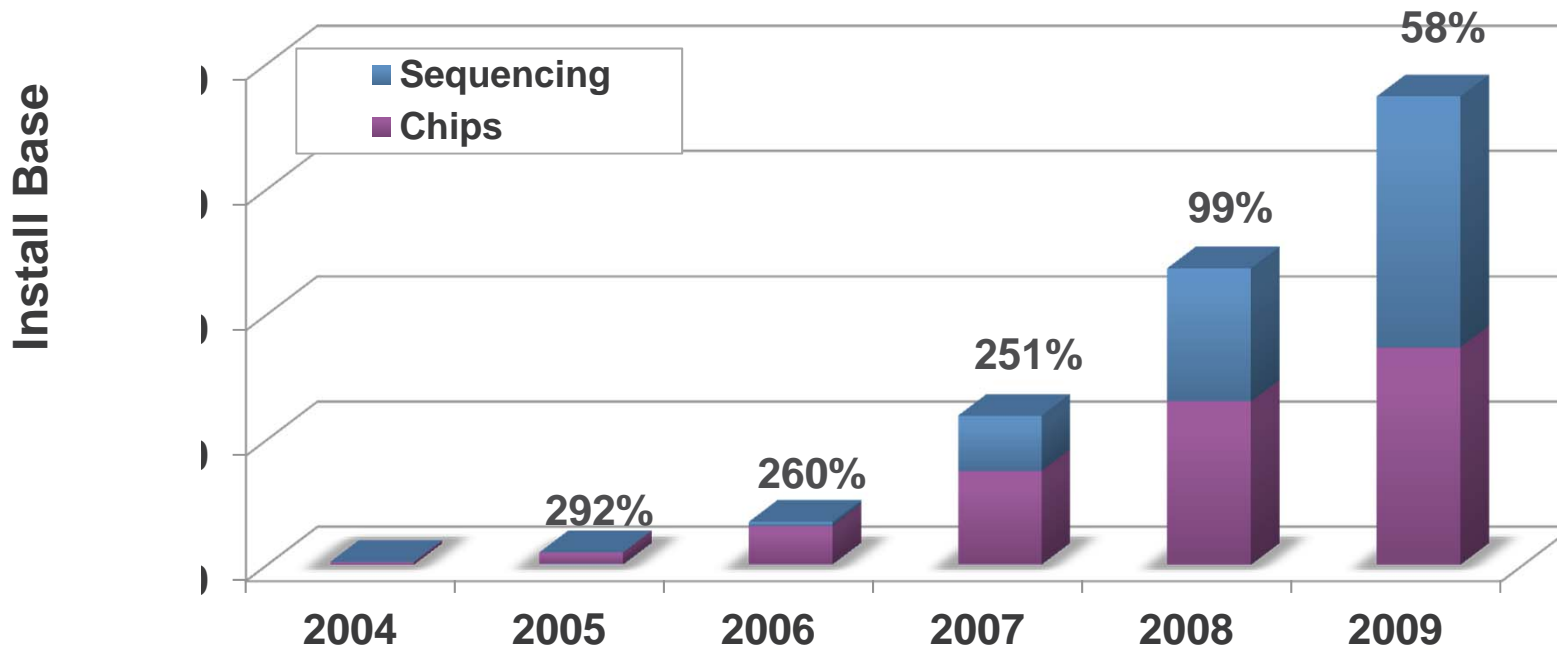




Shift to Innovation & “First, Fast, Fix”



System
Support
New Product
Transfer



Regional Management, Shift to Technical Support, Training

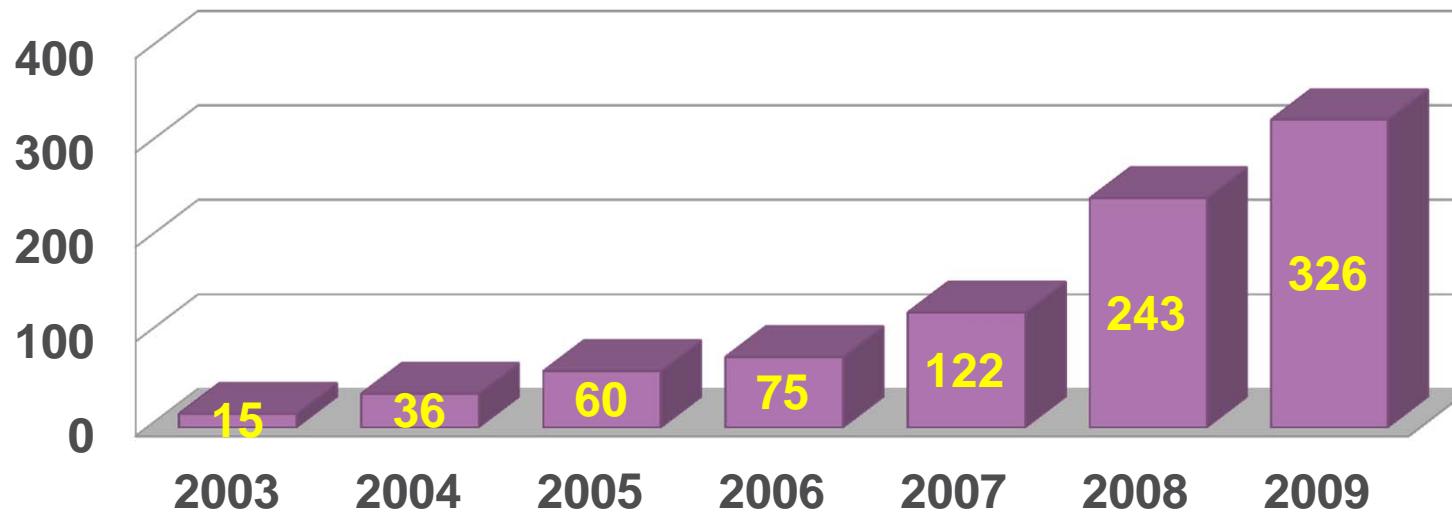


KPIs

- KAM
- Field Efficiency
- Call Center Upgrades



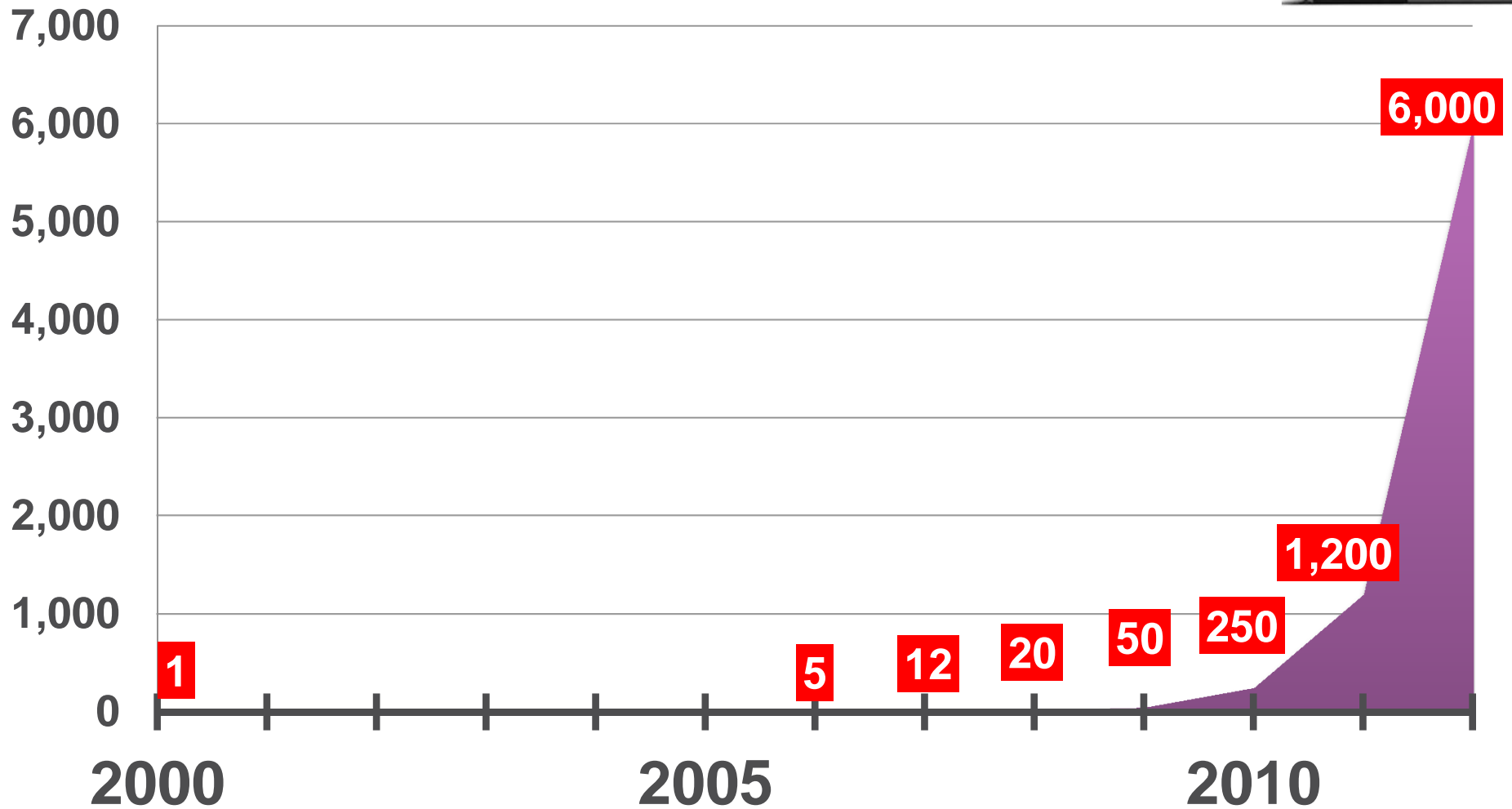
Customer Solutions Headcount



Operational & Financial Leverage (2008-2010)

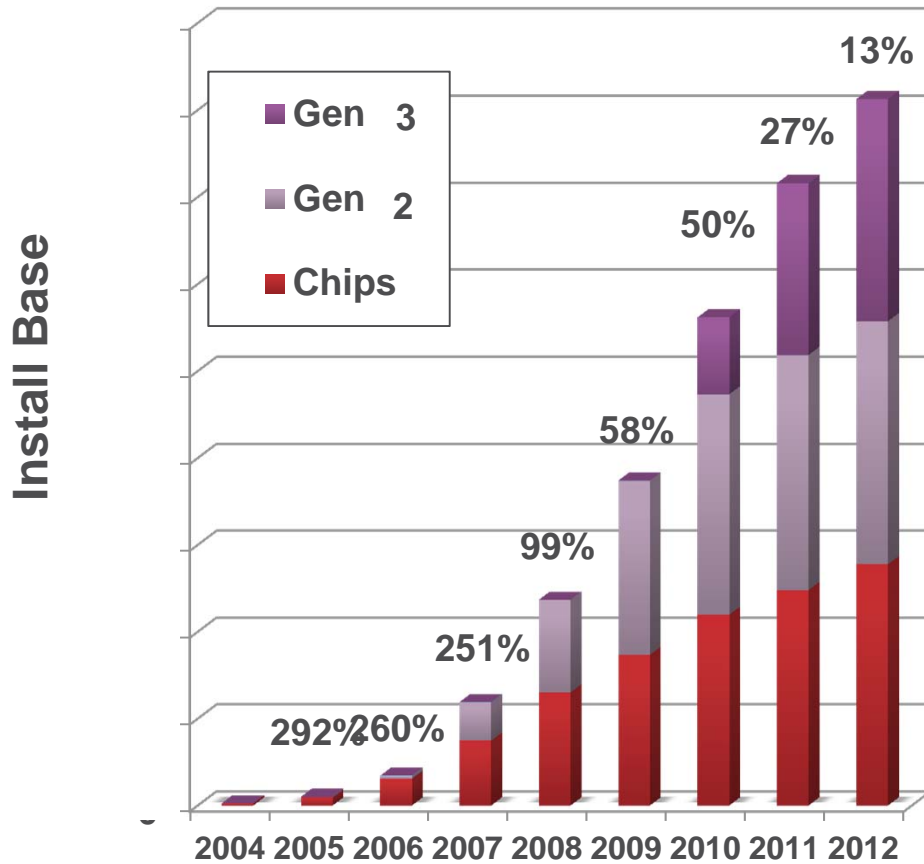
- ▶ Steady decline in Cost of Service post Solexa
- ▶ 45% increase in instruments/Field Employee
- ▶ 29% decrease in OpEx/Instrument
- ▶ 20% decrease in cost/order
- ▶ 10% decrease in travel \$/FTE
- ▶ 30% increase in \$/FTE 2008-2010
- ▶ <1% Employee Attrition

Human Genomes Sequenced

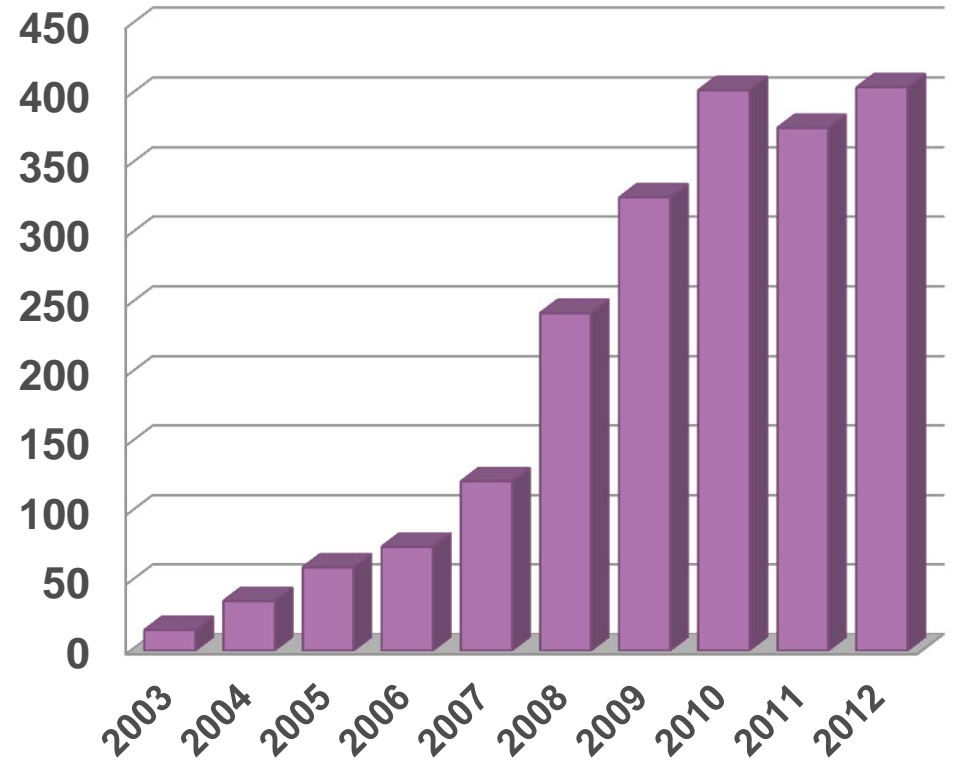




Install Base



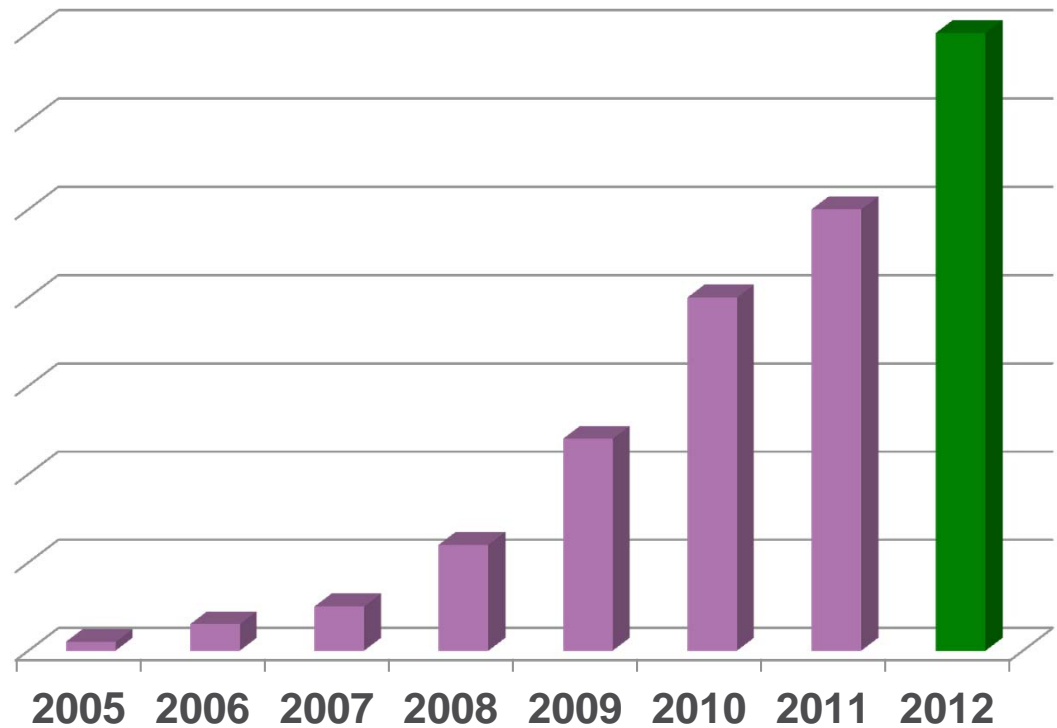
Customer Solutions Headcount



Warranty Service Business

Service Contract Orders (\$M)

- Average annual customer value \$250K
- P&L managed by Business Director & Product Manager
- CAGR of >50%
- service contract coverage

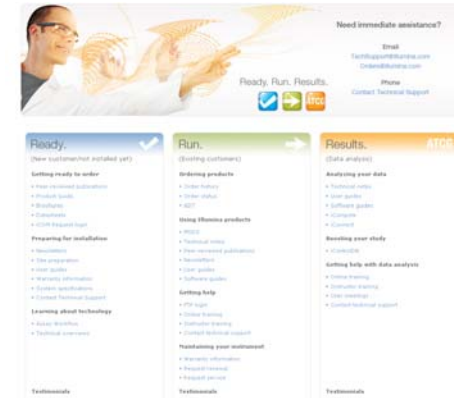


New Customers, New Business Drivers



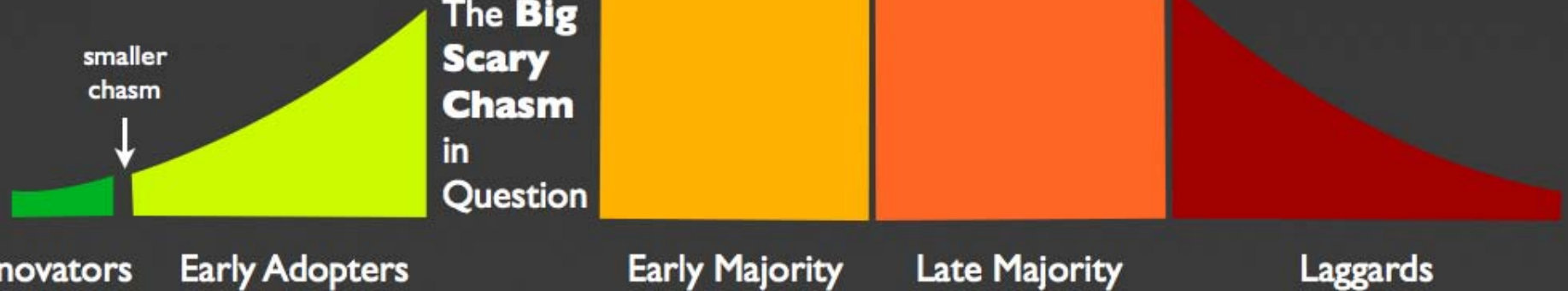
KPIs

SLAs
Service Spares
Uptime/Upgrades
Market Share
Service P&L



Crossing the Chasm

Geoffrey Moore - 1991



2011- Benchtop:\$10K - \$100K

- ▶ Technology no longer matters
- ▶ Ease of Use Solved; Utility for Novice Users?
- ▶ Average annual customer value \$40K
- ▶ Install Base growing by thousands per year

SIMPLE AND INTUITIVE DATA ANALYSIS

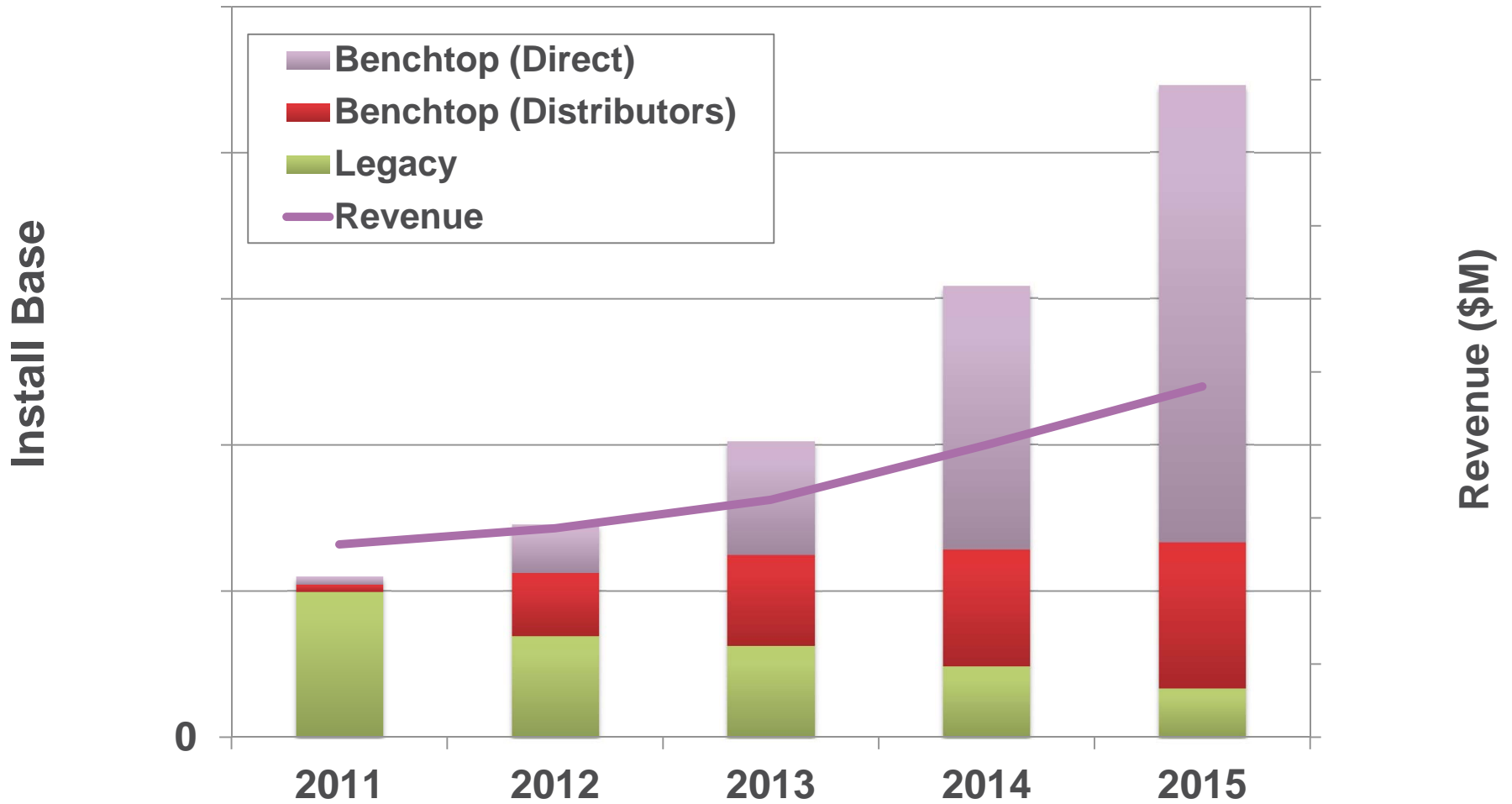
Analysis complete in <2 hours

Output in industry standard formats

Real time run monitoring



Inflection Point in Scaling Challenge

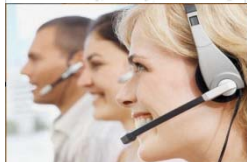


Customer Experience 3.0

Customer On-



MARCH 2011				
S	6	13	20	27
M	7	14	21	28
T	1	8	15	22
			29	



Customer Self-Service

illumina®
Online Learning Portal
 Sequencing: Illumina's Dual Indexing Strategy
 Dual index sequencing enables this course describes how Illumina:
 Sign up for this Course

illumina®
 Web, User, Customer #1: 108 (for 1147) Quick Order View Cart (0) \$
 800.800.4568 MyIllumina Tools

APPLICATIONS SYSTEMS SERVICES SCIENCE SUPPORT COMPANY

Support / Sequencing / Sequencing Instruments / HiSeq 2000 / Downloads

System Workflows Splic Kits Support

HiSeq 2000 Support
 Illumina product support pages provide fast, convenient access to product information, requirements and compatibility, training, downloadable resources, and tips and techniques identified by other researchers and Illumina scientists. We are constantly building out these pages to add more resources, so if you don't see what you need right now, come back soon.

Download User Guide

What's New
 HiSeq 2000 Quick Reference Guide (10/14/2011)
 HiSeq 2000 User Guide (10/14/2011)
 HiSeq Lab Tracking Form (10/02/2011)

Support Downloads Document Type File Info

Site Prep / Lab Environment Software Download
 Performance Specifications Software Download
 Technical Workflows Software Download

HiSeq v1.9.0A v1.13
 HiSeq v1.5.0ETA v1.13.0A v1.8
 DR Link Base Caller v1.9 Software

Bulletins

Last Update	Application	Category	Topic
Oct 3 2011	Sequencing	Kits & Reagents	V3 Kit Update
Oct 3 2011	Array	Kits & Reagents	MCS3 Expiration Date Ch
Oct 3 2011	General Information	General Information	North America Technical & Extends Operating Hou



Webinars



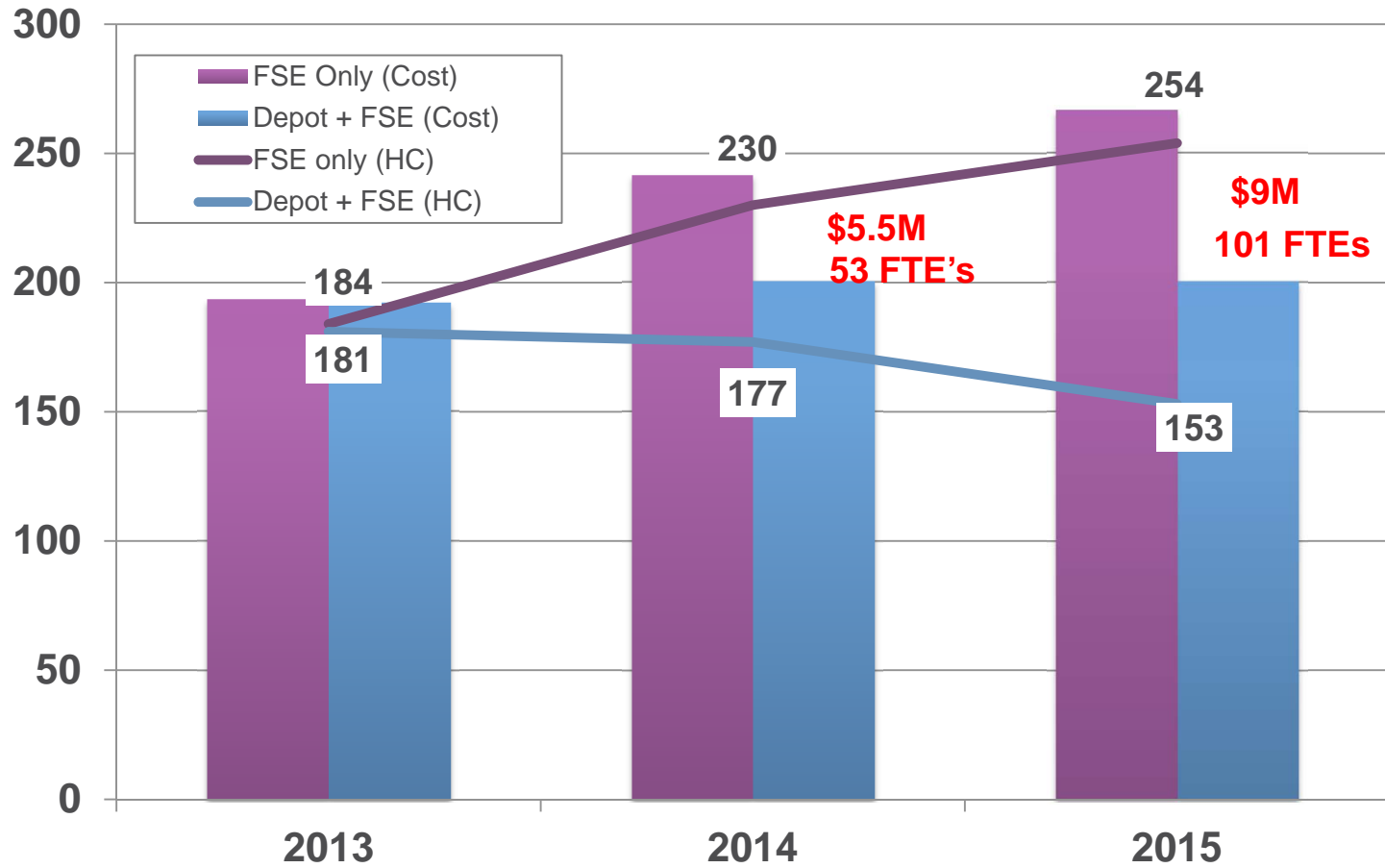
MARCH 2011				
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			29	



SEQanswers
 the next generation sequencing community



Cost of Service: Field Service vs. Depot Centers



- 75% of Install Base Depot
- Most customers novice consumer users

Corporate Communication & Customer Experience Plan



- CEO Webinar to Customers
- “President’s Corner” in Online Customer Newsletter
- Portal postings about quality, supply chain, and product updates
- Customer Experience Initiative
- Investing in StratEx on 3 Consulting Engagements:
 - Supply Chain Optimization
 - Online Experience
 - Global Business Process

Lessons Learned

- Org Design Matters (Driven by size, business model, market drivers)
- Channel strategy is a critical scaling/efficiency parameter
- Align with what Executives Care about (P&L; New Markets; Growth)
- Simplify quality and complaint metrics & standardize process
- Incorporate service & support people into product development process
- Change management starts and ends with the middle managers
- Small tools and changes can have a big impact on the business without a big impact on your
- Bring the customer to every meeting

BaseSpace Creates a Sequencing Ecosystem

