



Lux Expertise Services

Lux Custom Consulting Project



The
Deciding
Factor

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Prioritizing advanced materials and design & manufacturing technologies for lightweighting power tools



Challenge

A leading power tool maker sought Lux Research's help identifying and prioritizing material innovations and related technologies to reduce the weight and improve the reliability of power tools.



Solution

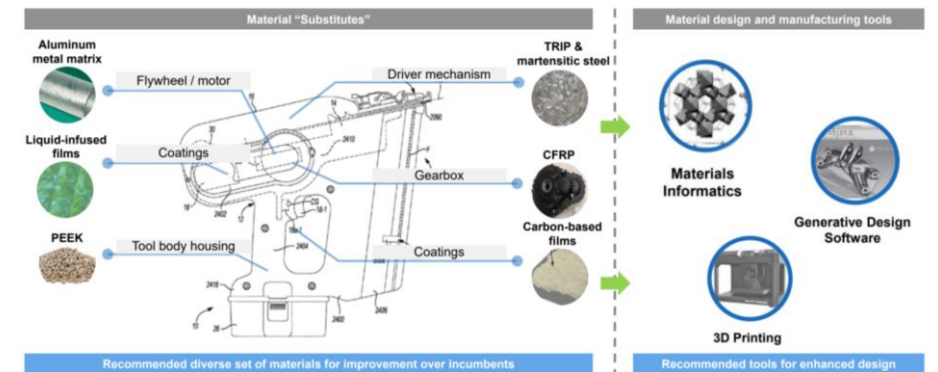
Lux identified and prioritized materials and material-related technologies that could be incorporated in currently available power tools within the next 5 years. Lux developed a taxonomy and built a landscape of 80+ material innovations; reviewed the technical strength and applicability of the identified innovations to prioritize solutions that would offer the client the most interesting and immediate opportunities; and provided an overview of emerging digital solutions to advance material innovations beyond the constraints of existing designs.



Value

Lux provided the client with a clear understanding of available material innovations that provide lightweighting and reliability improvements. The client is using the deliverable to inform the company's product strategy and ultimately gain a clear competitive advantage.

A diverse set of materials offer immediate pathways for achieving lower weight and greater reliability; emerging digital solutions advance material innovation beyond the constraints of existing designs



Technology due diligence of a water/wastewater treatment solution provider for a \$1B transaction



Challenge

The client, a leading water/wastewater treatment equipment company, entered a competitive bidding race for a large water/wastewater treatment solutions provider and sought information on whether combined technology strengths, mutual ambitions in emerging economies, and synergies in distribution networks would be fruitful in the company's bidding process?



Solution

Lux performed a due diligence process to develop objective analysis and opinions on markets; sources of the provider's strengths and gaps in key markets, capabilities required to address these gaps, and key competitors' worth emulating; and the best way forward based on the provider's relative positioning in the U.S., China, India, and the Middle East.



Value

The client utilized Lux's evaluations in their post-combination pro-forma revenue/margin projections in order to proffer a reasonable bid for the provider.

Executive summary:

Summary of gaps in Epsilon's technology positioning

End-market		Epsilon's positioning in the U.S. relative to:		Epsilon's positioning in emerging economies relative to market needs:			
		Market needs	Competitive technologies	China	India	Middle-East	
Light industrial	• Light manufacturing	●	●				Moderately-well to Well positioned in light industrial (in aggregate across geographies)
	• Microelectronics	●	●				
	• Food & beverage	●	●	●	●	●	
	• Pharma/life science	●	●				
Heavy industrial	• Power	●	●	●	●	●	Poorly to Moderately-well positioned in heavy industrial (in aggregate across geographies)
	• Mining	●	●	●	●	●	
Municipal	• HPI/CPI	●	●				Moderately-well positioned in municipal (in aggregate across geographies)
	• Municipal wastewater	●	●	●	●	●	
		Moderately-well to Well positioned in the U.S. (in aggregate across applications)		Poorly to Moderately-well positioned in emerging economies (in aggregate across applications)			

Epsilon's gaps are most profound in **Heavy Industrial** and **emerging economies**.

- As-yet undifferentiated technologies pursuing entrenched market needs lead to Epsilon's me-too positioning in heavy industrial.
- Relatively expensive technologies combined with the absence of in-country expertise/network lead to Epsilon's insignificant standing in emerging economies