

2 INVEST FOR GROWTH

We continue to drive growth through organic investment and, if appropriate, through acquisitions and partnerships.

Innovation is a key differentiator for us – we aim to counter the counterfeiters at every turn, and that means having access to the best technology. As set out in the 2015 strategy, we plan to double R&D investment from 2015 to 2020, to improve product offerings and drive growth, and we have almost achieved that this year, with R&D investment up 82% since 2015.

As a result of the investment and improved focus, the number of patents filed and granted over the past four years has totalled 137 and 133, respectively.

We invest in R&D primarily in two areas: material science and software development. We are world leaders in physical authentication and aim to continue to strengthen our position. We are placing more focus on exploiting existing technology platforms, such as holographics, as well as creating disruptive technologies.

To encourage long term recurring revenues, we continue to invest in building our digital and service offering. We have enhanced our existing software platforms such as track and trace system DLR Certify and online cash cycle management platform DLR Analytics by adding new modules and expanding the offerings. We are also exploring new frontier technologies such as blockchain as part of our brand protection solutions for customers looking for better ways to ensure supply chain integrity.



Exploring a new frontier

Blockchain is a secure ledger technology. Transactional and contract data within a ledger are stored as blocks, and each block is linked to the previous one using public cryptography and a timestamp. Due to its highly secure method of transferring and storing data, blockchain technology is being used in a number of areas, the most widely known today is crypto currencies. The technology is also well-positioned for use in other industries that require secure data solutions, such as supply chain management.

It can help to prevent counterfeits by allowing real time tracking of genuine goods, stop unauthorised products entering the market and authorised goods entering unauthorised distribution channels. Although the technology is still in its infancy, it is predicted to be the most used technology in world trade by 2030. At De La Rue, we are actively exploring various possibilities of how to best engage and adopt this new approach into our existing lines of business.

→ Read more on www.delarue.com

●●
Blockchain is predicted to be the most used technology in world trade by 2030. We are exploring possibilities of how to adopt it into our lines of business.
 ●●

Brett Nelson,
 Digital Product Manager,
 Product Authentication & Traceability