

“One Siemens”—Observations from the 2012 Siemens PLM Connections Event

CIMdata Commentary

PLM World (plmworld.org) and Siemens PLM Software hosted their annual Americas User Conference on May 6 to 10 in Las Vegas, NV. According to the organizers, this is the largest, longest running user event in the industry, with over 1,800 attendees, 60 exhibitors, and 400 presentations this year.

During his keynote presentation, Chuck Grindstaff, President and CEO of Siemens PLM Software, claimed that Siemens PLM Software is growing in every geography and product segment in which they participate. Key wins were cited at Daimler, BAE Systems Submarine Division, Johnson Controls, Boeing and a number of others, with many of these claimed as competitive replacements. Mr. Grindstaff reiterated Siemens PLM Software’s three key value propositions for their customers and prospects: “Intelligently Integrated Information, Future-proof Architecture, and HD User Experience.” These propositions provided a framework for all subsequent product segment presentations, with enhancements and examples categorized by each proposition. He also used a new potential tagline, “One Siemens—The Integrated Technology Company” to highlight the many synergies Siemens PLM Software is achieving since their acquisition by Siemens AG. He noted that Siemens PLM Software has access to Siemens AG visioning and strategic planning across the corporation, with seed R&D funding provided to Siemens PLM Software for joint efforts with other business segments.

Mr. Grindstaff also provided an update on their move to support the requirements of specific industry segments, a trend and approach currently also being pursued by their main competitors in the PLM space. For Siemens PLM Software, they started by mapping industry needs, using the language of each industry vertical, a process they were continuing with industry sessions at the event throughout the week. As they first discussed at their fall Analyst event, Siemens PLM Software formed a new group, led by Steve Bashada (the long-time Teamcenter lead), to organize and synthesize information and requirements for each industry, and drawing upon senior architects from around the company. This new group is developing and agreeing upon industry plans, including gap analyses, and then has the ability to influence R&D direction. CIMdata looks forward to learning more about these solutions as they are fleshed out and delivered to the market. Mr. Grindstaff concluded that Siemens PLM Software is be the partner of choice because of their “Open Culture—Open Data—Open Products—Open Communities.”

Various representatives from Siemens PLM Software spent considerable time over the first two days of the event discussing the importance of systems engineering to PLM, a topic that was the emphasis of CIMdata’s recent global PLM Market & Industry Forum series. Of all of the major PLM competitors, Siemens PLM Software has the longest history in systems engineering, with their SLATE product for requirements management and Teamcenter implementations in large U.S.-based aerospace and defense contractors. During the sessions they described their development efforts to move from requirements management and traceability to model-based systems engineering. CIMdata believes that systems engineering is essential to developing increasingly complex products that rely on embedded

software that drives mechanical and electronic components, something that our Forum attendees strongly agreed with across all of our sessions.

In a later session, Eric Sterling, the recently appointed Teamcenter lead, clearly expressed his excitement with their market position and their strategic direction. Consistent with CIMdata’s definition of PLM, solutions like Teamcenter are the engine of a company’s PLM strategy, and Mr. Sterling drew his enthusiasm, in part, from the emphasis on his team’s solution in the earlier presentations. As often happens at such events, some fun was poked at competitors in the market, in this case about multi-CAD and openness, two topics at the core of Siemens PLM Software’s strategy for over a decade. According to Mr. Sterling, recent releases significantly enhanced performance and software quality, delighting their customers, and the next few releases will add significant user experience improvements. (This has been the focus of PTC and SAP in their recent releases, and is welcome news for Teamcenter.)

These are just a few highlights of this vast event, with twenty content tracks and four separate training tracks (some of which drew people for a 7:00AM start, a tough draw in a location with as many nocturnal temptations as Las Vegas). Readers can find more information on the event from the Tweet stream (posted by @smprezbo and @plmjim from CIMdata or using the hashtag #PLMConx).

As documented in our annual PLM market survey, Siemens PLM Software has been a long time leader in the overall PLM market, as well as in several product segments that we track separately. The company is known for developing and elaborating on a set of consistent strategies, and working diligently to achieve them, including customers in the process to ensure that none will fail, to paraphrase one of their company mantras. This event provided an update on their strategic direction unveiled last fall, and illustrated the roadmaps and progress toward achieving these objectives in their many product segments. The customers that presented are clearly pleased with Siemens PLM Software’s direction, and highlighted how they are using Siemens PLM Software’s solutions to meet or exceed their PLM objectives. If Siemens PLM Software can indeed deliver on the promises described across the event, including the significant challenges arising from moving to an industry focus, their future as “One Siemens” should be a bright one.

About CIMdata

CIMdata, an independent worldwide firm, provides strategic management consulting to maximize an enterprise’s ability to design and deliver innovative products and services through the application of Product Lifecycle Management (PLM). CIMdata provides world-class knowledge, expertise, and best-practice methods on PLM. CIMdata also offers research, subscription services, publications, and education through international conferences. To learn more about CIMdata’s services, visit our website at <http://www.CIMdata.com> or contact CIMdata at: 3909 Research Park Drive, Ann Arbor, MI 48108, USA. Tel: +1 734.668.9922. Fax: +1 734.668.1957; or at Oogststraat 20, 6004 CV Weert, The Netherlands. Tel: +31 (0) 495.533.666.