

## PTC Live Global 2013

### ***CIMdata Commentary***

Key takeaways:

- *Technology, globalization, and innovation are remaking manufacturing and driving a new Industrial Revolution with smarter products and design-anywhere, build anywhere, service-anywhere initiatives*
- *Services innovation in conjunction with product innovation or on its own can be a compelling strategy for achieving superior competitive and financial performance*
- *PTC announces support for Creo virtualization beginning with five key apps, including Creo Parametric and Creo Direct*
- *PTC teams with Stratasys to develop a user-friendly environment for 3D printing*

On June 10 and 11 PTC held their annual user meeting, PTC Live Global 2013, in Anaheim, California. CIMdata attended the analyst and press portion of the event. PTC reported that overall there were about 1,900 attendees from 466 companies across the globe. The meeting is a major event for PTC's users to gain an understanding of PTC's continuing strategies as well as to hear other users discussing how they employ PTC's products and services.

### ***A Compelling Vision and Strategy***

In his keynote presentation, Jim Heppelmann, PTC President & CEO presented his vision of seven "forces" impacting companies into the future:

1. Digitization—all product development information is digital
2. Globalization—business is done in a shrinking digital world driven by connecting technologies
3. Regulation—all kinds of regulations and compliance issues complicate product development (government, non-government, between customer & supplier)
4. Personalization—regional and personal preferences drive product design and creation; companies have to balance one-offs vs. production scalability; taking companies to platform-based, highly configurable products
5. Software-Intensive products—all product companies are becoming software companies; mechanical variability is difficult to achieve, software variability is much more flexible and can more readily satisfy that last 10% of customer specific preference
6. Connectivity—everyone is connected, we live surrounded by the internet of things
7. Servitization—companies are driven to bundle more services with products as customers increasingly expect to receive a high level of value continuously throughout their product experience lifecycle

PTC's message is that these interdependent forces drive a new paradigm of industrial competition. Thus, responding to them will enable new, advantageous levels of product and services innovation, delivering a superior product within a superior customer experience. This compelling perspective was communicated with clarity and consistency by PTC leadership

and it is apparent that they are focusing their product strategy to deliver this new competitive paradigm to their industrial customers. CIMdata concurs that all seven forces are at work in the product development market and that manufacturing companies are best served by close attention to each.

### ***CAD on a Virtual Desktop***

Brian Shepherd, Executive Vice President, Enterprise Segments, and Mike Campbell, Executive Vice President, CAD Segment, then took the stage to announce that Creo design and analysis products will be available in a Virtual Desktop environment. The initial release will include five of the Creo apps including Creo Parametric, Creo Direct, Creo Layout, Creo Options Modeler, and Creo Simulate in a Creo 2.0 maintenance release at the end of June. The Virtual Desktop approach is made possible on an IBM server through a Citrix and nVIDIA-powered integration. During their presentation they noted that PTC was not hearing requests for “CAD in the cloud” as reported by some of their competitors. The introduction of virtualization harkens back to the days of mainframe CAD but offers interesting benefits to customers who want to reduce IT costs and simplify software updates.

In an additional announcement, Mike Campbell explained PTC efforts to improve Creo interaction with foreign CAD data. The software can now work directly with non-Creo CAD data without forcing a data conversion to the Creo format unless the user makes an edit. The user is warned that they have requested an edit and if the user continues, a Creo copy of the data is generated and a link is established between the Creo copy and the foreign data using PTC’s Topology Bus technology that was first introduced when PTC integrated CADDs with Pro/ENGINEER. CIMdata applauds this step forward in easing the burden on users who must work in a multi-CAD environment and encourages PTC to continue to improve Creo’s interaction with foreign data.

### ***Research on Market Shifts and Industry Responses***

It is always interesting to hear companies present their visions of how product development will work in the future. It is much more compelling when they undertake research that helps people understand what is driving companies to change the ways in which they work. Research sponsored by PTC and undertaken by global economic research firm Oxford Economics into how people perceive global changes in manufacturing was presented by Mr. Louis Celi, President, Americas at Oxford Economics. This research offers some very good perspectives on the external market shifts influencing manufacturing firms. Economic realignment due to the slump in world trade and the rise of emerging markets led the list. These economic pressures were followed closely by impacts felt from a shift in technology (most notably mentioned by high profit firms), a shortage in key worker talent, and the growing complexity of supplier relationships. Global competition, increased regulations, and fragmenting customer demand completed the list.

The research also pointed out a few interesting areas that companies are pursuing as part of business process transformation to address these market shifts. One was more emphasis on services for all types of products. This was reported as the second most important driver for improving competitive positioning, following only product strategies and planning. The research showed the importance of service offerings on increasing marginal financial returns. CIMdata believes all manufacturing companies are best served by paying close attention to how their own company fares with respect to each of these focus areas.

### ***3D Printing: A Hot New Trend in CAD Technology***

On the second day of the user conference, PTC announced a new 3D printing support strategy jointly with Stratasys. The two companies are developing software that is intended to alleviate many of the problems users encounter with current 3D printing functions, including preparing CAD models to be printed, tools to validate the data for various printers, expanding the data used beyond the limitations inherent in STL, and creation of print packages (similar to a PDF file) that can be sent to a 3D print service. Igal Kapstan, PTC's Vice President of Solutions Management indicated that other 3D printing vendors will be able to integrate their product by interfacing to the PTC-Stratasys approach. He also stated that once PTC delivers their solution "All geometry manipulation will happen in an associative 'parallel' session without any changes to the original data." CIMdata welcomes the approach. It has the potential to alleviate countless issues and frustrations that arise in current approaches when STL data is sent to a 3D printer and the print fails.

### ***A Successful Event***

PTC Live Global 2013 should be deemed a success for PTC. Upwards to 72 user presentations joined over 150 PTC training sessions to help educate and excite the user audience. PTC took a more customer focused approach in their agenda than in previous years. They packed the opening session with presentations from customers highlighting the use of Creo 2.0 and Windchill 10.0 in their product developments. CIMdata appreciates this user focused approach to deliver a vendor's message. Hearing a user speak of the benefits they have gained from the use of a product is much more credible than a vendor sales pitch.

### ***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.