

Siemens PLM Software Analyst Conference 2013

CIMdata Commentary

Key takeaways:

- *Siemens PLM Software introduced industry-specific “Catalysts” designed to help accelerate PLM time-to-value and future-proof PLM investments*
- *With the Catalysts, Siemens seeks to shrink the value gap that typically exists between what’s potential and what’s actually achieved during deployment and throughout productive use*
- *Significant progress has been made on Active Workspace, the new “face” of Siemens PLM Software’s solutions, with more support for both casual and authoring users*

CIMdata recently attended Siemens’ PLM Software Analyst Conference held in Boston, Massachusetts September 4th and 5th. During the event, Siemens PLM Software (Siemens) presented their new industry program based on a “Catalyst” implementation approach designed to help companies achieve faster adoption of new and innovative PLM technologies and processes, and obtain a higher and quicker return on their PLM investment.

In the opening keynote, Chuck Grindstaff, Siemens PLM CEO and President, described how the digitization of manufacturing is transforming the way goods are made, why manufacturing matters to economies, the implications for the next generation of manufacturers, and other major trends Siemens is addressing with their PLM solutions. Mr. Grindstaff highlighted the need for smart manufacturing based on increasing product complexity, growing resource constraints, globalization and personalization of the consumer class, and the need to achieve flawless product performance. He stated that Siemens is working to deliver industry-centric immersive decision-making environments that support system-driven product development. Their goal is to help users optimize the entire product development process, creating intelligent product and production lifecycles. Throughout the two days of the event, both customer and industry speakers presented how Siemens and their solutions are enabling companies to achieve these goals. CIMdata believes that creating better industry-specific solutions can have a significant impact on the value that companies can obtain from their PLM investments, thereby closing the typical gap that exists between the potential benefits and those actually realized. (This is consistent with a recent CIMdata study on the PLM value gap in the aerospace and defense (A&D) industry.)

Steve Bashada (SVP, Industry Strategy) presented Siemens’ strategy for delivering industry-specific end-to-end business process enabling solutions and how their new industry Catalysts will accelerate a customers’ time to value. He stated that an industry Catalyst is part of each Siemens industry solution, and each Catalyst includes industry-specific best practices, deployment accelerators, and pre-configured solution components. This packaged delivery approach should help to reduce the cost and time of initial deployment while creating an environment that can be easily upgraded (at lower cost) to take advantage of future capabilities.

During the remainder of the first day, Siemens presented their industry solutions for Marine, Automotive, and Electronics & Semiconductor in conjunction with customer presentations that illustrated how Siemens was delivering those solutions.

During the second day of the conference Siemens presented updates on each of their major business segments (i.e., Product Engineering, Lifecycle Collaboration, Digital Manufacturing, Specialized Engineering, Mainstream Engineering, and Simulation & Test). These segment updates highlighted their new technologies and associated capabilities and how those are being applied to support and enhance their industry solutions. CIMdata believes that Siemens 4th Generation Design (4GD) and its ability to enable working in context within very large, complex products (e.g., ships, aircraft, and facilities) can significantly improve the productivity of engineers, designers, and other product lifecycle workers in those industries. During Eric Sterling's (SVP, Lifecycle Collaboration Software) presentation, a set of search statistics were displayed that illustrated that 4GD's data indexing approach allows very large data sets to be interrogated extremely rapidly. His example showed that there is almost no increase in response time against data queries on any size of data set, including searching across structures that include millions of parts. CIMdata believes that this new approach to data management in the PLM industry could significantly change how companies define, manage, and work with large, complex data sets. CIMdata also believes that companies in the industries Siemens is targeting have an opportunity of reaping substantial benefits from the adoption of 4GD.

Mr. Sterling and a number of other presenters offered additional insight into Siemens' Active Workspace user interface. Originally developed for Teamcenter, Active Workspace is being embedded within NX and other Siemens solutions. Based on HTML 5, Active Workspace, provides users a very consistent way of accessing and using information regardless of the device being used by a worker at any point in time. CIMdata believes Active Workspace can greatly improve the mobility of all Siemens solutions due to its cross platform enablement, and help them achieve a consistent, immersive decision making environment.

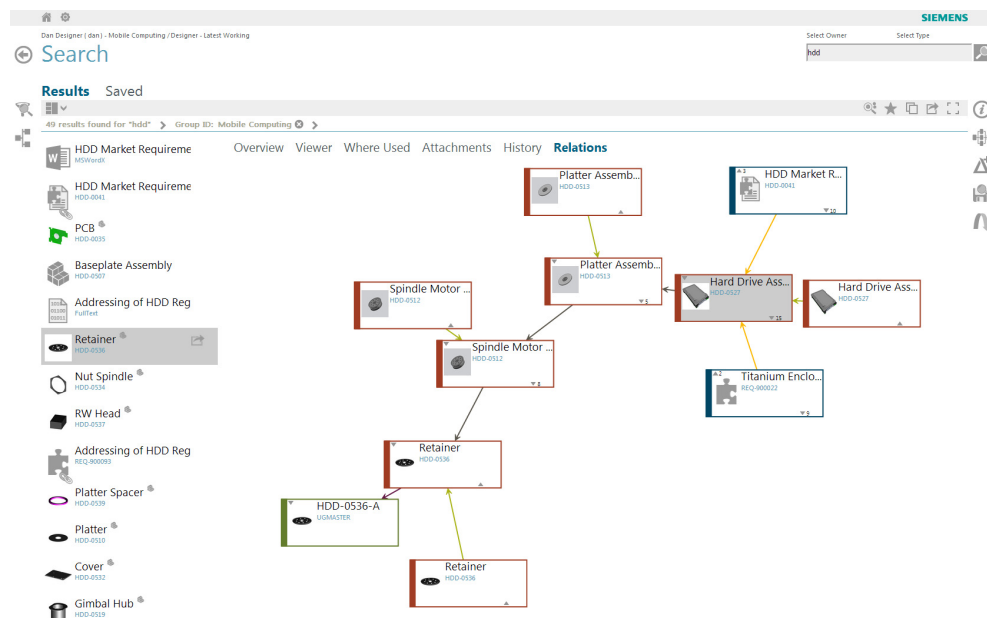


Figure 1—Active Workspace 2 Supports Casual and Authoring Users

Mr. Sterling also discussed the continuing evolution of Teamcenter to a platform environment. This architecture will allow functional modules (e.g., a requirements management application) to be implemented on multiple released versions of the Teamcenter core platform, enabling companies to upgrade and enhance at their own pace and needs. He also described several new capabilities released within the Teamcenter suite including Issues Management and

CAPA, Product Cost Management, and enhancements to the Briefcase functionality for sharing design data with suppliers who do not have Teamcenter. These new capabilities address functionality that can help companies expand the breadth of their product development activities and enable them to make better design decisions earlier in the product development process.

Jim Rusk provided an update on the NX suite of solutions. New capabilities include the use of Active Workspace within NX, continuous significant improvements in solver performance, and Synchronous Technology 2D that enables 2D relational editing regardless of constraints. Synchronous 2D will enable designers and engineers to work in 2D where appropriate, using the same synchronous functionality as in 3D, and enable them to automatically move that information into the 3D environment. Active Workspace will enable users to work within a consistent interface regardless of the application while the improved solver performance should enable better analyses to be conducted earlier in the design process.

Dr. Jan Leuridan (LMS CEO) provided an update on the LMS acquisition and business, and how the LMS solutions are being integrated with both NX CAE solutions and Teamcenter as part of creating a closed-loop, system-driven product development environment. In one demonstration, an automobile stability control system was simulated with the system turned both off and on. The results showed two virtual instances of the car, based on actual geometry, slaloming down a virtual track where the instance with the control turned off leaned more and had to take wider turns. This type of systems simulation capability can be a powerful tool to help manufacturers develop their next generation products. Over time, the integration of the test and validation capabilities of LMS with Siemens solutions should provide a more robust capability for validating designs earlier in the product development process. Such closed-loop performance verification should reduce design errors and help ensure that products meet customer and regulatory requirements.

The second day included industry-specific breakout sessions. The Machinery industry session highlighted the Mechatronics Concept Designer (MCD) solution and its impact on a systems engineering approach to machinery design. MCD can help companies better design electro-mechanical systems by supporting a multi-physics functional design approach.

An Engineer-to-Order (ETO) session focused on issues with variations in design and how Siemens solutions derived from their RuleStream acquisition address them. As personalization and mass customization become more prominent in the manufacturing industries, managing increasing product variations and being able to quickly respond to ETO requests are important to success. Siemens is applying the RuleStream technology to help address this issue. In an added bonus late in day two, the product team from Geolus, Siemens' 3D geometric search solution, described their product and go-to-market strategy. Geolus provides designers and engineers with an expanded search capability and improved ability to find and reuse parts and components.

The Siemens PLM Software Analyst Conference brought together PLM industry analysts and media professionals from around the world to hear what Siemens is doing today and Siemens' views on where the PLM market is going. Overall, the Siemens management team did a good job providing an update on their strategies and solutions. Additionally, the industrial speakers were able to communicate how Siemens is delivering value and how they view Siemens' future looking solutions. CIMdata has followed Siemens and its steady progress in developing and delivery a broad and deep set of PLM-enabling solutions for much of CIMdata's 30 years. CIMdata views the Catalysts Siemens has announced to be an

excellent evolution in Siemens' solution offering and we expect that companies in multiple industries will benefit from them.

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.