Digital strategies for European companies

German-Danish Chamber of Commerce | May 29, 2019
Klaus Helmrich, Member of the Managing Board of Siemens AG and CEO Digital Industries
We’ve never lived in a more volatile geopolitical and geoeconomic world

Market and customer demands have changed dramatically regarding individualization and speed

Companies must react quickly and flexibly to meet these challenges in their business environment

Digitalization combined with automation gives European economies the possibility to backshore much more production capacity
For the last 70 years, we’ve never lived in a more volatile world
Market and customer demands have changed dramatically in recent years.

**Individualization**

Example Automotive

4.1 billion built configurations of one single car model

**Time to market**

Example Cosmetics

Digitalization is boosting the power to connect with consumers

Companies must react quickly and flexible to changes in their business environment.
Digitalization combined with automation enables individualization and high efficiency in the chemical industry

Australian paint company Dulux respond quickly to market demands

• >50% less time from testing to paint production
• 8x faster production process
• Batch size reduced from 5,000 l to 100 l
The Digital Twin increases efficiency and productivity in the automotive industry

Simulation and end-to-end data management

- >50% shorter time-to-market
- >98% of robots simulated for significantly shorter commissioning times
- >99% prediction of faults before they may occur
The Digital Enterprise is our answer for discrete and process industries – greater flexibility for faster responses
Study by Germany’s Mechanical Engineering Industry Association proves productivity is boosted by digitalization

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<td>Time-to-market</td>
<td>Twice as many variants in 10 years with same number of employees (Automated process chain)</td>
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<td>Lead time</td>
<td>Shorter development cycles (Digital Enterprise platform for data and process management)</td>
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<td>Development costs</td>
<td>&gt;50% fewer engineering hours (NX environment)</td>
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<td>Flexibility</td>
<td>Up to 70% shorter commissioning phase (offline robot programming)</td>
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Germany’s Mechanical Engineering Industry Association (VDMA) 2018: „Leitfaden Investitionsrechnung für Digitalisierungsprojekte und Industrie 4.0 Vorhaben“
Digitalization needs future-oriented policies – B20 taskforce policy paper 2017

1 Recommendations to the G20 by the B20 Digitalization Taskforce 2017 – more than 100 business representatives from over 27 different countries and diverse economic sectors
Thank you!