

Not Getting The Most out of PLM? How to Close the Value Gap

CIMdata High Tech Electronics Webinar Series

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#cimdatawebinar

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Presenter's Profile

Your presenter's professional background

- Laila Hirr, High Tech Electronics Practice Manager
 - 25 years of experience in many areas of PLM
 - Has worked as Engineering Systems Manager in High Tech
 - Program management for variety of global PLM implementations
 - Executive leadership for PLM services companies
 - Holds an MS in Mechanical Engineering from PSU and a BS in Mechanical Engineering from SDSU



Our Mission...

Strategic management consulting for competitive advantage in global markets

**CIMdata is the leading independent
global strategic management consulting
and research authority focused
exclusively on the PLM market.**

**We are dedicated to maximizing our
clients' ability to design and deliver
innovative products and services
through the application of PLM.**

Agenda

- High Tech, PLM Gap, and PLM Maturity Today
- Drivers and Course corrections for High Tech
- CIMdata's 2015 Strategy for the High Tech Industry
- Concluding Remarks
- Q&A

What We Include As “High Tech”

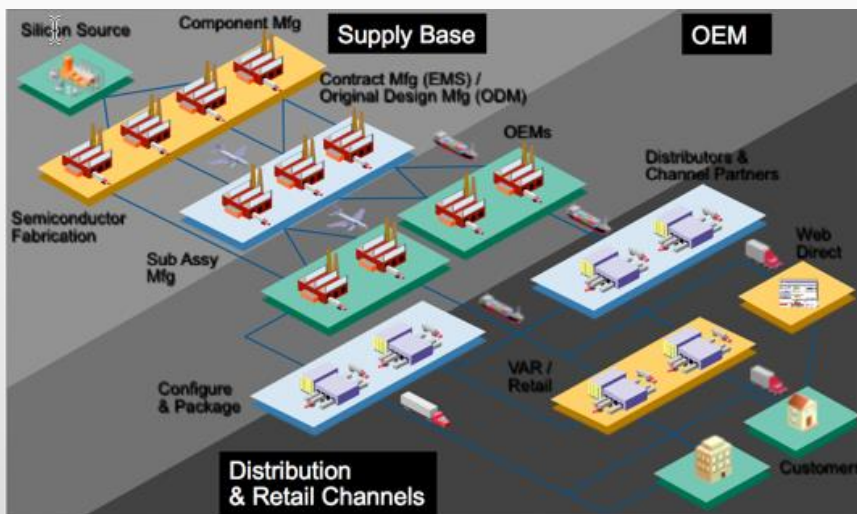
- Consumer Products
- Chip/Component
- Semiconductor Equipment
- Contract Manufacturing
- Medical Devices

Impacts on connected industries, but not explicitly covered such as:

- Automotive
- Appliances
- Aerospace

High Tech Supply Chain

A high level view of the industry



High Tech Product Trends

- Active devices in consumer products is exponentially growing in other “non-electronic” industries
- Shrinking circuits and increasing reliability risks to product launch targets
- Platforms of products – similar but not identical offerings
 - Often differentiated by software controls
- Circular Economy – driving to re-x
- Rise of the Tablets/Handhelds/Mobility
- Increased reliance on “the cloud”

Challenges to innovation in High Tech

External Factors

- Market Uncertainty
- Technology Uncertainty
- Competitive Volatility
- Network Effects



Internal Factors

- Access to Capital
- Resources



Derived from :
Innovative Marketing, Vol 6
Gliga and Evers, 2010

Confidence levels of the High Tech Leaders

The leaders have less than a 50% confidence in a successful product launch

Confidence in capabilities drops along the product lifecycle

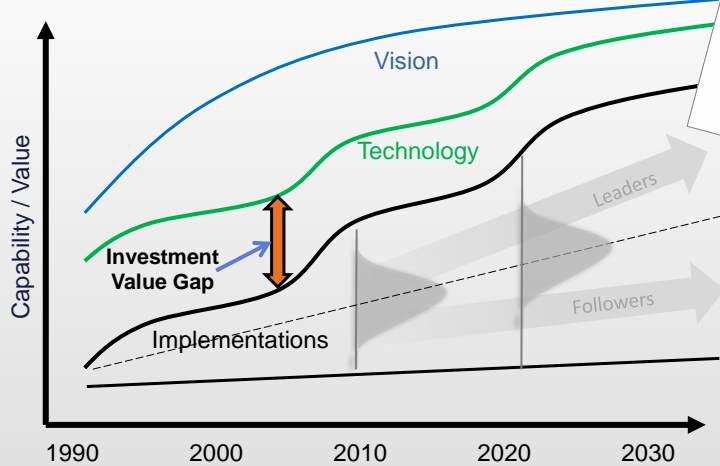
Executives classified themselves as market leaders



2013 UPS Change in the (Supply) Chain

CIMdata Research Evidence

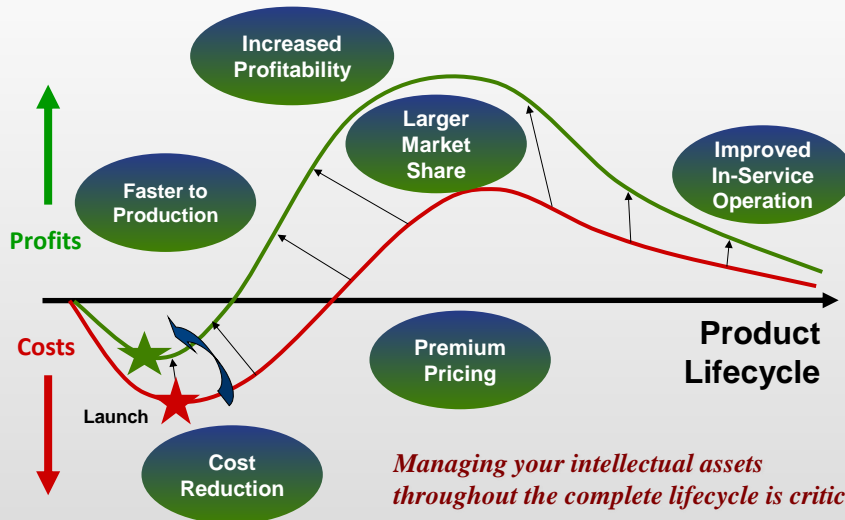
Identifies clear differences between leaders and followers



Can you afford to be a follower?

Goals of Product Lifecycle Management

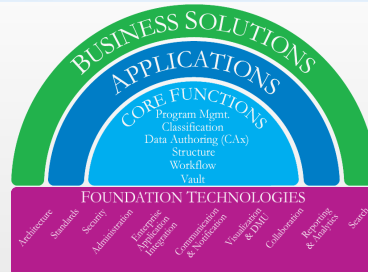
Shorten the cycle and gain value with increased confidence across the lifecycle



Our Definition of PLM...

PLM – integrating people, processes, information, and business systems

- Strategic business approach
 - **NOT** just technologies
 - Consistent set of business solutions
- Collaborative creation, use, management & dissemination of product related *intellectual assets*
 - All product/plant definition information – the virtual product
 - MCAD, AEC, EDA, CASE, analysis, formulas, specifications, portfolio, docs, ...
 - All product/plant process definitions – the virtual processes
 - Processes that plan, design, produce, operate, support, decommission, recycle, ...
- Supports the extended enterprise
- Spans full product/plant lifecycle, from concept to end of life



CIMdata's World Class PLM Model

Combine industry view with PLM view



Typical High Tech PLM Status Today

- Foundational and some core level
 - Drawing vault, Change management
 - Plans to advance stalled after initial deployment
- 2nd generation deployment
 - Large time lag to upgrade (economy)
- Reluctance to invest on next stage
 - Lack of perceived ROI by management
 - Fear of disruption
 - Reactive in the face of rapid development cycles

**Most High Tech companies are lagging!!
It's time to catch up**



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Today's Main PLM Drivers

What's driving industrial companies to pursue a PLM strategy?

- Lack of resources of all kinds
 - Money, time, people, patience, etc.
- Increased product complexity
 - Embedded software is the norm, regulatory complexity, etc.
- Increased design supply chain complexity
 - More suppliers, more responsibilities, more distributed, etc.
- Current implementations are lacking or too limited
 - Current implementations are restrictive...in some cases legacy
 - They are not receiving the value
 - Complexity just not supported



Getting Your PLM Strategy Back on Track

Basic steps for getting back on track

- Objection handling – turn it to lessons learned
- Get your business leaders “re-educated” about what PLM is and what it isn’t
 - What most high tech companies have today is PDM thus the confidence levels shown before.
- Establish a vision
- Revisit PLM justification as a Business Issue
 - Don’t assume it is just an “upgrade”
- Develop a value based roadmap that focuses on benefits

*Getting external help makes sense to minimize risk,
bring credibility and overcome the FUD.*

PLM Transformation

Services for Industrial Organizations—improving your PLM-related processes



***CIMdata’s PLM
consulting
methodology—
transforming your
business for a
competitive advantage!***

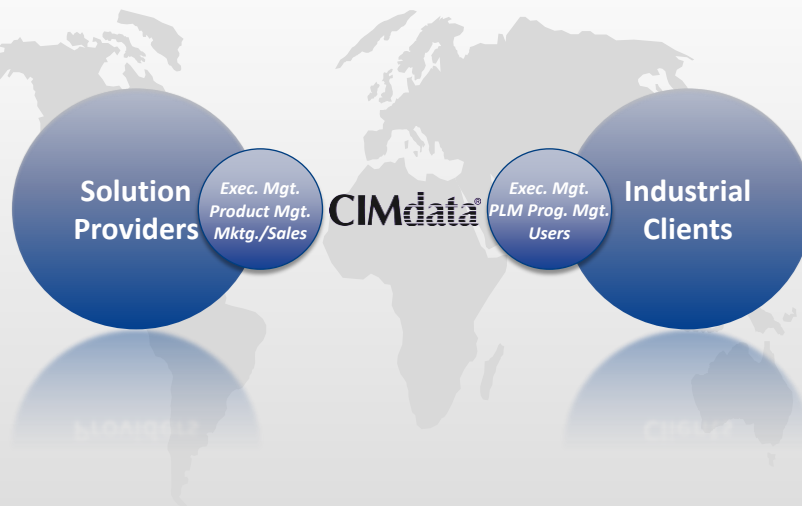
***A comprehensive set of
services tailored to fit your
specific needs...***

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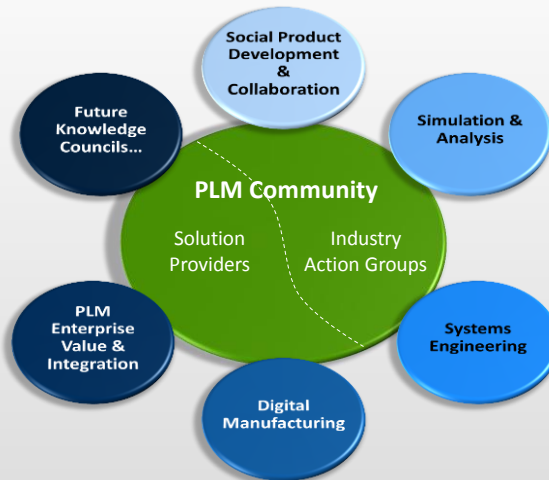
Our Role...

Our role in the PLM ecosystem—facilitating and energizing the PLM economy



CIMdata Membership Services

A rich set of community and knowledge council services



High Tech Electronics Practice

Components within each of our Member Service areas

- PLM Services
 - Provide guidance and emphasis for our HTE customers needs
- PLM Community
 - Participate in HTE related briefings, provide whitepapers, commentaries etc for solution providers
- HTE Action Group 
 - Lead industry driven research on PLM as impacting HTE unique issues
- Knowledge Councils
 - Interconnectivity with HTE, Knowledge councils and other industry action groups to leverage research efforts

CIMdata's High Tech Strategy

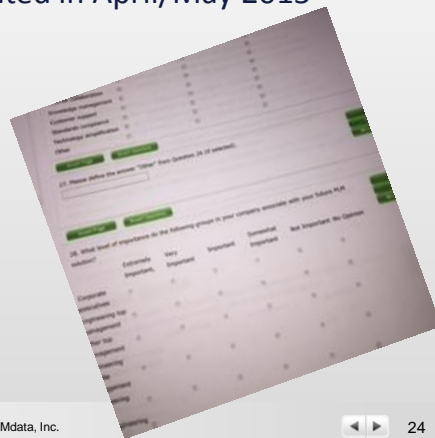
CIMdata sees the challenges for High Tech and PLM

- Conducting High Tech Survey to identify and prioritize PLM gaps faced by the industry
- Hosting High Tech focused webinar series (quarterly events)
- Forming High Tech Action Group focused upon industry needs
- Hosting High Tech Electronics PLM Roadmap event

High Tech PLM Survey

Identifying the gaps that exist between the state of PLM & HTE industry needs

- Survey will be launched in January 2015
- 50 questions targeting industry needs
- Preliminary results to be presented in April/May 2015
- Providing incentive to respond



CIMdata's High Tech Webinar Series

Quarterly free webinars targeting HTE and PLM related issues

- February 2015
 - HTE, PLM and the Cloud
- May 2015
 - Preliminary findings of HTE PLM Survey
- August 2015
 - TBD
- November 2015
 - TBD

HTE Action Group

High Tech Electronics companies collaborating to further PLM research & dvlp.

- Unique opportunity for High Technology Industry leaders to maximize the benefits they receive from their Product Lifecycle Management (PLM) related investments
- Enrollment is open to major high technology electronics companies and selected related industry companies
 - Collectively address current PLM-related challenges
 - Close technology gaps
 - Expose needed standards
 - Co-sponsor collaborative research with CIMdata

HTE PLM Road Map 2015

Innovating in a Nanosecond World

Innovating in a Nanosecond World

San Jose Biltmore, June 16, 2015

The high technology industry is cyclical in nature, has extremely fast development cycle times, and has highly complex and integrated business collaboration supply chain models. Additionally, high tech companies tend to have multiple technical disciplines and tools. Regulation and compliance issues come into play with increasingly complex restrictions that must be efficiently and accurately addressed. This PLM Road Map event will explore these challenges and others, their impacts that often result in design delays and subpar product innovation when innovation must accelerate in this increasingly complex environment, and how PLM can and should play a key role in enabling innovation.

- 1 day single track event
- 1 CIMdata key note speaker
- 1 Industry key note speaker
- 6 Industry speakers
- 6 Solution provider case studies
- Collaboration Café for breaks
- June 17th – Model Based Systems Engineering Knowledge Council workshop

**Speakers
wanted**



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Concluding Remarks

- Covered the status of the High Tech Innovation pressures
- Explained the current state of PLM within High Tech Industries
- Discussed importance of revisiting the PLM vision and benefits
- Shared how CIMdata is engaging to support HTE Industry in the PLM market

Call to Action

What steps to take to get HTE PLM to the forefront in your business

- For your PLM Initiatives
 - Establish a vision
 - Use the past as lessons learned
 - Get your executives educated
 - Establish business case and business benefits
 - Define priorities and roadmap
- To gain further value
 - Participate in CIMdata Survey
 - Join HTE Action Group
 - Attend HTE PLM Road Map

Who We Are...

Focused on product lifecycle management—unbiased and independent

- Primary business – consulting services
 - Independent, comprehensive, and unbiased services
 - Full product lifecycle focus for PLM strategic guidance and support
 - Solution independent, modular, and adaptable methodologies
 - On-going market and technology research
- Worldwide recognition for excellence since 1983
 - Experienced senior consulting professionals
 - Focused on client success across multiple industries
- Serving both industrial clients & PLM solution providers
- Global focus
 - Clients and offices in North America, Europe, Asia-Pacific, and other
 - Additional associates in all major geographies

Our Services...

Creating, disseminating, and applying our intellectual capital



Research

- Market research & analysis
- Technology research & analysis
- Reports & publications
- Market news
- Member services...



Education

- Executive seminars
- PLM Certificate Programs
- Technology seminars
- Int'l conferences & workshops
- Best practices training...



Consulting

- Strategy & vision
- Needs assessment
- Solution evaluation
- Best practices
- Quality assurance
- Program management
- Market planning...

Delivering strategic advice and counsel through a comprehensive, integrated set of research, education, and consulting services

Our PLM Transformation Clients...

A sampling of CIMdata's international industrial clients (1 of 2)

A&D	Auto	Fab & Assembly	High-Tech

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Our PLM Transformation Clients...

A sampling of CIMdata's international industrial clients (2 of 2)

CPG/F&B/Process	Medical/Pharma	Emerging Ind.	Other

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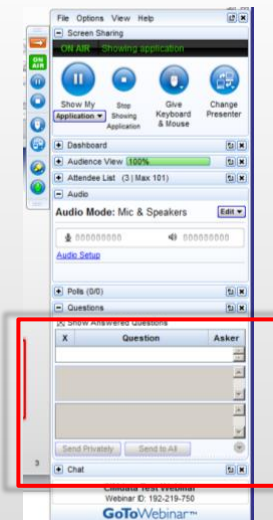
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Questions?

Please use the GoToMeeting chat panel

- We're hoping that the anonymity of the chat window might help participants ask more questions
- If you want to ask a question on the record, we'll certainly let everyone know you're asking
- The most important thing is interaction – let us hear from you on the call



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Strategic consulting for competitive advantage in global markets

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