



SmartFactory as a Service



KUKA

Munich RE 

Munich, 21 June 2018

## Media information

### New solutions for the future of manufacturing: MHP, KUKA and Munich Re present SmartFactory as a Service

- Industry 4.0 and digitalisation allow for new manufacturing methods and demand new business models. MHP, KUKA and Munich Re present one vision for these: the new SmartFactory as a Service.
- Using SmartFactory as a Service allows manufacturers to focus on client satisfaction without having to bear peripheral parts of the value creation process, investment costs and risks themselves. For the first time, this makes flexible small-batch manufacturing commercially viable.
- Through the innovative integration of end-to-end and embedded management of data and risk, SmartFactory as a Service accelerates the product development process and facilitates product testing and development in line with market requirements.
- What is more, the tangible SmartFactory as a Service itself is an ideal location for events and workshops, where exchanges on ideas and challenges can be brought together in a dynamic ecosystem.

MHP, KUKA and Munich Re presented SmartFactory as a Service for the first time on 20 June 2018 in Munich – and with it a new business model that has the potential to revolutionise automotive manufacturing processes in the future. The three companies are pooling their core competences: KUKA develops the robot-based automated plant; MHP provides its digitalisation expertise, offering consultancy on the closed-loop manufacturing approach throughout the project phase, and delivers systems integration. Munich Re rounds out the business model with integrated risk management and innovative finance models.

Industry is currently experiencing a sea change brought about by dynamically morphing client expectations, putting manufacturers under great pressure to innovate. To remain competitive, they are faced with the challenge of adapting their traditional processes. This transformation demands great flexibility and transparency along the entire value chain – and access to critical resources. It is generating high capital costs and harbours substantial uncertainty and risks.

SmartFactory as a Service will shorten new products' time to market by up to 30%, thus significantly improving one of the most decisive competitive factors for manufacturers. Teamwork in the partnership and the combination of complementary expertise is essential in achieving this.

Together, the three partners aim to digitise the whole value chain, realise a high quality end-to-end data flow, and meld areas and systems in the production development process that were previously unconnected. The SmartFactory as a Service will independently and flexibly produce different product types in any quantity and so fulfil clients' changing demand for customised products.

The scalable integration of development, manufacturing, and embedded risk and financial management enables synergies to be realised along the value chain, and allows manufacturers to benefit from innovative usage models while retaining full cost variabilisation.

Dr. Till Reuter, CEO of KUKAAG: "A plant's ability to adapt is the key criterion in making manufacturing fit for the future. Our clients face the challenge of responding swiftly and flexibly to market needs. SmartFactory as a Service can achieve this. Our cooperation with Munich Re and MHP brings the business models of the future a great deal closer."

Dr. Ralf Hofmann, CEO of MHP: “Acceleration can no longer be confined to the shop floor. We need a self-contained “engineering value chain” – which means consistent data, processes and organisations. This end-to-end workflow facilitates the optimisation of highly individualised manufacturing – mass customisation using series production tools.”

Dr. Torsten Jeworrek, Member of Munich Re’s Board of Management: “The combination of state-of-the-art manufacturing technology with the digitalisation of all processes, and with risk management and financial strength enables a new and innovative form of manufacturing. One that we plan to develop in partnership with our clients, supporting them on their journey into the digital future.”

At the SmartFactory as a Service in Munich’s dynamic factory quarter, tomorrow’s production lines can already be seen in action today, illustrating and facilitating the realisation of innovative business models. In seminars, presentations and workshops, clients and all other players in the emerging ecosystem can discuss the perspectives IoT opens up for industrial companies. The location offers a space to network, share thoughts across industry boundaries and collaborate on concrete use cases for new business ideas.

Interested enterprises are invited to join the network and help shape the manufacturing plants of the future.

More information can be found at [www.sfaas.de](http://www.sfaas.de).

#### **MHP Management- und IT-Beratung GmbH**

MHP is a leading consultancy company (primarily for mobility and manufacturing), and a subsidiary of Porsche AG. The unique MHP approach to consulting is based on the symbiosis of management and IT consulting services. With its commitment to excellence and profound expertise in digitalisation, MHP advances industry processes together with its customers along the whole process chain in the mobility and manufacturing markets. MHP does so as a digitalisation expert and partner, but above all from person to person. At present, almost 2,500 employees advise and support over 300 customers worldwide from 13 locations. The MHP philosophy: Excellence.

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## **KUKA**

KUKA is a global automation corporation with sales of around €3.5bn and approximately 14,200 employees. As a leading global supplier of intelligent automation solutions, KUKA offers its customers in the automotive, electronics, consumer goods, metalworking, logistics/e-commerce, healthcare and service robotics industries everything they need from a single source: from components and cells to fully automated systems. The KUKA Group is headquartered in Augsburg.  
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## **Munich Re**

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