

SIEMENS

Joergen Ole Haslestad,
President of the Siemens Industrial Solutions and Services (I&S) Group,
Erlangen,

Statement

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The Siemens I&S Group – Sustained success in a competitive world

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1. I&S: The Company

Siemens Industrial Solutions and Services provide innovative solutions and services designed to enable our customers to improve their competitiveness. Our offerings cover the entire life cycle of industrial and infrastructure facilities, from consulting and planning through installation, operation, integration of IT-solutions to maintenance and modernization.

Our four core competencies:

- *traffic control* including traffic guidance systems and transport telematics enables us to integrate different technologies and services into solutions for modern traffic management, resulting in improved traffic mobility.
- *industry sector solutions* for customers in materials processing industries and infrastructure-related industries including automation, instrumentation, drives, power distribution and control systems;
- *information technology solutions* that enhance productivity in facilities for manufacturing and materials processing by linking different levels of automation, process control and management information systems;
- *technical services*, including plant construction and modernization, on-call and logistics services and integral plant maintenance, as well as auxiliary process management services provided to customers in a broad range of industries.

2. The trend in industrial projects

It is not by optimizing individual plant components that overall productivity can be increased; rather, it is by linking the entire production flow with business processes that provides companies with the kind of leverage they require to enhance both their efficiency and competitiveness. Production processes are increasingly being optimized and supported by IT solutions in an effort to make more effective use of the resources existing in logistics and plant utilization, and to establish a direct and real-time link between production processes on the one hand and business processes and management goals on the other. A plant life cycle review opens up another window for increasing competitiveness. In the

field of innovative maintenance services and plant modernization, I&S supplies both technological and commercial solutions which permit more effective organization of production processes and better utilization of plant resources.

3. The product families: The single source integration portfolio

For the first time at this year's Hanover Fair, we will be showing industry-related product families which merge automation solutions with IT applications and maintenance services into a complete and fully integrated package. This combination of selected tried and tested standards in the form of a "Plug & Produce" module has the additional benefit of protecting our customers' investment and ensuring optimum operating safety and security.

With the development and application of these product families, I&S closes the gap between the automation world and specific facilities operating in such industries as pulp & paper, steel, mining, oil & gas, water, and marine.

The objective for I&S was to merge what are often two separate worlds within an organization, i.e. the production process and the business process, in order to create an effective and competitive facility. Our product families therefore link the automation world with IT solutions and the requirements of maintenance and modernization. On the one hand this requires modular designs; on the other, it also requires standardizing solutions that reduce commissioning times and maintenance expenditure. Simultaneously, standardization increases ease-of-use and maintainability.

It is no longer stand-alone solutions that help optimize a plant but the integration of standardized products and services to bring about a sustained improvement in increasingly complex production processes.

By developing and deploying our product families, which are based on cross-industry product lines for plant engineering, IT solutions and maintenance services, I&S has closed the gap between the automation world and customer specific plants.

In the past, we were rather opportunistic in quoting the customer what he thought was best for him. In most cases, we also separated tasks into IT solutions, engineering and maintenance. At Siemens we sat down to think about what an optimal plant should look like and how we could use the experience gained in the most diverse industries worldwide to arrive at a better solution. It is now our goal to provide overall solutions which optimize plant and production processes and gear these to business objectives. With our product families and the “Plug&Produce” concept we are on the right track.

Progress is no longer driven by a piecemeal approach but by an overarching view. Clearly, the benefits to the customer lie in our developing and building maintenance-friendlier plants which integrate all major elements of the production process via IT, and link these with the management level.

Our product families make it a lot easier and faster to integrate new technical developments and this at lower cost. We are thus able today to safeguard our customers’ investment and their competitiveness in the future. Their plant availability is increased, and production becomes more flexible and transparent. That also makes them able to respond faster to changes in the market.

4. Innovations at Hanover Fair

As in the automation world, standardization in the integration of IT solutions and life cycle services is today displacing the plethora of stand-alone solutions which typified the past. This reduces our customers’ risks in terms of capital expenditure, plant commissioning and in particular technological advance. This is true of both new plants and modernizing projects. At Hanover Fair, I&S will be showing solutions which are being applied in various sectors of industry; the core of these solutions has been tried and tested in a number of industries and can be used for further developments.

Industrial IT Enterprise

The XHQ real-time information portal enables us to collect real-time plant and operating data and to relate this to business information or market data. It is then possible to display on-screen data on – for example - plant utilization, availability of raw materials and additives, or product quality classified by corporate key performance indicators (KPIs). This new view also provides a new basis for management decisions.