

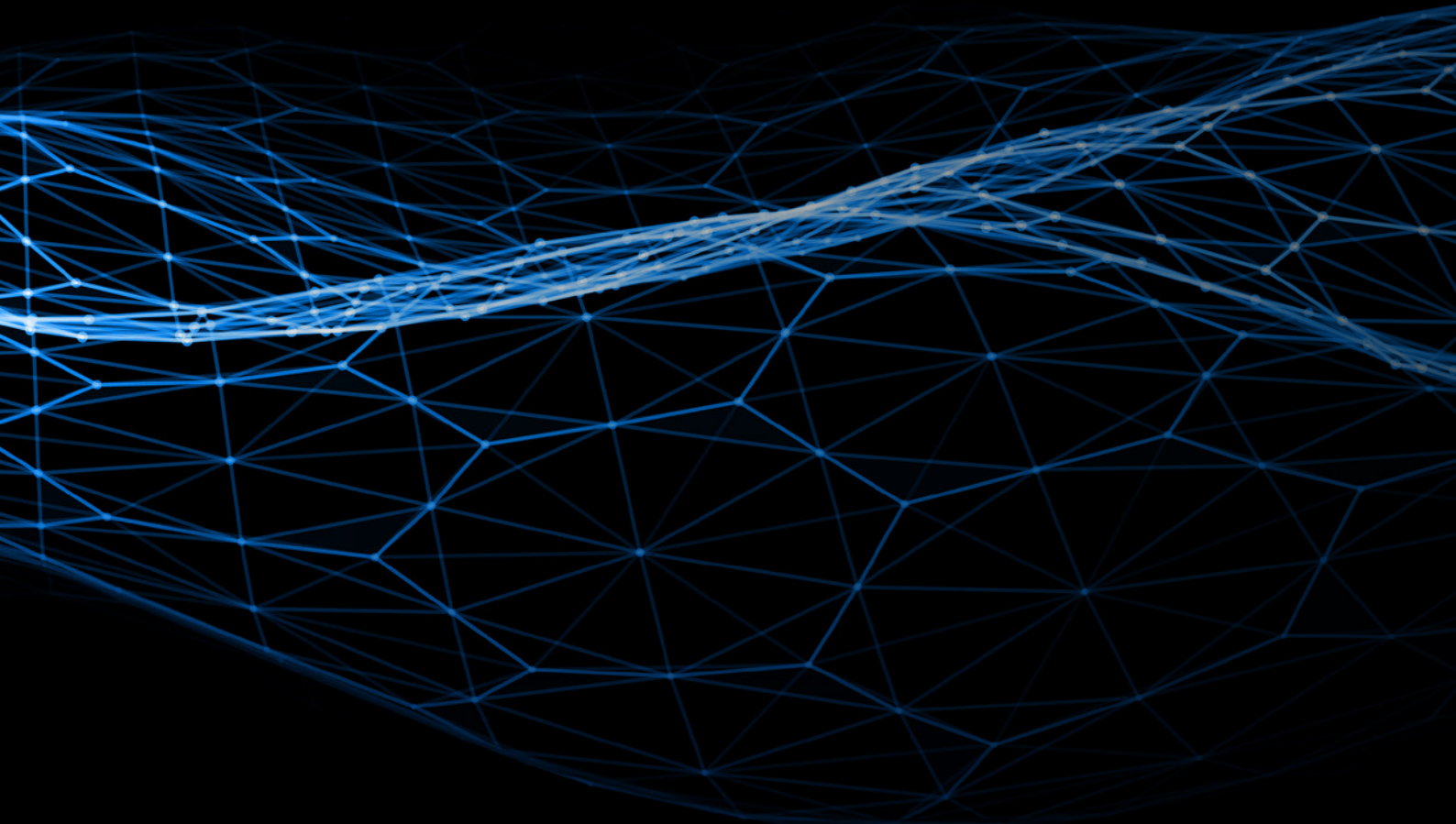
Atos



# Atos and SAP

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In the volatile context of today the need for supply chains to be efficient, agile and resilient is clearer than ever. SAP and Atos' forward thinking approach can help you achieve all of this quickly, effectively and sustainably.





## SAP: Paving the way for an agile digital supply chain

As Industry 4.0 looks set to revolutionise the global supply chain, SAP and Atos are working together to re-shape the digital landscape

In my personal opinion, it has never been more important for a manufacturer to be agile when it comes to their digital supply chain, is the message from John McNiff, Head of Digital Supply Chain SAP for EMEA North.

SAP, one of the global leaders of Industry 4.0, counts Atos as one of its trusted partners. Together they are focusing on how to shape the future supply chain.

Beyond the traditional Enterprise Resource Planning (ERP), SAP has been investing in technologies and solutions for the digital supply chain.

"We are working with Atos on implementation and bringing best practice and thought leadership to our customers to understand how they can get better outcomes," said McNiff.

### Industry 4.0 and sustainability

"We believe we've got something quite unique," said McNiff who points out manufacturers look to partner with SAP

due to their scale, security and a long track record. "Atos is working with us as we realise benefits from Industry 4.0 by implementing the next generation of solutions that we are bringing to market, cloud-based, data driven, and AI embedded tools.

### Effect of the pandemic

"The pandemic, Brexit, the China trade wars have been a supply chain marketer's dream as this has highlighted what supply chain disruption actually means.

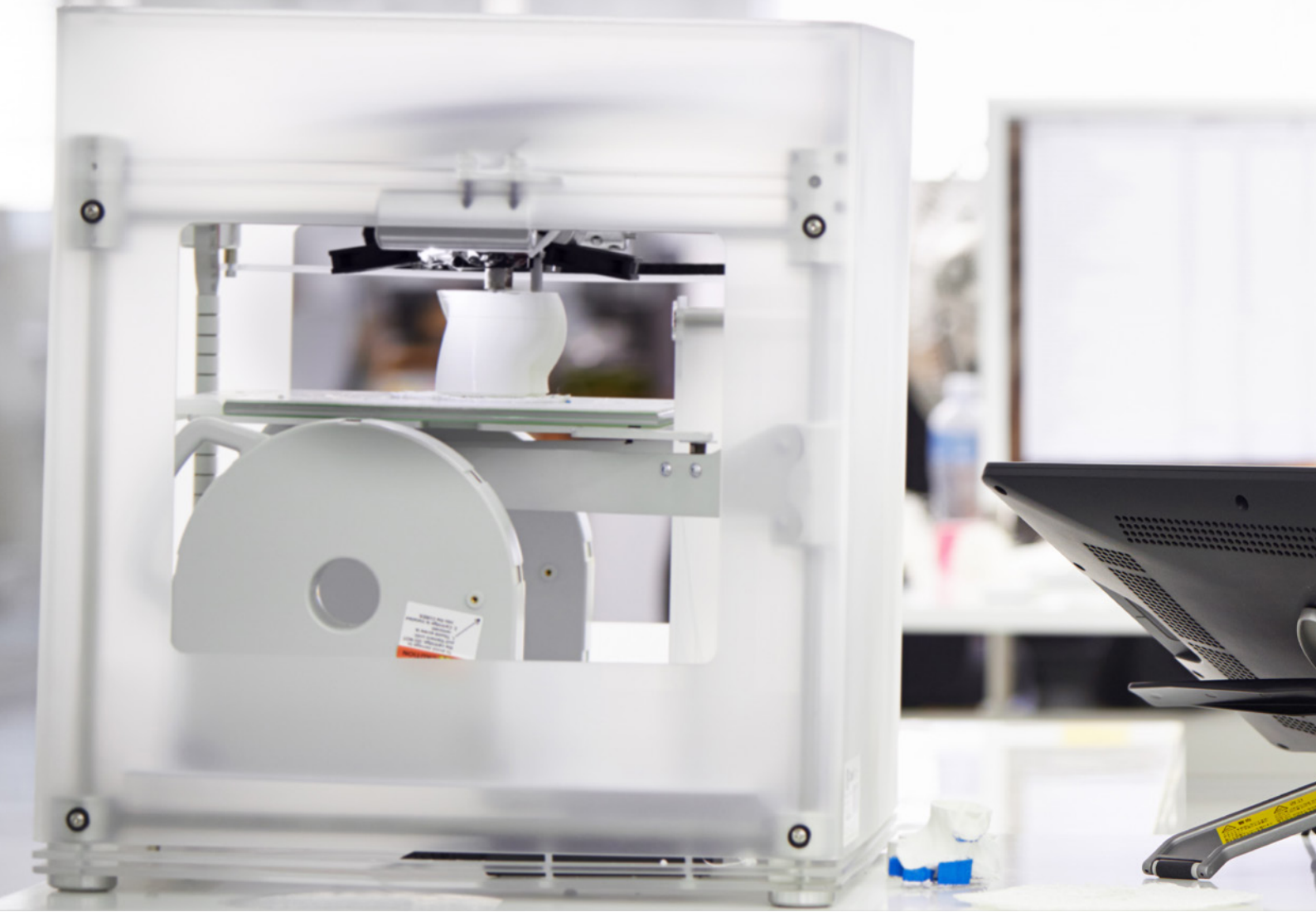
"It has never been more important for a manufacturer to be agile, find new partners and become more efficient. They need solutions that are cloud-based and delivered quickly, that can stand alone, but interoperate with other solutions so they can get some return on the investment - fast."

### Sustainable future

According to a report from McKinsey 94% of the manufacturer's carbon footprint typically comes from its supply chain, either internal or external.

"If we can help companies understand where that comes from and how to manage that it will make a big difference to their sustainability goals" said McNiff.

[Learn more](#)



“KEY DECISIONS NEED TO BE COMMUNICATED CLEARLY WITH THE REASONING BEHIND THEM EXPLAINED. ONCE PEOPLE UNDERSTAND THE REASONS WHY, THEY ARE MORE LIKELY TO EMBRACE INITIATIVES POSITIVELY AND THESE ARE THEN MORE LIKELY TO BE SUCCESSFUL”

**SIMON CULSHAW**  
VP MANUFACTURING STRATEGY & BUSINESS  
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ATOS

not used correctly, it can result in poor communication between them. One of our big challenges is to get rid of these silos and get the business working together to produce what is required to be the most efficient and cost-effective way, whilst improving quality and increasing agility. ERP and integration on the shop floor and product lifecycle systems are critical if we are to succeed.”

Atos works with SAP software extensively in the smart manufacturing space. It has, over time, invested heavily in the technology. A great example of this is what he refers to as ‘smart manufacturing studio’. This, he says, is an immersive experience in which customers can test drive different technologies involving SAP to address business and manufacturing scenarios and demonstrate how cases can





be implemented. The SAP software covers areas like product life-cycle management (PLM) integration, intelligent asset management and performance management in factories. Culshaw believes that joining up these areas across a business adds massive value. Atos is working with many manufacturers to achieve this in factories.

### **Critical cyber security in industrial technology**

Although cybersecurity is obviously hugely important, Culshaw says in some cases it's treated with the utmost importance and in others it's not taken seriously enough. In industry sectors such as aerospace and defence, huge emphasis is placed on cyber security, but it sometimes becomes apparent that other types of companies such

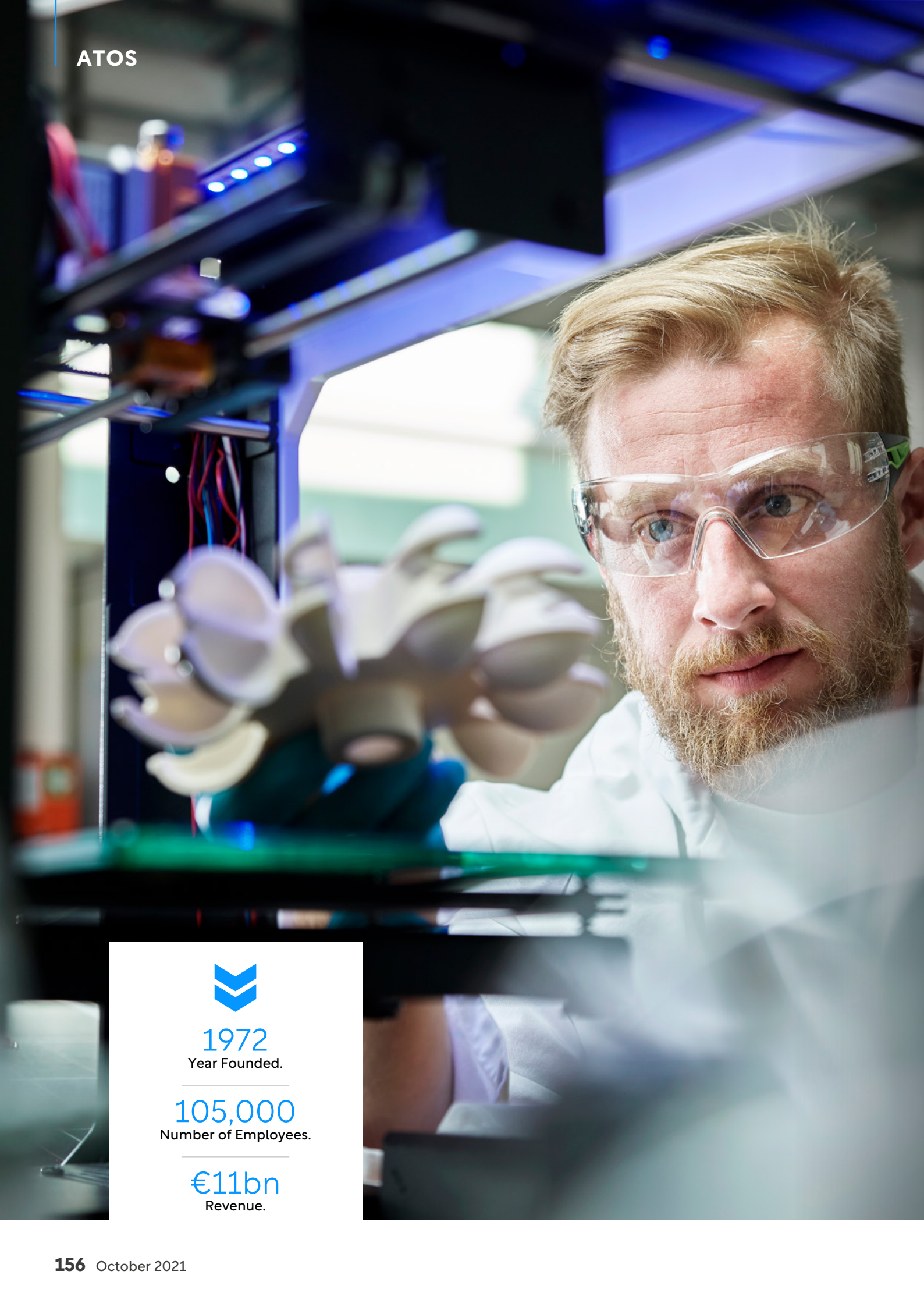
as manufacturing focus less on cybersecurity. With the world moving increasingly to the cloud, it is more important than ever. Culshaw has, for example, witnessed malware having considerable impact on production and OT systems, causing days of downtime.

"When it comes to the expansion of the use of cloud to hold larger and larger amounts of data, having the right cybersecurity measures in place is critical. Any vulnerabilities can be exploited and that can have serious repercussions for a business. The importance of solid cyber security measures cannot be underestimated," he states.

### **Atos and their partners and importance of relationships**

Atos works with major providers for products like PLM and manufacturing execution





1972

Year Founded.

105,000

Number of Employees.

€11bn

Revenue.

“WE’VE MADE SUBSTANTIAL COMMITMENTS TO THE MARKET IN TERMS OF OUR OWN CARBON FOOTPRINT AND SOME OF THE INITIATIVES WE WORK ON IN SMART MANUFACTURING PLAY INTO HOW WE CAN HELP WITH THIS MORE BROADLY BY REDUCING WASTE, IMPROVING ENERGY CONSUMPTION AND INCREASING EFFICIENCY”

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systems (MES). One of their biggest partners is Siemens, with which, Culshaw says, Atos has a major strategic partnership. In regards to manufacturing, they have been working together since the start of the Industry 4.0 initiative. The partnership revolves around investing in the production of a number of solutions to meet specific use cases within the manufacturing industry.

“For example,” he says. “It could be around preventative maintenance and the creation of solutions involving IoT products, such as MindSphere. Our chief executives have made a commitment to ongoing partnerships over the next five years. We are involved in a number of initiatives alongside Siemens. We would like to improve the competitiveness of UK manufacturing.”

However, Culshaw is keen to add that Atos also partners with smaller operators and runs a scheme called the Horizons Programme that supports small technology companies to bring their innovations to market. Atos helps these companies by introducing their innovations to larger corporate manufacturing companies, including Atos customers. This helps to grow these businesses and brings value to Atos customers to introduce innovation early in the lifecycle.

Culshaw concludes: “There’s no one size fits all, there are a lot of different partners and a wide partner ecosystem we work with in terms of technologies.”

#### **How does he think Atos’ relationships with their partners, large and small, are changing?**

“What is starting to change is our thinking about how we use technologies like MES from an enterprise perspective. Traditionally, manufacturing companies haven’t tended to use this technology on an enterprising scale and things like scalability and licensing





haven't become issues. That's starting to change because companies want to standardise specific platforms so they can have easy access to their data across their entire operation," Culshaw answers.

"Companies are starting to think about how they put models in place from a commercial perspective and how they scale their products to large global operations – this is going to be a challenge. It is already an area that we are working across." Culshaw again gives Siemens as an example, as Atos has provided the company with dynamic PLM services in the cloud – a consumption-based model which allows a lower cost of entry that can be scaled as demand grows.

And what does he think is the secret to Atos' long lasting and successful partnerships across the industry? Culshaw sums this up in just one word, "trust" – this

often requires a bit of a leap of faith but once we are there it creates momentum and enables us to work together in a constructive way.

"If you can establish one small victory, everyone wants to repeat it, which leads to success in other parts of the business."

### **What will a successful business look like in terms of technology within five to ten years?**

Culshaw says this is going to be dominated by companies that know what they're doing with their data and know how to use it to get useful insights. Data is growing exponentially, and this is only going to become more complex and more difficult to extract insights. However, it gives rise to greater opportunities.

"Companies that grasp this are going to have a significant advantage over their

## GLOBAL SMART MANUFACTURING INDUSTRY MATURING AT A RAPID RATE

The global smart manufacturing market size was valued at USD 236.12 billion in 2020. It is expected to expand at a compound annual growth rate (CAGR) of 12.4% from 2021 to 2028. The industry is focusing on integrating innovation and efficiency, as manufacturing processes are maturing at a rapid pace. The industry is set to adopt smart manufacturing practices across various domains. The need to increase productivity and enhance visualisation of the entire system are the two major factors driving the market growth. Smart manufacturing has increased the adoption of digitisation in various attributes of the entire supply chain of manufacturing companies. Major technological advancements have been witnessed in data analytics, predictive maintenance, and industrial networking. Numerous manufacturing units have adopted one or the other form of software systems. The systems are expected to be consolidated and streamlined over a single platform for providing real-time information and insights in the forthcoming years.

competitors. The technology landscape is going to be dominated by this,” he says.

He goes on to say that there is still lots of work to do in terms of the emergence, development and expansion of IoT technologies. “I don’t think businesses are quite there yet when it comes to stable and reliable IoT technologies because we’re not at the point where people fully understand and know what exactly to do with them.

“Over the next few years, we will start to see the emergence of some key players in this space - this is hugely exciting and will enable lots of new business models, the likes of which we have barely begun to think about.” 