

Interview

'Our business in India is one of the fastest growing businesses in Asia'

Texas-based UGS, which has its presence across North America, Latin America, Asia and Europe, specialises in offering open enterprise solutions to customers operating in several verticals and assists them in transforming their process of innovation and maximize value throughout all phases of the product lifecycle through innovative PLM solutions. Hans-Kurt Lubberstedt, Executive Vice President Asia-Pacific, who was on an India tour recently to address India Users' Conference, spoke to Auto Monitor on the sidelines of the conference. He elaborated on the importance of Indian market in company's global gameplan, India-specific initiatives and new solutions, with specific focus on the auto sector. Excerpts...

Shally Seth
NEW DELHI

If you could elaborate on the significance of auto sector in company's overall portfolio as far as India is concerned?

Automotive sector is a very important vertical for UGS, not only in India but the whole world. We work intensively with almost all the OEMs in India. You name it and we are associated with them. We are also working with several of the engi-

neering solution companies.

Our business in India is one of the fastest growing businesses in Asia. We have a tremendous growth in India last year. The last four years have been extremely good for us. We do see a lot of potential in this country. We have manpower of around 600 people here. We have a software development centre in Pune, which works in close co-ordination with our corporate centre in the USA. India and China are the two most important markets for us and we



Executive Vice President, Asia Pacific, UGS, Hans-Kurt Lubberstedt

are deploying resources in these two regions to fuel the growth. We have already laid the foundation of another such centre in Pune, it would be up and running shortly.

Significance of auto sector in company's overall portfolio.

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Usage of CAD CAM solutions by the Indian companies is on a rise for designing and prototyping, what cost benefits does PLM solutions offer?

There are several advantages of using the PLM solutions (Product Life-cycle Management). You get the chance of verifying the functioning and behaviour of an automobile. All the digital (virtual) models helps one in the construction of a prototype and when one does convert it into a physical prototype, one can verify the correctness of one's prediction. Moreover,

it has helped in reduction of number of prototypes dramatically. GM for instance used to build between 10 to 14 prototypes depending on the development extent of a new car model. This is now down to one or two.

Hence one saves the cost on all the prototypes. The cost of building a prototype is between a million to five million dollar depending on the complexity of the model in question. You are hence saving around 60 million dollar in a model development programme by using the PLM solution. The second benefit is economy of time. Building a prototype is a lengthy, time consuming process. Since you can verify, investigate a design on a virtual model, you cut down on time drastically.

There are lots of global carmakers, which are firming up their India plans. Would you be working with them by virtue of your association with them in other markets or you would make a fresh pitch as and when they begin their India innings?

When a company selects a PLM solution provider, they look for a company, which has a global pres-

ence so that it helps them in bringing in a uniformity and compatibility. When a customer decides to use our technology for their development cycle, it's in their interest to use the same technology partner all over, as it would lead to incompatibility. They are hence integrating their supply chain with the PLM technology.

The auto sector in India, over the last few years has undergone a sea change. While earlier it used to be an outside company coming to India. Now with Indian companies going global they are expecting UGS to play a bigger role in helping them in other parts of the world. This was never the case earlier. For instance when Tata Motors bought over Daewoo's commercial vehicle in Korea, they contacted us asking how we can we implement our technology in Korea. Since we were already present in there, it was easy for us to offer them a solution.

Similarly, Nissan had approached us asking us if we could help them arrange some tours to India to find out more about the potential engineering services they could leverage in this country. They were very impressed by the level of engineering capabilities in the country. It was beyond their expectation and imagination! One of our biggest customers is GM and GM has a development centre in India.

Your priorities for the auto sector in India in the medium to long term?

We would work towards intensifying our co-operation with all the existing customers. We have to ensure how we can go to the next level. In addition to that, one of the major things we want to bring in from the Indian perspective is supplier OEM collaboration. Traditionally, suppliers in India have been catering only to one or two OEMs. Now their market is not just India but the world. The demand — both on quality and quantity is extremely high. So this is where we can offer them our Team Centre Solution, which is a computerized world order supply. It has integrated templates for global best practices, which can be deployed anywhere in a month or so. With the help of these templates, suppliers can work with multiple OEMs and learn and monitor changes in demand and supply besides knowing about their compliance standards and quality standards, designs very effectively.

We have launched a company called Asian Sourcing Network in Coimbatore March this year, along with AT Kearney and TCS. It's owned by TCS and UGS and AT Kearney are technical collaborators. This centre offers a common forum to all the engineering company suppliers, small and large to get themselves registered. Any company in Europe, Japan, or the US which is keen on sourcing some part can get on to the network and send their RFQs (Requests for Quotations). There are certified suppliers on the network along with capacity and product details available with them. The companies can hence shortlist a supplier based on its requirements and place the order. This centre would be replicated across the city. We are planning atleast to at least five to six of such

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Our business in India...

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centres in the next couple of months.

Attrition is an issue facing most of the industry verticals. The PLM solution helps in the retention of knowledge. If someone has designed a particular part for a company and sudden leaves the organisation for more lucrative offer, our solutions come in handy. PLM captures the entire history very effectively. Hence when new set of people joins the company, they can start work on the project from where the last person left.

If you could elaborate on a new solution you have recently introduced and the benefits it offers?

We have recently acquired a search engine called Geolus, which can identify products with similar geometric shapes automatically without the designer having to put a numbering system. It assists one in producing number of parts effectively. Apart from other products, this is very critical for an automobile, as it comprises of number of parts. We are combining this with Team Centre. While Team Centre can keep a repository of all the data, with this new technology integrated into Team Centre, one can find similar parts by sorting through the data. The complexity is very high as companies have multiple design centres in multiple countries and designers all over are working on different platforms. This search engine brings in uniformity and saves time. ■