

Automotive News

DECEMBER 6, 2010

Entire contents © 2011 Crain Communications Inc. All rights reserved.

information technology

Daimler software switch will jostle supply chain

Mike Colias
mcolias@crain.com

Daimler AG's decision to switch from its longtime design software vendor to a rival program will create ripples through the automotive supply chain.

Daimler picked Siemens PLM Software for its product development software worldwide, Siemens said in a statement late last month. For years, Daimler has used Computer-Aided Three Dimensional Interactive Application software — or CATIA — from Siemens' archrival, Dassault Systemes of Paris.

It's the second big defection from Dassault in recent months. In July, Chrysler Group switched from CATIA, which it had used for 20 years, to Siemens PLM.

In that case, Chrysler wanted to move to the same vehicle development program as alliance partner Fiat S.p.A.

Chrysler, Daimler and Honda Motor Co. were among the high-profile CATIA users. General Motors Co. and Nissan Motor Co. use Siemens PLM software. Ford Motor Co. uses both.

Computer-aided design is the use of software to design and engineer three-dimensional parts and simulate their use in vehicles and the processes needed for production.

Managing that process, from design through engineering and manufacturing, is called product life cycle management.

In 2012, Daimler will merge design work from more than 20 development centers and the automaker's biggest suppliers into a single platform for its product life cycle management.

The move to Siemens NX software "will integrate our entire product creation process from design through production planning down to managing production machines," Bharat Bal-

asubramanian, Daimler's head of r&d, product innovation and process technology, said in a statement.

Daimler's software switch affects engineers at thousands of suppliers because of the need for the automaker and its suppliers to share engineering designs.

"Hundreds of millions of dollars/euros are at stake," Ken Versprille, a research director at Collaborative Product Development Associates, wrote in a research note.

Daimler's decision is striking because industry pundits thought Dassault would retain its firm grip on the European automakers, Versprille said.

In a statement, Dassault said "this decision came as a surprise." Dassault said Daimler in September renewed its CATIA contract for five years and said "no CATIA V6 evaluation has been performed by Daimler AG." **AN**