

PRESS RELEASE

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Pushing forward digitalisation in the machine tool industry with intelligent algorithms and platform technology

VDW joins forces with Spanflug Technologies – Start-up dedicated to automating parts procurement in the manufacturing industry

Frankfurt am Main/Munich, 20 January 2021. – The VDW (German Machine Tool Builders' Association), Frankfurt am Main, has acquired a minority stake in Munich-based Spanflug Technologies GmbH. The contract was signed last November. The start-up has been operating since 2018 and was spun off from the Institute for Machine Tools and Industrial Management (iwb) at the Technical University of Munich (TUM). Its declared aim is to automate the quotation and parts procurement processes for the manufacturing industry. It provides two products for this: a platform on which customers can interact with suppliers and process their orders, and software which suppliers can use to generate their offers automatically, quickly and transparently.

"The VDW enjoys excellent links throughout our industry, and we are delighted it has come on board. It's the ideal partner for us," said company founder Dr. Markus Westermeier. "Both sides were interested in establishing a close, long-term cooperation beyond the purely consultative. The idea of a financial involvement on the part of the VDW was floated and then very quickly implemented," he continued. "We enlisted the support of some of our members to evaluate the Spanflug solution and found that it leads the international competition when it comes to the analysis and cost calculation of CNC parts," added Dr. Wilfried Schäfer, Executive Director of the VDW. "The stake offers great potential, not only for our member companies and their customers, but also for the mechanical and plant engineering sector as a whole in Germany. The aim is to use the Spanflug technology and its resulting efficiency

gains to secure the long-term competitiveness of the German manufacturing industry." He went on: "The participation represents a new field of business for the VDW and thus opens a fresh chapter for us. In times of upheaval it is especially important to be expanding our portfolio as part of our efforts to remain attractive to new members."

The Spanflug Technologies manufacturing platform specialises in CNC turned and milled parts. It offers customers a fully automated procurement process, including everything from price calculation through to an online shop where orders can be placed. Customers are given the price and delivery time during the enquiry itself. "Our software automatically calculates the price based on CAD models and technical drawings," explained Dr Adrian Lewis, co-founder of Spanflug. "A new price can be recalculated immediately if any changes are made to the design. We're currently able to calculate prices automatically for over 90 per cent of the components on the market. This is based on a pricing algorithm which we developed ourselves and which we are constantly refining in order to be able to process even more components automatically," he explained. More than 1,000 customers are now ordering components on the platform and prices have been calculated for more than 100,000 production parts.

A large network of more than 70 high-performance manufacturing companies from Germany and Austria is already connected to the platform. "We attach great importance to this, as it ensures high quality and fast deliveries," affirmed Lewis. The benefits for customers are that it can shorten the entire ordering process from days to a few minutes, it saves time in the search for suppliers, and minimises the work involved in ensuring suitable supplier quality and the outlay for communication. This reduces the ancillary costs of procurement. For their part, the manufacturing companies can eliminate unused capacity and make savings in sales and marketing.

Spanflug's second pillar is also based on the platform and is a software service in the form of automatic price calculation for manufacturing companies. They can use this software to automate their costing process and generate customised quotations at the click of a mouse.

Spanflug's founders see great potential in automated costing processes, both for the customers and for the manufacturing companies themselves. The participation of the VDW will allow them to ramp up the development of their platform technology and significantly expand it by

getting the machine tool manufacturers involved. "The VDW brings extensive industry knowledge to the table and is thus the ideal partner for us here. Ever since talks began we have been seeing increasing benefit from our access to the VDW's network and the close proximity to the machine tool industry," concluded Westermeier.

Picture captions

PB_Spanflug_für_Fertiger_a.png

Spanflug analyses the CAD models and technical drawings of components and calculates a price based on the resulting data in just a few seconds.

Source: Spanflug

Spanflug_Foto_JSchmalz_MWestermeier_ALewis.jpg

Dr Johannes Schmalz (left) and Dr Markus Westermeier (centre) developed the idea for Spanflug while completing their doctoral studies at the iwb of TU München. They founded the company in January 2018 together with Dr Adrian Lewis (right).

Dr. Wilfried Schäfer, Executive Director of the VDW, Source VDW

Background

About VDW

The German Machine Tool Builders' Association (VDW), headquartered in Frankfurt am Main, has been the mouthpiece of the German machine tool industry for 130 years. Machine tools for metalworking are the key to modern industrial production. The VDW in combination with the VDMA Machine Tools and Manufacturing Systems association has roughly 300 predominantly medium-size member companies. They represent approx. 90 per cent of the total turnover in the industry.

The VDW represents its members' interests vis-à-vis the political and scientific communities, business partners and the general public, both nationally and internationally. It is also a highly competent service provider in the fields of sales market development, economic performance monitoring, market data collection, technical, economic and legal issues surrounding cooperation with the international machine tool industry, standardisation and young talent recruitment. With its profound knowledge of the industry, it can provide information and offer advice and support on specific issues and problems. The VDW has been organising trade fairs for the sector for exactly 100 years now. "A VDW Trade Fair" is the quality seal under which it organises the METAV, International Trade Fair for Metalworking Technologies in Düsseldorf (next event: METAV digital from 23 to 26 March 2021) and the EMO Hannover (next event in September 2023) on behalf of the European Machine Tool Builders' Association Cecimo. In addition, it supports its members' efforts in tapping into foreign markets. It submits requests to the Ministry of Economics for federal support at the most important trade fairs worldwide. It has also been organising technology symposia in important markets for many years under the "Innovations in Manufacturing Technology - Machine Tools from Germany" banner. The participants present their know-how exclusively to the relevant customer industries in the respective countries.

Its Youth Education and Development Foundation for Mechanical Engineering (Nachwuchsstiftung Maschinenbau) is at the heart of its drive to recruit fresh talent to the machine tool industry. The Research Institute of the VDW organises joint research for the industry in close cooperation with leading university institutes. Providing international supplier and product information, the VDW subsidiary IndustryArena operates the largest online portal for the manufacturing industry. Over 530,000 users are registered worldwide.

About Spanflug

Spanflug Technologies GmbH operates a manufacturing platform for CNC turned and milled parts. It offers its customers a fully automated procurement process, including everything from price calculation through to an online shop for orders. The CNC components are manufactured exclusively by a specially selected group of

suppliers in Germany. Spanflug also offers its *Spanflug for Finishers* calculation software-as-a-service to CNC manufacturing companies. The companies can use this to automate the calculation and generation of quotations – quickly and efficiently at the click of a mouse. Spanflug's goal is to make the complex procurement process as fast and simple as possible for customers and suppliers – pushing forward digitalisation within the manufacturing industry as a result. The company is a spin-off from the Institute for Machine Tools and Industrial Management (iwb) at the Technical University of Munich (TUM). It took part in the Xpreneurs incubator programme of the "UnternehmerTUM" start-up network. Spanflug is supported by the Initiative for Industrial Innovators. For further information please visit spanflug.de.

You can find this press release and pictures at: <https://vdw.de/en/pushing-forward-digitalisation-in-the-machine-tool-industry-with-intelligent-algorithms-and-platform-technology/>

Images can also be found online in the Press section at www.vdw.de. You can also visit the VDW via our social media channels.



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