

Bosch honors top suppliers

Actively driving transformation with successful partnerships

July 13, 2017
PI 9738 RB Ne/KB

- ▶ Awards for 44 suppliers from 11 countries
 - ▶ Bosch CEO Denner: “The internet of things is turning hierarchical value chains into value-added networks.”
 - ▶ Transformation affects entire value chains
 - ▶ Suppliers’ software expertise becoming increasingly important

Stuttgart – The Bosch Group has recognized 44 suppliers from 11 countries with the Bosch Global Supplier Award. This marks the fifteenth time the supplier of technology and services has honored outstanding performance in the manufacture and supply of products or services – notably in the areas of quality, costs, innovation, and logistics. Bosch presented the coveted awards before an audience of some 100 representatives of the supply industry. The theme of this year's award ceremony was "Partners in success." Dr. Volkmar Denner, the chairman of the Bosch board of management, emphasized the special role of the increasingly interlinked cooperation between Bosch and its suppliers: "In the connected world, partnerships are becoming more and more important. Hierarchical value chains are turning into value-added networks. With our open platform technologies, we are in an ideal position to seize the opportunities offered by digitalization in our partner networks; for example, exchanging Industry 4.0 data using the Production Performance Management Protocol."

Transformation affects entire value chains

“Our goal is to achieve supply chain excellence, which requires maintaining the highest quality standards. In the future, we must react even more quickly and flexibly to the demands of the market and of our customers. This will work only when all partners are intelligently connected with one another, working closely together with the aid of automated processes,” said Prof. Dr. Stefan Asenkerschbaumer, the deputy chairman of the Bosch board of management and in charge of purchasing and logistics. In preparation for the impending shift,

Bosch continues to invest heavily in new technologies and markets, to drive innovative purchasing and logistics strategies forward, and to train its associates for this new world.

Suppliers' software expertise increasingly important

As an innovation leader, Bosch is shaping and actively driving transformation on the internet of things. "By 2020, all Bosch's new electronic products will be connected. This means that our demand for software will also be constantly on the rise. By 2023, we expect to triple our software purchasing volume to over three billion euros," Denner said. The Bosch CEO is convinced that the company's suppliers will also find it increasingly important to develop their organizational structures for the internet of things, a move that will primarily involve expanding their software-related expertise. Denner believes that companies' sharing of ideas and knowledge is a key success factor: "We have to work together to further expand our existing business in connected products and Industry 4.0. Indeed, this is the only way to stay competitive over the long term."

A tradition of international partnerships

Bosch has been working with many of its partners for decades. In fact, for three of the award winners, this is the eighth time they have been so honored. More than half the awardees are headquartered outside Germany, and just about one-third of those are located in Asia. Dr. Karl Nowak, the president of the Bosch corporate sector for purchasing and logistics, said, "Bosch's success is based in no small part on competitiveness, innovative strength, and agility – qualities we can achieve only with fruitful international partnerships." Bosch conferred awards in a total of six categories: innovation, raw materials and components, electronics and electromechanics, mechanics, resale goods, and purchasing of indirect materials.

Suppliers play a key role in innovation

Bosch's suppliers have long been more than mere deliverers of parts and components: they are also partners in development and innovation who help Bosch stay competitive. Currently, the Bosch Group's purchasing and logistics volume amounts to some 60 percent of its total sales. Most of the purchases are of electronic and mechanical components, but Bosch also buys resale goods, software, services, capital goods, and operating equipment.

A list of all the award winners can be found [here](#).

Press photos: #1147289, #1089507, #336961, #536618, #1147290, #1147291

Video materials: #940093, #940090, #949778

Contact person for press inquiries:

Nicole Neuer, phone: +49 711 811-11390

The Bosch Group (www.bosch.com) is a leading global supplier of technology and services. The company employs roughly 390,000 associates worldwide (as per December 31, 2016). The company generated sales of 73.1 billion euros in 2016. Its operations are divided into four business sectors: Mobility Solutions, Industrial Technology, Consumer Goods, and Energy and Building Technology. As a leading IoT company, Bosch offers innovative solutions for smart homes, smart cities, connected mobility, and connected manufacturing. It uses its expertise in sensor technology, software, and services, as well as its own IoT cloud, to offer its customers connected, cross-domain solutions from a single source. The Bosch Group's strategic objective is to deliver innovations for a connected life. Bosch improves quality of life worldwide with products and services that are innovative and spark enthusiasm. In short, Bosch creates technology that is "Invented for life." The Bosch Group comprises Robert Bosch GmbH and its roughly 440 subsidiaries and regional companies in some 60 countries. Including sales and service partners, Bosch's global manufacturing, engineering, and sales network covers nearly every country in the world. The basis for the company's future growth is its innovative strength. At 120 locations across the globe, Bosch employs some 59,000 associates in research and development.

The company was set up in Stuttgart in 1886 by Robert Bosch (1861-1942) as "Workshop for Precision Mechanics and Electrical Engineering." The special ownership structure of Robert Bosch GmbH guarantees the entrepreneurial freedom of the Bosch Group, making it possible for the company to plan over the long term and to undertake significant upfront investments in the safeguarding of its future. Ninety-two percent of the share capital of Robert Bosch GmbH is held by Robert Bosch Stiftung GmbH, a charitable foundation. The majority of voting rights are held by Robert Bosch Industrietreuhand KG, an industrial trust. The entrepreneurial ownership functions are carried out by the trust. The remaining shares are held by the Bosch family and by Robert Bosch GmbH.

Additional information is available online at www.bosch.com, www.iot.bosch.com, www.bosch-press.com, www.twitter.com/BoschPresse.