

# **Building Meaningful Use Priorities, Consensus and an Actionable Program Agenda for Smart Process Manufacturing**

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SPM Steering Committee

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## Definition of SPM

*Smart Process Manufacturing (SPM) is a dramatically intensified knowledge-enabled industrial enterprise in which ALL business and operating actions are executed to achieve substantially enhanced energy, sustainability, environmental, safety and economic performance*

***Implies Infrastructure and Application***

***Simulation Based Engineering & Science (SBE&S)***

***Networked Information & Control Technologies (NICT)***

## Smart Manufacturing Transformation

- Ultimate vision is to create significant and measurable improvements in U.S. manufacturing competitiveness through innovative, highly-optimized, demand-dynamic and sustainable industrial plants and supply chains enabled by information and knowledge technologies
- Key goals:
  - Move to proactive operations and life-cycle management to optimize production economics, quality, safety and efficiency
  - Drive energy, sustainability, EH&S and economic agility into meaningful integrated performance criteria
  - Transform manufacturing from fixed, supplier-driven production to flexible, demand-dynamic production
  - Enable sustainable production of nationally strategic goods (e.g., Bio/Nano, Clean Energy, Green/Tech, and DOD needs.)
  - Build manufacturing intelligence

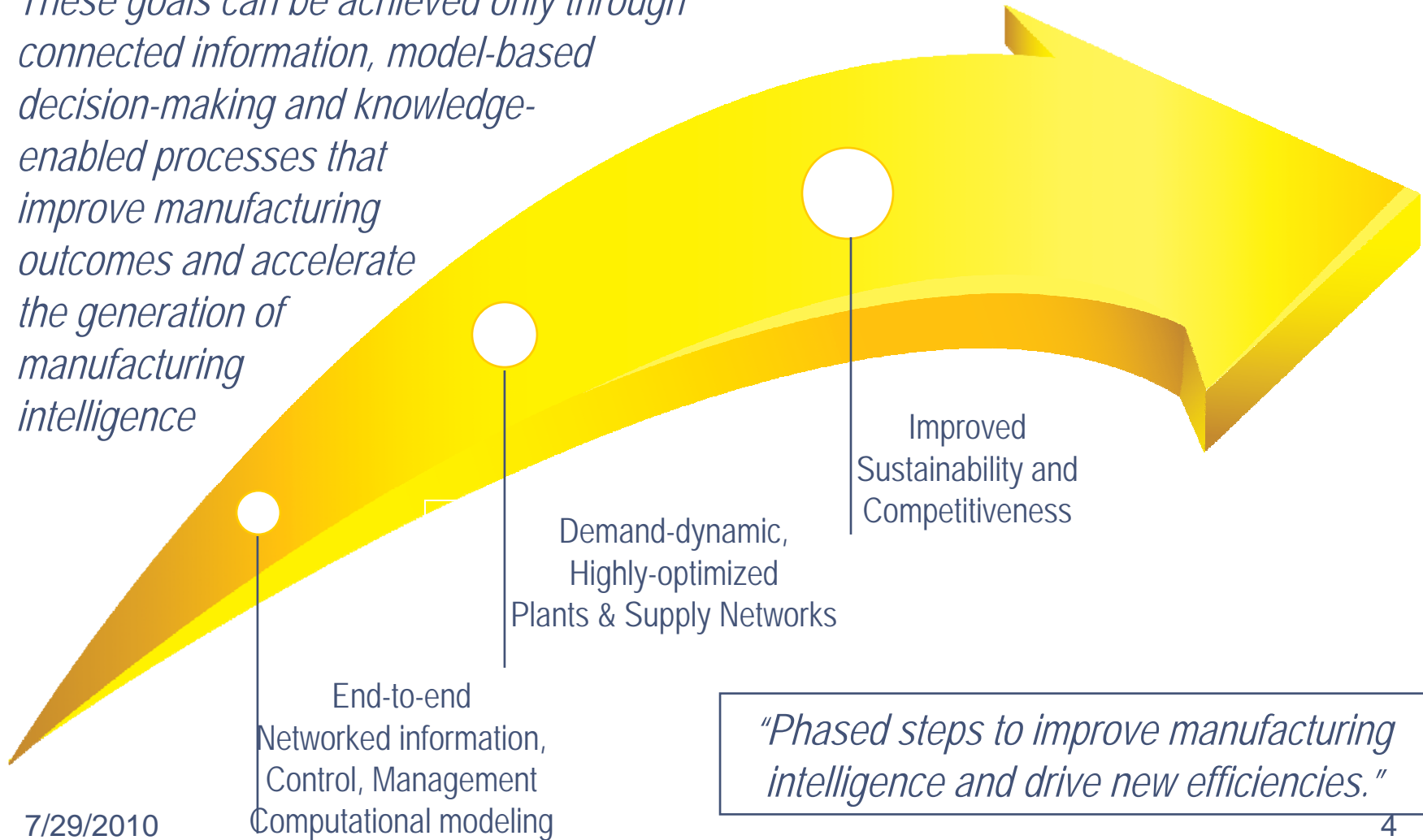
Increase U.S. manufacturing competitiveness and exports

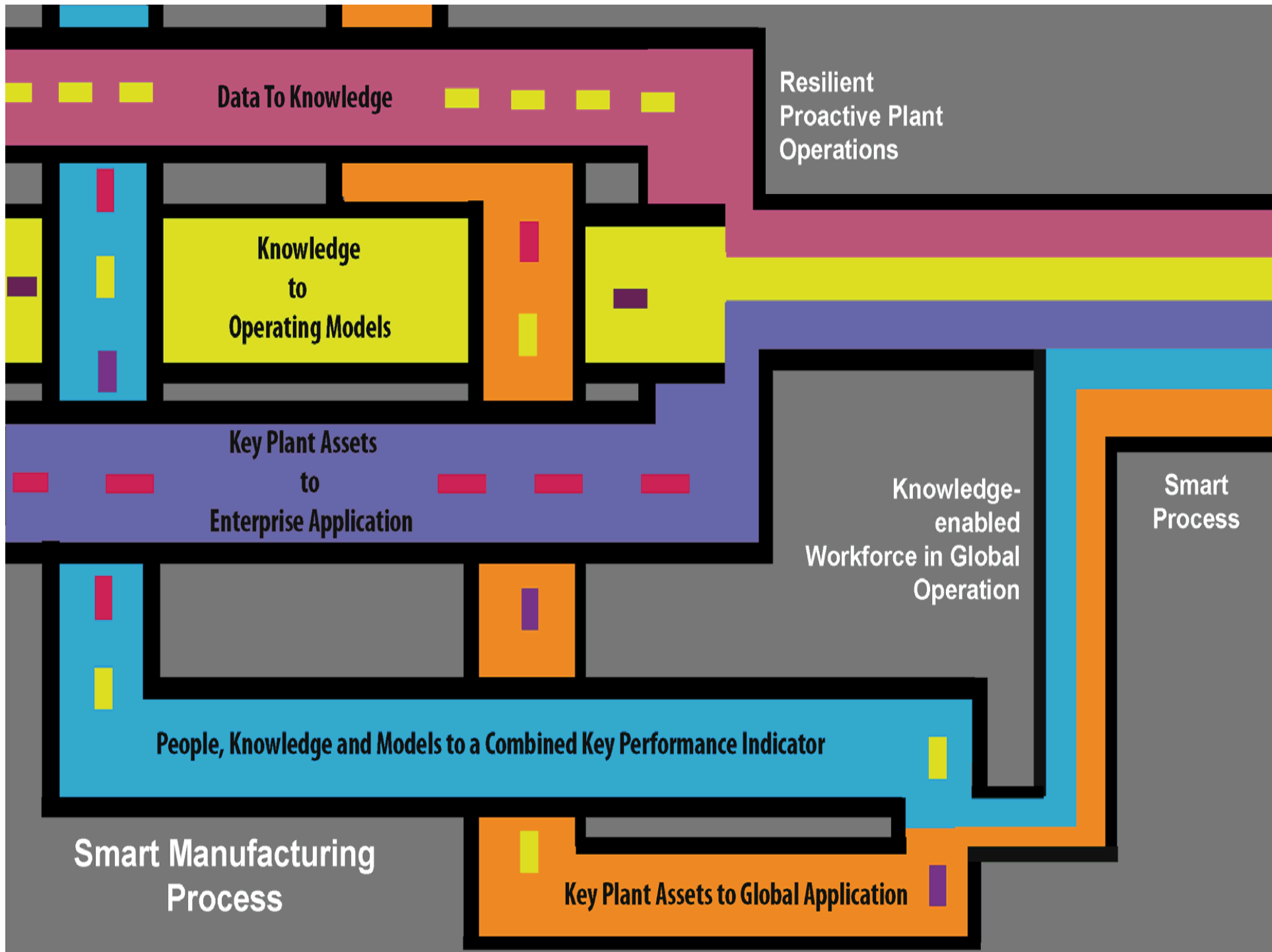
Revitalize the 21<sup>st</sup> Century industrial community model

# Bending the Curve Toward Smart Manufacturing

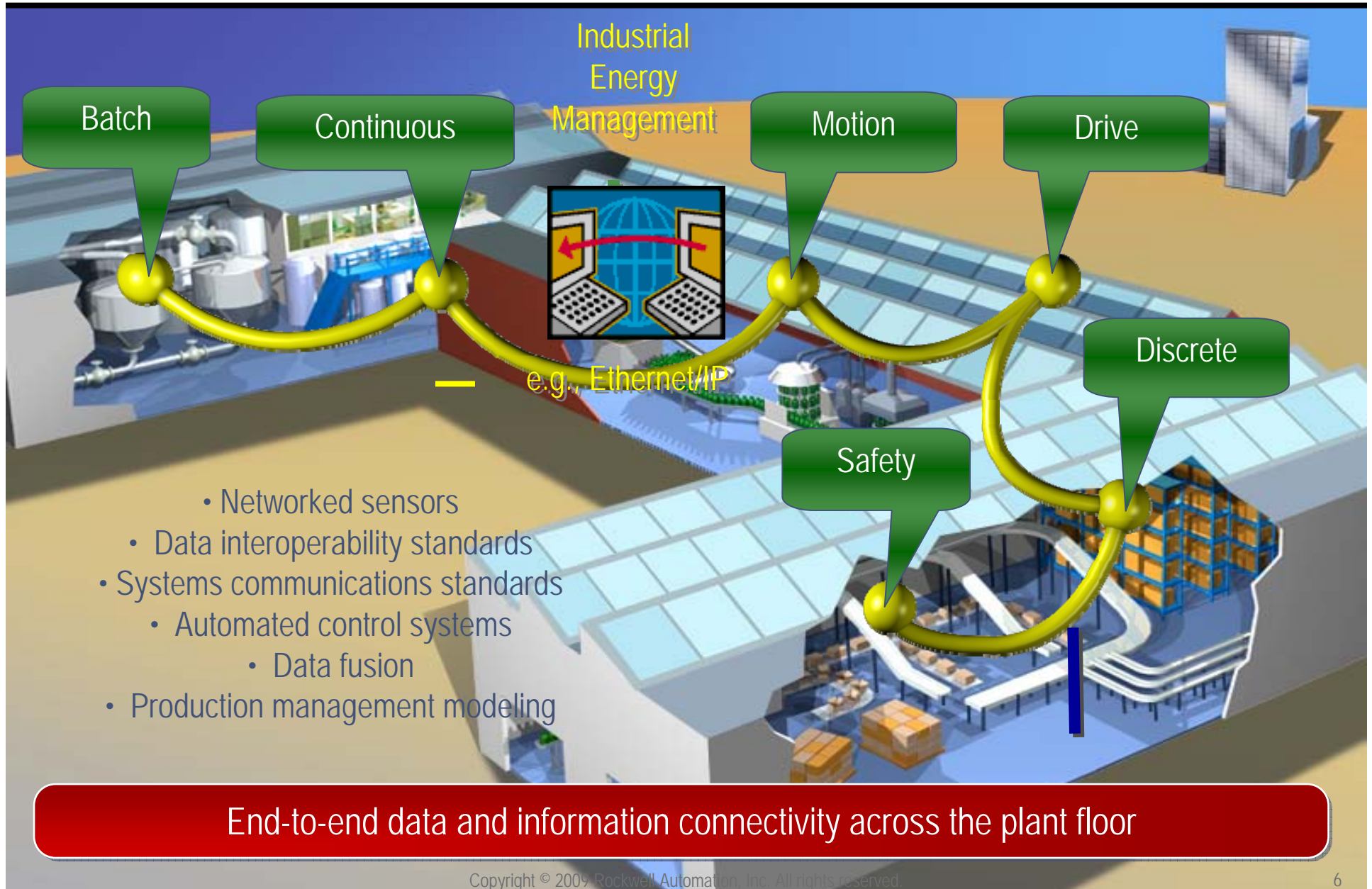
*Achieving Meaningful Use of Production Data*

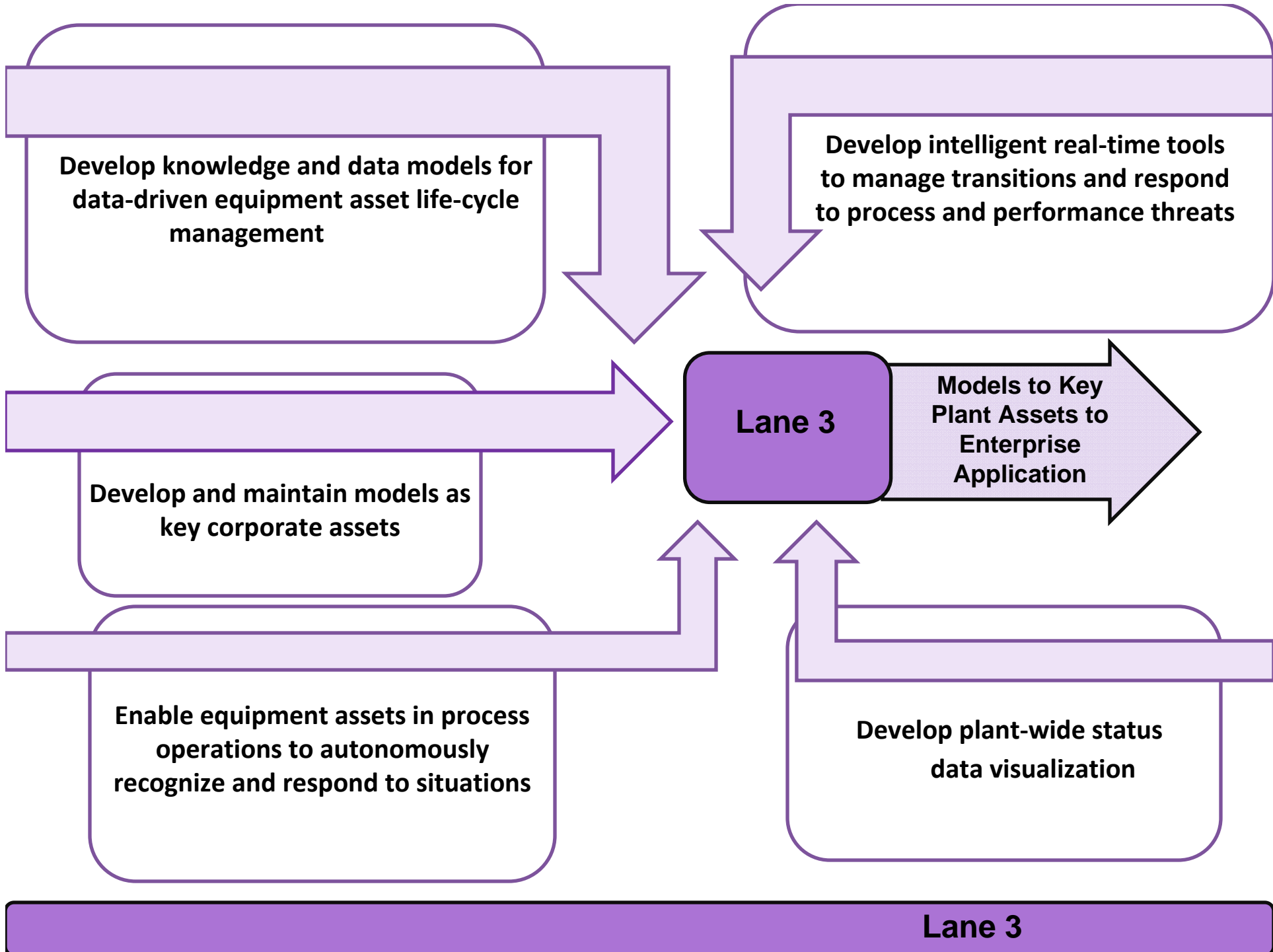
*These goals can be achieved only through connected information, model-based decision-making and knowledge-enabled processes that improve manufacturing outcomes and accelerate the generation of manufacturing intelligence*



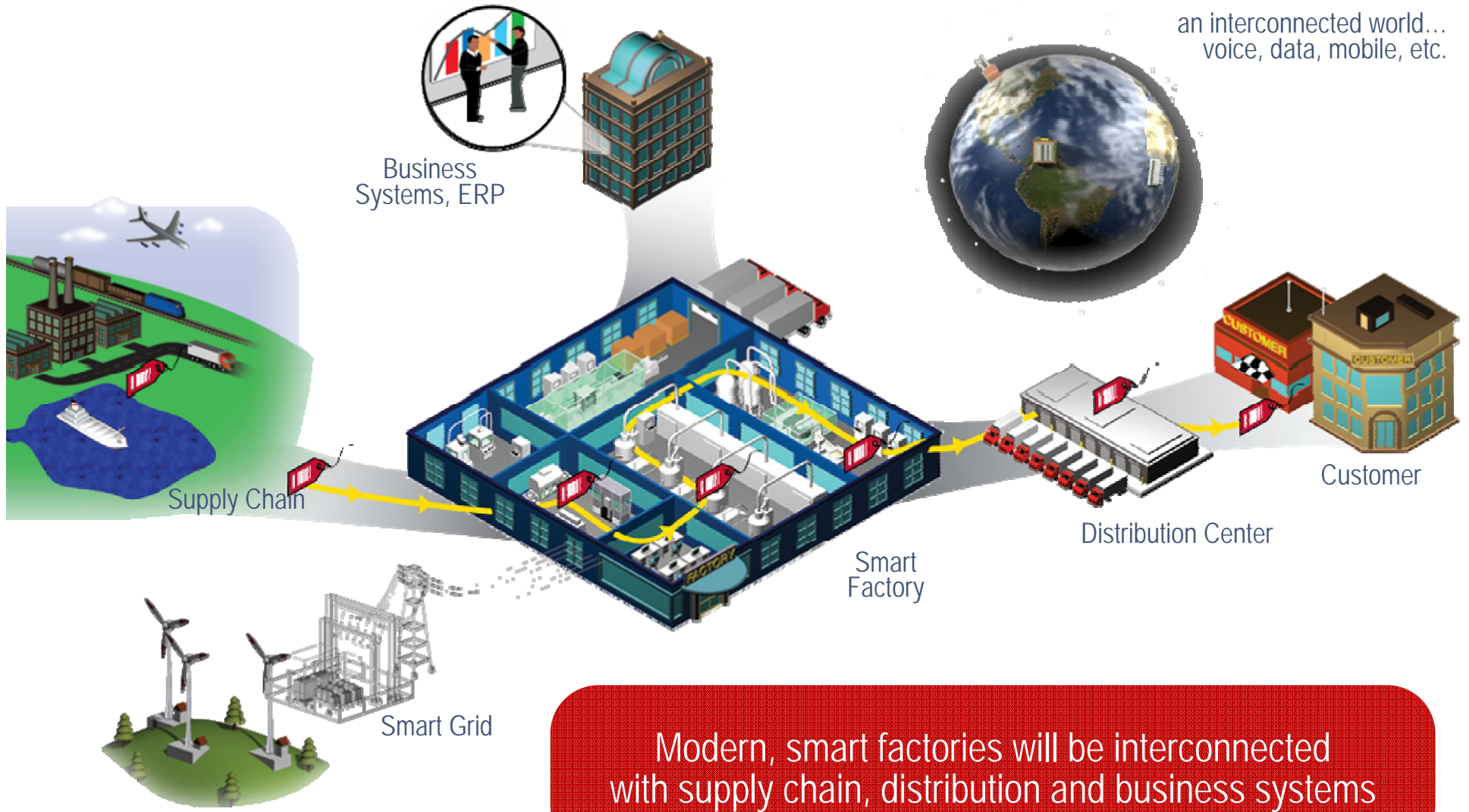


# Smart Manufacturing 1.0: Integrated Decision-Making





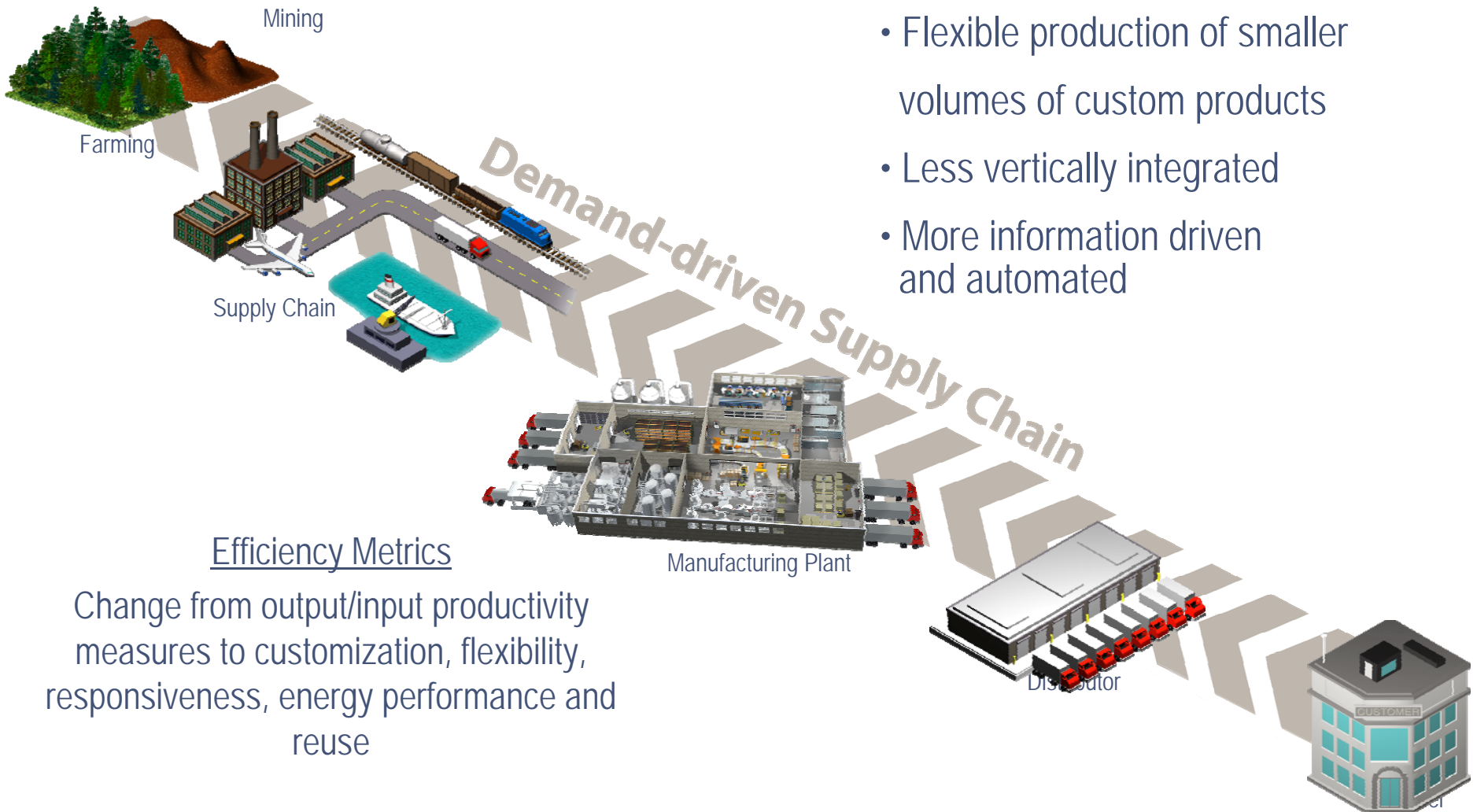
# Smart Manufacturing 2.0: *Enterprise-wide End-to end Connectivity*





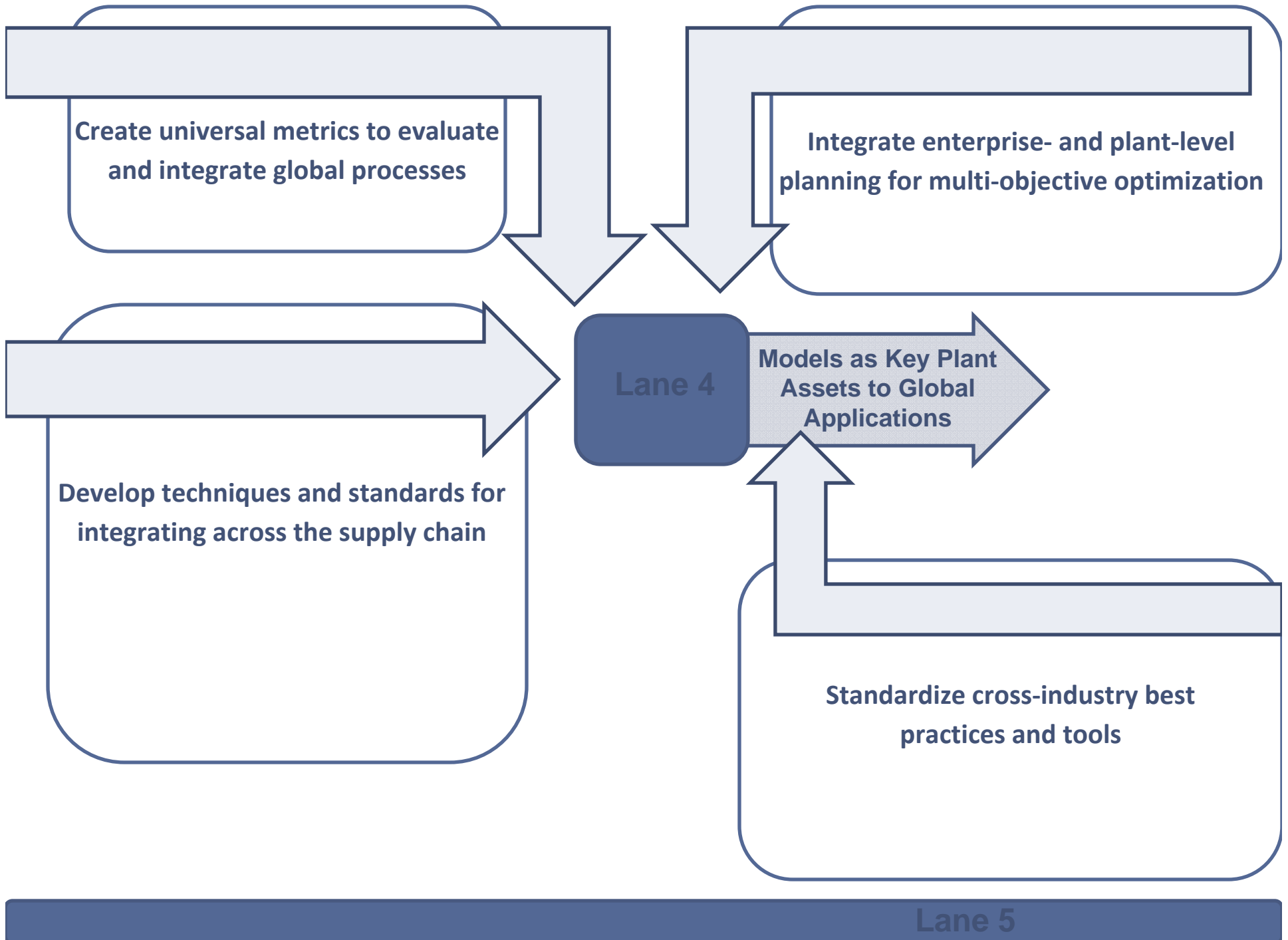
# Highly-optimized Production and Demand-Dynamic Supply Chain Efficiency

- Customers “pushing” demands
- Flexible production of smaller volumes of custom products
- Less vertically integrated
- More information driven and automated

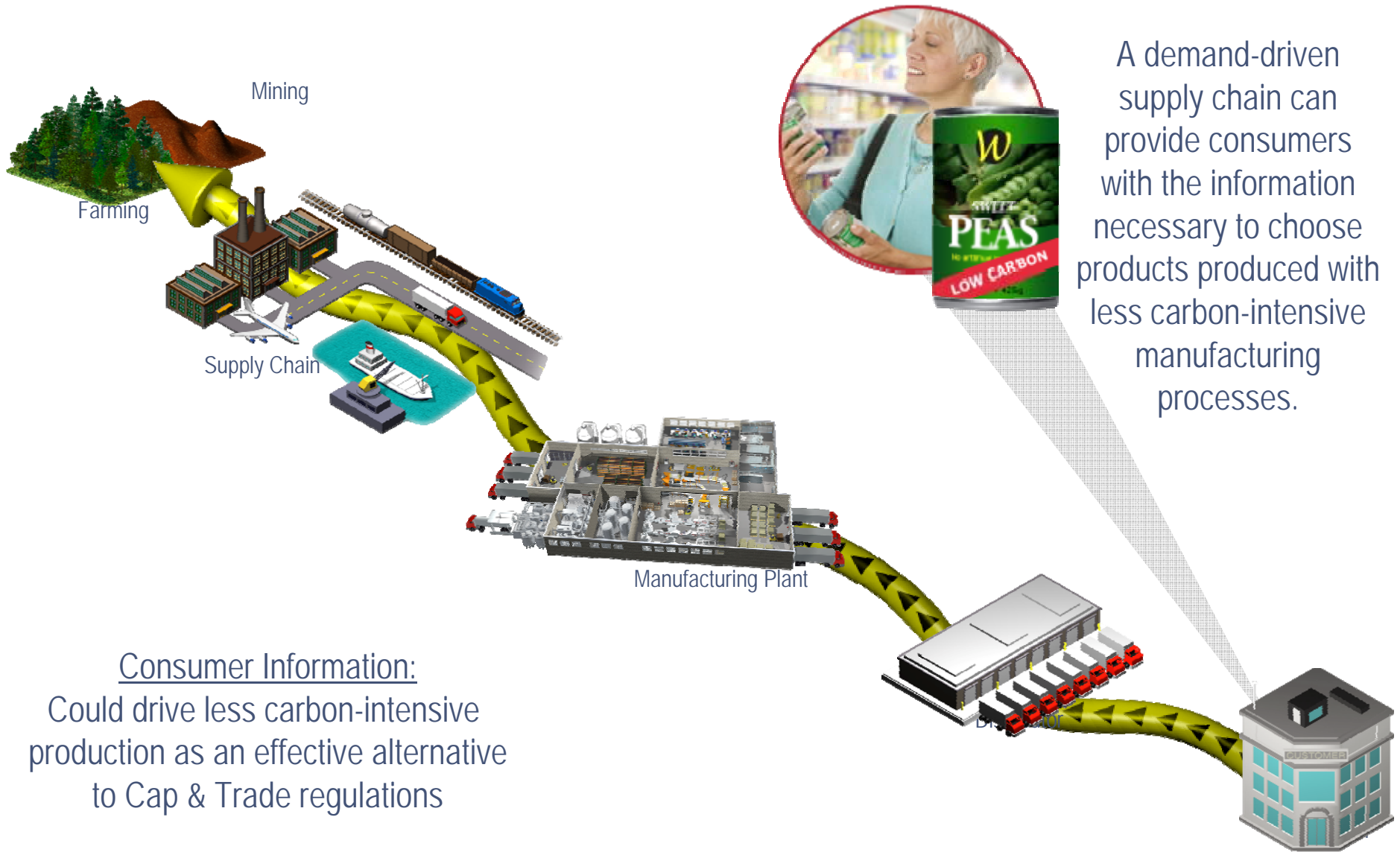


## Efficiency Metrics

Change from output/input productivity measures to customization, flexibility, responsiveness, energy performance and reuse



# The Consumer in the Optimized, Demand-Dynamic Plants and Supply Networks?



A demand-driven supply chain can provide consumers with the information necessary to choose products produced with less carbon-intensive manufacturing processes.

## Consumer Information:

Could drive less carbon-intensive production as an effective alternative to Cap & Trade regulations

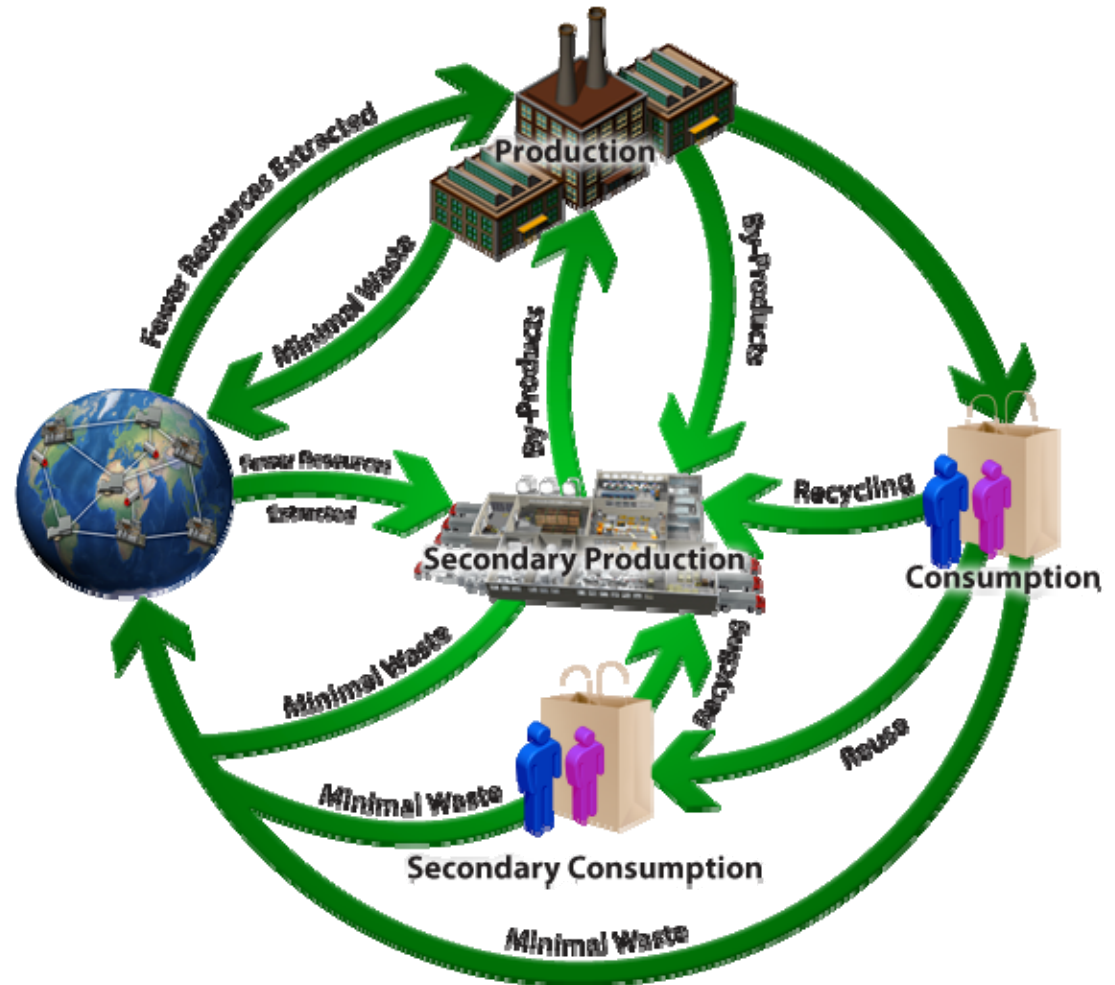
# Closing the loop in Pulp & Paper Supply Chains

Recycling closed the loop in Supply Chains as consumers demanded Recycled Paper



# International Center for Industrial Ecology

- Whereas productivity measures are used to improve a “linear” process
- Efficiency measures are used to improve a “closed loop” process
  - Advanced modeling and software simulation are critical to improve the efficiency of very complex closed loop processes



Source: Yale University's School of Forestry & Environmental Studies' Center for Industrial Ecology

The transformation of IT-connected manufacturing to optimized plants & supply networks may be essential to efficiently manage this vision

# Jobs Surround The Smart Factories In The Optimized Plant & Supply Chain Network

## *21<sup>st</sup> Century Industrial Community*

*Greater Economic Multiplier*



Smart Factory

*Electric car "lights out"  
100% automated smart factory*



Tier 2 Suppliers

*Batteries, motors, seats, tires  
75% automated, 25% labor*



Tier 3 Suppliers

*Raw materials  
50% automated, 50% labor*



Services & Support

*Financial, IT/Telecom, transportation, etc.  
25% automated, 75% labor*

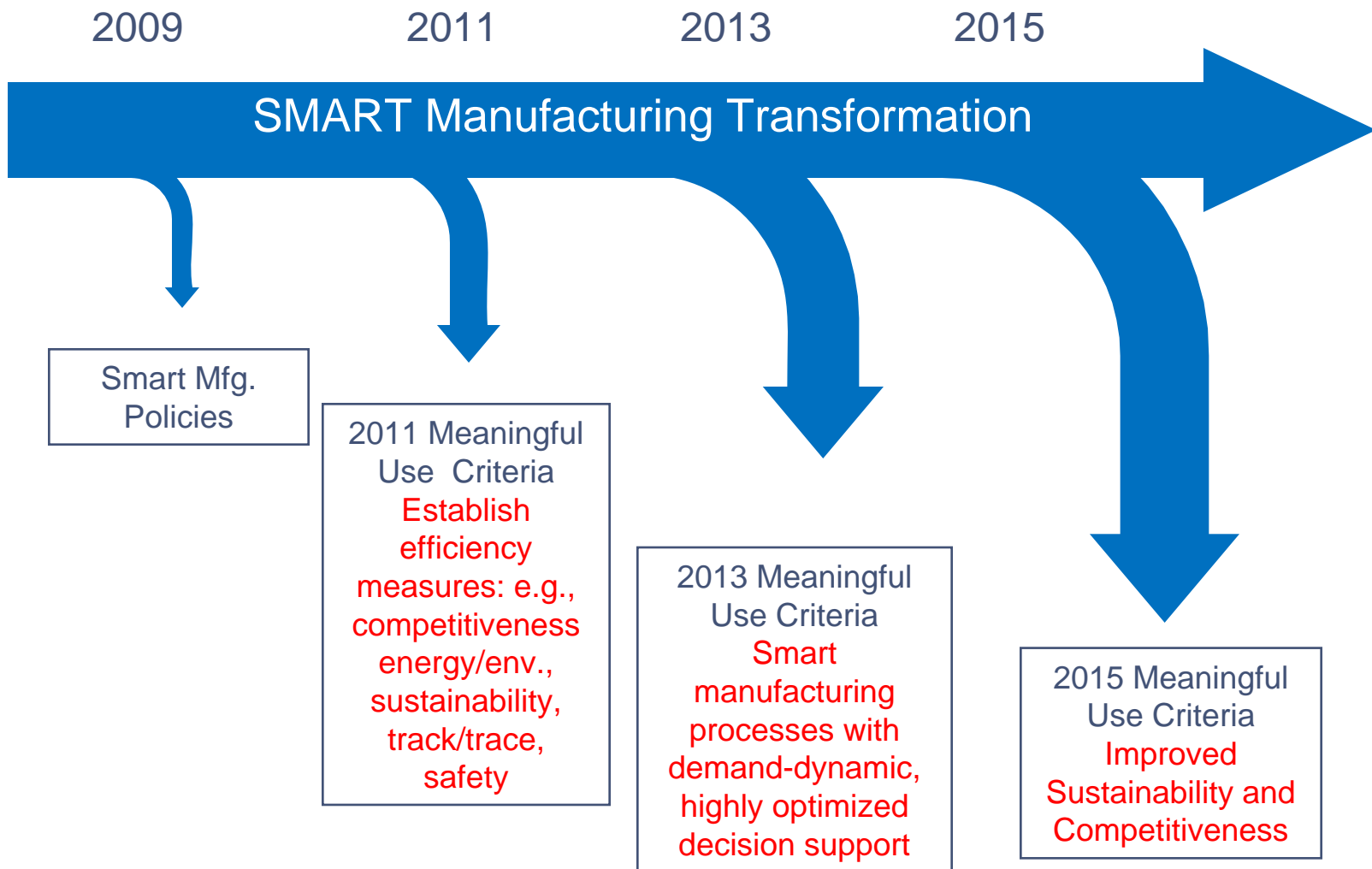


Education, Health Care &  
Government

*Financial, IT/Telecom, transportation,  
100% labor*

# Manufacturing Transformation to SMART

*Achieving Meaningful Use*



# Actionable Program Agenda

- CTO/CXO Roundtable and Leadership Workshop
  - Meaningful Use criteria
  - Roadmap actions
  - Technology development
  - Collaboration model
- Industries
  - Continuous, batch and discrete
  - Large and small companies
  - Practitioner and supplier
  - Information technology. NICT and SBE&S
- Academia, Government and Manufacturing Consortia

[http://www.oit.ucla.edu/smart\\_process\\_manufacturing](http://www.oit.ucla.edu/smart_process_manufacturing)