

FN Herstal

CIMdata PLM Implementation Brief

This CIMdata PLM Implementation Brief describes the results of a CIMdata interview with FN Herstal, a PTC customer. The intent of the interview was to understand why companies should, and in fact need to invest in PLM-enabling collaborative solutions during stressful as well as prosperous economic times. This Brief originally appeared with others in CIMdata's "Economic Benefits of PLM-Enabled Collaboration" whitepaper, published in May 2009.

FN Herstal, which is part of the Herstal Group, is known around the world for its FN Herstal, Browning, and Winchester brands. The Herstal Group designs, manufactures, and distributes a full range of firearms and accessories for defense, law enforcement, hunting and marksmanship, and is headquartered in Herstal, a suburb of Liege, Belgium. FN Herstal's Liege facilities house the departments responsible for the design, development, testing, manufacturing, marketing, and selling of light and portable weapons, integrated weapon systems, and ammunition to military and law enforcement agencies around the world. Additionally, FN Herstal has two wholly-owned U.S. subsidiaries: FN Manufacturing located in Columbia, South Carolina, and FNH USA located in McLean, Virginia.

FN Herstal has a long history of using PLM-enabling technologies, with their first installation of a commercially-available computer-aided drawing tool in 1976. They were also an early adopter of 2D and 3D modeling technologies; in 1986 they implemented Hewlett-Packard's ME10 and Matra Datavision's Euclid tools. They made their next major step in 1991 when the group's military area implemented an early version of PTC's Pro/ENGINEER mechanical computer-aided design (CAD) system. This implementation was followed by the rollout of Pro/ENGINEER to the group's civil area in 1992. Over the years, the use of Pro/ENGINEER has expanded significantly. Today, FN Herstal's CAD users utilize a number of Pro/ENGINEER's advanced functions, including those that support advanced assembly modeling, interactive surface design, thermal and structural simulation, machine path generation, and mold design, to name just a few.

FN Herstal's history related to the implementation and use of product data management (PDM)-related solutions is just about as long. The organization's first PDM system was implemented in 1986. This internally-developed system was focused on managing the data interactions between engineering and manufacturing. FN Herstal's first use of a commercially-available data management solution started with their implementation of Xerox's DocuPlex in 1994. For the next few years, FN Herstal utilized both its homegrown system and DocuPlex to manage engineering-generated documentation, and part and bill of material-related data. Then in 1996, the group replaced their homegrown system with SDRC's Metaphase (Giat Industries' standard solution; Herstal was owned by Giat at that time) and created a link between it and their manufacturing system. They also created a link between Metaphase and DocuPlex. FN Herstal further evolved its PDM environment with the implementation of Pro/INTRALINK in 1999 throughout its U.S.-based

organization; Pro/INTRALINK was later deployed throughout the rest of the organization in 2001.

As mentioned above, FN Herstal's interaction with PTC dates from 1991 when it first implemented Pro/ENGINEER. The group further expanded its relationship in 1999 and 2001 when it deployed Pro/INTRALINK to manage its Pro/ENGINEER data and in 2002 when the group decided on PTC's product development suite as its unique tool for product management. This later commitment included the deployment of Windchill PDMLink throughout the organization, and execution of a worldwide partnership framework with PTC. Over the years, the organization has continued to expand its partnership with PTC and its reliance on PTC's product development supporting solutions. Currently, the group is in the process of migrating its legacy Metaphase-managed data to the Windchill PDMLink solution.

In a recent interview with CIMdata, Mr. Philippe Niesten, CIO of the Herstal Group, reported that its partnership with PTC has expanded over the years and that Herstal considers PTC to be a strategic partner. Mr. Niesten made specific reference to PTC's Product First initiative and how this initiative places focus on enabling a company's product development environment. He further explained how Herstal sees PTC's Product Development System as an excellent fit to Herstal's product-oriented operating model—where product innovation (e.g., Smartgun technology), product quality improvement (including eliminating warranty claims), and time-to-market reduction are all critical for effective competitive positioning in their market. Mr. Niesten went on to state that Herstal's success is highly dependent on its ability to collaborate internally as well as with its suppliers and customers (e.g., U.S. Department of Defense, multiple local law enforcement agencies, etc.), and to develop new products and integrated weapon systems quicker and more efficiently.

Given Mr. Niesten's comments, FN Herstal appears to be one of a growing list of companies that CIMdata has seen who have realized that the implementation and use of PLM-enabled collaborative solutions is critical to their survival. Mr. Niesten stated that the company views PLM as a way to ensure that everyone within the product development organization maintains alignment with their corporate strategies and associated policies. This helps reduce the organization's risks, especially those related to the danger of releasing a design to manufacturing before it is ready. Mr. Niesten also indicated that over the years, the group has realized a number of benefits as a result of following a PLM strategy. These have included a noticeable improvement of designer efficiency through the use of better design tools, being able to better collaborate through the use of visualization technologies (ProductView from PTC), easier access to previous designs and related product knowledge throughout the development process, and supporting and controlling different processes from within one logical environment.

Mr. Niesten went on to state that Herstal's ability to reduce R&D costs while at the same time delivering more products to the market over a shortened period of time (e.g., their development cycle has been reduced from around ten years to as little as three) has been quite valuable. These represent key drivers for Herstal's implementation of PLM-enabled collaborative solutions. CIMdata's experience and research indicates that Herstal is not unlike many other companies that design and manufacture complex, highly-regulated products where supply chain and customer interaction must be effective and efficient. Clearly, Herstal has realized the value related to the implementation of collaborative technologies and processes. Herstal's motivation is clear; namely enable their product development organization to be more efficient, develop more products in less time, and do

all of this at a consistently high quality level while at the same time working more closely with customers and suppliers on a global basis.

Finally, it should also be mentioned that Mr. Niesten was quick to point out that they have much more work to do in order to fully achieve their PLM vision. The group's plans go well beyond fully migrating to Windchill PDMLink to include expanding the use of project management technologies (e.g., the continued use of Windchill ProjectLink for collaboration and task management support), and studying how PTC's Arbortext could be used to create dynamic videos and product documentation (e.g., manuals). In CIMdata's opinion, FN Herstal's PLM journey is not unique. Its need for more efficient product development operations and a more collaborative environment where it can work closely within its organization as well as throughout the world with its various customers and suppliers is no surprise. Clearly, FN Herstal is a good example of a company that understands PLM's value and necessity.

About CIMdata

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