

> Siemens unveils new Tonsley Service Centre

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- 22 per cent productivity gains from benchmark facility
- National service centre for technology and engineering
- Significant investment – vote of confidence in South Australia

Treasurer Tom Koutsantonis joined Siemens CEO Jeff Connolly to officially open Siemens' new \$5 million facility at Tonsley in southern Adelaide yesterday.



Siemens Australia CEO Jeff Connolly, Siemens Ambassador Cadel Evans and South Australia's Treasurer Tom Koutsantonis unveil the commemorative plaque during the official opening.

Mr Koutsantonis said the investment in Tonsley by the global technology giant demonstrated the growing confidence in the future for South Australia.

"Tonsley offers great potential for innovation and industry collaboration, bringing together complementary businesses with leading academic institutions. It represents a new future, with a net economic benefit to the state of \$492 million," Mr Koutsantonis said.

"To have this great company firstly invest, but secondly be so vocal in its commitment to Tonsley, speaks volumes for the vision the State Government has for this site as an incubator for innovation, research and technology."

"I put a call out last year for companies to be bold and take South Australia into a high-technology, digital age, and Siemens has answered that call, with Tonsley providing a platform for their efforts."

[Siemens Tonsley Service Centre](#) from [Siemens Australia](#) on [Vimeo](#).

Siemens CEO Jeff Connolly said the global technology giant was proud to deliver on the promise made in a Memorandum of Understanding signed in 2012 to investigate opportunities for collaboration between education, research and industry.

"A long-term viable manufacturing and technology sector matters to South Australia and also matters to Siemens. With this facility in Tonsley we are in a unique position to partner with the state on a diverse range of critical industries and projects," Mr Connolly said.

"Think about all the countries who got rid of manufacturing such as the UK and US – they've now all brought it back to life in a modern form because they realise the direct and indirect economic benefits."

Designed using a lean manufacturing methodology to make it flexible in terms of production set-up and delivery, Mr Connolly said the new service centre would deliver a 22 per cent faster turnaround, with 65 per cent more throughput while using 14 per cent less floor space.



"The facility will be able to overhaul larger equipment for the oil and gas industries that previously would have been sent offshore. We will now be much closer to our customers and can provide greater responsiveness for critical local industries," he said

"It will be used to service the Snowtown II wind farm constructed by Siemens and our gearboxes and equipment installed on other wind-farms. In addition, it will attract work from heavy resource states such as Queensland and Western Australia, which could otherwise have gone overseas.

"Much of the work that will be sent through the service centre will come from outside the state, making this a national service centre for technology and engineering.

"The opening of the service centre coincides with the completion of the \$10 billion acquisition by Siemens of Dresser-Rand. That will ensure a comprehensive portfolio of equipment and capability for oil and gas. This service centre will help make sure that the servicing of all of this equipment can now happen in Australia."

The state-of-the-art workshop will initially house 25 employees; however Siemens is confident that number could double as the business grows.

A new beginning for South Australia

"We see a rapidly changing world adapting to the challenges and opportunities of globalisation and digitalisation. The imminent arrival of the fourth industrial revolution (Industry 4.0) – where the physical and cyber worlds merge – will bring fundamental changes to the way we will do business."

"Digitalisation will virtually eliminate geographical boundaries and mean that no matter where you are in the world you can now be part of the global supply chain."

OECD data from 2013 shows that more than 70 per cent of global trade takes place within the value chains of multinationals.

"In a time where South Australia faces higher unemployment and the exit of the automotive industry, it's crucial that we transition to a hi-tech future and quickly. In order to be part of those global supply chains companies must adopt globally accepted standards and tools such as Siemens Product Lifecycle Management (PLM) software that are a staple for more than 77,000 companies around the world. Over \$700 billion in US defence projects operate using Siemens PLM software."

Mr Connolly said Mr Koutsantonis had recently called for companies to be bold and help transform South Australia into a digital state and said Siemens was ready to be a key partner in that program.

"In the world of digitalisation, products will be designed, engineered, tested and serviced in a virtual world before going into production. That system simulation will reduce lead times, increase productivity, boost quality and reduce costs. It will open up the doors for Australia to truly participate."

Mr Connolly said the Chrysler plant at Tonsley used to only produce cars for Australia.

"Manufacturing today has morphed to include design and engineering and we need to engineer solutions and products that can feed into global supply chains," he said.

"Here in South Australia people are already working on projects including regenerative suspension systems, next-generation batteries, innovative electric drive trains and even autonomous vehicle technology."

"It's that innovative philosophy that has started Siemens – in collaboration with a number of local companies and educational institutions – on a preliminary exploration of a virtual project using Siemens PLM software to design the world's first electric restored and re-imagined Charger."

"It would allow a team to test numerous technologies in a digital environment and could lead to real-world applications such as electric underground mining vehicles."



A fully restored Charger was the lead car for a 60-strong cycling peloton including Siemens Ambassador and Tour de France winner Cadel Evans.

Mr Connolly said the investment in the new energy service facility was a vote of confidence for the state of South Australia.

"The next endorsement for the state – and indeed the country – would be a commitment by the Federal government to build the future submarines project here in South Australia," he said.

"It's a decision that would have positive implications far beyond defence. A flagship project of this scale would transfer much-needed knowledge into the country that would flow into other industries."

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