Production as a Service / PaaS
for manufacturers/suppliers of industrial production lines and plants

Manufacturers are facing major challenges more than ever, such as increasing uncertainty due to pandemics, trade wars and social unrest, as well as climate change. In light of this, factory ownership comes with significant investment risks related to increasingly automated and climate-friendly production lines. At the same time, utilization risks are increasing in the wake of the current shift back to more local production.

Highly flexible factories used by several producers and financed by external investors offer an answer to this. By making production facilities more flexible and structuring the individual associated risk, a factory is transformed into an investable asset. This approach is called Production as a Service (PaaS) and offers advantages for producers, machinery and equipment manufacturers and investors.

Building a related offering requires the know-how and partner network to align the interests of the respective companies involved and develop a business model that is a win-win for all parties. Attention must be paid to the perspective of the machine and plant manufacturers as well as to the side of the users. The concept is particularly suitable for asset-intensive value chains, small to medium production volumes and a diversity of product variants that justifies investments in a more flexible production.

The path to PaaS is often three stages: In the first step, the status quo or the "PaaS capability" is analyzed on the basis of criteria and prerequisites (assessment). In the second step, a target image for a corresponding production is developed, including a financing concept and, if necessary, a production concept. Finally, in the third step, the implementation of this concept takes place up to the ramp-up of production.

Two expansion stages are possible when setting up a PaaS model:

Expansion stage 1
The factory produces multiple products efficiently and can adapt quickly to volume changes.

Expansion stage 2
Multiple users share the infrastructure on a pay-per-use basis, which leads to a variability of their fixed costs and reduces utilization risk.

As an independent consultant, business developer, "transformer" (transforming a previous sales model into a usage model), and intermediary, I therefore felt called and challenged to find providers for PaaS. After a very long and multi-year research, search and discussions, I identified partners who fulfilled the above requirements and designed and implemented appropriate models.

No financial service providers
Unlike the other solutions in my portfolio, these partners are not investors who finance corresponding projects themselves. Rather, the core competencies of these partners lie in helping to develop the solution models presented and in structuring and managing them so intelligently that the operational risk is shared and thus the utilization risk can be significantly reduced.

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Network of investors
PaaS makes it correspondingly easier to approach potential investors. The manufacturers' own financing network and the financing network from the customer/s can be supplemented by my network of financial partners if necessary. Experience shows that the following institutional investors are interested in PaaS: family offices, private equity, venture capital, insurance companies and credit institutions.

The following assets and industries belong to the portfolio of these partners, among others:
Focus: Industrial production lines and plants
Sectors: Healthcare/pharmaceutical, mechanical engineering/components, chemical/plastics, energy sector (batteries, storage solutions), mobility/"automotive" (commercial vehicles, buses, cars, aviation), electrical/electronics.

Geographical coverage of these partners:
EU/EEA/Efta with a few exceptions, other geographies will be explored as needed.

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