

Brainport Industries: turning suppliers into development partners

Integrated supply network for OEM success

Stronger together: Brainport Industries, which is headquartered in Eindhoven, the Netherlands, is a high-tech network in the supply industry consisting of around 95 affiliated companies from across the Netherlands. “Together we represent 9,000 employees and an annual revenue of 2 billion euros”, says Managing Director John Blankendaal. As part of this community, the suppliers have become development partners for large OEMs. Brainport Industries will be showcasing innovative companies from the supply industry at the Dutch Pavilion in Hall 4 of Hannover Messe.

“Ten years ago, the Dutch manufacturing industry was at a crossroads facing a crucial decision: move to low-wage countries or give up altogether? In the face of global competition, the future looked bleak. And so we decided to approach the whole thing from a completely different angle”, Blankendaal reminisces. What does that mean exactly? “The process in the supply industry used to consist of three steps: enquiry, quote and execution. The roles were very clear cut: you want something, we’ll manufacture it. But there was no future for that model, so we had to develop considerable added value. We decided that we had to reposition ourselves further towards the start of the manufacturing chain, and actually be involved in product development. Hence the slogan ‘turning suppliers into development partners’”, says Blankendaal.

An equal footing

The Brainport Industries collaborative initiative was founded on that philosophy a good five years ago. After all, the turnaround could only happen as part of collaborative efforts. “These days, we are a partner on an equal footing.” Why should OEMs make good use of this offer? “By cooperating with our suppliers, large groups can double their revenue and halve their costs. Global companies no longer want to have to carry out all the research and development work themselves. They rely on working together with innovative partners, and we reacted to that development.”

[Diagram]: *Open supply chain: the high-tech companies, which are part of Brainport Industries, are becoming more and more involved in the development of new products and processes. Diagram: Brainport Industries*

Mediating between contacts

How does the collaborative initiative work? “There are just two of us in the Management team, which means that we are flexible and can keep everything straightforward and simple. We receive enquiries on behalf of our members and provide their contact details to potential clients. Once proper contact has been made and negotiations begin, we remove ourselves from the equation”, says Blankendaal. Brainport Industries primarily ensures that the suppliers involved get noticed in the market.

Members come from different sectors such as medical engineering, semiconductor technology, photovoltaics, the optics industry and measuring instrument engineering. Regardless of how diverse the companies are, they all have to provide one thing the same: outstanding quality. “And we keep a very close eye on that. We cannot afford to represent members with quality fluctuations”, Blankendaal points out.

Another important aspect is the character of the network itself. The members meet up regularly, sometimes in large groups and sometimes in smaller, sector-specific groups. Every member decides for itself exactly how involved it wants to be. “I’m like a chef who needs to know his ingredients very

well. Then I can facilitate orders properly”, says the Managing Director about his role. All Brainport Industries projects fundamentally focus on the three areas of technology, market and people.

German market

A typical example of market activities is “Medical Engineering Holland”, under which twelve Dutch high-tech suppliers from the medical engineering sector joined forces on 01 October 2015 in order to actively establish themselves in the German market. This cooperation falls under the Dutch government programme entitled “Partners for International Business” and is based on the combined use of private and public funds. Under the auspices of Brainport Industries, cooperation agreements have already been signed with the Baden-Württemberg clusters MedicalMountains and BioRegio STERN. Further cooperation and activities are also already in the pipeline. The collaborative efforts will initially be for three years and should bring together German and Dutch innovation drivers.

Upskilling

An example of a technology project is “Addfab”. “Nine members from the metal working sector joined forces and purchased a 3D printer together. As part of the collaborative efforts, they can learn the processes and significantly increase their know-how in a short time. None of the companies would have been able to afford this research-focused investment on their own. Competitors even work together as part of Addfab.”

Another key focus area is people. As such, Brainport Industries advocates the training and further training of network employees. One such example is the Brainport Industries College, where technical training centres work together with companies to strengthen the connection between training and practice.

Brainport Industries Campus

The next development step is the construction of a “factory of the future” at Eindhoven Airport. “Brainport Industries Campus is our response to the developments of Industry 4.0. We are creating suitable structures for innovation and cooperation in a cluster structure for the process manufacturing industry”, says Blankendaal. Construction work has already begun. Hannover Messe visitors will get the chance to learn about the plans and the expertise of the member companies at the trade fair.

[Image 1]: *John Blankendaal, Founder and Managing Director of Brainport Industries. Photo: Brainport Industries*

Image 2: Artist’s impression of Brainport Industries Campus

Quote:

“The big OEMs rely on working together with innovative partners, and our ‘High-Tech Integrated Supply Network’ concept is a response to that development.”

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