

Schneider Electric's IIoT innovations transform its Cavite Plant into Philippines' first Smart Factory

- Smart Factory showcases **EcoStruxure™** for Industry achieving overall productivity and efficiency to benefit partners and customers in the Philippines
- Schneider Electric shares value of Smart Factory transformation as it brings to PH operations 14% in production growth and over 13% in energy savings annually

Cavite, Philippines – March 15, 2019 - [Schneider Electric](#), the leader in digital transformation of energy management and automation, launched its first Smart Factory in the Philippines on March 15, 2019 at PEZA Rosario, Cavite.

With rapid growth of technology and digitization, industries must understand the value of building or transitioning into a Smart Factory. Schneider Electric believes that digital transformation throughout the industrial value chain is critical to consistently become globally competitive. As such, Smart Factories enable:

- **Mass personalization.** To meet the challenges from production efficiency, profitability, and more detailed needs of businesses, traditional factories are facing challenges of producing more personalized goods to answer more versatile demands from different markets.
- **Increased quality.** Digitization leads to a new approach in business models. With businesses now having access to new technologies, industries need to offer higher quality services in association to those technologies.
- **Reduced energy costs.** It is predicted that electricity demand will grow by 200% in 2040. Energy has become an increasing part of the total costs of running a factory, and reducing its environmental footprint is also a growing concern. Digitization can provide an answer to both.
- **Operational excellence.** As factories continue to face random failures that hinder continued production, digital tool and solutions are needed to streamline processes, identify faults and risks, and ensure business continuity.
- **Change of mindset.** Upskilling the workforce to do higher value jobs and digital transformation is the key to helping them upskill and learn how to operate new technologies.

Through the Smart Factory Program, Schneider Electric leveraged its own EcoStruxure™ architecture as it implemented the Industrial Internet of Things (IIoT) across its global supply chain, and digitally transforming facilities to thrive in today's digital economy.

In 2017, Schneider Electric started transforming its Cavite Plant into a Smart Factory. By integrating EcoStruxure™ for Industry, local processes are continuously optimized while energy and production costs are minimized. This innovation also improves the lifespan, usage and maintenance of the different equipment used across its sites, allowing Schneider Electric to deliver end-to-end operational efficiency with more dynamic control for better business results.

Michael Crozat, Vice President for Philippine Operations, Schneider Electric said: *"We decided to transform our Cavite Plant into a Smart Factory in 2017 because we wanted to serve our partners and customers better. By using EcoStruxure™ for Industry, the roll out of the program was fast and it granted us immediate global certification in 2018. Since the transition began, we have been achieving over 13% in energy savings, and 14% growth in production annually. Looking ahead, we want EcoStruxure™ to be a solution that other companies can use in optimizing their businesses while we continuously create more innovations that can better serve industries."*

With the transformation of the Cavite Plant into a Smart Factory, Schneider Electric provided more than 1400 employees in Cavite with training, upskilling and reskilling opportunities to help them take on higher-value jobs. This enabled them to become empowered operators capable of making effective decisions on the factory floor

pertaining to product assembly errors, electrical and temperature irregularities, production delays, and even equipment malfunctions.

Each of the four sites in Cavite has its respective virtual reality (VR)-equipped training rooms where employees are mentored whenever new technologies are introduced, allowing them to practice their learnings. The new tech-enabled workplace also brought more motivation to the different teams, inspiring them to collaborate as they are now more knowledgeable in resolving the troubleshoot problems that they encounter.

Alexandre Vermot, Country President, Schneider Electric Philippines shared: *“Our transition to a Smart Factory is another step for Schneider Electric towards transforming cities, reshaping industries, and enriching lives. Our Cavite Plant has now become an Innovation Hub where existing and potential customers, partners, the government and the academe can experience operational excellence as we harness the power of technology using our EcoStruxure™ architecture. We hope that our adoption will serve as a testament of what embracing digital transformation really means and how it can positively impact business operations and the environment. As we move forward with our Smart Factory progress, we will continue providing Innovation at Every Level to ensure overall efficiency, reliability and safety.”*

Schneider Electric also has a goal of ZERO accident across its sites worldwide. Here in the Philippines, Schneider Electric’s Cavite sites are close to achieving 4500 days—more than 12 years—since its last site accident.

Schneider Electric Philippines currently produces different varieties of uninterruptible power systems (UPS) units for home and industrial use. Our plant in Cavite joins Schneider Electric’s other Smart Factory showcase sites around the world in France, China, India, and Indonesia. For more information on our smart factories and international recognition, [visit this link](#).

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About Schneider Electric

Schneider Electric is leading the Digital Transformation of Energy Management and Automation in Homes, Buildings, Data Centers, Infrastructure and Industries. With global presence in over 100 countries, Schneider is the indisputable leader in Power Management – Medium Voltage, Low Voltage and Secure Power, and in Automation Systems. We provide integrated efficiency solutions, combining energy, automation and software.

In our global Ecosystem, we collaborate with the largest Partner, Integrator and Developer Community on our Open Platform to deliver real-time control and operational efficiency. We believe that great people and partners make Schneider a great company and that our commitment to Innovation, Diversity and Sustainability ensures that **Life Is On** everywhere, for everyone and at every moment. www.schneider-electric.com

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