

# PRIVATE EQUITY Newsletter

QUARTERLY SPECIAL | EDITION 1/2020

## CLOSED DEALS

in 2019 within the  
German-speaking region

## INTERVIEW

with Senior Partner Christof Huth  
and Principal Dr. Thorsten Groth

## MOST RECENT STUDIES

by Roland Berger





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# Dear Friends, dear Clients,

We hope you had a good start into 2020, closing recent deals and investigating new opportunities. This edition of our Newsletter provides an overview of the deal-flow in 2019 and examines various developments influencing the current PE market. It also features an interview with Roland Berger's investor support experts Christof Huth and Thorsten Groth as well as an overview of recent Roland Berger studies.

Despite repeated worries about the state of the economy, PE-related deal activity has been holding up well in the German-speaking region. In fact, the number of closed deals significantly increased to 253 in 2019 with a broadly stable outlook for the first quarter of 2020. Overall, deal activity is supported by a mix of record low interest rates, substantial dry powder and a growing number of PE players active in the German-speaking region.

However, from a wider political and economic perspective, three main factors continue to pose a challenge to the PE community. First, worries about potential trade conflicts remain as the recently signed initial agreement between the U.S. and China seems to be a pause rather than a full solution to the dispute. Hence, medium- to long-term tensions around trade may revert with ramifications certainly to be felt in European countries and particularly the DACH region with its close links to the global economy. Second, with Brexit due end of January it remains to be seen how exactly the implementation unfolds and what the impact on various industries really is. Third, there are concerns around the economic impact of the recent coronavirus outbreak in China.

Furthermore, we would like to highlight several recent Roland Berger studies which may also have an impact on PE portfolio companies: The trend towards autonomous production is addressed in our study "Autonomous production: Rise of the machines". Our study "Winning across the industrial automation value chain" addresses and identifies what it takes for companies to benefit from five global trends in industrial automation. In addition, our biannual study "Automotive Disruption Radar" showcases business opportunities created by the downturn. Finally, we would like to point you to our packaging study "Winners Analysis – How the most successful packaging companies create shareholder value" as well as to our study on smart cities "Smart Cities: A big opportunity for utilities".

The Roland Berger Investor Support Team wishes you a good flow of leads and successful transactions, on which we are looking forward to supporting you.

Yours sincerely

  
Dr. Sascha Haghani   Christof Huth   Sven Kleindienst   Dr. Thorsten Groth   Marc Hesse   Sebastian Haine   Dr. Gerd Sievers   Justus Jandt

## Deal activity in 2019 very strong

### Closed deals for 2019

The number of closed deals in 2019 amounted to 253, increasing significantly from the previous year's level of 205 private equity backed acquisitions. This represents the highest number of deals within the past 19 years.

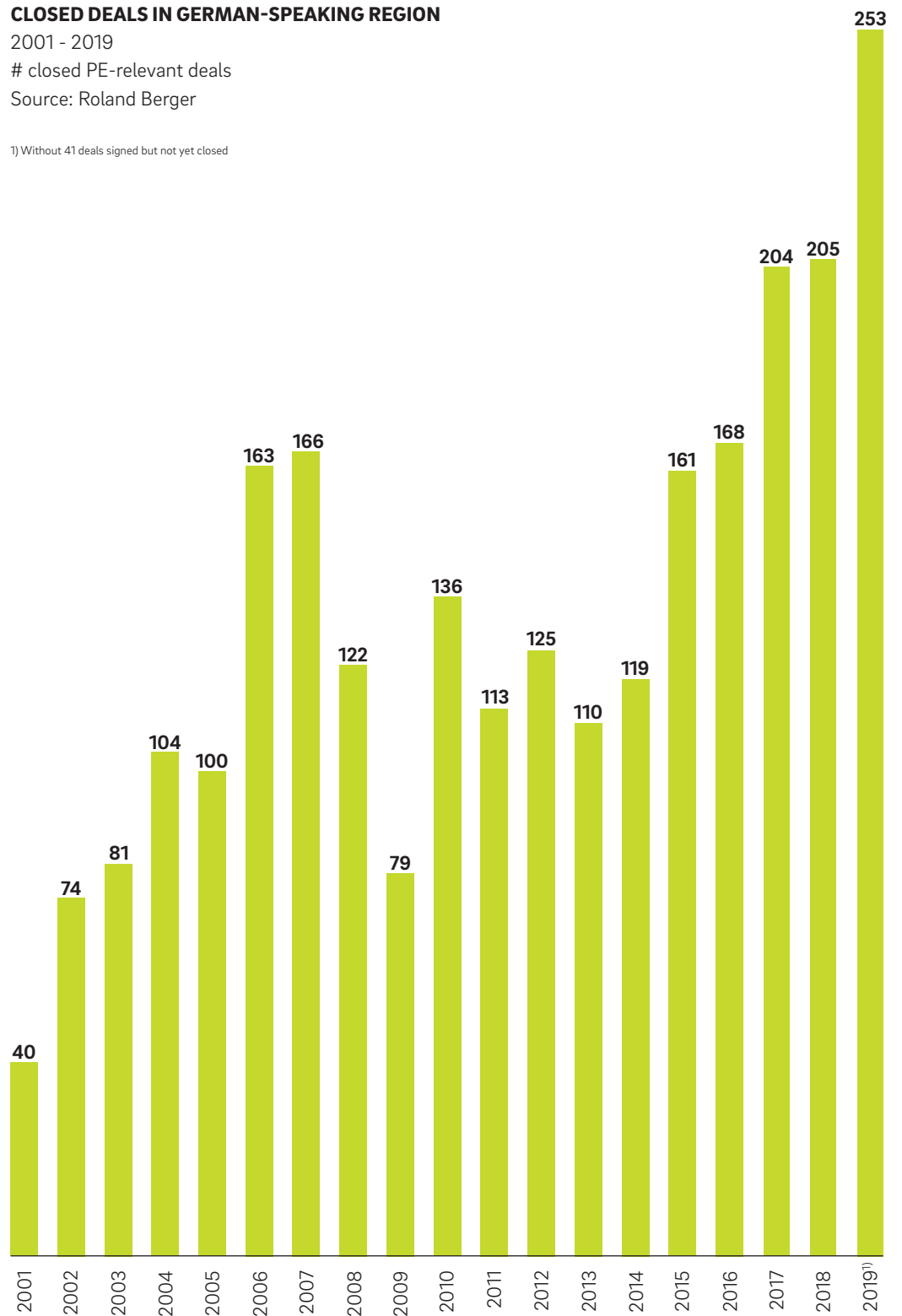
#### CLOSED DEALS IN GERMAN-SPEAKING REGION

2001 - 2019

# closed PE-relevant deals

Source: Roland Berger

1) Without 41 deals signed but not yet closed



## Monthly deal activity

Also including signed but not yet closed transactions, the number would even rise to 294 deals. In looking at these record figures, we note that many of the transactions were directed towards companies in non-cyclical sectors, e.g., Healthcare and IT/Telecommunications, which typically provide some hedge against potentially deteriorating economic conditions. In fact, we have seen this trend accelerate towards the end of the year with half of all December transactions accounted for by these two sectors.

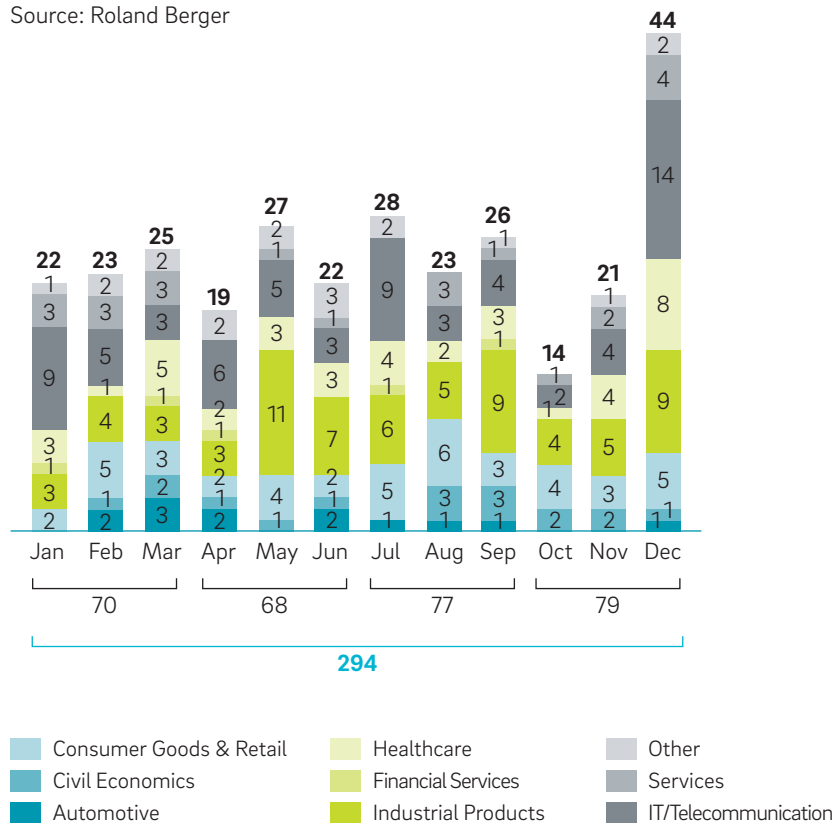
Furthermore, deal flow was relatively consistent across the entire year of 2019, with 70 transactions in Q1, 68 in Q2, 77 in Q3 and 79 in Q4. The bulk of the deals in the DACH region – 251– were once again in Germany, followed by 31 in Switzerland and 12 in Austria.

### SIGNED DEALS PER MONTH IN GERMAN-SPEAKING REGION

Jan 2019 - Dec 2019

# deals by industry

Source: Roland Berger





Christof Huth



Dr. Thorsten Groth

## INTERVIEW

with Roland Berger Senior Partner Christof Huth (CH) and Principal Dr. Thorsten Groth (TG) on the current PE market development

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**According to Roland Berger's PE outlook, a majority of the PE industry was rather cautious for 2019 regarding PE-driven transactions, given potential uncertainties, some high valuation multiples and economic concerns – How has this picture evolved since?**

**CH:** The stock market drop and reduced macro-expectations we saw towards the end of 2018 carried over into the beginning of 2019, causing temporary uncertainty among PE firms, especially for the DACH region. After this short 'wait and see' period market participants quickly gained confidence. In the following months, deal making performed well, even though considerable process uncertainty remained in the market and in numerous transactions.

**TG:** For 2020 our initial survey results indicate that PE professionals remain somewhat cautious and may prepare also for potentially more challenging times.

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**The IMF observes a slowdown of global economic growth, not least because of lingering uncertainties regarding the implementation of Brexit as well as trade disputes. How do you expect these circumstances to impact the European PE market in 2020?**

**CH:** The mentioned economic tensions certainly will have an impact, but there are also helping factors that must not be ignored. The PE industry is having record levels of capital at their disposal as fundraising is reaching new peaks. Also, financing is readily available. The high amount of dry powder is compensating current economic uncertainties and will fuel deal activity in the DACH region.

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**Compared to other European countries, private equity still plays a minor role in the German financing landscape. Do you expect its significance to increase mid- to long-term?**

**TG:** Private equity has already gained importance for the German financing market in recent years as annual PE investments in Germany have doubled since 2010. Nevertheless, its role still has significant potential compared to more mature PE markets such as UK, France or the Nordics (in terms of the PE share relative to GDP). Hence, we see a positive trend in the DACH region and expect it to gradually catch up going forward.

**CH:** Not least this will also be driven by an increasing commitment from new groups of investors which we already see materializing. In particular, these include global PE funds (e.g., investors from the US and China), sovereign wealth funds as well as more active pension funds.

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**In 2019, deal activities have been highest in the Industrial Products and IT/Telecommunication sectors, while Automotive and Financial Services were facing a lower deal activity. Which industries will most likely be favored by PE investors in 2020?**

**CH:** The Industrial Products and IT/Telecommunication sectors will most likely continue to show high deal activity, given the structure of the DACH economy and growth prospects in IT/Telecommunication, which increasingly digitalizes and transforms companies in other industries.

**TG:** Also, the healthcare sector represents a strong non-cyclical opportunity for PE investors: This includes healthcare providers in ophthalmology, radiology, dental clinics as well as laboratory diagnostics services, which all tend to offer consolidation potential (despite some government headwind). Also, some specific niches in medical devices or healthcare tech (technology enabled products & services) offer growth.

## DEALS SIGNED AND/OR CLOSED IN 2019 WITHIN THE DACH REGION

(This includes 253 closed deals as well as 41 deals signed but not yet closed)

### TARGET

Abas Software  
ADC Blackfire Entertainment  
ADCO Umweltdienste Holding  
Adolf Schreiber  
All4Labels Group  
AllDent  
Alma Extrusions  
Alpha Cash  
alphatronics  
Alufix Folienverarbeitungsgesellschaft

Alwitra  
AMT Schmid

Anker Kassensysteme  
Ardentis  
Arenalingua  
Armaceil Group  
ARTUS Gesellschaft für Brand- und  
Wasserschadensanierung  
ATP adhesive systems  
Augenzentrum Winterthur  
AutoScout24  
Avantgarde Gesellschaft für  
Kommunikation  
Axel Springer  
Babcock & Wilcox Loibl  
Baden Board  
Bächler Feintech & Gehring Cut

BASF SE (Construction Chemicals  
business)  
Berge & Meer Touristik;  
Boomerang Reisen  
BFE Nachrichtentechnik  
Bike24  
Bilcare Research Group  
Bilfinger FRB  
bn:t Blatzheim Networks Telecom  
Board International  
Bonitas Holding  
Bookwire  
Bosch Packaging Technology  
Boxine

Brandstock Services  
Brasse  
BUK Kunststofftechnik  
Canon Business Services  
CareerTeam  
Cartonplast Group  
CCC Holding

Chrono24.com  
Cloudflight  
COBEX  
Comline; hesolvis

commercetools  
ComNet - Computer im Netzwerk  
Vertriebsgesellschaft  
Compana Software

Concardis Payment Group  
Conen Group  
con-pearl  
Contentserv

### BUYER

Forterro (Battery Ventures)  
Asmodee Editions (PAI Partners)  
Apax Partners  
MEA AG (Adcuram Group)  
Triton Partners  
Castik Capital  
Family Trust Investor  
Heidelpay (AnaCap Financial Partners)  
BE Beteiligungen Fonds  
SIMENTUM Management &  
Beteiligungsgesellschaft, Drott  
Holding, Double X Corporate Finance  
Naxicap Partners  
Odewald KMU Gesellschaft für  
Beteiligungen  
Halder Beteiligungsberatung  
Columna Capital  
Learnlight (Beech Tree Private Equity)  
PAI Partners  
Odewald KMU Gesellschaft für  
Beteiligungen  
Bregal Unternehmenskapital  
ARTEMIS MVZ Frankfurt (Montagu)  
Hellman & Friedman  
EMH Partners

Kohlberg Kravis Roberts (KKR)  
Deutsche Invest Mittelstand  
Marperger  
Klingel Medical Metal Group  
(IK Investment Partners)  
Lone Star Funds

GENUI

Netzkontor (Deutsche Beteiligungs AG)  
Riverside  
Lindsay Goldberg Vogel  
EQOS Energie (Triton)  
Basalt Infrastructure Partners  
Nordic Capital  
Advent International  
VR Equitypartner  
CVC Capital Partners  
Santo Venture Capital; Armira  
Beteiligungen; Robert Gentz;  
Strüngmann Family  
Questel  
Haspa BGM  
Steadfast Capital  
ASC Investment  
Crosslantic Capital Management  
Deutsche Beteiligungs AG  
TELUS International; Baring Private  
Equity Asia  
Sprints Capital Management  
Deutsche Beteiligungs AG  
Tokai Carbon  
DAVASO Holding (Montagu Private  
Equity)  
Insight Venture Partners  
netgo (Waterland Private Equity  
Investments)  
GermanPersonnel e-search (The  
Riverside Company)  
Nets (Hellman & Friedman)  
Halder Beteiligungsberatung  
Blue Cap  
Investcorp

### TARGET

CoreMedia  
Covestro's European polycarbonate  
sheets business  
Covestro's European Polyurethane  
systems business  
CVS Engineering  
DELABO Group  
Der Jägerwinkel Privatklinik  
DFE Pharma  
Dietrich Engineering Consultants  
Dietsch Polstermöbel  
Distrelec Group; Nedis  
DMV-Fonterra Excipients  
Dr. Heni SOFTWARE  
Drumag; EPH Elektronik Produktions-  
und Handelsgesellschaft  
DSwiss  
DUO PLAST  
E.I.S. Aircraft  
EA Elektro-Automatik  
Eberlang  
e-GITZ  
Eismann

ELL Austria

Enchanting Travels  
ENGIE  
Ergocast Guss  
Escada  
Eurolyser Diagnostica  
EVAGO Group  
Evonik Industries (Methacrylat Business;  
Engies Coal Assets in Germany/  
Netherlands)  
Fahrzeugwerk Borco-Hohns

FAST LTA  
FDT FlachdachTechnologie  
FerGene  
Food & Service Gruppe  
Freudenberg IT  
Fuxtec  
Fysioconcept

Gartner Potschke  
Gategroup  
GBTEC Software + Consulting  
Gebhardt-Stahl  
Gebraucht.de  
Geocom Informatik  
Gerry Weber International

GfR Gesellschaft für  
Reisevertriebssysteme  
GKN Walterscheid Powertrains  
Godesys  
Golfersand Hannover  
Gottfried Stiller  
GPE-Plast Engineering  
Günther Kältetechnik  
Hakle  
Hamburg Gourmet

Hamm Dental  
Hasenkopf Industrie Manufaktur  
hauck  
Heinrich Müller Maschinenfabrik  
Heinz Lütkefeier

### BUYER

OpenGate Capital  
Serafin Unternehmensgruppe

HIG Capital

Rhein Invest  
Avedon Capital Partners  
Oberberg Klinik Verwaltung (Trilantic)  
CVC Capital Partners  
capiton  
Family Trust Investor; Tobias Fuhrmann  
AURELIUS Equity Opportunities  
CVC Capital Partners Limited  
Meona (Emeram Capital Partners)  
Halder Beteiligungsberatung

Verium  
Paragon Partners  
HANNOVER Finanz  
Bregal Unternehmenskapital  
HQ Equita (HQ Capital)  
Garz & Frickle (Afinum Management)  
Luxembourg Investment Company 300  
(Cornelius Treuhand)  
AXA Investment Managers - Real Assets;  
Credit Agricole Assurances  
Travelopia (Kohlberg Kravis Roberts)  
Riverstone Holding  
Callista Private Equity  
Regent  
ArchiMed  
KKA Partners  
Advent International

GBU Gesellschaft für Beteiligungen an  
Mittelständischen Unternehmen  
Afinum Management  
Donges SteelTec (Mutares)  
Blackstone  
Finatem  
Syntax Systems (Novacap Investments)  
Findos  
Rehacon (Waterland Private Equity  
Investments)  
Dröge International Group  
RRJ Capital  
Main Capital Partners  
Bencis Capital Partners  
Wer liefert was? (Capvis Equity Partners)  
AED-SICAD (Battery ventures)  
Whitebox Advisors LLC; Robus Capital  
Management  
DUBAG Group

One Equity Partners  
Elvaston Capital Management  
Afinum Management  
VR Equitypartner  
capiton  
Kälte Eckert (VR Equitypartner)  
Crosslantic Capital Management  
Continental Foods Belgium NV  
(CVC Capital Partners)  
Avedon Capital Partners (Delabo)  
BPE Private Equity  
Avedon Capital Partners  
Fells Group (Capvis Equity Partners)  
Vitronet (DBAG)



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### TARGET

Hitzinger

HocoHolz Hofstetter & Co. Holzindustrie  
HSH Soft- und Hardware  
Vertriebsgesellschaft

Hummingbird Converting Solutions

Hype Innovation

Ideematec

IDL Beratung für integrierte DV-  
Lösungen

IFCO Systems

IHSE

INEOS Enterprises Limited (Melamines  
& Paraform Business)

inexio Informationstechnologie und  
Telekommunikation

Infiana Germany

Informatik Consulting Systems (ICS)

Informing

Init

InterEurope European Law Service

KD Pharma Group

Keeper

Kempf Fahrzeugbau

Kirchhoff

Kleffmann

Klinik Eschenburg

Kliniken Wied

Knorr-Bremse PowerTech

KNP Financial Services

Köhl

Kreyer

KW-Kranwerke

Laboratories Diepharmex

Lacon Electronic

Lässig

LANDWEHR Computer & Software

LAP Laser Applikationen

Leinberger-Bau

Lerbs

Lillydo

LINKIT Consulting

Little Green House

Lorenz

LS Laser Systems

Lubs

Lünemann

Marcus Transport

Massenberg

Maxident

MDT Technologies

Mediko Pflege- und Gesundheitszentren

Mediliant

Medineering

Mehrwerk

Memo-royal

Mera Group

MESSRING

Metsa Tissue

### BUYER

Dörflinger Management &  
Beteiligungsgesellschaft  
Nexus investment  
Forum Family Office

CGS Management  
Main Capital Partners  
ABN AMRO Group  
LEA Partners

Triton Capital Partners  
Brockhaus Capital Management  
Prefere Resins Holding (Silverfleet  
Capital Partners)  
EQT

Pamplona Capital Management  
VR Equitypartner (DZ Bank)  
Elvaston Capital Management  
EMERAM Capital Partners  
Elvaston Capital Management  
Capiton, Pantheon Ventures and  
Aberdeen Standard

Mutares  
Steadfast Capital  
Mutares  
Kynetec UK (Inflexion Capital)  
MEDIAN Group (Waterland Private  
Equity Investments)  
Median Kliniken (Waterland Private  
Equity Investments)  
RADIAL Capital Partners  
coeo Inkasso (Waterland Private  
Equity Investments)  
LEO Familienholding

BWK  
Nimbus  
Charterhouse Capital Partners  
HANNOVER Finanz  
ARCUS Capital; BE Beteiligungen  
Fonds  
LEA Partners  
IK Investment Partners  
Deutsche Beteiligungs AG  
Rubix Group International (Advent)  
Sofina  
valantic (Deutsche Private Equity)  
Debiopharm Investment  
AVS Verkehrssicherung (Triton)  
InnoLas Solutions (CGS Management)  
CORVIS Mittelstandsbeteiligungen  
Mimung Beteiligungen  
AURELIUS Equity Opportunities  
DPE Deutsche Private Equity  
Avedon Capital Partners (Delabo)  
IK Investment Partners  
Schönes Leben Gruppe (Waterland  
Private Equity Investments)  
Ekkio Capital  
Brainlab (EMH)  
netgo (Waterland Private Equity  
Investments)  
Noventic (Hg Capital)  
Orion Systems Integrators  
(One Equity Partners)  
DMB Dr. Dieter Murmann  
Beteiligungsgesellschaft  
keeper (Mutares)

### TARGET

MHB Bank

MIDOCO

Midrahtec Drahtwaren

Mindcurv

MMC studios Köln

Motion06

msc Laboratory

Mühlhoff Umformtechnik

MVZ. Dr. Dr. Dorow

Nesecure

netgo

Netra

Nettag

Nexellent

Niche-Beauty.com

Nicolay

Nidec Global Appliance Germany

Niebling Technische Bürsten & PSE

Werkzeuge und Maschinen

NKD

Novopress Pressen und Presswerkzeuge

Novum

Ober Scharrer Group

Omni Hydraulik Ritter

Omnicare Pharma

Ondal Medical Systems

Onstage Online

Onventis

P&I Personal & Informatik

Panorama Fachklinik

PeakAce

Peiner Umformtechnik

PEMA

Penta Fintech

Petroleum Service Corporation

PNE WIND

Polywest Kunststofftechnik Saueressig  
& Partner

Posteon Deutschland

Powercloud

pro optik Augenoptik Fachgeschäft

Procion IT-Solutions

PROCON IT

Q Logistics

QSSL Industrieservice

QuinScape

Räuchle

Recy Systems

Rehacon

Reisenthal Accessoires

Reline Europe

Remy & Geiser

RENA

Renolit Group

Rilano

Robert Seuffer

RPT Rapid Prototyping

Ruff's Burger

S + S Regeltechnik

Saal Digital Fotoservice

Sandmann

Sanoptis

SATO

SchahLED

Schleich

### BUYER

Raisin (Lone Start)

LEA Partners

WDM (Cross Equity)

GENUI; Primepulse SE

Novum Capital Beratungsgesellschaft

Duravant (Warburg Pincus)

Trescal (Omers Private Equity Inc)

Fidelium

Colosseum Dental (Jacobs Holding)

Oberberg (Trilantic)

Waterland Private Equity Investments

Neschen (Blue cap)

Polygon

Tineo (Waterland Private Equity  
Investments)

Parfumerie Douglas (CVC)

GPE-Plast Engineering

Orland Management

QVM Privatkapital

TDR Capital

Syngroh Capital

RGI (Corsair Capital)

Palamon Capital Partners, Adams Street  
Partners, PGGM

Safim (Ambienta)

Equistone Partners Europe

IK Investment Partners

EuNetworks (Stonepeak)

Main Capital Partners

Hg Capital

Oberberg Klinik Verwaltung (Trilantic)

My Media Group (LBO France)

Rheinort-Treuhand

TIP Trailer Services Management  
(I Squared Capital)

FineLeap (Inception)

Aurora Capital Group

Morgan Stanley Infrastructure

Quantum Capital Partners

Quantum Capital Partners

General Atlantic

Paragon Partners

Harald Quandt Industriebeteiligungen

Conet Technologies (H.I.G. Capital)

Mutares

TRIGO Group (Ardian)

AUCTUS Capital Partners AG

DUBAG Group

AMCS Group (Insight Venture Partners,  
Ireland Strategic Investment Fund)

Waterland Private Equity Investments

Invision Private Equity

Bregal Unternehmenskapital

Bormioli Pharma (Triton)

Equistone Partners Europe

Fisher and Lang Families

GS Star (Auctus)

Blantyre Capital Limited

Realkapital Mittelstand

Gustoso Group (Auctus)

Investment AB Latour

Ardian

Vitronet (DBAG)

Telemos Capital

S-UBG Gruppe

Active Capital Company

Partners Group

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### TARGET

Schuler  
Seeger-Orbis  
Selux  
Sendmoments

SER Group  
Seven Miles  
Sevenal Technologies

Sicko  
Signavio

Signet Wohnmöbel  
SIGNON Österreich  
Sill Optics  
SimplicityBio

Sintetica  
SIS  
Siteco luminaires  
Slideworx  
Smart battery solutions  
SOCO Network Solutions  
Söll Group  
SOLIT Systems  
Spindel- und Lagerungstechnik  
Fraureuth  
St. Georg Vorsorge- und  
Rehabilitationskliniken  
Stadlbauer  
Starface  
Steinbach & Vollmann

STEINEL Vertrieb  
Step Ahead  
STG Braunsberg  
Susanne Kaufmann Kosmetik  
Suvema  
SynerGIS GIS & FM Solutions  
Tele München Group  
Tertianum  
Therapiezentrum Anita Brüche

Thermex

TID Informatik

tmp  
TMS connected!  
Toolport  
Transporeon  
Travis CI  
TSE Systems  
UHB Kunststofftechnik  
Unitank

United Digital Group  
Universum Film  
Universum Group

Valantic  
Vbalogics  
Völckers & Cie Immobilien  
W & F Franke Schwerlast Internationale  
Spedition  
W. Söhngen  
WBDat  
Willi Krohn

### BUYER

Accursia Capital, Navigator Capital  
Kajo Neukirchen Group  
Capital Management Partners  
ARCUS Capital and BE Beteiligungen  
Fonds  
The Carlyle Group  
Oakley Capital  
IT Kontrakt (Cornerstone Partners  
and Oaktree Capital Management)  
Finexx  
Apax Partners; Deutsche Telekom  
Capital Partners Management  
Thomas Schlosser; VR Equitypartner  
VR Equitypartner  
PINOVA Capital  
Precision for Medicine (Berkshire  
Partners)  
Ardian  
ECM Equity Capital Management  
Stern Stewart Capital  
mTAB (Milestone Partners)  
Gimv  
Basalt Infrastructure Partners  
Oase (Argand Partners)  
Magellan Netzwerke (Auctus)  
Avedon Capital Partners

Adiuva Capital

Quantum Capital Partners  
Maxburg Capital Partners  
Endurance Capital; Sayn-Wittgenstein  
Family; Andreas Kupka (Private  
Investor)  
ADCURAM Group  
Elvaston Capital Management  
Deutsche Beteiligungs AG  
Manzanita Capital  
Halder Beteiligungsberatung  
VertiGIS (Battery Ventures)  
KKR  
Capvis AG  
Rehacon (Waterland Private Equity  
Investments)  
Groupe Climater (Sagard Private  
Equity Partners)  
SCHEMA Holding (IK Investment  
Partners Limited)  
SCIO Automation (Quadriga Capital)  
Transcom (Altor Equity Partners)  
Riverside  
Hg Capital  
Idera (HGGC, TA Associates)  
Co-Investor  
Steadfast Capital  
DIF PPP, SL Capital Infrastructure II  
(Aberdeen Standard Investments)  
PIA (Equistone)  
Kohlberg Kravis Roberts (KKR)  
Heidelberger Payment (AnaCap  
Financial Partners)  
DPE Deutsche Private Equity  
Ampersand Capital Partners  
Avison Young (CDPQ)  
Blanke Management

Steadfast Capital  
STP (Hg Capital)  
Caristo Management

### TARGET

WOLF Verpackungsmaschinen  
WT systems IT-Service and Logistic  
XClinical  
xevIT  
Xovis  
zahneins  
Zellkraftwerk

Zentrum Gesundheit  
ZIM Flugsitz  
Zurrfix

### BUYER

HQ Equita  
Deutsche Mittelstandsholding  
BID Equity Advisory  
Conscia Holding (Nordic Capital)  
Capvis  
PAI Partners  
Canopy Biosciences, (Amperstand Capital  
Partners)  
NORD Holding  
AURELIUS Equity Opportunities  
Wineus



# Presenting Roland Berger's most recent studies



## Autonomous production: Rise of the machines

The combination of rising labor costs (25%) and dropping costs of robots (30%) over the last three decades has resulted in a major shift towards autonomous production. Hence, manufacturing industries are trying to utilize automation technology and AI as they move towards the "lights-out factory", a model in which robots can produce, pack and sort their own products without human intervention.

In this study Roland Berger discusses industry and task-specific approaches to autonomous production and – based on interviews with manufacturing CEOs and COOs – offers a new way to classify the level of autonomy in production plants. It also provides recommendations and solutions to technical and implementation challenges in order to help manufacturers get ahead.

Overall, key findings are that manufacturing industries stand to benefit hugely from automation technologies and Artificial Intelligence (AI) due to increased efficiencies and lowered costs. However, manufacturers still face challenges when it comes to human-robot collaboration, mobile automation and a shortage of IT competencies. [Read more](#)

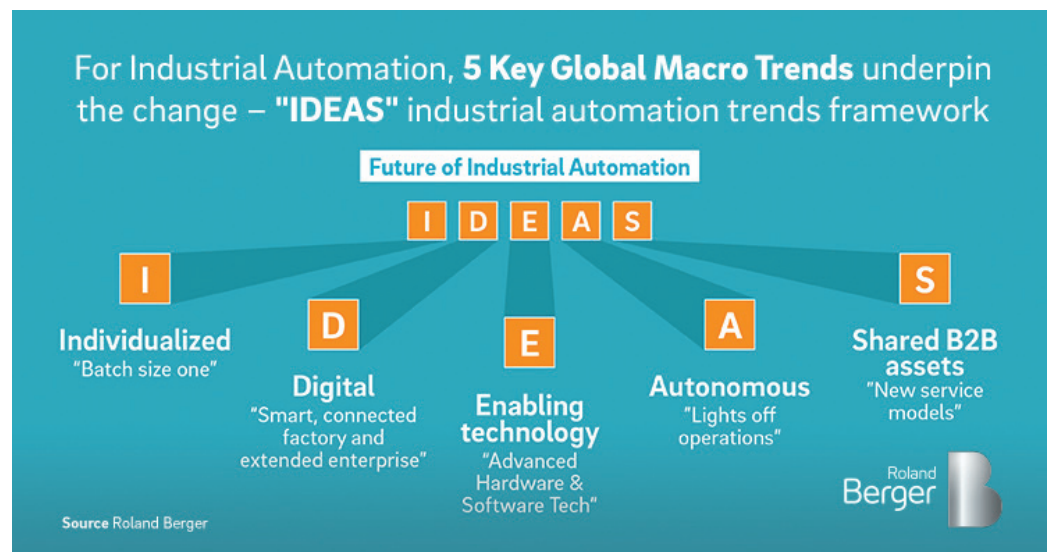


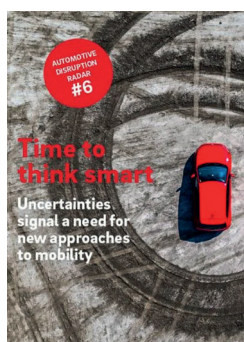
## Winning across the industrial automation value chain

Industry 4.0, the Industrial Internet of Things (IIoT) and digitization including Artificial Intelligence and new production processes drive Industrial Automation (IA) and stimulate growth projections. They fuel stakeholder imagination in the marketplace. Everything that can be automated seems to be automated in the future as well. But it is not "when" that is crucial, but "how" and what impact this will have on societies, industries, and the global economy.

Therefore, one of the biggest challenges for companies providing components, systems and solutions for Industrial Automation today is: How can the greatest possible benefit be gained from changing value chains? How does one successfully participate in the highs of industrial automation? For the end-user industries, the questions of how to make their production more cost efficient, effective and sustainable is key.

Roland Berger has identified and assessed key macroeconomic trends and their impact on these value chains, actors and markets: IDEAS represents the future of industrial automation and describes the five key developments that have a lasting impact on change. Overall, but depending on investment approach/profile, we see industrial automation as an attractive investment area with multiple segments showing high growth. [Read more](#)

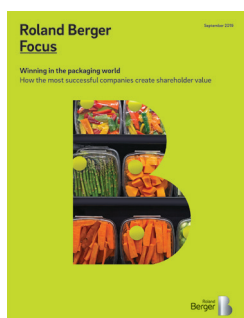




### Automotive Disruption Radar: Growing despite the downturn

The sixth issue of "Automotive Disruption Radar" (ADR 6), a biannual Roland Berger survey of the automotive industry, looks at the opportunities created by the downturn.

With traditional car manufacturers under pressure and mobility services losing money, those who want to succeed must now find other ways to run their businesses and concentrate more on the changing needs of their customers. To put it plainly, companies in the automotive industry – OEMs and service providers alike – need to develop smarter business models and offerings to take account of changing mobility trends. Autonomous driving and electric mobility are key elements in the way to go forward. [Read more](#)



### Winners Analysis – How the most successful packaging companies create shareholder value

The Winners Analysis is both a diagnostic framework to understand historical performance and a blueprint for future corporate strategy development and execution. The study is based on Roland Berger's regular financial performance monitoring of nearly 60 packaging companies in the US and Europe.

Winners are companies that consistently deliver superior risk-adjusted profitability and growth. These companies deliver superior shareholder returns. This tool helps companies understand their performance relative to the industry. Our study shows that winners share four discrete strategic characteristics. Firstly, winners possess a comprehensive understanding of their core competencies, develop a unique business model that leverages these competencies and focus their participation in market segments where the business model is advantaged. Secondly, winners have strategically coherent portfolios, derived from a combination of clear strategic intent, a portfolio of businesses that enables the intent and a parenting advantage over these businesses.

Thirdly, winners drive financial scale via larger market capitalizations (size) and a clear risk-reward proposition. Further, winners prove their ability to execute by clearly communicating their strategic intent, pursuing a disciplined approach to achieve competitive advantage, actively managing their portfolio and systematically standardizing their functions and processes. [Read more](#)



### Smart Cities: A big opportunity for utilities

In the EU, mid-sized cities – defined as urban areas with 100,000 to 500,000 inhabitants – host one third of the EU population. These cities are economic powerhouses, logistic hubs, administrative centers, drivers of innovation, forerunners of trends and attractive destinations for talent. It is hardly surprising, therefore, that these cities are becoming increasingly interested in the Smart City concept.

Roland Berger asked decision makers and experts in 50 mid-sized cities of 13 European countries about their city's Smart City strategy. The result is a comprehensive picture that enables the comparison of different regions and describes the opportunities for utilities in detail.

According to the poll, 81 percent of respondents consider a Smart City strategy as a medium or high strategic priority. However, medium-sized cities have so far mostly only relied on pilot projects that are hardly networked with each other and therefore have little impact. After all, only around 20 percent of local authorities have a Smart City strategy that has been used to plan and manage projects in a targeted manner. So as not to lose touch, mid-sized cities seem to need strong network partners and stakeholders to help them develop strategies and implement them. [Read more](#)

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