

F R O S T & S U L L I V A N

2024 COMPANY OF THE YEAR

*IN THE GLOBAL
MANUFACTURING
EXECUTION SYSTEMS
INDUSTRY*

F R O S T & S U L L I V A N

BEST
2024 PRACTICES
AWARD



Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Rockwell Automation excels in many of the criteria in the manufacturing execution systems space.

AWARD CRITERIA	
<i>Visionary Innovation & Performance</i>	<i>Customer Impact</i>
Addressing Unmet Needs	Price/Performance Value
Visionary Scenarios Through Mega Trends	Customer Purchase Experience
Implementation of Best Practices	Customer Ownership Experience
Leadership Focus	Customer Service Experience
Financial Performance	Brand Equity

Rockwell Automation: A Century of Industrial Transformation

Founded in 1903 and initially headquartered in Milwaukee, Wisconsin, Rockwell Automation has established itself as a pioneering force in industrial automation and digital transformation. It has evolved into a comprehensive solution provider and strategic partner, offering a range of industrial hardware, software, and services that complement its manufacturing execution systems (MES) offerings.

With a mission to expand human possibility and improve quality of life, the company connects people’s imagination with the potential of software and machines. It propels smart manufacturing forward, leveraging its strategic vision, exceptional talent pool, and robust financial backing to provide unparalleled value to its customers, ensuring innovation, productivity, and sustainability for years.

The journey of Rockwell Automation began with a modest \$1,000 investment and a prototype controller, becoming the world’s premier industrial automation and information company over the years.¹ Today, it is solely dedicated to industrial automation and information solutions. With approximately 26,000 employees in over 100 countries, about one-third of whom are based at 20 international manufacturing sites, the company manages a product portfolio of nearly 400,000 stock-keeping units.²

¹ Interview with Rockwell Automation and Frost & Sullivan, November 2023.

² Ibid

Throughout its 100-year history, Rockwell Automation has pioneered innovations and pivotal contributions to various industries. From the invention of the compression rheostat in 1901 to the introduction of the first solenoid starter in 1934, Allen-Bradley® (now Rockwell Automation) has consistently revolutionized the field of electronics. Its impact extended to supporting wartime efforts during WWI and WWII, with components powering essential technologies like walkie-talkies and RADAR systems.

The company's legacy includes milestones such as powering Universal Automatic Computer, producing one of the first computers, and supplying components for the NASA Apollo 11 mission. The introduction of the programmable logic controller in 1970 and the development of the Data Highway in 1979 further cemented the reputation of Rockwell Automation as a technology leader. The acquisition by Rockwell International® in 1985 and subsequent innovations like the Pyramid Integrator™ and Automation Fair® event underscore the company's commitment to advancing industrial automation. Rockwell Automation drives innovation and technology leadership, making its motto, *The Connected Enterprise*®, a reality.

Leading the Way in MES Solutions and Beyond

A leader in industrial automation, Rockwell Automation has a strong focus on MES. Over its century-old history, it has developed a market-leading position across hybrid and discrete, embedding deep industry knowledge and differentiated capabilities into its MES portfolio. The company boasts a dedicated team of over a thousand MES-focused professionals across three Centers of Excellence (CoEs) in major geographies supported by a vast network of over 15,000 operational technology engineers. This commitment to excellence enables Rockwell Automation to deliver tailored solutions to meet critical unmet customer needs.

Flexible, Scalable

The company offers a comprehensive MES portfolio comprised of FactoryTalk® ProductionCentre® MES (a highly customizable on-premise MES) and the Plex Smart Manufacturing Platform™, a cloud-native Software-as-a-Service (SaaS)-based-MES, developed over two decades and proven at scale, enabling lights-out manufacturing. It caters to pharmaceutical (pharma) and biopharma industries, consumer packaged goods (CPG), food and beverage, auto and tire, precision metalforming, plastics, and rubber. The company's scalable, modular solutions allow customers to minimize their initial MES investment while expanding the scope as they see a return on investment. This approach ensures a flexible deployment model where smaller plants can benefit from parts of the enterprise MES implementation. Rockwell Automation continues to invest in more focused industry solutions to improve manufacturing through sophisticated integration of operational technology (OT) assets, analytics convergence across OT and information technology (IT) domains, and artificial intelligence (AI) applications.

Cost-effective

The company focuses on delivering the best value for customers' investments, offering flexible pricing models and scalable solutions that meet diverse modern manufacturing business needs. Its offering starts with value engineering for customers new to MES, identifying key challenges, and building a business case. FactoryTalk Production Centre MES by Rockwell Automation is highly customizable to specific customer needs. At the same time, the Plex Smart Manufacturing Platform provides a comprehensive suite of

capabilities out-of-the-box, including a quality management system, MES, and enterprise resource planning, among other functionalities, with pricing aligned to customer revenues, encouraging broad adoption and scalability. Plex's transparent pricing model, which includes options based on peak users and modular add-ons, allows for flexibility and cost-effectiveness.

Customer-centric

Rockwell Automation boasts more than 1,000 MES specialists globally, offering regional support through industry-specific CoEs and serving customers worldwide with a cost-effective, global MES delivery

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**- Natalia Casanovas
Best Practices Research Analyst**

standard. The company's professional and managed services drive value throughout the MES implementation process, from identifying improvement opportunities to driving organizational change management and adoption and optimizing performance for continuous advancement. Also, specialized services help assess, design, implement, and manage your OT environment. These automation-agnostic services encompass virtual infrastructure, networks, and cybersecurity. In addition, the customer success organization focuses on helping customers achieve target business outcomes by driving successful MES solution adoption, reviewing progress against quarterly goals, analyzing software

usage, and providing key value metrics. Rockwell Automation services for MES deployment focus on change management and rollout requirements.

The company hosts events like ROKLive and Automation Fair to create a platform for customers to exchange insights and best practices, fostering a culture of continuous learning. These events also showcase innovative solutions that optimize production, drive sustainability, increase resilience, empower people, and accelerate digital transformation.³

User Experience

The user-centric approach that Rockwell Automation takes ensures that its products focus on specific personas, providing error-proofing and ease of use for employees of all skill levels. This dedication to user experience is supported by a dedicated team and set of design principles and style guides, maintaining a consistent, modern, but familiar user experience. This approach ensures quick onboarding and employee proficiency at any skill level or tenure.

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³ [Rockwell Automation unveils its full program for ROKLive EMEA | Rockwell Automation](#), accessed February 2024

Integrated Solutions and Commitment to Innovations

The enterprise-wide solutions created by Rockwell Automation connect the entire digital thread and empower organizations to make informed, real-time decisions that drive better outcomes and elevate

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businesses to new heights. By integrating data from various sources and leveraging advanced analytics, the company enables its customers to gain valuable insights into their operations, identify areas for improvement, and implement targeted strategies for optimization. This approach creates a robust continuous improvement loop that drives ongoing innovation and efficiency across all organizational levels.

The commitment of Rockwell Automation to innovation and excellence is evident in its investment areas, which work synergistically to enhance operational capabilities and drive business growth. The company empowers its customers in today's evolving manufacturing landscape by amplifying Big

Data's power through dynamic operations management software, centralizing and contextualizing industrial data, expanding tailored industrial applications and analytics, and leveraging digital twins for production system design.

As a leader in SaaS cloud and on-premises MES delivery, Rockwell Automation allows its customers to choose the MES tool that best suits their needs. The company's vision focuses on enhancing production operations applications, building MES capabilities, and developing digital threads for product lifecycle, asset lifecycle, and supply chain management. These efforts, combined with the company's emphasis on agility, user-centricity, modularity, and security, position it as a trusted partner for manufacturers looking to drive innovation and achieve sustainable growth.

Over its history, Rockwell Automation systematically connected its factories, processes, and personnel to a centralized MES, positioning it at the forefront of OT/IT convergence. This integration enhanced access, monitoring, and utilization of operational, business, and transactional data across its manufacturing network. This initiative led to standardized workflows and processes globally, reducing the total cost of ownership by decreasing inventory days from 120 to 82, achieving a 30% annual capital avoidance, and improving supply chain delivery to 96% while halving lead times. Furthermore, the company estimates a yearly productivity improvement of 4% to 5%.⁴

Rockwell Automation remains dedicated to driving customer success and growth through its commitment to innovation, operational excellence, and continuous improvement.

⁴ Interview with Rockwell Automation and Frost & Sullivan, November 2023

Strategic and Financial Leadership of Rockwell Automation

Rockwell Automation achieves financial stability with solid corporate financial strength, supported by its operational history and strategic investments. Its culture of integrity has been a critical factor in its success over the past century.

Strategic ecosystem partnerships play a crucial role in the company's leadership strategy. The company's PartnerNetwork™ supports customers globally, providing industry-specific solutions and technology. Partnerships with Microsoft, Accenture, and Cisco, among others, enhance its capabilities, offering customers various best-in-breed technologies.

Customer experience is paramount for Rockwell Automation, with co-innovation programs and customer-led initiatives driving product development. The company's direct manufacturing expertise further strengthens its leadership position. Through digital transformation and standardization, Rockwell Automation has achieved significant cost savings and productivity improvements, showcasing its commitment to excellence, innovation, and customer success. Moreover, the company is committed to environmental, social, and governance principles, aiming to make the world more productive and sustainable. Its focus on sustainability, philanthropy, diversity, and inclusivity reflects the dedication of Rockwell Automation to positively impacting the world. The company aims to be carbon neutral by 2030 and actively invests in communities through STEM programs. Its governance policies ensure responsible and transparent leadership, aligning with its ethical principles and commitment to the global community. The dedication of Rockwell Automation to sustainability, diversity, equity, and inclusivity is integral to its leadership approach.

Conclusion

The century-long industrial transformation journey of Rockwell Automation is a testament to its commitment to innovation, excellence, and customer success. With a strong focus on manufacturing execution system solutions and a dedication to providing exceptional value, Rockwell Automation has positioned itself as a leader in industrial automation and digital transformation. The company continues to drive innovation, empower its customers, and achieve sustainable growth through its integrated solutions, strategic partnerships, and commitment to sustainability, diversity, and inclusion.

Rockwell Automation earns Frost & Sullivan's 2024 Global Company of the Year Award for its strong overall performance in the manufacturing execution systems industry.

What You Need to Know about the Company of the Year Recognition

Frost & Sullivan's Company of the Year Award is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

Best Practices Award Analysis

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Visionary Innovation & Performance

Addressing Unmet Needs: Customers' unmet or under-served needs are unearthed and addressed by a robust solution development process

Visionary Scenarios Through Mega Trends:

Long-range, macro-level scenarios are incorporated into the innovation strategy through the use of Mega Trends, thereby enabling first-to-market solutions and new growth opportunities

Leadership Focus: Company focuses on building a leadership position in core markets and on creating stiff barriers to entry for new competitors

Best Practices Implementation: Best-in-class implementation is characterized by processes, tools, or activities that generate a consistent and repeatable level of success

Financial Performance: Strong overall business performance is achieved in terms of revenue, revenue growth, operating margin, and other key financial metrics

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

