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Technology Trends in Manufacturing

MANUFACTURING

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Over the past few years, advances in technology have created a number of innovative business opportunities for the manufacturing industry. Some of the most recently developed solutions, including Internet of Things (IoT), Digital Twin technology and Augmented Reality, have created the prospect for manufacturers to improve their supply chain and business operations. These new technologies offer greater efficiency and productivity to manufacturers, and can even help cut inventory costs.

IoT, which applies when physical objects and machines are connected to the internet and given the ability to communicate with each other so they can be controlled remotely, is perhaps the most dynamic advancement in the bunch and offers many potential improvements to a manufacturer's operations. The technology assists companies in matters like predictive maintenance, smart response and automated inventory management.

To date, most manufacturers haven't been able to afford to apply these technologies to their workforce, but over the last several years, the cost of implementing this type of modernization into a supply chain has decreased and now seems more attainable. According to Manufacturing Global, companies are expected to spend about \$286bn per year on digitizing their processes and IoT operations in 2020 – up from **\$69bn in 2015** – with larger, more established manufacturing companies acquiring younger, fast-growing tech companies.

Digital Twin technology involves utilizing a digital copy of a physical object or process, a solution becoming more attractive to manufacturers since it can help improve cycle times and key processes while also reducing operational maintenance costs. Augmented Reality, meanwhile, which is similar to virtual reality, can also help improve efficiency. The technology is primarily used by companies that employ their corporate sales and marketing objectives to distinguish their business and give it a competitive edge.

All these solutions are expected to add value within the manufacturing industry and will continue to develop over the next few years to become an integral part of most businesses around the world. For more information, contact your advisor at Schneider Downs.

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