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Siemens launches major new initiative to boost UK rail supply chain

New contracts could be open to UK SMEs as Siemens launches a new initiative to boost the UK rolling stock supply chain. Around 100 businesses attended Siemens UK's Rail Supplier Summit (on Dec 1 and 2) at which the company set out how it plans to work with UK suppliers and outlined how it intends to increase UK businesses' share of the growing market for rolling stock which is estimated to be worth at least £11.6bn by 2020ⁱ.

The scheme aims to develop new relationships with potential suppliers with the ultimate aim of boosting UK local supply chain content in future UK and global rail contracts awarded to Siemens.

Nicola Phillips, the newly appointed Director of Supply Chain Management for Siemens' Rail Systems business, outlined the initiative:

"We are committed to investing in all of the individual UK areas we operate in across all our businesses. We currently spend £1.8 billion with suppliers in the UK, which supports 56,000 jobsⁱⁱ.

"Within our UK Rail Systems business, we already work in close partnerships with many UK rail suppliers on key contracts awarded to us in recent years. However, we can and want to do more to increase the amount of UK content in our rail maintenance and manufacturing operations.

Through this new initiative we are going to start building relationships and gain a good understanding of the new potential suppliers to our business, what their strengths are and how we can collaborate to develop safe, reliable and innovative rail technologies for the future.”

Siemens employs some 3,500 people across its transport businesses and has ambitious plans to grow its share of the UK rolling stock market. In rolling stock supply and service, Siemens has contracts with nine different operators and maintenance activities at eight Siemens-built train care facilities and at a number of shared facilities. Siemens currently has some 380 trains in passenger service in the UK and this figure is set to more than double by 2018 through projects such as the Class 707 and the 115 new Desiro City units currently being delivered on the Thameslink line. Meanwhile, Siemens Rail Automation business is a leading global manufacturer of signalling and train control technologies with a major manufacturing plant in Chippenham supplying the UK market and exporting to countries around the world.

The start of this new rail supply chain initiative comes as Siemens unveils the first of hundreds of 75m next-generation wind turbine blade to be manufactured at the company’s new £310m wind turbine blade manufacturing plant in Hull. The development is one of Siemens’ largest-ever investments worldwide in manufacturing facilities and has been delivered ahead of programme and within budget, with the new Hull workforce demonstrating rapidly their capability in world-class manufacturing and engineering.

Siemens is holding a second event in February 2016. To register your interest in attending, please contact: info.railsystems.gb.siemens.com

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About Siemens

Siemens AG (Berlin and Munich) is a global technology powerhouse that has stood for engineering excellence, innovation, quality, reliability and internationality for more than 165 years. The company is active in more than 200 countries, focusing on the areas of electrification, automation and digitalization. One of the world's largest producers of energy-efficient, resource-saving technologies, Siemens is No. 1 in offshore wind turbine construction, a leading supplier of gas and steam turbines for power generation, a major provider of power transmission solutions and a pioneer in infrastructure solutions as well as automation, drive and software solutions for industry. The company is also a leading provider of medical imaging equipment – such as computed tomography and magnetic resonance imaging systems – and a leader in laboratory diagnostics as well as clinical IT. In fiscal 2015, which ended on September 30, 2015, Siemens generated revenue of €75.6 billion and net income of €7.4 billion. At the end of September 2015, the company had around 348,000 employees worldwide. Further information is available on the Internet at www.siemens.com<<http://www.siemens.com>.

- End to all –

ⁱ Source: Rail Delivery Group, 6 November 2016 <http://raildeliverygroup.com/media-centre/press-releases/2016/469771039-2016-11-07.html>

ⁱⁱ Source: Siemens UK Business to Society Report 2016