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Disappointment as industrial engineering slips down the Business Superbrands rankings

Perception of the industrial engineering sector has seen a significant change in the Superbrands results for 2013. Siemens has been officially named as a Business Superbrand and beat strong competition to retain its place as Industrial Engineering category leader for a third year in a row. However Siemens' overall ranking fell from 21 to 32, marking a worrying downward trend for the engineering category in the rankings.

For more than a decade Superbrands has brought together a panel of industry experts and over 1,600 business professionals to choose the UK's strongest business-to-business brands, based on three key factors: quality, reliability and distinction.

Concerned by the Superbrands results, Siemens carried out a poll to establish public perceptions of the industry. The findings showed only one fifth of parents would strongly encourage their child to work in engineering, with 14 percent of parents actually discouraging their children.*

Roland Aurich, CEO Siemens plc and North West Europe, said: "Although Siemens retains its category leadership for Industrial Engineering, this year's Superbrands results are very disappointing. 2012 was a year where we saw clearly the vital importance of rebalancing the economy and Government and industry leaders used the summer during the Olympic and Paralympic Games to showcase the UK's manufacturing expertise to an international business audience. It is a shame that this is not reflected in the Business Superbrands ranking."

"Engineering is vital to the UK economy. All our lives are touched by the products and services provided by engineering companies, from the electricity required for heating and light, the transport and city infrastructure many of us use every day, to the sophisticated medical technology we rely on," said Roland Aurich.

Stephen Cheliotis, Chairman, The Business Superbrands Council and Chief Executive, The Centre for Brand Analysis, said: "As the UK manufacturing sector continues to struggle against difficult economic headwinds, and the media reiterates the failure of the coalition Government to rebalance the economy towards an industrial export base, it is perhaps no surprise that the leading brands in the sector have struggled to enhance their brand equity in early 2013. This disappointing performance follows a generally positive result in 2012, when the bulk of industrial engineering brands enhanced their rank.

"This was no doubt fuelled by the optimism that the leading players could transform the British economic performance. While this confidence failed to be borne out tangibly, it can principally be laid down to factors outside of the constituent companies' control, as the global economy struggled – particularly the Eurozone – which suffered from a lack of consumer and business confidence and political leadership.

"Siemens' fall of eleven places actually represents a considerable outperformance of the sector. FTSE 100 engineers GKN, for instance, fell a considerable 149 places, while fellow blue chip, Smiths, dropped 21. GE crashed 65 places, while Thyssenkrupp and ABB fell 181 and 108 positions respectively. Alstom, sunk 66 places while many construction equipment businesses dropped – Caterpillar by 66, JCB by 22 and Massey Ferguson by 82," he added.

"Indeed only three business brands enhanced their position, namely packaging giant Tetra Pak, up 10 to 88, Volvo Construction Equipment also up 10 to 276th and Komatsu UK up 28 to 456. No new firms in the business list entered the top 500 brands. On average, brands in the category dropped 46 places.

"I would expect Siemens to continue outperforming the category and to maintain its lead; one hopes that it will be leading a resurgent category, where the featured

brands not only improve their reputations but also, as a result, the underlying state of UK plc,” said Stephen Cheliotis.

In order to tackle public perceptions of the industry, as highlighted by the poll, Siemens has acknowledged how important it is to target schools at an early age. Inspiring the next generation of UK engineers so that skills shortages can be addressed is the reason why Siemens is a lead sponsor of The Big Bang Fair for the fourth consecutive year.

The business also plans to announce how it will tackle the lack of science, technology, engineering and maths careers guidance and support in the state school system over the course of this month in conjunction with the Business, Innovation and Skills Department.

Co-ordinated by The Centre for Brand Analysis, the Business Superbrands list is drawn from over 10,000 independently identified brands, before being whittled down to a shortlist of just under 1,100, that are then judged by the expert panel and UK business professionals.

As Industrial Engineering category leader, Siemens has a strong and long-established UK manufacturing and engineering presence. Siemens was established in the United Kingdom 170 years ago and now employs around 13,520 people in the UK. The UK founder, William Siemens, was knighted by Queen Victoria in 1883.

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Contact for journalists:

Siemens plc

Laura Bennett, phone: 01276 696374

E-mail: laura.bennett@siemens.com

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Siemens was established in the United Kingdom 170 years ago and now employs around 13,520 people in the UK. Last year's revenues were £3.2 billion*. As a leading global engineering and technology services company, Siemens provides innovative solutions to help tackle the world's major challenges, across the key sectors of energy, industry, infrastructure & cities and healthcare. Siemens has offices and factories throughout the UK, with its headquarters in Frimley, Surrey. The company's global headquarters is in Munich, Germany. For more information, visit www.siemens.co.uk

* Data includes intercompany revenue. Data may not be comparable with revenue reported in annual or interim reports.

*Survey conducted by TNS to 1027 adults aged between 16-64 in an online survey.

Superbrands

For further information, please contact Emily Taylor at Publicasity; etaylor@publicasity.co.uk / 0779 353 3774

Notes to Editors: Business Superbrands 2013

What is Superbrands®?

Superbrands is an annual initiative to identify and celebrate the UK's strongest brands. Brands do not apply or pay to be considered for Superbrand status; rather the accolade of Superbrand is awarded after a rigorous and independent selection process (please see below for details). The annual listing is published in February.

Business Superbrands Selection Process – Summary

The UK's Business Superbrands are chosen by a panel of Experts and 1,900 individual business professionals from across the UK. Brands do not apply or pay to be considered. The business professionals' vote is the culmination of an independent selection process managed by The Centre for Brand Analysis, which considers thousands of brands from over 50 sectors.

Business Superbrands Selection Process – Detail

The annual Business Superbrands survey is independently administered by The Centre for Brand Analysis (TCBA). Brands do not apply or pay to be considered; rather, the selection process is conducted as follows:

TCBA researchers compile lists of the UK's leading business-to-business brands, drawing on a wide range of sources, from sector reports to blogs to public nominations. From the thousands of brands initially considered a final shortlist is created. For 2013, just under 1,100 brands were shortlisted for Business Superbrands.

The shortlist is scored by an independent and voluntary Expert Council, which is assembled and chaired by TCBA's chief executive. The council is refreshed each year. Bearing in mind the definition of a Business Superbrand, the council members individually award each brand a rating from 1–10. Council members are not allowed to score brands with which they have a direct association or are in competition to, nor do they score brands they are unfamiliar with. The lowest scoring brands (approximately 15 per cent) are eliminated after the council has ratified the collective scores.

The remaining brands are voted on by the consumers of those brands: business professionals, defined as those who have either purchasing or managerial responsibilities within their organisation. Accessed via an SSI online panel, just over 1,900 individual business professionals were surveyed.

The views of the council and the business professionals are taken into equal account when determining each brand's position in the official league table. Only the top 500 brands are deemed to be Business Superbrands.

Business Superbrands Definition

When voting on the brands, both the Expert Council and the business professionals consider the following definition of a Business Superbrand:

'A Business Superbrand has established the finest reputation in its field. It offers customers significant emotional and/or tangible advantages over its competitors, which customers want and recognise.' In addition, experts and professionals are asked to judge the brands against the following three factors:

Quality. Does the brand represent quality products and services?

Reliability. Can the brand be trusted to deliver consistently against its promises and maintain product and service standards at all customer touch points?

Distinction. Is the brand not only well known in its sector but suitably differentiated from its competitors? Does it have a personality and values that make it unique within its market place?

Who is on the Business Superbrands Expert Council 2013?

Stephen Cheliotis, Chairman, Expert Councils & Chief Executive, TCBA

Richard Bush, Founder & CEO, Base One Group

Steve Dyer, Managing Director, Clockwork IMC

James Farmer, Publisher, B2B Marketing

Pamela Fieldhouse Senior Managing Director, International Corporate Communications, FTI Consulting

Andrew Gorman, Creative Director, Radley Yeldar

Steve Kemish, Director, Cyance

Vikki Mitchell, Director, BPRI Group

Rob Morrice, Managing Director, IAS B2B Marketing

Ruth Mortimer, Editor, Marketing Week

Andrew Pinkess, Director of Business Innovation, AMV BBDO

Rebecca Price, Managing Director, Lloyd Northover

Shane Redding, Managing Director, Think Direct

Elizabeth Renski, Business Journalist and Editor, CLIMATE CHANGE The New Economy

Gareth Richards, CEO, Ogilvy Primary Contact

Ian Ryder, Deputy Chief Executive, BCS, The Chartered Institute for IT

Matthew Stibbe, CEO, Articulate Marketing

Terry Tyrrell, Worldwide Chairman, The Brand Union

David Willan, Chairman, Circle Research

Professor Alan Wilson, Professor of Marketing, University of Strathclyde Business School

Chris Wilson, Managing Director, Earnest

Peter Young, Marketing & Brand Development Specialist