

Top 10 Engineering Updates of July 2023

Top 5 Insights to watch for August 2023

#Large Deals

Honda has signed a large deal with SCSK for software development in the following areas: Operating system (OS) for the next-generation electrical/electronic (E&E) architecture Electrified powertrains, Advanced safety and automated driving, IVI (In-vehicle infotainment). SCSK is planning to increase the number of its IT engineers working with Honda to approximately 1,000 by 2030.

[Honda](#) [SCSK](#)

EIRR POV: This is the second large deal signed by Honda this year. The value will be in the similar range of the earlier deal i.e. \$250 Million+. It highlights automotive is the biggest tailwind and even regional engineering service providers are winning large deals.

LTTS has secured a \$50 million contract with a global technology company, to enable new opportunities for digital video platforms. The deal is tailored to significantly enhance the customers flagship suite of products including its cloud native portfolio and drive new levels of automation and optimization.

[LTTS](#)

EIRR POV: A large deal in the hi-tech sector which is facing headwinds is a good news.

Tata Elxsis TETHER Connected Vehicle Platform chosen by a Top 5 Automotive OEM for deployment across emerging markets encompassing multiple countries in Asia. This multimillion US\$ multi-year deal involves an end-to-end managed service including platform licensing, cloud services and app development and sustenance.

[Tata Elxsi](#)

EIRR POV: Interesting platform led deal for Connected Vehicles.

Persistent was elected by one of the largest Fortune-500 companies in the Healthcare domain to undertake engineering on data and machine learning platforms of the company as well as to partner with them in innovation and transformation broadband. This is a more than US\$ 50 million TCV deal for us spanning across three years

[Persistent](#)

EIRR POV: Healthcare is an upcoming tailwind for engineering and good to see a large engineering deal in this sector.

#Service Provider M&A

HCLTech acquires German automotive engineering service provider ASAP for \$279 M. It has over 1,600 employees across nine locations in Germany and provides services in electrics/electronics, software, consulting, service testing and validation and vehicle development.

[ASAP Holding](#) [HCL](#)

EIIR POV: Automotive is a big tailwind for engineering services, and it is a good move by HCL to augment its automotive engineering capabilities in Germany.

#Generative AI

ABB and Microsoft collaborate to bring generative AI to industrial applications. The collaboration aims to deploy Copilot capabilities to enable more intuitive user interaction with ABB Ability Genix Industrial Analytics and AI Suite and its applications, and further enhance the value of contextualized data for efficiency and sustainability gains

[Microsoft](#) [ABB](#)

EIIR POV: Generative AI usecases are emerging for shopfloor and MES to improve efficiency and sustainability.

Xoriant has launched a generative AI platform called ORIAN for all industries. The first application, built on the ORIAN platform for the National Football League Players Association (NFLPA), combines the power of AI, ML and analytics to automate and accelerate the process of contact detection and inspection for Contact Sport Analytics, thereby supporting the NFLPA in its core objective of ensuring and enhancing player safety.

[Xoriant](#)

EIIR POV: Good to see client examples in Generative AI from digital engineering service providers.

#Localization

Carl Zeiss India is investing over 250 million to build a spectacle lens production facility in Bengaluru, which will be the German optical systems groups largest vision factory in the world.

[Carl Zeiss Meditec AG](#)

EIRR POV: Manufacturing in India is expanding. The trifecta of local market, manufacturing investment and engineering capability will enhance engineering ecosystem in India.

LG Electronics has established its first overseas research center for its Home Entertainment (HE) division in Indonesia. The research center is located in Cibitung near its TV manufacturing plant.

[LG Electronics](#)

EIRR POV: Indonesia may come up as an attractive R&D destination due to local market and proximity to manufacturing.

#Virtualization

NASA opens DEDC (Digital Engineering Design Center) located at NASA's Johnson Space Center in Houston. Digital engineering is an emerging field of study that is crucial to the efficient design of aerospace hardware. Instead of having to manufacture and assemble parts to test them, designs can now be built, tested, and refined in virtual environments. The goal of the digital engineering process is to enable a singular, digital source for the project that is accessible to all partners and can be used throughout the development lifecycle.

[NASA](#)

EIRR POV: Digital engineering can lead to better and efficient designs. NASA is advocating digital engineering including virtualization for efficient design of aerospace hardware.

#Sustainability

HCLTech and Schneider Electric have announced a collaboration to develop sustainability solutions for data centers in the Asia Pacific region. The two companies will integrate their best practices in IT and OT to develop solutions that improve the efficiency, productivity, and modernization of data centers, reducing their overall carbon footprint.

[Schneider Electric SE](#) [HCL](#)

EIRR POV: Datacenters contribute to 2% of Global Emissions and are good candidates for sustainability engineering solutions.

#Service Provider Exit

Atos to Sell EcoAct to Schneider Electric. Atos acquired EcoAct last year. EcoAct generated around 70 million euros in its 2022 fiscal year and currently employs about 400 people,

[Schneider Electric SE](#) [Atos](#)

EIRR POV: Sustainability consulting is not sustainable for everyone. When service providers are building sustainability capability it is surprising to see Atos divesting it.

Buyer

[Carl Zeiss Meditec AG](#)

[Honda](#)

[LG Electronics](#)

[NASA](#)

[Schneider Electric SE](#)

Provider

[ABB](#)

[ASAP Holding](#)

[Atos](#)

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Watch Out for these Insights in Aug-23

[Service Provider Solution With ISV](#)

[ISV Deals](#)

[Service Provider Deals](#)

[India Investment](#)