

## Technical Assistance Facility (TAF) for Industrial Modernisation and Investment

### CASE STUDY: INNOVATIVE HYBRID MANUFACTURING (HIM) - CLARIFYING THE MARKET POTENTIAL

**Project name:** Hybrid Manufacturing – Innovative hybrid manufacturing approach for repairing added value damaged objects

**Partnership name:** [High Performance Production through 3D-Printing](#)

**Geographical coverage:** Upper Austria (AT), Tampere (FI), Lombardy (IT), Slovenia (SI)

**Estimated investment volume:** EUR 12.5 million

**TAF support extended:** Business & legal support expertise



Source: Shutterstock

#### Project objective

HIM aims at developing an international network of facility centres to repair added value damaged objects like moulds, or other big machine parts. This solution service is developed to avoid the simple replacement of a broken object by repairing it based on a best-of-breed technology. This repair solution is helping industrial clients to extend the asset life cycle of their components, reducing the down-time of their production environment, using less (raw) materials in the repair activity and consequently reducing the ecological footprint.

#### Impact of TAF services

- ✓ The project received business & legal TAF support in 2021. The main outcome of the support was improved understanding on: (1) the **potential market segments** to approach (industries where plastic injection moulds are in use) (2) **the buying processes and parameters** being considered by the production/maintenance directors (3) the **relevance of different revenues streams** to secure an acceptable machine utilization level and coverage of fixed / variable costs and (4) building a **phased commercial growth plan**.
- ✓ The initial broad definition of potential applications for the repair offerings needed some refinements to be able to validate the business case for the potential clients. The clarification on what added value objects are was an essential step to identify interesting markets/market segments to approach. Combined with technical limitations (size of the damaged objects, used materials, transportation characteristics, etc.) a clear focus was obtained: industries where plastic injection moulds are in use became the **focus market**.
- ✓ A **value chain analysis** has been executed whereby the different actors and their respective roles were clearly identified. A more detailed needs analysis was gathered through **interviews** and **consultation of network partners** who are active in the field. These insights were combined with more **specific industry reports** related to MRO (Maintenance, Repair & Operations) to come up with estimates of market potential.
- ✓ Obtaining more insights on the **decision-making unit** (who?), **processes** (based on what?) and **budgets** (willingness to spend?) of the target industry was instrumental to validate the initial service offering and to build a strong financial model. This model is instrumental in attracting future investors. Some best practice analyses demonstrated the importance of a strong renowned industrial player (like a mould manufacturer) as one of the key shareholders.

#### Lessons learnt for other S3P-Industry projects

The delivery of TAF-services demonstrated the importance of (a) **building a critical mass of market knowledge to validate the intended business benefits** and to build strong convincing business cases which could be exploited commercially (b) relying on a recognized partner being one of the key shareholders to open-up doors of potential customers (c) of building multi-disciplinary teams to complement the technical skills and (d) to realize multiple layers of revenues if you are active in a volatile business.

For more information, please check the TAF page at: [https://eisma.ec.europa.eu/technical-assistance-facility-taf-industrial-modernisation-and-investment\\_en](https://eisma.ec.europa.eu/technical-assistance-facility-taf-industrial-modernisation-and-investment_en)