**Machine manufacturers and founders speak the same language at the Mittelstands Summit 2022**

***Stuttgart, Germany 10.21.2022*** – In the past three years, both established and young German industrial companies have been confronted with major challenges. First Covid, then the supply chain problems, now the energy crisis and Ukraine war coupled with inflation and a possible recession. For the young companies, the task is not to lose the momentum gained in the start-up phase, and for the established, traditional companies, the task is to "defend markets and find new sources of revenue". The Mittelstands Summit 2022, which took place in Stuttgart at the end of September, showed that this can be best achieved when traditional industrial SMEs and young, mostly digitally oriented start-ups work together.

Several dozen representatives of established southern German SMEs - mostly from the mechanical engineering sector - met with numerous representatives of young digital companies in the Arena 2036 on the Vaihingen campus of the University of Stuttgart. Invited to presentations, discussions, and exchange of ideas were PartsCloud and MARKT-PILOT, two start-ups from the greater Stuttgart area that have dedicated themselves to the digitalization of processes related to industrial spare parts.

"Even the most conservative and traditional companies have now realized that you can no longer survive, let alone grow, in the new economic reality with a 'we've always done it this way' approach. At the same time, many founders see that a good idea and investor money alone are not enough to get a completely new business up and running," explains Benjamin Reichenecker, founder of PartsCloud GmbH. With its digital platform, the company enables machine builders to significantly increase the profitability and quality of their spare parts business. "The experience, contacts and resources in medium-sized companies coupled with the speed, creativity and flexibility of start-ups have often proven to be a recipe for success."

Tobias Rieker, founder, and CEO of MARKT-PILOT, strikes a similar tone. The company's software-as-a-service solution gives machine manufacturers full market transparency for all spare parts, enabling them to identify price potential and thus increase sales and profits as well as customer satisfaction: "It is elementary that we learn from each other. Medium-sized machine manufacturers have often been established for decades and are experts in continuity, stability, and sustainability. At the same time, start-ups, such as MARKT-PILOT, are driving innovations that strengthen resilience and thus ensure the future viability of the entire mechanical engineering sector."

Representatives of the long-established industrial companies that contributed to the program at the Mittelstands Summit, including keynotes, were similarly unanimous. In unison, they called on their midmarket colleagues to show more courage in collaborating with start-ups and to be more open to breaking new ground with existing data and digital technology.

As Rainer Hundsdörfer, former CEO at Heidelberger Druckmaschinen, explains, "Have courage and be daring - especially in lifecycle service, young companies can use innovative digital solutions to address the deficits in medium-sized mechanical engineering and thus uncover hidden profit and revenue potential. Both parties simply must dare and get involved with each other. I am sure that courage to collaborate will be rewarded here."

Benedikt Braig, Head of Business Development EaaS at laser specialist Trumpf, is also convinced of the added value of the event: "From my point of view, the SME Summit was very successful. There were many impulses, new contacts, and interesting discussions. I think it is important that not only the owner families of medium-sized companies must stand behind new approaches and ideas, but that the various internal departments and specialist areas are empowered to act independently as well as economically."

Timo Gessmann, CTO at SCHUNK, a supplier of gripping systems and clamping technology, shows how a company can successfully move with the times. The family-owned company has been pursuing a digital strategy for years and Gessmann emphasizes: "I was very pleased to be part of the first SME Summit. There is life in the hall and the exchange is fun. You can feel the entrepreneurial spirit of the founders and colleagues - I think it's important to promote this entrepreneurship in Germany in order to be successful together in the long term."

Maximilian Bronner, Managing Director of the internationally operating medium-sized company Fischerwerke, explains, "Within large established industrial companies, in-house developments often take too long. Collaborating with start-ups brings speed and thus an increased success rate on the market."

David Hahn, CEO of software start-up Remberg, from Munich, has made it his business to support machine construction companies in working cloud-based and affirms: "I am completely happy with the event and can only agree with the statements of my colleagues. Medium-sized companies are allowed to be more courageous and must be open to cooperation with start-ups - both sides can benefit from this. Family businesses and founders, that actually fits quite well, because basically start-ups and medium-sized businesses are not that far apart."

After the successful premiere, the organizers are planning a new edition of the Mittelstands Summit in the Stuttgart area next year. Further details on the past event can be found at Mittelstands Summit: Aftersales Edition.