

KET HLG-meeting 29/01/14

Note Dr. Hoheisel, Member of the Board, Robert Bosch GmbH

Dear Vice President Tajani, Commissioner Hahn, Ladies and Gentlemen,

Thank you very much for the opportunity to share our view with you.

We highly appreciate the KET initiative of the EC. As a large company which delivers very complex and innovative products since more than 125 years we know very well how important are innovation leadership and the mastering of technologies as key enablers and differentiators for the market success. As a consequence Bosch has been developed as a 'Multi-KET-Company', from Nanoelectronics – as a market leader in MEMS and More than Moore semiconductors - via technologies for alternative energies and energy savings – about 50% of our R&D invest are spent for these areas - until highly advanced manufacturing techniques which are unavoidable for competitive quality and prices. And the large majority of these technologies are developed in Europe. Also the manufacturing is based on European facilities; however a successful global operation also requires manufacturing at the customer's site, which is on its own not in contradiction to a European manufacturing engagement.

We also appreciate the extended view of the KET initiative by covering the whole value chain – from the technologies to the products which meet the expectations and the needs of the society. The ability to develop and manufacture complex systems requires the consideration of all components from the beginning and a strong cooperation of all partners involved. Let me illustrate this with an example from the automotive industry: About 80% of the innovation in modern cars is due to electronics. In this case the value chain starts at the equipment and material industry for semiconductors, followed by the semiconductor industry; their components and subsystems are combined with non-electrical parts to automotive systems, which are assembled at the car manufacturers to the car electronic. In addition future cars will benefit in a comparable way also from the other 5 KETs. These complex value chains have to be addressed from the very beginning – together with all partners involved.

We know that the former success of European industries is based on the capability to master such complex systems and value chains, and we are sure that the race in the global economy can only be won if we perpetuate and even extend it. But innovation is nothing if we are not able to bring the products to the market. Thus the paradigm shift from the R&D focus of the past to an R&D&I funding by introducing also TRL levels 5 to 8 until the pilot lines is an unavoidable step to reach the ambitious goals of the program. But the market success depends also strongly on the right time window for the market introduction: Too early is as dangerous as too late; this has therefore to be considered for the perception of pilot lines, too.

One of the key elements for future products in the – let me say - electrified mobile society is the storage of energy, namely batteries. And as of today energy storage is one of the main obstacles to speed up the introduction of e.g. electrical cars significantly improved storage systems bear a high potential as a key differentiator for the market success of future systems – for the European industry which is heavily involved in the value chain of such systems and in particular of course also for our company as a leading automotive supplier. Consequently we see the energy storage systems as one of the ‘Projects of European Interest’ in the frame of the KET initiative. However the introduction of such storage systems into the – already existing large - market can only be successful with the next technology generation containing a significant added value in terms of storage density, cost and reliability compared to the existing ones.

The vision and the size of the program have reached a new dimension. To ensure that the innovation speed is not hampered by regulations or administrations we urgently ask you to implement scenarios which enable a lean organisation and a simple and fast process from the project idea to the successful finalisation.

The EC is the driver of this initiative; but the fully engaged participation of the member states and the regions is necessary to make KET projects to pan-European lighthouses. We are prepared to work together with all stakeholders to generate the best benefit from the KET initiative for the society.