Machinery maker Hiwin Technologies Corp and Siemens AG signed a memorandum of understanding, vowing to create a “smart” machinery industry. Hiwin and Siemens are to work together to integrate machine tools and “smart” controllers in a bid to enhance the value chain of Taichung’s machine tool industry.

“Hiwin hopes to expand cooperation with Siemens further, especially on five-axis machines,” Hiwin chairman Eric Chuo told a news conference in Taichung. Hiwin’s subsidiary, Luren Precision Co, has developed a five-axis bevel gears machine combined with Siemens’ controllers, which would give Hiwin access to the high-end machine tools market, Chuo said.

Besides developing more innovative products, the two companies agreed to introduce high-end products to downstream customers in the construction of “smart” factories. “By partnering with Hiwin, Siemens is moving to bolster the industry’s efficiency and competitiveness,” Siemens Taiwan president Erdal Elver told reporters. Hiwin’s robotic arms products are to be equipped with Siemens’ control systems and industrial computers, improving efficiency, Siemens said.

“Smart” manufacturing can reduce time costs by 30 percent and the possibility of collision by 90 percent respectively, Siemens data showed.

At the signing ceremony, Taichung Mayor Lin Chia-lung revealed the city’s plans to improve competitiveness in the sector. The city government has commissioned the Industrial Technology Research Institute to establish a “smart” machinery demonstration site and pilot production lines at Taichung Gateway Park.

The demo site would help precision machinery and aerospace companies in Taichung to move toward Industry 4.0, the city government said. The city government is also planning to invest about NT$4.7 billion (US$147.2 million) in a new exhibition center for the machinery industry. “We also hope to acquire about 300 hectares of land for ‘smart' machinery,” Lin said, without elaborating. The Executive Yuan has vowed to make Taichung the global capital of “smart” machinery.