

BearingPoint®

# From logistics innovation to a corporate start-up

idealworks

The BMW Group developed an innovative solution for their intra-logistics that quickly started to show potential for monetization. BearingPoint created a business model that helped build the foundation for taking the logistics innovation to market.

The BMW Group is one of the largest automotive manufacturers, with more than 126,000 employees globally. Based in Munich, the company sets trends in production technology and sustainability as an innovation leader with an intelligent material mix, a technological shift towards digitalization, and resource-efficient production.

## Reimagining logistics with cutting-edge technology

Logistics can be a challenging part of manufacturing, which leads to a high impact on cost for modern production networks. BMW decided to tackle logistics using innovation. The company has made significant efforts to create a game-changing robotics solution to automatize logistic processes in its plants. This solution enables autonomous mobile robots to collaborate with factory workers, warehouses, and production lines. With proven results and high performance, the solution won both the German Logistics Award and the AKJ eLogistics award in 2019.

The company soon learned that any organization with internal logistics is likely to be dealing with similar challenges on some level that could be addressed with the newly invented technology. BMW had to better understand the market fit and uncover ways in which to monetize their logistics innovation.

## Grasping market potential and building a suitable strategy to leverage it

BearingPoint set up the optimal approach to develop the corresponding business model within the enterprise context, focusing on ideation creation as well as the identification of the value proposition and sales strategy. They then examined how this initiative could be integrated within the existing corporate structures.

The team researched the market and competitors, and afterwards calculated the potential revenue for an external go-to market. This included a top-down and bottom-up approach to thoroughly check the estimated values. Working closely with the BMW team, BearingPoint created the business model for a new platform and suggested launching a new subsidiary focused entirely on bringing the logistics solution to the market.

To take the first steps towards a running enterprise, BearingPoint helped the client with an initial business plan. This covered revenue and cost estimations on a high level for a presumed scenario. BearingPoint also supported BMW's project team in clarifying all inquiries regarding the go-to-market approach and how to expand the new business globally.



*With the BMW Group's broad portfolio in the field of logistics innovations, we had an excellent starting point for the consulting project with BearingPoint. In a very short period, we jointly created a vision and evaluated strategic options as cornerstones before the business model was finalized as the basis for the decision. With idealworks we can now serve customers from different branches of industry, e-commerce, logistics service providers, and many more.*

Markus Bauer, COO idealworks

## Becoming a pioneer in autonomous logistics

BMW has gained a clear insight into the massive market potential of autonomous mobile robots and corresponding fleet orchestration. The client has successfully built the foundation to enter a new market where its corporate spinoff can play a leading role in highly collaborative logistics environments such as production plants.

Its wholly owned subsidiary, called *idealworks*, is now actively pushing the logistics innovation onto new markets while growing steadily as a separate entity.

## Contact

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