### Deloitte.

### Building a greenfield smart factory

### WHAT IS A GREENFIELD FACTORY?

A greenfield factory is a new manufacturing facility built upon minimal or no existing infrastructure in order to increase production capacity and/or better serve a new market.

#### WHAT IS A SMART FACTORY?

A smart factory is a flexible system that can self-optimize, self-adapt, and autonomously run entire production processes. It represents a continuous journey toward building and maintaining a flexible learning system.



#### **GREENFIELD SMART FACTORY** = THE BEST OF BOTH

A greenfield smart factory is an unhindered opportunity to capitalize on smart factory technologies and techniques that can be difficult to implement in brownfield augmentation projects.

#### Greenfield Factories in the US Data collected in October 2022



### Deloitte's 10 greenfield objectives

Optimize your greenfield smart factory investment using these 10 objectives:



## Road map

Start your journey with a clear view of your smart factory objectives and how they relate. Begin with your vision and work backward into your master plan.





### Enterprise Prior to selecting location, coordinate with your

supply chain and local community. Cross-pollinate your best capabilities between the new factory and your broader factory network. Balance the unique needs and capabilities of your new factory with enterprise systems and resources. Benefit: 20% - 30%



### 03 Incentives Minimize costs and maximize benefits with

existing and emerging government incentives at the greenfield stage. A wide variety of incentives for smart factories enables companies to access locations and labor pools at a subsidized cost.



reduced maintenance time





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### Sustainability Target sustainability, climate, and equity (SCE)

reduced carbon footprint

goals during the greenfield strategy and facility-design phases to maximize opportunities. Decisions in these phases are especially critical to achieve and continuously improve your ESG, HSE, and DEI performance. Benefit: 50%



### **Partners** Align your new smart factory ecosystem and alliance partners with your long-term enterprise

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goals. Leveraging the power of a network broader than your own enterprise is essential when building a greenfield smart factory. Benefit: 35% supplier reduction









### Talent Craft your talent strategy and building design to ensure talent is well suited and well equipped and

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enterprise's existing talent pools, processes, and systems to seek new hires. Benefit: 25% lower

enjoys working at your new facility. Balance your



### Plan your IT infrastructure early on to unlock the greatest benefits from connectivity and build a flexible digital foundation. Balance your new smart factory's digital infrastructure goals with your

unique business objectives. Benefit: 9% **OEE Improvement** 





Maximize the power of simulation through digital

# empower your workforce and balance your

#### Design your new facility to maximize visibility and unlock decision-making and performance optimization capabilities. Use advanced remote sensing and visualization technologies to

aspirations with natural operational pressures. **Benefit:** \$20M CapEx Avoidance



#### twins, optimizing a wide array of smart factory decisions from initial design through startup. Balance the use of digital twins with the use of specialized technology, and align the physical infrastructure with simulation goals.

Benefit: 10%

**Automation** Early in your new factory strategy and design,



increased process efficiency

identify physical and digital automation opportunities, incorporating IoT-enabled factory automation techniques and technologies. Balance your automation goals with other enterprise objectives .



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**Benefit:** 10% - 25% reduction in direct labor costs

Deloitte smart manufacturing leaders can bring your greenfield smart factory vision to life. Contact us to help plan your road map and maximize long-term ROI.

SMART FACTORY by Deloitte

Learn more at www.thesmartfactory.io

## Reshoring or localization on your mind?

Read our Deloitte Insights article to see how smart factory capabilities can provide opportunities for value creation.