

PRESS RELEASE

Artificial Intelligence in Cost Management: FACTON publishes white paper on “Predictive Costing”

Potsdam, May 28, 2019 – Potsdam-based software manufacturer FACTON GmbH has published a white paper on the use of artificial intelligence (AI) in product cost management. Alongside prerequisites for AI in cost management and current obstacles, the white paper sheds light on two future application scenarios: early intelligent cost estimates and the “outlier” analysis in real time.

Technological advancements in the field of artificial intelligence will fundamentally change business models in the manufacturing industry in the future because they are speeding up the digitization of processes – and cost management is no exception. “We are convinced that Predictive Costing will enable early, data-driven decisions with the help of artificial intelligence in the future,” says Alexander M. Swoboda, CEO of FACTON. “Predictive Costing will allow us to respond to changes in costs before they arise.”

Users must meet certain requirements and overcome some obstacles before they can use artificial intelligence in product costing. What this means is outlined in FACTON's latest white paper “Predictive Costing.”

The white paper describes:

- AI: From science fiction to product costing
- Predictive costing: two (future) use cases
- Standardization and digitization of product costing as a prerequisite for predictive costing
- The demands on product costing are rising and becoming more structurally complex
- Efficient product costing often still fails due to major obstacles
- The path to artificial intelligence leads through Cloud computing
- Legal and regulatory barriers: pitfalls ahead
- The final steps to predictive costing: data, data, data and ideas

The white paper is available from the FACTON website:
<https://www.facton.com/resources/white-paper-predictive-costing>

About FACTON

The FACTON EPC Suite is the leading Enterprise Product Costing (EPC) solution for the automotive, aerospace, mechanical engineering and electronics industries. Its specific solutions offer robust answers to the requirements of executive management and individual departments within the enterprise. FACTON EPC enables standardized, enterprise-wide costing independent of location and department for maximum product cost transparency

throughout every phase of the product lifecycle. Businesses accelerate their costing, achieve pinpoint cost accuracy and secure their profitability.

FACTON was founded in 1998 and has locations in Potsdam, Dresden and Stuttgart (Germany) and Detroit (USA). Hasso Plattner, founder and chairman of the supervisory board of SAP SE & Co. KG, has supported this innovative company since 2006. The international portfolio of customers includes Airbus, Mahle Behr, Deutz, MANN+HUMMEL, Porsche, Ford Motor Company and other renowned OEMs.

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