



Why The Dow Chemical Company picked Industrial^{IT}

A global enterprise like Dow had to find a company that could “deliver a standardized, leveragable product globally,” said Maggi Walker, Dow’s Director of Process Automation.

Client: The Dow Chemical Company
Location: Global Dow-ABB Agreement
Product: Industrial^{IT} Solutions including Operate^{IT}, Produce^{IT}, Engineer^{IT}, and Control^{IT}

Scope of Work: Installation of Industrial^{IT} systems for Dow’s new automation projects globally, and in retrofits of existing systems for the next 10 years.

This time out, Dow chose ABB’s Industrial^{IT} architecture, and Walker says the people standing behind the product are as impressive as the product itself. Their enthusiasm and one team approach was instrumental in landing the deal with Dow, she said. “We saw competent people who listened and people who were willing to take more time to work through an issue, people who were willing to see a different point of view.”

Maggi Walker
 Director of Process Automation
 The Dow Chemical Company



October 8, 2001 - After a transatlantic flight and a mid-morning presentation, probably the last thing Dow’s director of process automation, work process, learning and empowerment wanted was a television interview at the ABB Academy in Horgen.

But it was a chance to talk about the new relationship between Dow and ABB, and when she does that, Maggi Walker becomes excited. So on a recent visit to Zurich, Walker found herself sitting in front of a TV camera, explaining how both ABB and Dow are breaking new ground with this deal.

The Dow contract is so far the largest Industrial IT order ABB has taken. It means Dow will use Industrial IT Automation systems in nearly all of their new automation projects, and in retrofits of existing systems. The landmark 10-year deal signed on May 31 of this year represents a significant departure for Dow, which for many years used its own in-house automated technology, known as MOD, in its plants worldwide.

ABB will deliver an initial set of pilot systems to Dow in the next quarter, for installation in the United States and the Netherlands. Normal orders for Industrial IT will begin in early 2002, for delivery in late 2002 and early 2003.

The agreement is two-fold. ABB will be the only “qualified” supplier of process control and automation systems for Dow’s plants and products, and Dow will transfer knowledge of process automation technology and practices to ABB for incorporation into its commercial products. Both companies are committed to building upon the foundation provided by this global contract, and to continuously deepen and strengthen their relationship in pursuit of a true alliance.



One of the world's leading science and technology companies, Dow employs about 50,000 people globally, and produces more than 2,500 products and technologies in manufacturing sites in 35 countries. Annual sales are around \$30 billion. Main product areas include chemicals, performance plastics, hydrocarbons and energy, plastics, performance chemicals and agricultural products.

Dow created its own in-house automation control system because for decades Dow engineers weren't able to find a commercially available automated system which met the company's strict standard of reliability and operational self-sufficiency.

As Walker explained: "Any Dow engineer, anywhere in the world, must be able to go into a plant and fix a problem." Dow's complex global operations require an operating system based upon simplicity, standardization and safety. "We want to operate our plants as if we were in the nuclear industry," she said.

But over time, development costs for Dow's in-house MOD control system became too high, Walker said. Every MOD system advancement had to improve the capability of Dow's operations without reducing safety and reliability standards, or overcomplicating the system.

"Dow has always been a little bit unique in the way it's looked at process automation," said Walker, who graduated from Texas Tech University with a degree in chemical engineering. "We combine process safety and process control into one system."

The idea at Dow has been to eliminate process disruption, maximizing system safety, simplicity and reliability. That is what Dow went shopping for when it began looking for commercial alternatives to in-house control systems.

Dow found an alternative to MOD about four years ago. Although ABB technology was considered, it wasn't chosen at that time.

Said Walker: "We have recently had the opportunity to look again, and when we looked again, we were very pleasantly pleased to see that ABB had not only listened to all we asked for, but had actually acted on a lot of it, and really leap-frogged a lot of their competition in the area of process control and automation."

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Walker said the contract is "as much about relationship (between Dow and ABB) as it is around how many widgets are going to be purchased," adding ABB's process control and Industrial IT offerings are "leading edge."

The Industrial IT implementation seems to be very customer-focused, she said. "Industrial IT gives us really a springboard to take all of that process control and process automation capability into an even broader space. We believe Industrial IT is an opportunity just waiting to be unveiled as we uncover all the possible opportunities together."

Walker said Dow has spent the last 10 years becoming customer focused. "We can't deliver to our customers unless we have flawless process control and automation," Walker said. "In order to deliver that, we have our plants and systems aligned so that Dow businesses have identified the need, and now we have gone to work with ABB to help us deliver the process control and automation."

A global enterprise like Dow had to find a company that could "deliver a standardized, leveragable product globally," said Walker. "In other words, we get the same project in Freeport (Texas) that we get in Terneuzen (The Netherlands), that we get in our Pacific region sites. And that is very important to Dow. The global reach of customer service, to be able to answer questions we have was very important." We are going into a whole new control area, and if for example training could not be delivered globally, that would have put a huge burden on Dow."

"The new control system needs to work perfectly the first time it's switched on", said Walker. "It has to be better, fast and cheaper than anything Dow could build itself. When Dow asked its own employees what it would take for a new process control system to exceed their expectations, they most often answered: "Zero surprises."

That's a tall order, but Walker said there's no question in her mind ABB can deliver.