

FROST & SULLIVAN

BEST PRACTICES

AWARDS

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2019

BEST
PRACTICES
AWARD



NORTHWEST ANALYTICS

**2019 GLOBAL MANUFACTURING ANALYTICS
GROWTH, INNOVATION & LEADERSHIP
FROST RADAR AWARD**

Frost & Sullivan's global team of analysts and consultants continuously research a wide range of markets across multiple sectors and geographies. As part of this ongoing research, we identify companies that consistently develop new growth strategies based on a visionary understanding of the future, and thus more effectively address new challenges and opportunities. This involves extensive primary and secondary research across the entire value chain of specific products. Against the backdrop of this research, Frost & Sullivan recognizes Northwest Analytics for these valuable achievements.

This recognition is strictly reserved for companies that are market leaders and are at the forefront of innovation. These companies consolidate or grow their leadership position by continuously innovating and creating new products and solutions that serve ever-evolving customer needs. These companies are also best positioned to expand the market by strategically broadening their product portfolio. Achieving Growth, Innovation & Leadership (GIL) is never an easy task, but it is one made even more difficult considering today's intensely competitive environment, customer volatility, economic uncertainty, and rapid technology evolution. Within this context, Northwest Analytics' receipt of this Award signifies an even greater accomplishment.

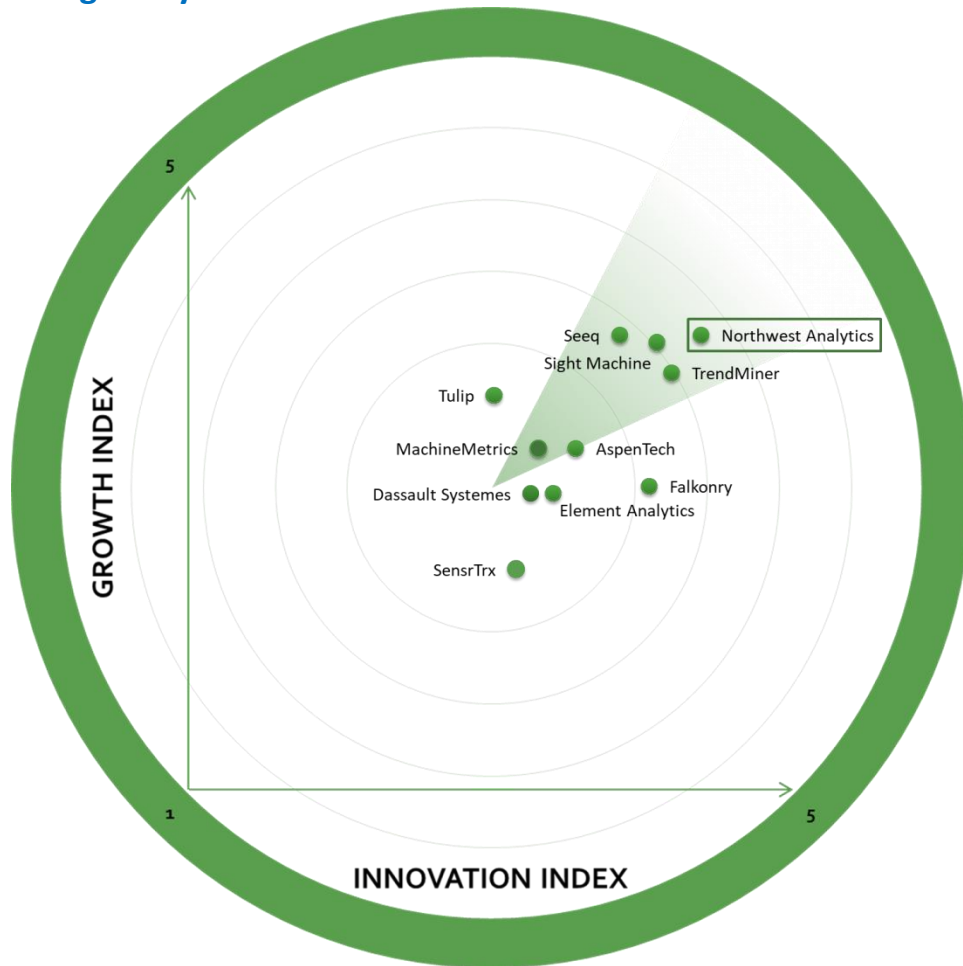
Moreover, this recognition is the result of many individuals (employees, customers, and investors) making daily choices to support the organization and meaningfully contribute to its future. Frost & Sullivan enthusiastically acknowledges and celebrates these achievements. Once again, congratulations on your accomplishments and we wish you great success in the future.

Sincerely yours,

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The Frost Radar Manufacturing Analytics



Source: Frost & Sullivan

In a field of +20 global industry participants, Frost & Sullivan has independently ranked the top 11 companies in the above Frost Radar analysis.

The key parameters independently analyzed by Frost & Sullivan include:

- Innovation Scalability
- R&D
- Product Portfolio
- Mega Trends Leverage
- Customer Alignment
- Growth Pipeline
- Vision and Strategy
- Sales and Marketing

Industry Overview

In today's competitive environment, manufacturing companies seek to make better, faster decisions to improve the efficiency of their manufacturing operations and be more productive in order to become more profitable. Manufacturing analytics is one of the most effective ways to achieve data-driven decision making. Manufacturing companies now realize that a powerful manufacturing analytics strategy properly forms the basis for their digital transformation initiatives - and that they must further leverage new technologies and advanced analytics solutions.

Manufacturers want to tap into the expertise of their current employees/SMEs. Under such circumstances, Frost & Sullivan believes that vendors that democratize analytics by offering easy-to-use, self-service analytics will secure leadership positions in the market.

Frost Radar Growth, Innovation & Leadership Award Northwest Analytics

COMPANY DIAGNOSTIC

Northwest Analytics provides a wide range of real-time manufacturing analytics software solutions and services. The company's products include NWA Focus EMI[®], NWA Quality Analyst[®], and NWA Quality Information System[™] for process improvement, quality control and management, and Industry 4.0 enablement.

Frost & Sullivan appreciates how Northwest Analytics truly democratizes analytics. Its products and solutions are designed for every role in the enterprise, including line worker/operator, process engineer, BU manager, plant manager, IT professional, and C-suite executives. The company enables manufacturers to predict and prevent potential issues, reduce costs, and increase yield.

FROST RADAR POSITIONING

- Northwest Analytics scored quite well on both the Innovation and Growth indexes.
- The company is positioned by Frost & Sullivan analysts in the top-right section of the Radar.
- Northwest Analytics stood as the top player in terms of R&D, as well as innovation and growth strategy.
- The company continues to expand in deployments and user counts across manufacturing verticals and has been increasing the number of enterprise license agreements with leading manufacturing companies.
- Frost & Sullivan analysts recognize that Northwest Analytics is truly futuristic - and some of its most impressive product enhancements are in the areas of supply chain analytics and collaboration services.

- Northwest Analytics has a proven leadership position in Industry 4.0, a best-in-class brand recognition, and an industry-best Net Provider Score.

COMPANY STRENGTHS

- Northwest Analytics has more than 25 years of manufacturing expertise and competency in analytics.
- The NWA Focus EMI manufacturing analytics platform is scalable and sustainable and serves as the foundation for Industry 4.0 and digital transformation initiatives.
- Northwest Analytics enables seamless collaboration in real time across all levels of an organization.
- Product platform strengths include actionable intelligence, real-time analytics, and prescriptive diagnostics.
- Using existing data sources and technology infrastructures, all solutions are data-source agnostic, powerful, configurable, flexible, scalable, and easy-to-use with industry-standard connectors.
- The company offers comprehensive univariate and multivariate analytics (and also enables other 3rd party analytics approaches) and reporting that appeals to customers.
- In addition, Northwest Analytics offers comprehensive customer-centric services, including pre-installation consulting through solution implementation, ROI expansion and ongoing training and product support.
- Northwest Analytics ensures a fast time-to-return on investment (ROI), as well as a low overall total cost of ownership (TCO) for all its solutions.
- The company's recent leadership changes will give Northwest Analytics strong command of the business, help drive results, and win customers against other competitors.
- The company has a global network of partners, distributors, integrators, and OEM alliances.
- Northwest Analytics joined the Digital Manufacturing and Design Innovation Institute (now MXD) to drive the development of innovative manufacturing intelligence and analytics solutions.

COMPANY OPPORTUNITIES

- Growing focus on Industry 4.0 and digital transformation initiatives and continued recognition of the critical role of operational analytics to further provide opportunities for Northwest Analytics.
- Northwest Analytics has more than 5,000 manufacturing customers worldwide and 35% of the Forbes 1000 manufacturers. The company's customers are spread across virtually all manufacturing segments with a concentration in chemicals, oil & gas, materials, life sciences, packaging, and food. Frost & Sullivan believes that increasing demand from existing customers for manufacturing analytics, new customer wins, and Northwest Analytics' expansion into emerging markets will provide growth opportunities.

What is the Frost Radar?

A Practical, High Impact, Scalable C2A (Companies to Action) Tracking Solution

WHAT IS IT?

A robust analytical tool that benchmarks companies' innovation focus and growth performance in a given market.

HOW IS IT BUILT?

Through in-depth analysis built on our 360-degree research methodology (primary and secondary research) and objective rating of companies in any given market.

WHY DO WE NEED IT?

To understand how companies benchmark against each other in their ability to innovate and grow against a backdrop of industry transformation and evolution.

WHAT WILL IT ACCOMPLISH?

Enable companies to gain an objective, independent perspective of their innovation and growth strategies, including their robustness, effectiveness, relative competitive strength, and implications on their long-term success.

HOW TO USE IT?

Frost Radar is a dynamic tracking tool that offers frequent rating and positioning of companies that are leading the industry on growth, innovation or both. Due to changes in operating environment and internal changes within these organizations, their positioning in Frost Radar will change over time. It is important to leverage Frost Radar to ensure that companies are aware of changes to their ecosystem and their relative positions to it.

WHAT DOES IT MEAN TO BE ON THE FROST RADAR?

Every company that finds itself on the Radar has been chosen because they have proven themselves to be worthy by demonstrating excellence in either growth, innovation, or both, and are able to translate that into proven solutions that benefit their clients.

GROWTH, INNOVATION & LEADERSHIP AWARD

The Growth Innovation Leadership (GIL) best practice Award is bestowed on companies that are market leaders that are at the forefront of innovation. These companies consolidate or grow their leadership position by continuously innovating and creating new products and solutions that serve the evolving needs of the customer base. These companies are also best positioned to expand the market by strategically broadening their product portfolio.

Frost Radar

2 Major Indices, 10 Analytical Ingredients, 1 Platform

VERTICAL AXIS – THE GROWTH INDEX

Growth index is a measure of a company's growth performance and track record, along with its ability to develop and execute a fully aligned growth strategy and vision; a robust growth pipeline system; and effective market-, competitor-, and end-user focused sales and marketing strategies.

- **GI1: Market Share (previous 3 years):** Market share relative to its competitors in a given market space for the previous three years.
- **GI2: Revenue Growth (previous 3 years):** Revenue growth rate for the previous three years in the market/ industry/category that forms context for the given Frost Radar.
- **GI3: Growth Pipeline:** This is an evaluation of the strength and leverage of the company's growth pipeline system, to continuously capture, analyze and prioritize its universe of growth opportunities.
- **GI4: Vision and Strategy:** This is an assessment of how well a company's growth strategy is aligned with its vision. Are the investments the company is making in new products and markets consistent with the stated vision?
- **GI5: Sales and Marketing:** This is a measure of the effectiveness of a company's sales and marketing efforts in helping the company drive demand and achieve its growth objectives.

HORIZONTAL AXIS – THE INNOVATION INDEX

Innovation index is a measure of a company's ability to innovate products/services/solutions that are developed with a clear understanding of disruptive Mega Trends, are globally applicable, are able to evolve and expand to serve multiple markets, and are aligned to customers' changing needs. Key elements of this index include:

- **II1: Innovation Scalability:** This determines whether the organization's innovation(s) is/are globally scalable and applicable in both developing and mature markets, and also in adjacent and non-adjacent industry verticals.

- **II2: Research and Development:** This is a measure of the efficacy of a company's R&D strategy, as determined by the size of its R&D investment and how it feeds the innovation pipeline.
- **II3: Product Portfolio:** This is a measure of the product portfolio of the company, focusing on the relative contribution of new products to its annual revenues.
- **II4: Mega Trends Leverage:** This is an assessment of a company's proactive leverage of evolving long-term opportunities and new business models, as the foundation of its innovation pipeline.
- **II5: Customer Alignment:** This evaluates the applicability of a company's products/ services/ solutions to current and potential customers (7-year horizon), as well as how its innovation strategy is influenced by evolving customer needs.