Tale of the Tape in Cloud PLM
Purpose

This eBook is for current and prospective Arena customers who may be investigating alternate PLM solutions given PTC’s acquisition of Arena.
Introduction

Over the past twenty years, a lot has remained constant in Product Lifecycle Management (PLM). Many large players, like PTC and Dassault, remain. Key selling points, like bills of material (BOM) and change management, are the same. And for good reason. Those PLM vendors are large and stable. And those requirements are the lifeblood of product development.

And for most of those two decades, something else has remained constant: the dysfunction of PLM as an enterprise-grade application. PLM has failed to deliver its promise of effective value chain collaboration on product information. Whereas CRM and ERP have enjoyed years of continued growth and reinvention, the PLM space has been, well...pretty dull by comparison.

But, lately there’s been change. The cloud has emerged, modernizing the way PLM is deployed, users and suppliers are onboarded, and remote work is supported. Buyers are changing too. They are smarter, more demanding, and more vocal than ever. If product companies fail the customer -- whoever they are: the buyer, a clinician or patient, a distributor or service provider, or the end user -- bad things happen. Customer satisfaction tanks. Loyalty erodes. Revenue and profits decline.

Add the massive impact of the pandemic, which has forced many manufacturers to pivot or risk dissolution. Companies were forced to go 100% remote or support a hybrid remote/local staffing model. They had to ramp new suppliers they could not visit in person. And new employees had to be trained remotely.

Given this environment, companies must excel at delivering products for today’s customers while preparing for tomorrow’s uncertainties. Manufacturers that are renewing their PLM subscriptions or evaluating new solutions should carefully consider their options. Two leading cloud PLM solutions are Arena and Propel. Both are highly capable as evidenced by their client base and ability to compete and win against long-standing competitors.

But there are differences. Read on to learn more.
Arena, founded in 2000, first introduced cloud PLM to the market in that same year. Arena offers both PLM and a Quality Management System (QMS) in a unified solution, delivered as software-as-a-service (SaaS).

Arena is described as the system of record for streamlining processes of product development, quality, and manufacturing. The primary benefit Arena cites is to help companies design, produce, and deliver innovative products.

Arena’s market presence, especially in small companies, is strong as evidenced by its breadth of sales collateral, case studies, and customer testimonials. Their customers include Peloton, Square, and Sonos.

Acquisition and Atlas

In recent years, Arena has been active on both sides of the acquisition front. In 2017, private equity firm JMI purchased Arena. In 2018, Arena acquired longtime competitor and fellow cloud-PLM provider, Omnify. Then in late 2020, PTC announced its intention to acquire Arena, just one year after its $470M purchase of cloud CAD supplier, Onshape.

According to PTC, “Arena solutions will further PTC’s strategy to be the leader in the rapidly-growing market for SaaS-based product development software, enabling the company to deliver a complete CAD and PLM SaaS solution.”

Per investor presentations, the plan is to incorporate both technologies into PTC’s Atlas Platform, which is described as a powerful set of core services that can be used to power many applications. According to company executives, Atlas will enable PTC to build and offer customers a better SaaS environment. Worth noting is that Onshape, not Arena, will be the foundation of the platform. And the Atlas team will be led by the former Onshape CEO.
Propel was founded in 2015 and offers unified cloud-based PLM, QMS and PIM (Product Information Management), delivered as SaaS, in a single solution.

Propel was formed by industry veterans with strong manufacturing credentials, a proven PLM pedigree having been pivotal to the success of Agile PLM, and architectural-level Salesforce knowledge. Propel’s founders believed strongly in future-proofing their solution. They also believed that a best-in-breed PLM requires a best-in-breed SaaS platform that seamlessly integrates customer and product records. Because of this, Propel was built on the Salesforce platform.

Propel unites people, processes, and technology from concept to customer. Its mission is to enable manufacturers to create, commericalize, and correct their products within a single platform.

Important, but typically disconnected processes

Create, commercialize, and correct in one platform.

Propel’s customers include SimpliSafe, Vizio, Formlabs, ASP, and Zoetis
Why Salesforce?

Propel’s founders built on the Salesforce platform so Propel would inherit a modern, leading cloud infrastructure and its advantages in security, performance, integrations, low-code/no-code extensibility, mobility, reporting, and analytics. Salesforce’s massive AppExchange, large ecosystem of partners, and millions of users was a factor too. Plus, this approach frees Propel’s R&D to focus its efforts on developing rich, domain-specific capabilities.

Propel customers gain these benefits regardless of whether they own Salesforce. But customers of Salesforce solutions, such as Sales and Service clouds, gain efficiencies and are able to build a seamless connection between customers and products. Customer 360 meets Product 360.

Formlabs is a 3D printer manufacturer based in Boston. According to their CIO, “I wanted to be able to leverage my existing team’s knowledge of Salesforce instead of having them learn yet another tool. We now have Salesforce Sales Cloud, Service Cloud, Partner Community and Propel all together in one place.”
Arena and Propel both deliver a strong set of foundational PLM and QMS capabilities. But there’s a clear distinction. Propel extends beyond engineering and quality to enable the broader enterprise and to unify the customer experience. This includes for example, how new products are marketed and distributed to consumers, how custom products are quoted and delivered to buyers, and how fielded products are serviced for use. Additional differences are summarized below.
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<th>Arena</th>
<th>Propel</th>
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<tr>
<td>Underlying architecture</td>
<td>TCL/Tk</td>
<td>Built on Salesforce, the world’s most deployed enterprise platform</td>
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<tr>
<td>Connects to customer records</td>
<td>No</td>
<td>Yes, natively. No integration required.</td>
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<tr>
<td>Extensibility</td>
<td>Limited</td>
<td>Low code, no code, full code options</td>
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<td>Dashboards and reports</td>
<td>Limited</td>
<td>Included. Update in real-time. Easy for users to create and tailor new ones.</td>
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<td>Deployment time</td>
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<td>User onboarding time</td>
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**The Power of the Platform**

Unlike Propel, Arena does not have the stability of the Salesforce platform or ecosystem behind it to scale, grow or thrive. While Atlas may become such a platform in several years’ time, Salesforce is there now, and will be even further ahead then. This yields important and immediate benefits.

**Flexible**

Propel together with Salesforce offers a fast, flexible, easy-to-use, and integrated platform that enables customers to rapidly adjust their product strategies and execution when faced with unforeseen circumstances.

Sentient Energy makes high-quality Smart Grid monitoring and analytic systems. They switched to Propel because they needed more reliable supplier collaboration and more flexibility to manage items. With Arena, they had limited supplier access through their
previous portal, resulting in incomplete information being shared with their suppliers. “With Arena, 100% of the time we would have to pull the change back into pending, make that change and send it back into approval before sharing with our suppliers”, said Jeff Hudgens, Senior Configuration Manager at Sentient Energy. “It slowed us down each time.” [With Propel] we love that we are able to have our contract manufacturers and key suppliers come into the system through third-party vendor portals to approve changes and give context to what changed.

Integrated

Because Propel is built on Salesforce, it enjoys native connectivity to Salesforce solutions, including Sales, Manufacturing, Service, and Health Clouds. This combined platform unifies the view of the product with that of the customer. Manufacturers now have one platform which creates a complete and consistent experience from concept to customer.

![Customer 360 and Product 360](image)

Fast

Sierra Monitor is an industrial manufacturing company that develops systems for facility automation and safety. “The return on investment was immediate with Propel. Processes that used to take months, now were literally taking days to accomplish and the communication across teams has been incredible,” said Michael Farr, Vice President of Operations.

See Propel customer stories
Easy-to-use

Propel is easy-to-use and easy to do business with.

“We started using PropelPLM for our engineering group in the summer of 2019 replacing Arena. It is very easy to use, intuitive and clean.” Mayank Raja Director of Engineering, Zume.

“The look and feel of Propel is so much better than Arena. We love that we are able to have our contract manufacturers and key suppliers come into the system through third-party vendor portals to approve changes and give context to what changed,” Jeff Hudgens, Sentient Energy.

“We had an engineer with no prior experience using PLM tools come in and pick up Propel right away,” said Sierra Monitor’s Michael Farr. “Our employees are able to quickly and efficiently streamline processes, manage releases, and share product enhancements compared to [Arena] our previous platform.”

Worth the Switching Cost?

Switching PLM systems is no small feat. PLM replacements can be painful and are often delayed or avoided because of the heavy lift required. Current Arena customers may find their platform to be adequate for their current needs. The decision to continue with Arena will likely hinge on its future viability and a determination whether “adequate” is really good enough for the next decade.

Propel deployments are typically 70% faster than those of traditional PLM systems. And Propel’s services team is deeply skilled at PLM replacements and makes the experience as frictionless as possible. When users switch to Propel, they can expect an intuitive user experience, snappy performance, expert data migration, and three major upgrades per year.
Conclusion

Propel is built for manufacturers looking to stay competitive in uncertain times. The ability to manage a value chain that works from the office, from home, and everywhere in between is crucial for organizations looking to survive and thrive in 2021 and beyond. Propel’s cloud-native platform allows companies to onboard, train, and collaborate with employees, suppliers, and partners in any environment or location.

Arena customers have endured years of little to no product innovation. Now, the acquisition and associated plans threaten to further lengthen the time until new development is seen on the Arena product.

It’s uncertain whether this acquisition will be a net positive for Arena customers. Much work needs to be done for PTC to fully realize the Atlas platform vision. In addition, PTC plans to launch SaaS versions of Creo and Windchill. This change will take time and effort to operationalize. Further, it’s fair to question how Arena prices may change when contracts are up for renewal under new ownership. Arena customers must consider if a hazy future is worth their patience. As part of PTC, will the Arena technology play a prominent role in Atlas? Will the Arena product continue undeterred, or will it exist in name only as other technology usurps its place? Will the cost of owning Arena increase? We don’t yet know how it will play out. For those who are content and can afford to wait, that may be the right move. For others, now’s the time to consider a change.

About Propel

Propel creates unique value for manufacturers because it’s the only platform to unify customer and product records. This helps value chains work better and faster together to deliver winning products to market and delightful experiences to customers. To learn if Propel is the best way forward for you, go here.