

Borg Automotive says digitalization a bigger game changer than electric cars

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The company said spare-part manufacturers and remanufacturing companies must do something different than before

Borg Automotive, a Denmark-based automotive parts remanufacturer, announced that it is investing significant resources into automotive technology as it believed digitalization in the automotive industry is playing a greater role than ever before, according to a press release dated May 26. The company said the increasing role of digitalization would be felt in the spare-parts industry as well.



Source: S&P media portal

The company said that while the broader automotive industry strongly focuses on electric cars and the new tasks vehicle workshops will receive as a result of the electric car proliferation, car digitalization is an even bigger game changer, placing greater demands on industry transformation.

Electric cars replace internal combustion engines with electric motors, but the steering, brakes and air-conditioning require replacements when broken or worn out. Therefore, the industry should focus not only on electrification but also on digitalization, according to Borg Automotive.

Significance: “Digitalization requires different skills and expertise. One example is that car steering will communicate with other car parts to act in the best possible way, and the cars will be equipped with far more technology than we see today and developed with advanced, complex digital networks unseen in the world so far. Each technology must work across all products — a complete interconnection,” said Borg Automotive CEO Kim Kruse Andersen.

“Therefore, spare[-]part manufacturers and remanufacturing companies must do something different than before, which is a major challenge for companies that manufacture spare parts. Still, we feel very well equipped due to our significant investments in being [up-to-date] on the various technologies and developing solutions that fit the cars of the future,” Andersen added.

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