PLM Interest Group

STATE OF PLM 2026

POSITION STATEMENT

A restatement of the aims and scope of PLM to remind ourselves why the world is doing it.

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1 INTRODUCTION

The PLM 2025-35 Project was devised in 2025 to raise the level of PLM by establishing a Vision for the next 10 years and building a global Body of Knowledge that can be used to achieve it.

As such it was envisaged as a deeply technical project, enabling User companies' PLM Teams to share techniques and develop solutions to their real-world problems.

Those aspects still remain, but the Project has been enhanced so that it also deals with a more fundamental issue. The current array of PLM tools and techniques, evolved from the 1980s, has fallen well behind the pace of modern manufacturing to such an extent that they are no longer fit for purpose.

This has huge implications for those who are implementing PLM. It used to be thought that PLM is incomplete, or still on the journey, because the tools have not yet been applied throughout the organisation, and because there are legacy systems that have not yet been absorbed. Now it is clear that PLM will never be complete unless the toolset is rethought and recalibrated.

All of this is described in detail in the **State of PLM 2026 Report**, which not only sets out the problem but describes how it can be resolved.

The PLM industry needs a collective 'Voice of PLM', which, in practice, means a Steering Group. This can bring together proactive organisations from all parts of the spectrum to review the situation, evaluate the future needs and possibilities, and produce a PLM Blueprint for the next decade.

In order for this to happen we need a clear and concise picture of the issues that need to be covered, the future enhancements that should be considered, and the likely future development path.

That is the purpose of this **State of PLM 2026 Position Statement**. It is published here as Version 1.0, and readers are welcome to send in ideas and feedback to update it.

TABLE OF CONTENTS

1 INTRODUCTION 2

2 POSITION STATEMENT 4

3 OVERVIEW 5

3.1 The Problem is PLM 5

3.2 The Solution is PLM 6

4 FIRST REACTION 6

5 HOW TO APPROACH THE PROBLEM 7

6 RE-THINKING FROM THE GROUND UP 7

7 RE-THINKING FROM THE TOP DOWN 8

8 SUNK COSTS AND INERTIA 9

9 FUTURE PLM STEERING GROUP 9

10 PLM 2025-35: THE INTEGRATED PROJECT 10

11 FURTHER INFORMATION 10

12 REACTION NOTES 11

2 POSITION STATEMENT

This Position Statement has been generated from the State of PLM Debate of 02 June and the Steering Group Overview sessions of 30 June 2026.

The State of PLM 2026 Report *highlighted the shortfalls in PLM evolution compared to the general advances in modern manufacturing. This means that even the most advanced User companies are not able to implement PLM to meet the needs of the present day.*

PLM is indispensable for engineering and manufacturing companies in every type of industry, and shortfalls in PLM capability have a direct impact on product management and performance.

If PLM had been developed in with modern technology and with modern manufacturing ideas the solutions would be more comprehensive, more integrated, more effective and easier to apply.

The PLM industry therefore needs to rethink the aims, scope and features of PLM in order to recalibrate for the future; and to publish this redefinition as a global reference point for practitioners to act on.

The remainder of this document explains the background logic and the mechanism by which the Position Statement can be enacted.

3 OVERVIEW

3.1 The Problem is PLM

The idea that PLM needs improvement is not new. Corporate implementations are massively complex, and the concept of a "PLM system that does everything" evaporated years ago. Every PLM Team sets up their environment as well as they can, and then deals with the stream of problems and shortcomings which seem to go on and on.

Over the years, the complexity of that effort has led each company to generate its own methodologies based on what is found to work best. Thousands of different implementations around the world with locked-in knowledge, because the advanced aspects of PLM are so difficult to explain and compare.

There has always been a latent feeling that somehow, as more and more of these problems are resolved, everyone would emerge into the sunlight and PLM will finally work. The *State of PLM 2026 Report* shows that this is no longer true. PLM needs a rethink.

Every so often vendors or advisors or pundits will propose that this 'rethink' is that PLM should become something else: something that is not yet defined, but that will be better and different, and that has a new name. This is appealing, but also a mistake. The solution to "PLM that does not work properly" is: "PLM that works".

This is not a personal opinion: it is a simple observation of the facts. Whatever their underlying merits, none of these renames has ever caught on. Without ever defending itself or fighting its cause, PLM remains, and the reason is that PLM is something that engineering and manufacturing companies have to *do*.

Before any computers or software or applications ever enter the picture, PLM starts with a need – the need to manage product data, all the way across the lifecycle and along the Value Chain. Everything else flows from that. So we have to move from PLM as the problem, to PLM as the solution.

3.2 The Solution is PLM

There are several current definitions of PLM. In general they try to describe what PLM *is*, which makes them slightly unsatisfactory. The details of PLM are different for different industries (shipbuilding vs. fashion); different sizes of company (corporation vs. SMB); and different market positions (user vs. provider).

People also forget that the purpose of PLM is to make the business work effectively, not to create some beautiful computer edifice.

The way to describe PLM accurately is to describe its essence:-

> *"PLM is the product subset of the whole business. It is everything that improves the development and management of products from an enterprise and lifecycle perspective."*

If you apply this definition to your business, you know exactly what PLM is for you. Keep thinking deeper and deeper into the detail, and PLM breaks out into aims, and structure, and plans for implementation.

Then, of course, reality strikes with implementation issues, silos, complex software, lack of acceptance, local work-rounds, spreadsheets, legacy systems; and now, the realisation that the whole infrastructure is behind the curve of modern manufacturing.

So PLM needs a rethink and a reset. It always was possible to make it work, and it still is. We just have to go back to the essence, and go through the process.

4 FIRST REACTION

This issue has struck a chord with practitioners at the sharp end of PLM. Companies from 7 countries registered for the debate that created the *State of PLM 2026 Report*. Most are multinationals, and some are household names.

All have powerful reasons for being dissatisfied with current PLM, and all of those reasons are likely to be different. It may be worth jotting down your own thoughts to create a reference to move forward from, and if you would like to do that you can use the tables in Section 12.

5 HOW TO APPROACH THE PROBLEM

In theory there are two potential routes forward. One is that vendors upgrade their solutions, successor products are added, and perhaps AI becomes a help. This increases the overall system complexity, but the solutions themselves manage it and are therefore easier to control.

The other is that there is a rebuild of what PLM should be, supported by the creation of better software solutions that do not exist yet. The new solutions are more accurate and comprehensive, making things inherently simpler: but that would turn current PLM systems into legacy systems, which creates a new layer of complexity.

It is likely that the eventual solution will be a combination of the two.

6 RE-THINKING FROM THE GROUND UP

It is obviously desirable to utilise as much as possible of the current setup in the future solution, but there are two main obstacles.

The first is that the current setup will have some deeply-embedded problems (of the kind that you might write down in the REACTION NOTES), and these would not have hung around so long if they had been easy to fix. This can be resolved by User Collaboration to share experience and best practice (Section 10).

The second is that it does require that the vendor/provider side begins to offer solutions with more advanced capabilities. Doug's Keynote mentioned a list of 'successor vendors' who are now in this space, and these may be a route forward, but there should be no reason why the established vendors cannot also evolve their products if they see a clear rationale.

7 RE-THINKING FROM THE TOP DOWN

Given that current PLM is based on the manufacturing outlook and thought processes of the 1980s, it is worth going back to first principles to consider what PLM would be like if we started to create it now.

This offers the chance to short-circuit some of the latent or legacy-type issues, and to reimagine a far better and more elegant solution. An example of this that is noted in the *Report* is the current divide between PLM and ERP, which generally exist as two separate functions, with two separate support teams competing with each other for resources.

If we could start now, armed with all our knowledge and technology, we would create neither PLM nor ERP. We would build one single Product Management system for the entire enterprise, that manages the data from its first inception right through the manufacturing and build to field service and support.

The benefits would be transformational. Everything about the product would be in this same Total Product Management system: requirements, configuration, sourcing, all the various incarnations of BOM, customer discounts, serial numbers, field performance and quality improvement. Whatever you wanted to know about the product, it would be here. There would be no skills divide, and no competition between PLM and ERP for funding. Data, communication and application would be fundamentally integrated.

In other words, many barriers and shortcomings would be eliminated outright by the redesign, benefitting not only PLM but the business as a whole.

Of course, practicality intervenes: not only might this be a massive upheaval, but it also risks turning current PLM into yet another legacy system. However, this high-level thought process needs to be embraced.

8 SUNK COSTS AND INERTIA

Another line of resistance is likely to be: "We have spent all this time and money on PLM, and we're familiar with it. Why should we write that off or throw it away?"

The natural answer would be that there is a more powerful, effective, and possibly cheaper solution to be found, but that may not carry much weight. Inertia is a powerful opponent and money for change projects may be limited.

A better justification is that the process of re-thinking PLM provides benefits in itself, whether or not the findings are ever actioned. This is how the Future PLM Steering Group fits into the PLM 2025-35 Project.

9 FUTURE PLM STEERING GROUP

As explained in the *Report*, there needs to be a 'Voice of PLM' through which people from all around the PLM industry can finally say where it ought to be going.

Whether it is right or wrong, the current PLM landscape is entrenched. The only way to make change happen is to make the required future scenario so clear and authoritative that providers have to react to it. The best way for this change to happen is for providers to join in the process as well.

The vehicle for this is the **Future PLM Steering Group**, which will carry out an open and structured review of where PLM is, and where it ought to be. The Steering Group provides a platform for organisations from all parts of the industry to combine their expertise and decide the new scope and parameters of PLM. Users, vendors, integrators and consultancies all have a stake in this and should all have an influence on the way that it changes.

The point about the Steering Group is that it doesn't just talk: it acts and delivers. Over the course of twelve months, supported by the PLMIG, its members review the state of PLM, hold workshops to reshape its fundamental ideas, and produce the PLM Blueprint as the closing project deliverable.

This PLM Blueprint is a comprehensive document incorporating all of the new thinking, and spelling out the advanced scenario that will meet the needs of modern manufacturing into the mid-term future. At the end of the Project it will be universally available, and thus will become a new global reference point for developing PLM.

10 PLM 2025-35: THE INTEGRATED PROJECT

The Future PLM Steering Group is one of three parallel streams of the PLM 2025-35 Project. Over the course of 12 months it will carry out a collaborative review of how the PLM industry has progressed, and where it needs to improve to match modern manufacturing; and hence produce a PLM Blueprint that will define the scope and direction of PLM over the next 10 years.

The other two streams will channel User collaboration to develop an internationally-agreed PLM Body of Knowledge, and produce a neutral model for effective application of AI.

- Define the future of PLM over the next 10 years
  - ⇨ **Future PLM Steering Group**
- Create an internationally-agreed Body of PLM Knowledge
  - ⇨ **User Collaboration**
  - ⇨ **Knowledge Development**
- Establish and prove the best way of implementing AI
  - ⇨ **AI Working Group**

The Future PLM Steering Group will do exactly what its name suggests – give guidance and direction to the industry that will actually steer the future – and as its Members collaborate over 12 months they get a host of direct benefits: high-level cross-fertilisation of ideas and methods; a re-appraisal of PLM aims and strategy; visibility of the current and 'successor' vendor marketplace; and a stream of ongoing findings from the Body of Knowledge.

11 FURTHER INFORMATION

Comments and feedback about this Position Statement are valuable, and you can let us know your thoughts via plm2025-35@plmig.com.

12 REACTION NOTES

This Section enables you to jot down notes as you work through the document, from a 'First Reaction brain dump' through to ideas about how PLM should be if it worked perfectly. It's just an aid to the thought process: no-one else needs to see them unless you want to share and expand on the ideas.

First Reaction: Issues in the Current Scenario
... write text here ...

First Reaction: Current Benefits and Progress
... write text here ...

Future Aims: If PLM worked perfectly...
... write text here ...

Other Thoughts
... write text here ...