

PRESS RELEASE

Boldly leading the way in the German economy: Rutronik acquires stake in AI specialist collective mind



Pleased with the success of the investment talks (from left to right): Fabian Plentz, Chief Operating Officer (COO) of Rutronik, Armin Bär, Managing Director of collective mind, Thomas Rudel, CEO of Rutronik, Joshua Raabe and Artur Hefner, both Managing Directors of collective mind.

Ispringen/Leonberg, October 8, 2024 – Rutronik Elektronische Bauelemente GmbH, one of Europe's leading broadline distributors of electronic components, is acquiring a 30 per cent stake in collective mind GmbH, an expert in machine vision applications in the AI environment. The companies are thus combining their strengths in component distribution with automated image processing for future-oriented AI solutions tailored to industry and trade.

Artificial Intelligence (AI) applications and tools are increasingly penetrating entire industries and the business world. AI tools offer potential for the German corporate structure, which is characterized by medium-sized companies. As a distributor for many SMEs in Germany, Europe and beyond, Rutronik aims to play a pioneering role with this investment. As a result of the tense economic situation, SMEs, and thus many Rutronik customers, are under increasing cost pressure. Efficiency and productivity are therefore becoming increasingly important.

Joining forces on the hardware and software side to create groundbreaking AI solutions

In order to secure a time advantage for customers in the development of efficient AI applications, Rutronik has acquired a 30 percent stake in the AI specialist collective mind GmbH from Leonberg, Germany. Since 2018, collective mind has focused primarily on the field of machine vision. AI technology is used to automate image processing. In this field, collective mind was the first company in Germany to develop a certified security system based on camera-based object and sequence recognition. Through the investment of the distribution company Rutronik in the IT specialist collective mind in the field of AI,

the companies intend to combine their strengths. In addition to the logistics and consulting expertise of many different companies, Rutronik primarily contributes hardware expertise at the product level of electronic components. Together with collective mind's software expertise in AI-based image processing methods, this is already being tested in practical scenarios such as logistics and shipping. "The trend is towards complete embedded solutions with powerful, compact hardware for compute-intensive AI applications," says Fabian Plentz, Chief Operating Officer (COO) of Rutronik, explaining this strategic step of the company. "The integration of hardware and software is often a major challenge, as it cannot be offered from a single source. Through our investment in collective mind, we can now offer this on the market for the first time and hopefully gain the decisive advantage for our current customers and future business partners," continues Plentz.

Insight into AI-supported image processing in the use case logistics with > 100,000 parts

Rutronik has already initiated further international AI development projects to optimize process chains in the distribution sector. Specifically, AI-supported image processing is being used in logistics with the new partner collective mind to accelerate the growing demand for traceability at product level. Logistics experts expect that the scanning technology currently in use will be supplemented or even replaced by camera technology in the future. Rutronik, with its more than 100,000 electronic components and the associated variable capture data, is ideally suited as a use case for testing this development. The aim of the two companies is that the developed logistics AI application will be able to automatically and correctly recognize the information, even if the formats and arrangements of the product data on the corresponding product labels change, without having to adapt the software. The first pilot of the development is already running at Rutronik's largest logistics center in Eisingen near Pforzheim, Germany.

"We are joining forces with Rutronik with the aim of offering internationally scalable software and hardware solutions developed from a single source for AI applications in retail and industry, among others, based on the regional ties between our two companies," says Artur Hefner, one of the Managing Directors of collective mind with a focus on operations and finance. Specifically, collective mind aims to become the international number one for these AI solutions in the field of machine vision applications in industry and trade, with the expertise of Rutronik as a long-standing distribution partner of many medium-sized companies in Europe, Asia, and North America. "We have ambitious goals, but our first joint project successes speak for very promising AI-based logistics solutions," continues Armin Bär, Managing Director of collective mind, with a focus on sales. Joshua Raabe, Managing Director for technology at collective mind, outlines the medium-term plans of the AI specialist: "We are pushing ahead with major growth potential with related development projects in the industrial environment, especially in the field of vision robotics."

"Especially in these difficult economic times, we want to send a signal from southwest Germany to decision-makers and other entrepreneurs in Germany and Europe. We want to encourage them to tackle the economic upturn together by focusing on strategically considered investments and by joining forces," says Thomas Rudel, CEO of Rutronik, summarizing the background to Rutronik's investment.

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ABOUT RUTRONIK

Rutronik Elektronische Bauelemente GmbH was founded in 1973 and for more than five decades the independent family-owned company based in Ispringen (Germany) stands for sustainable growth with a focus on high-growth future markets. In the fiscal year 2023, its around 1,900 employees generated sales of 1.24 billion euros, serving more than 40,000 customers.

With more than 80 offices worldwide and logistics centers in Austin (Texas), Shanghai, Singapore, and Hong Kong, Rutronik ensures comprehensive customer support in Europe, Asia, and North America. The company focuses on high-growth future markets that will shape the world of electronics tomorrow. These are Advanced Materials, Advanced Measurement, Processing & Analytics, Advanced Robotics, Automation, Biotechnology, Energy & Power, Future Mobility, IIoT & Internet of Everything, Industry 4.0, Medical & Healthcare, and Transportation, Logistics & Supply Chain.

To serve customers in these future markets, the RUTRONIK AUTOMOTIVE, RUTRONIK EMBEDDED, RUTRONIK IT ELECTRONICS, RUTRONIK POWER, RUTRONIK SMART, and RUTRONIK SYSTEM SOLUTIONS initiatives bundle expertise, specific product portfolios, and consultancy support. In this regard, Rutronik relies on customized solutions that are tailored to the respective needs. The services range from competent technical support in product development and Design-Ins, through the diverse product portfolio of leading manufacturers, to the company's software and hardware solutions with partly patented Rutronik IP.

Customized logistics systems, reliable supply chain management, and logistics centers worldwide ensure on-time delivery. The Rutronik24 e-commerce platform completes Rutronik's range of services.

Further information is available at www.rutronik.com. The new [corporate film](#) also provides exclusive insights into the history and development of Rutronik.

