# Diebold Nixdorf Brings Manufacturing to Ohio

Diebold Nixdorf is a multinational retail and financial technology company that provides products including self-checkout systems, ATMs, and banking software.

The decision to reshore production reflects the retail sector undergoing a significant transformation towards increased labor productivity and automation. Not only does US-based manufacturing reduce reliance on international supply chains, but it also gives Diebold Nixdorf greater production speed and responsiveness to customer needs in the North American market.

Diebold Nixdorf has begun manufacturing self-checkout machines at its North America headquarters in North Canton, Ohio. The domestic production increase reflects a strategic response to increased concerns over global supply chain instability and shifting consumer behavior in the grocery sector. By expanding its domestic production closer to the American customer base, Diebold Nixdorf is catering to evolving market and political demands. Additionally, the new production line happens in tandem with a strategic partnership with LOC Software, a Canada-based firm that offers flexible and scalable retail management platforms. This collaboration will allow Diebold Nixdorf's self-checkout systems to run LOC's ThriVersA software, creating a unified system for transactions across kiosks, traditional POS (point-of-sale) terminals, and mobile devices.

According to Diebold Nixdorf's executive vice president of global retail, Ilhami Cantadurucu, this shift in production comes as a response to today's trade environment. This decision to increase North American production did not occur in a vacuum. It reflects a growing trend of reshoring in the tech and manufacturing sectors, particularly in response to global disruptions like the COVID-19 pandemic, geopolitical tensions, and the Trump Administration's tariffs.

https://www.cspdailynews.com/technologyservices/diebold-nixdorf-begins-self-checkout-manufacturing-us

Source: image taken from official website:
https://www.google.com/url?sa=i&url=https%3A%2F%2Fwww.dieboldnixdorf.com%2Fen-us%2Fretail%2Fportfolio%2Fsystems%2Feasy%2F&psig=AOvVaw3YqpouwFtijKRPr58zT_p_&ust=1753643561171000&source=images&cd=vfe&opi=89978449&ved=0CBIQjRxqFwoTCJDxir-d244DFQAAAAAdAAAAABAE

# Economic Factors and Context

Diebold Nixdorf's new investment reflects a broader shift toward productivity enhancement in the face of rising labor costs, labor shortages, and shifting customer expectations for speed and convenience. While the increase in online shopping has been on the rise, a study by Ernst & Young suggested that growth was set to plateau and recommended tools for an increase in in-store productivity.[2] Self-checkout technology is part of a broader societal desire for in-person shopping experiences.

According to a Capital One study, nearly three-quarters of consumers prefer self-checkout machines to traditional staffed lanes. Additionally, almost eight in every ten respondents reported that they used self-checkout machines regularly.[3] According to the same study, nearly 96% of grocery stores offer some sort of self-checkout. Finally, the North American self-checkout market makes up 40.3% of the global market and is projected to surpass $5 billion by 2030.


The growing demand for increased self-checkout options among customers coincides with firms' efforts to minimize costs. Self-checkout machines' reduced labor requirements could potentially offer long-term labor cost savings.[4] These are especially pivotal in markets where labor shortages and increased wages could erode already thin margins.

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# A Broader Movement to Reshoring and Automation

Diebold Nixdorf's manufacturing expansion fits into two major macro trends: reshoring production and automation. First, the COVID-19 pandemic and evolving geopolitical tensions have exposed the vulnerabilities of offshore production. Reshoring production to North American markets is becoming an increasingly attractive option.

By manufacturing self-checkout machines in the Ohio plant, Diebold Nixdorf reduces its exposure to unforeseen disturbances and allows the company to have a more predictable supply chain.

This reshoring trend pairs with investments in automation. As U.S. labor costs rise and workforce shortages persist, automation technologies like self-checkout machines serve as both a cost-saving mechanism and a consumer-responsive innovation.

# Conclusion

Diebold Nixdorf's investment in self-checkout products showcases a strategic response to shifting consumer demands, rising operational costs, and the need for reliable supply chains. By reshoring production to its Ohio facility, the company increased its control over its supply chain and strengthened its ability to respond quickly to shifting trade conditions. As self-service demand continues to grow across the sector, the company is well-positioned to provide retailers with the necessary equipment to respond to labor shortages and thinning profit margins.

For other companies in the retail technology and manufacturing sectors, Diebold Nixdorf's shift provides a case study in how reshoring and automation give solutions to the evolving political landscape. Companies facing similar pressures may find significant value in investing in reshoring strategies.

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Source: image taken from official website: https://www.dieboldnixdorf.com/en-us/retail/portfolio/systems/easy/easy-pro/

# ABOUT THE AUTHORS

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[2] https://www.ey.com/en_us/insights/retail/should-retailers-close-stores-or-make-them-work-harder

[3] https://capitaloneshopping.com/research/self-checkout-statistics/

[4] https://www.forbes.com/councils/forbesbusinesscouncil/2024/04/01/skip-the-line-the-rise-of-self-checkout-and-what-it-means-for-you/