

# Industrial Internet of Things

*Driving Unconventional Growth*



High performance. Delivered.

January 8, 2015

Strategy | Digital | Technology | Operations

# Internet of Things in the News

GIGAOM

Cisco invests in Ayla and Everything as part of \$150M internet of things fund

*The New York Times*  
**International CES:  
The Internet of Things Hits Homes**

*eWEEK*  
**Intel Declares IoT  
Important Enough to Start  
a New Division**

*THE AUSTRALIAN*  
**Microsoft readies  
'Internet of  
Things' service**

*readwrite*  
**A Massive Market Opportunity Awaits In  
Analyzing The Internet Of Things**

*techradar pro*  
**Cisco shells out big bucks to invest in  
Internet of Things companies**  
Cisco doubles down on global connectivity

*FT*  
**Who will be the Google of the internet of things?**  
May 1, 2014 2:52 pm by Sally Davies

*cnet*  
**Google closes \$3.2 billion  
purchase of Nest**

The acquisition brings with it the Learning Thermostat and the Protect smoke and CO detector as Google looks to make its mark in the smart home.



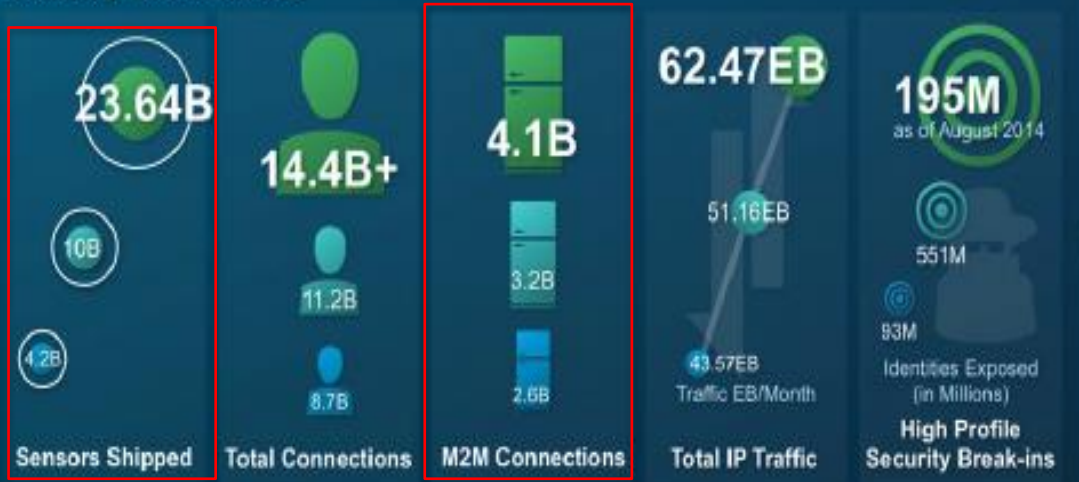
silent  
herdsman

**Cows Are Getting Plugged Into The Internet of Things**

Surveillance, Technology // Apr 5 2014

# IoT Acceleration

## Industry Environment



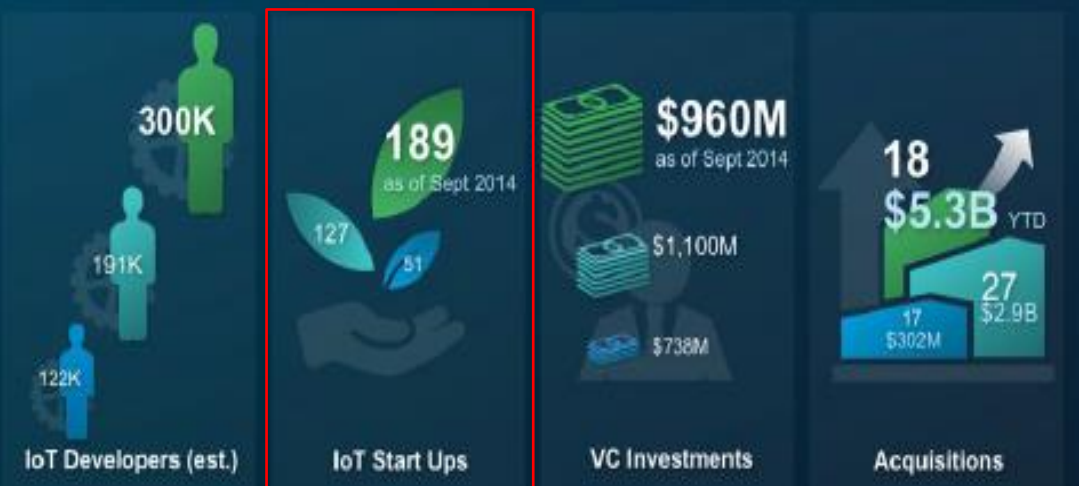
Source: Machina Research, Cisco VNI, Cisco Consulting Services, Cisco Connection Counter

## Business Sentiment



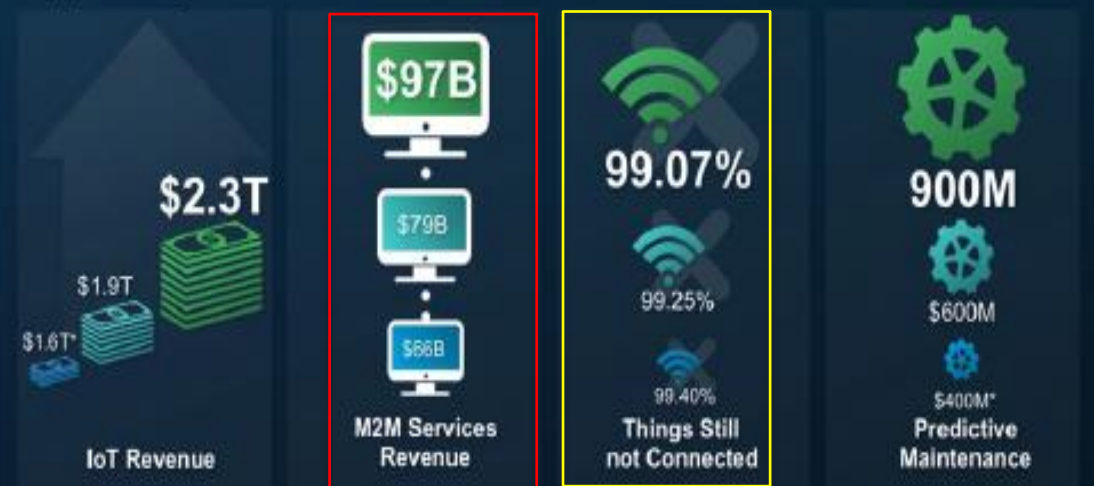
Source: Factiva, Google, IPSO-Alliance, Intel

## Investments



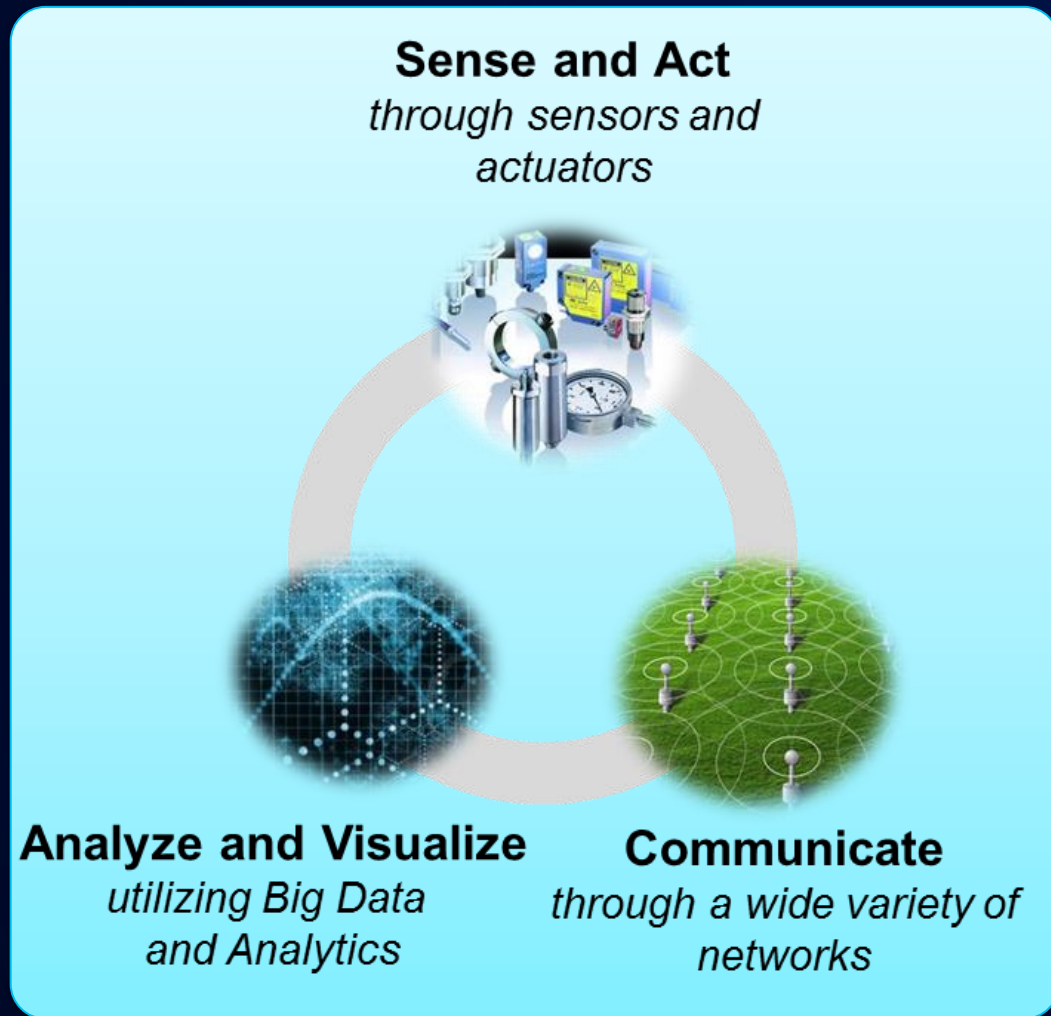
Source: CBI Insights, Cisco Consulting Services Analysis

## Opportunity Size



Source: Machina Research, IDC, ABI Insights, Cisco Consulting Services

# What is the Industrial Internet of Things?



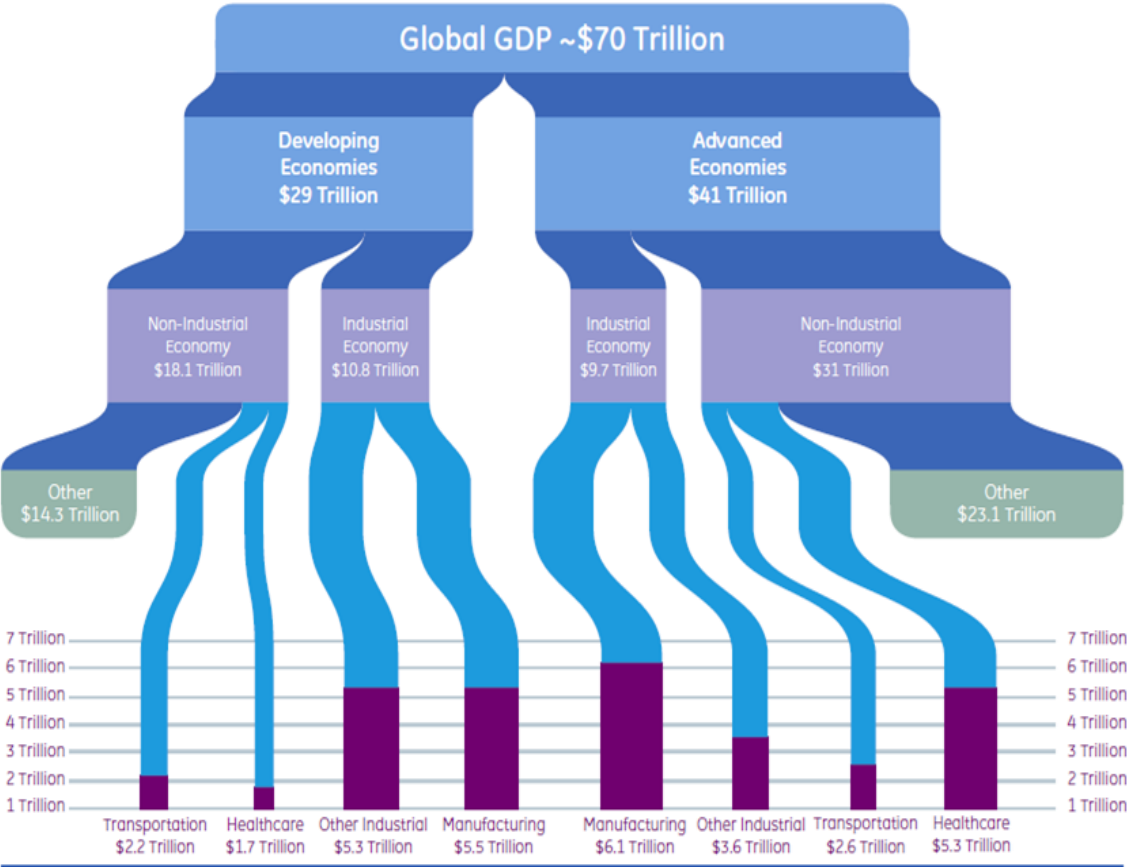
**“The industrial Internet of Things is the universe of intelligent industrial products, processes and services that communicate with each other and with humans over the computing network”**



**Intelligent Product, Environment and Services**



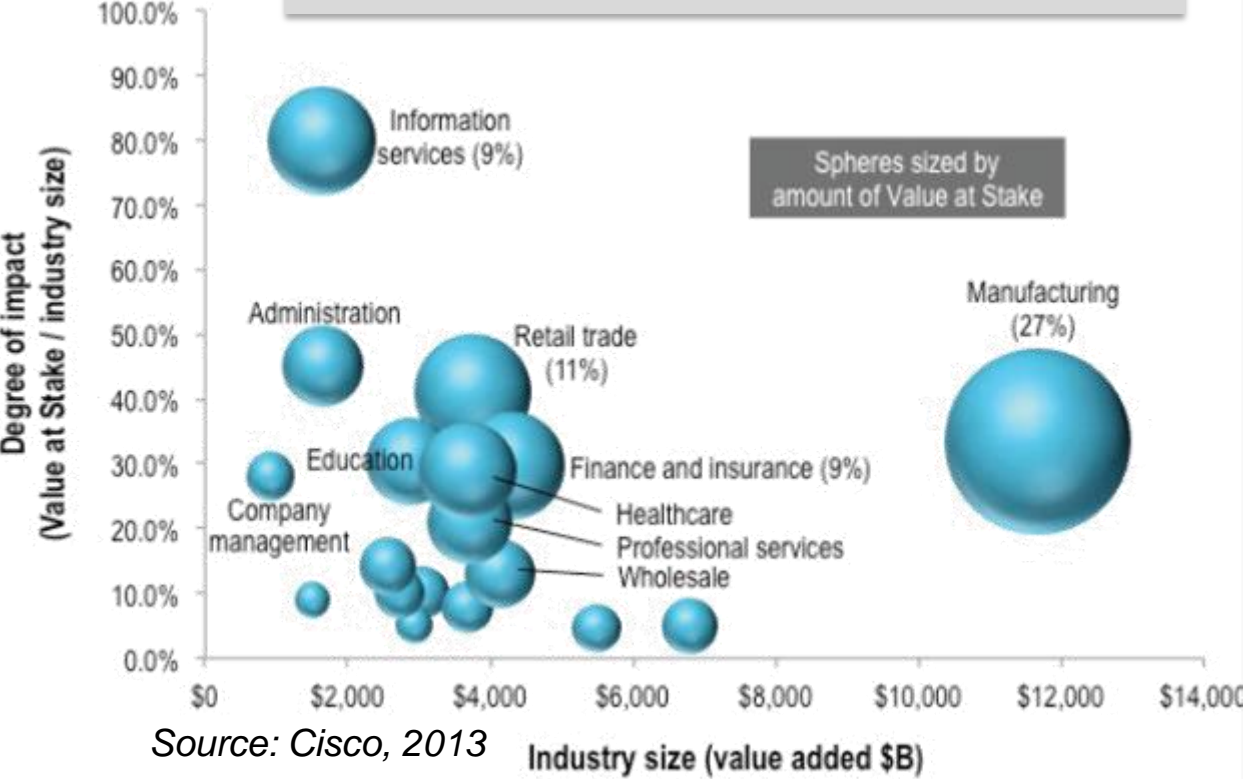
# The benefits of Industrial Internet of Things are in the trillions of dollars



Industrial Internet opportunity ( \$32.3 Trillion ) 46% share of global economy today

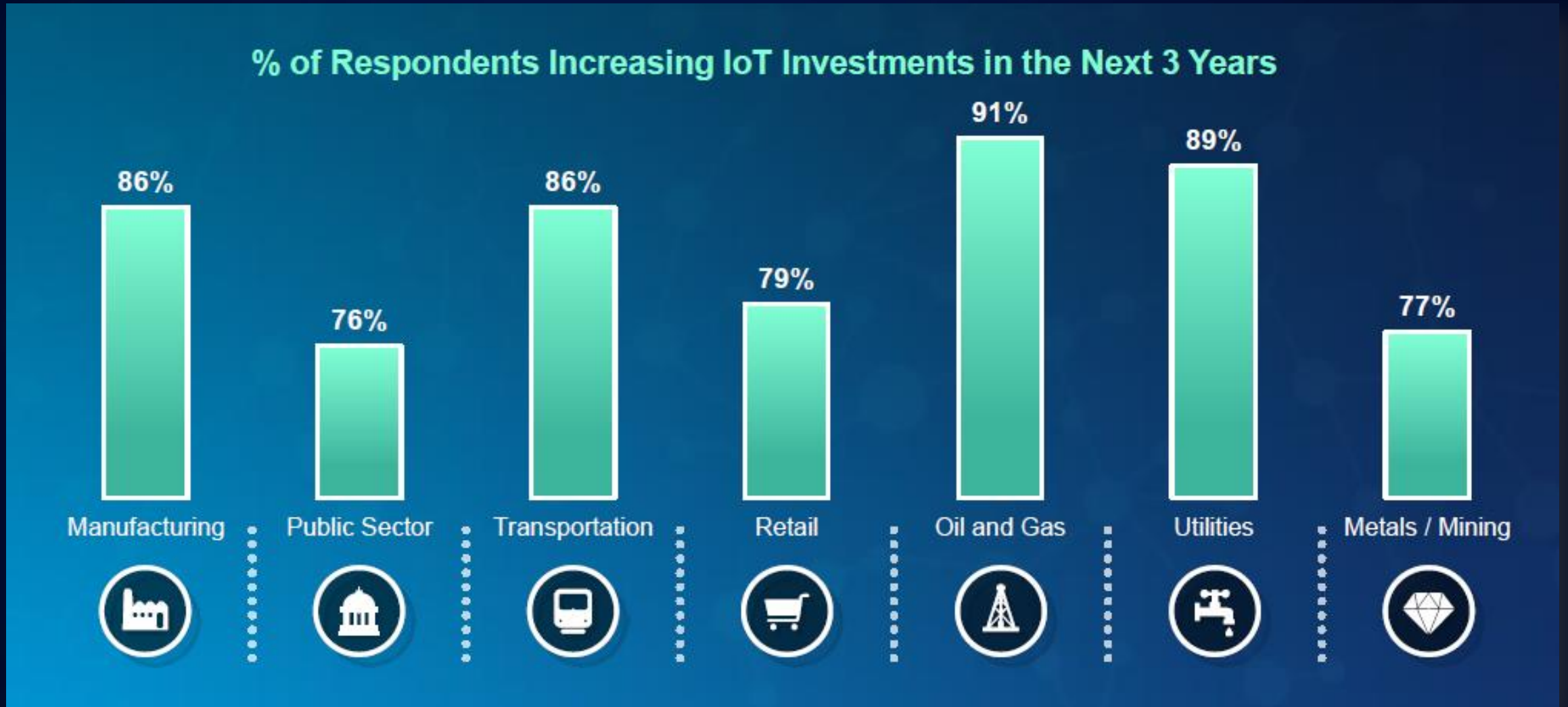
Source: World Bank 2011, GE 2012

**Forbes**  
 CES LIVE: Cisco's Chambers Says Internet of Everything, \$19 Trillion Opportunity, Is Next Big Thing

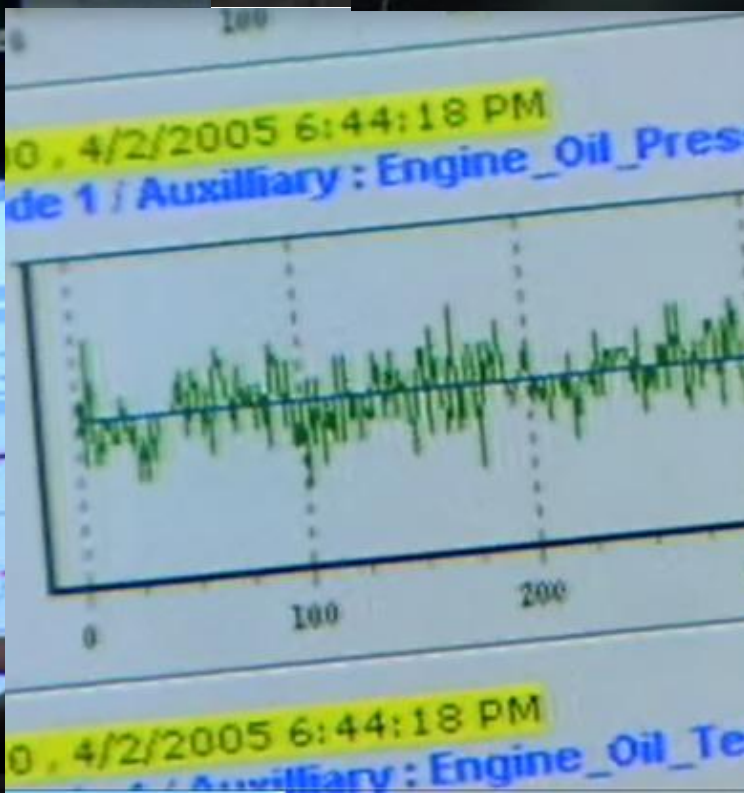
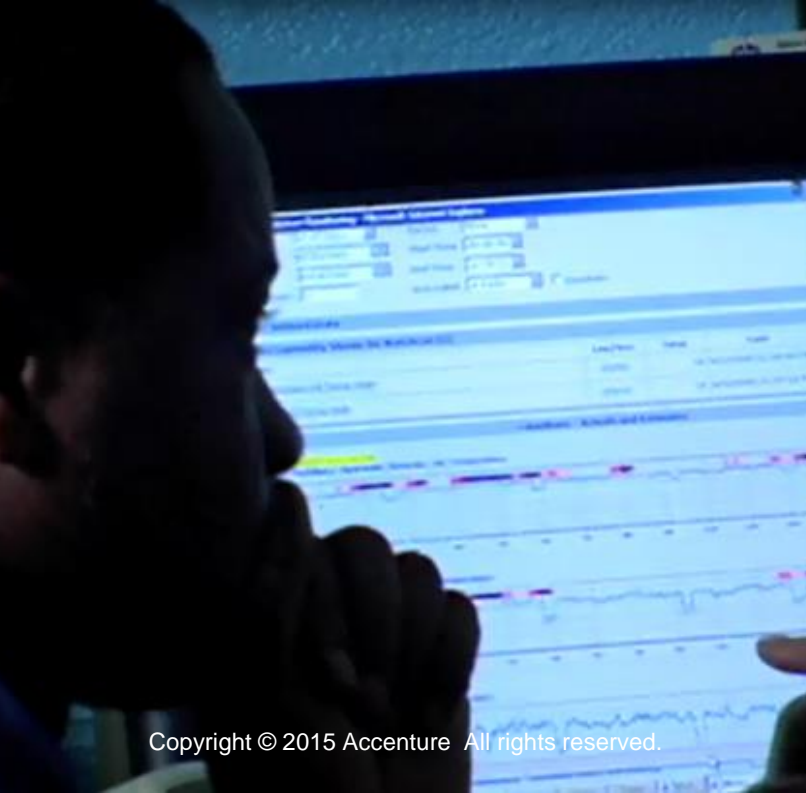
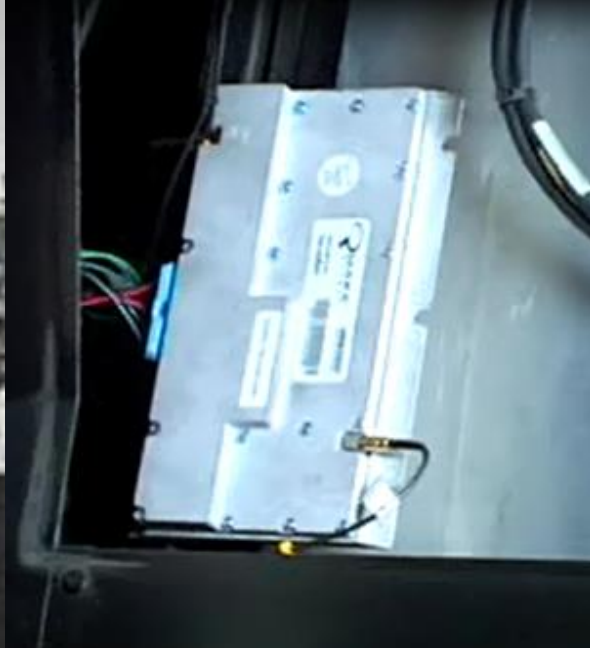


Source: Cisco, 2013

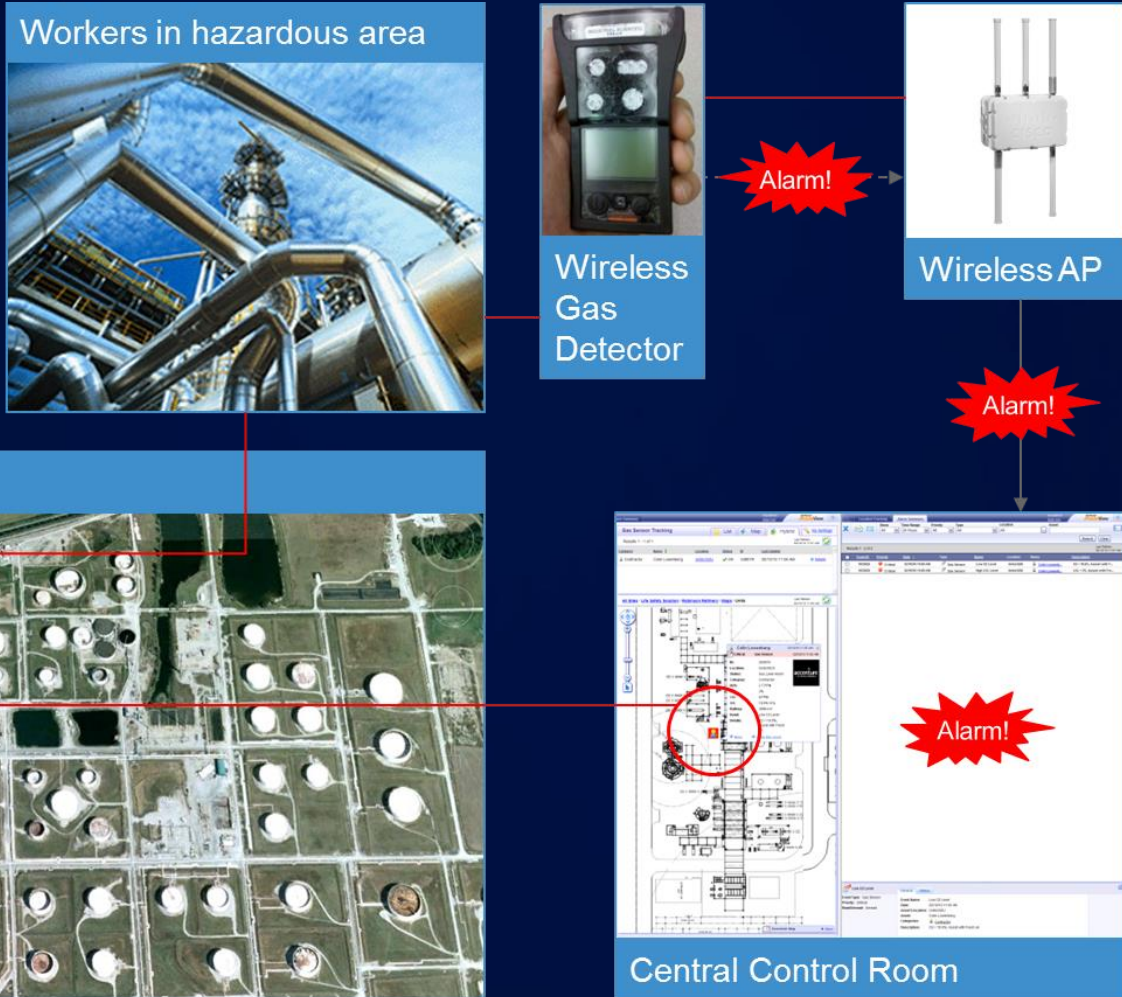
# Survey on IoT Investments



Source: Cisco IoT Survey 2014, % of survey respondents N=1230

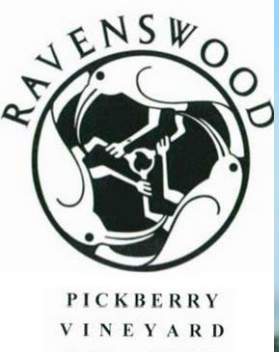


# Example - Life Safety



- Continuous gas monitoring for each individual for abnormal levels of H<sub>2</sub>S, LEL, O<sub>2</sub>, NO<sub>2</sub>, CO and SO<sub>2</sub> present in refinery
- “Panic” button for medical and other emergencies
- Motion sensor in case individual is unconscious and stops moving
- All alarms managed by Operators in Central Control Room
- Must include location in order to facilitate rapid recovery





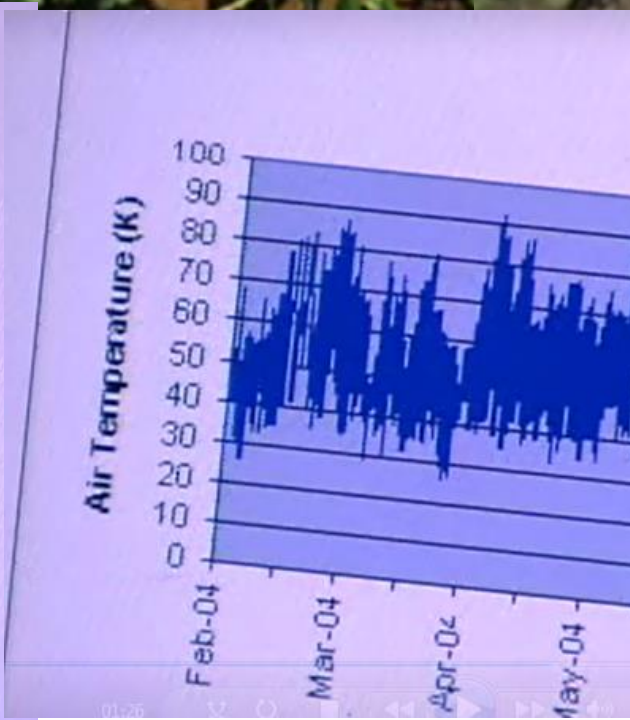
get the readings!

### Endpoint 2

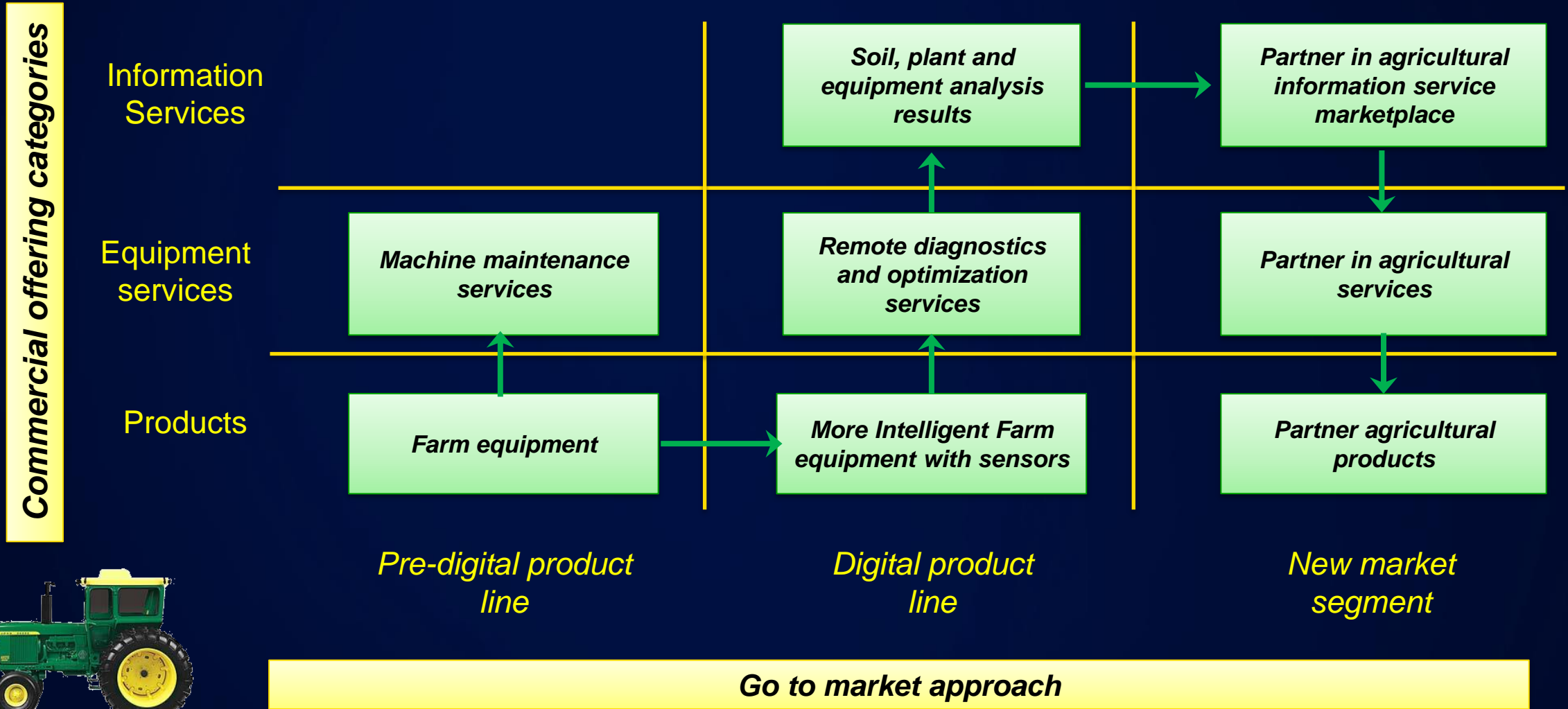
Sensor ID	SM104
Type	Soil Moisture
Reading	27 % VWC
Battery	3.36 volts
Timestamp	2005-03-14 19:26:40.0 PST

Sensor ID	AT104
Type	Air Temperature
Reading	45 °F
Battery	3.36 volts
Timestamp	2005-03-14 19:26:40.0 PST

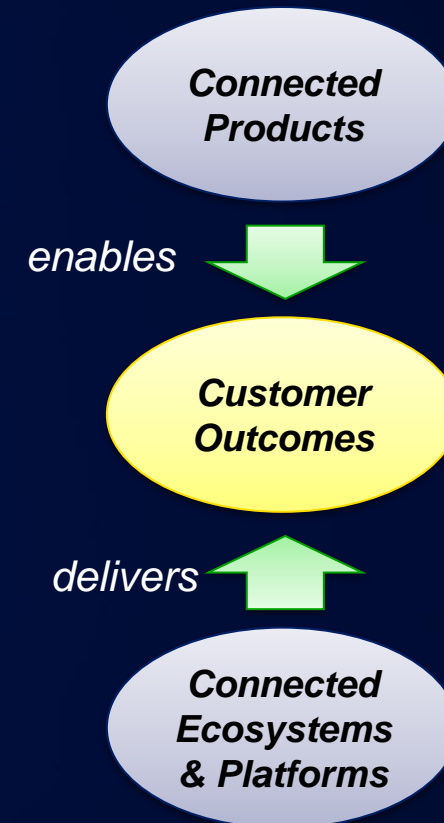
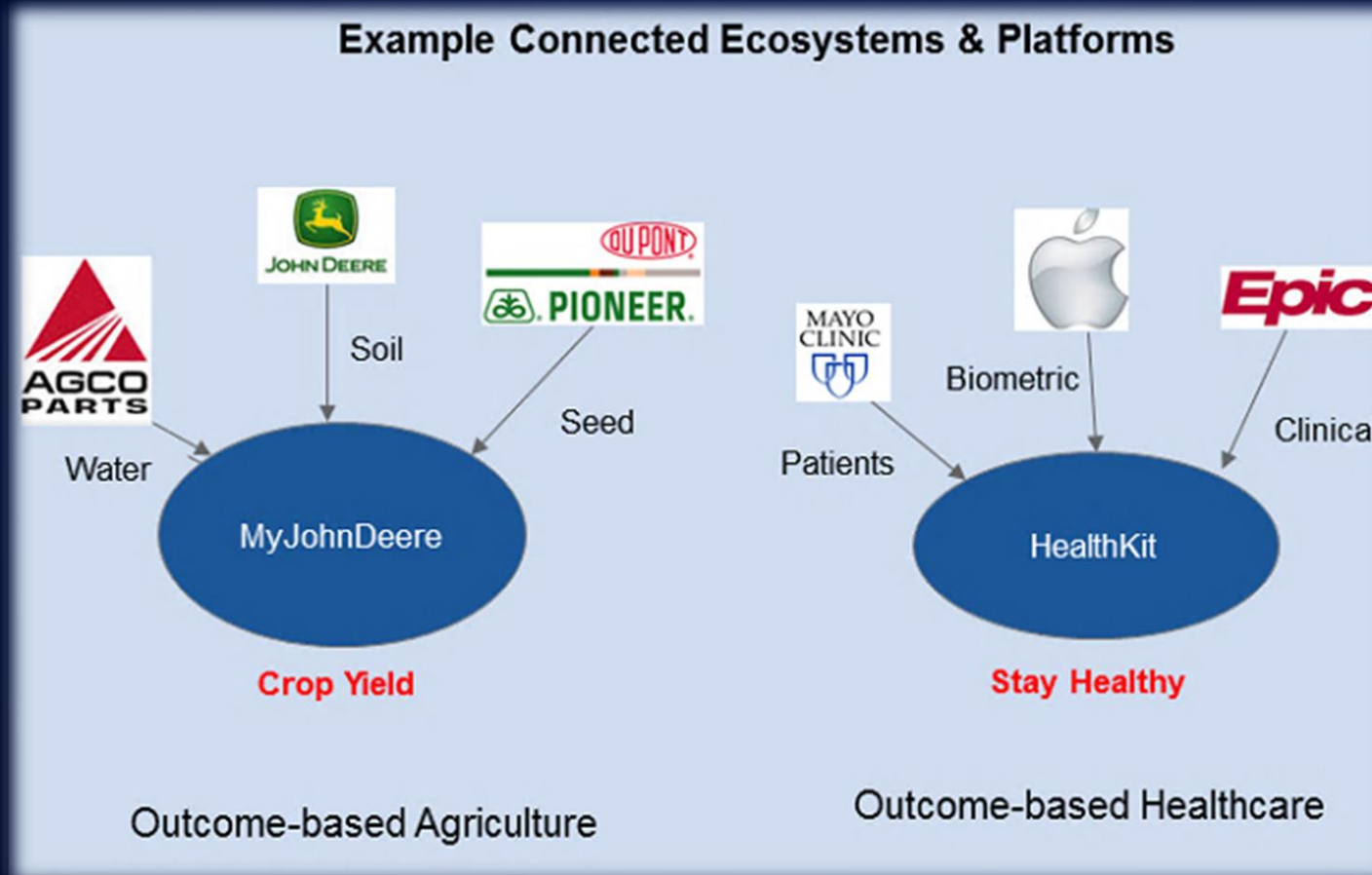


# IloT for Driving Growth

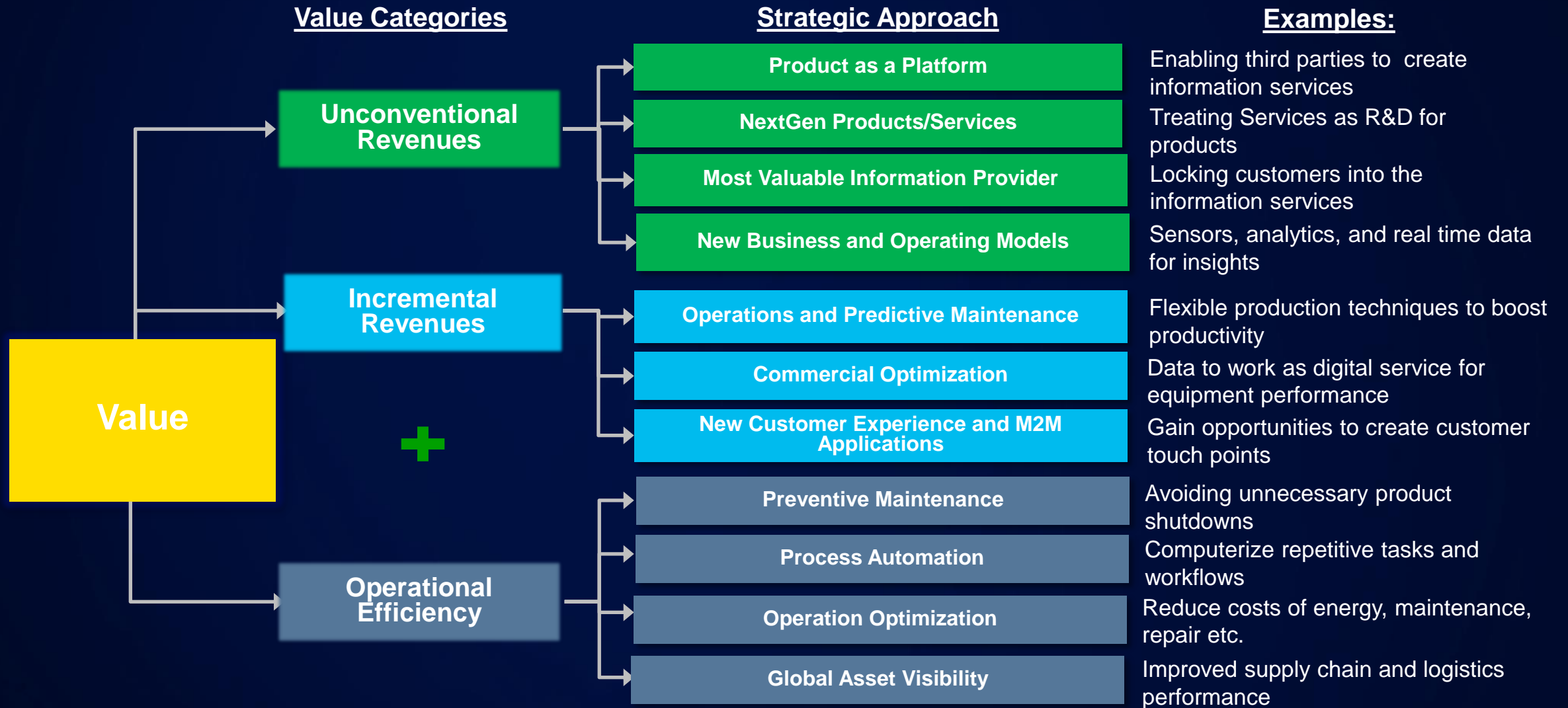


# The emergence of the outcome economy will redefine industry boundaries and relationships and create a new wave of winners and losers

To deliver the outcome economy will require connected ecosystems and platforms so that data can be easily aggregated and used to create new value-add services

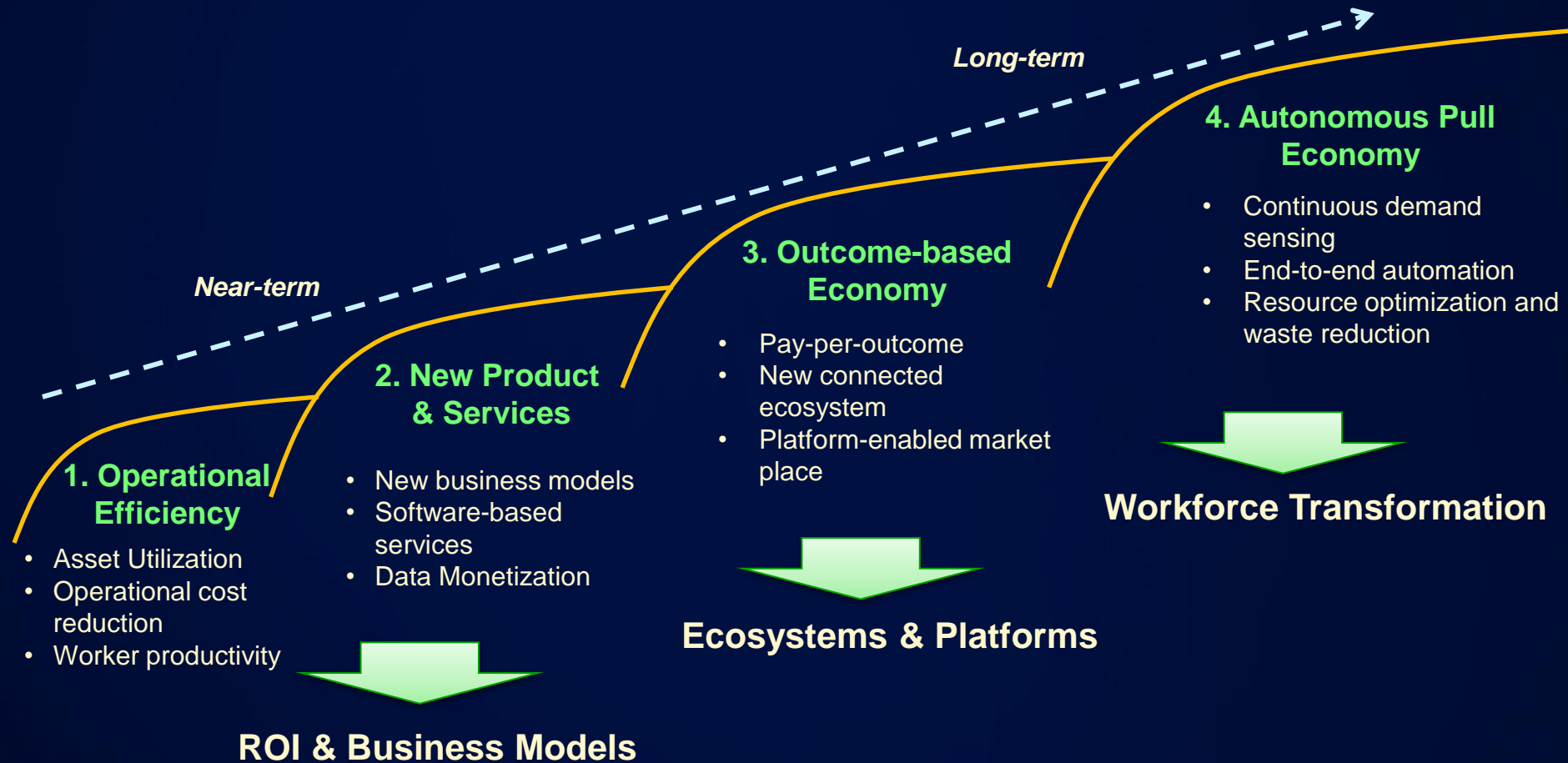


# The Industrial Internet will enable the capture of significant value – of which operational efficiency is only a small part

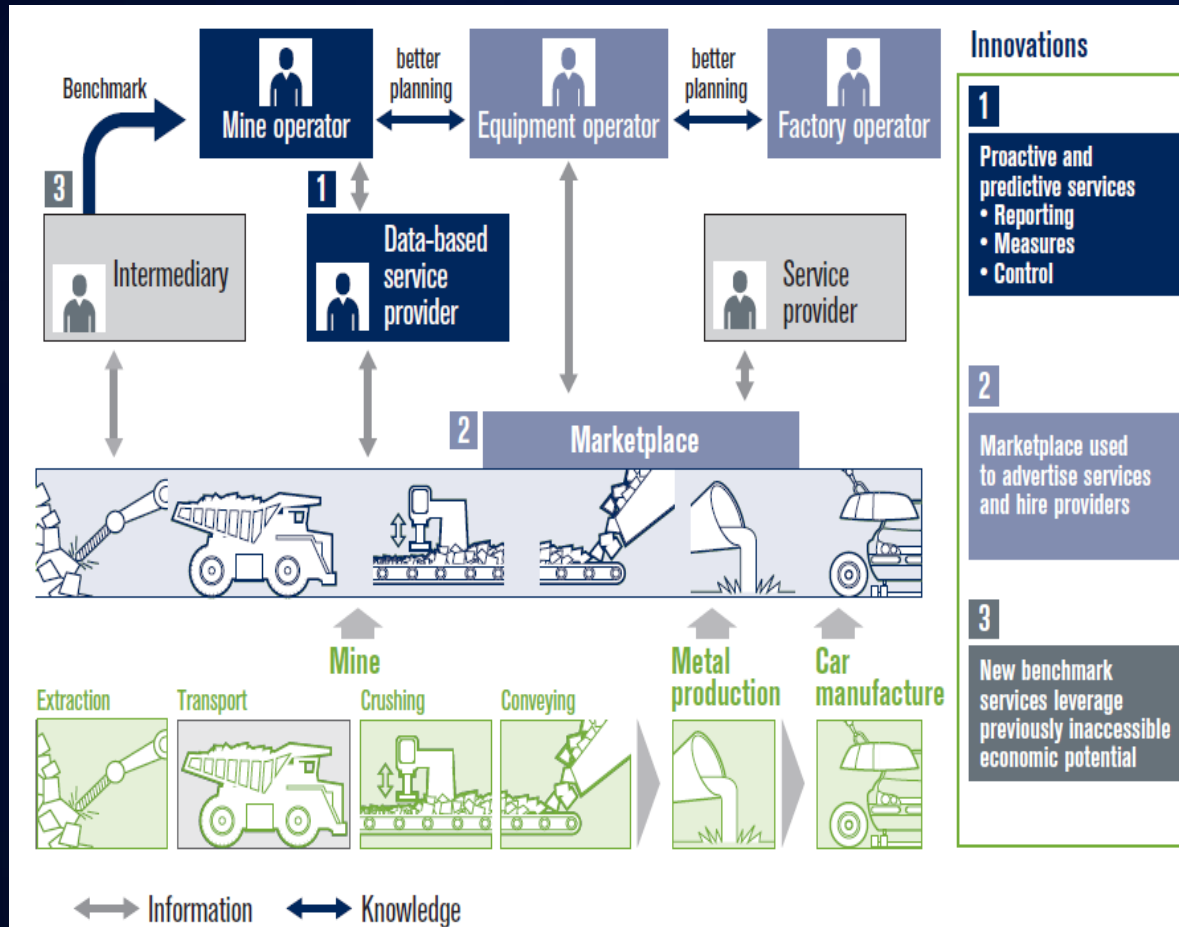


# The impact of the Industrial Internet is transformational

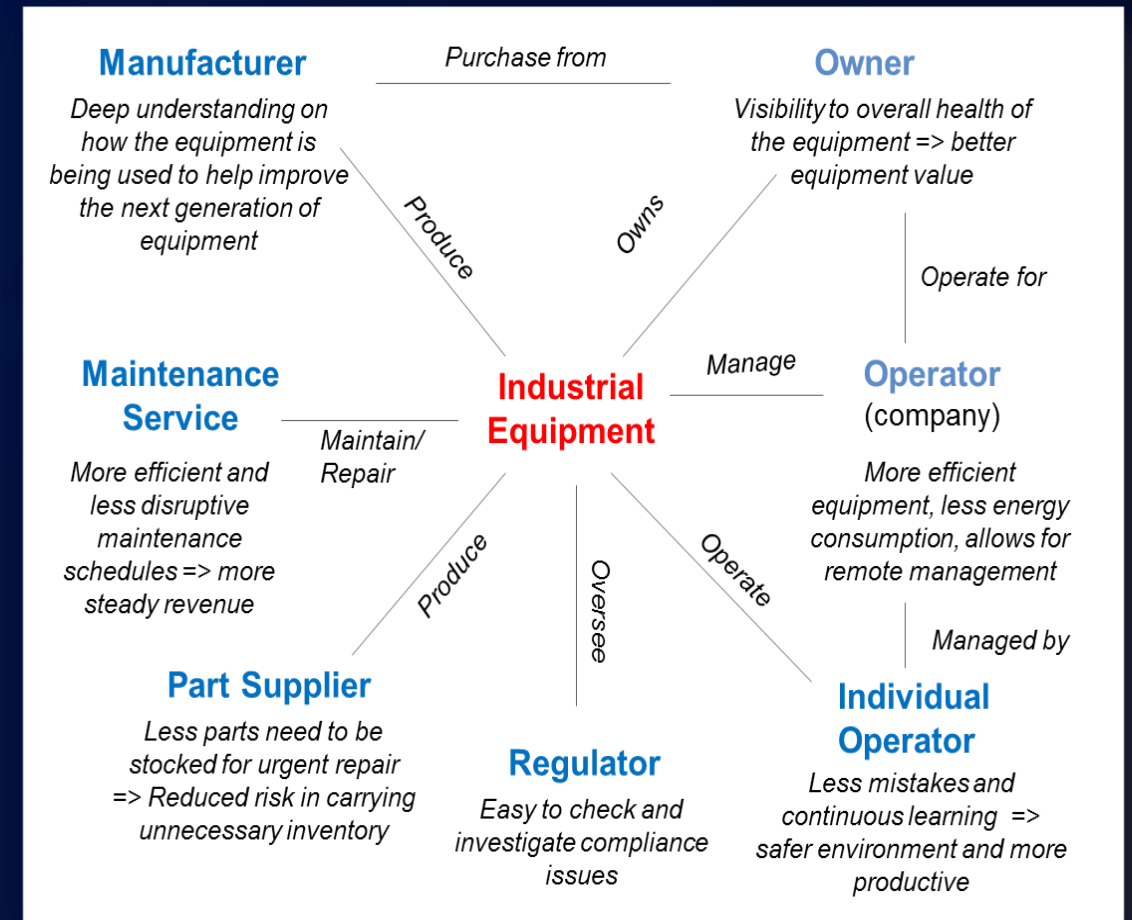
The two most transformational impacts of the industrial internet will be the emergence of outcome economy and the tight integration digital and human labor



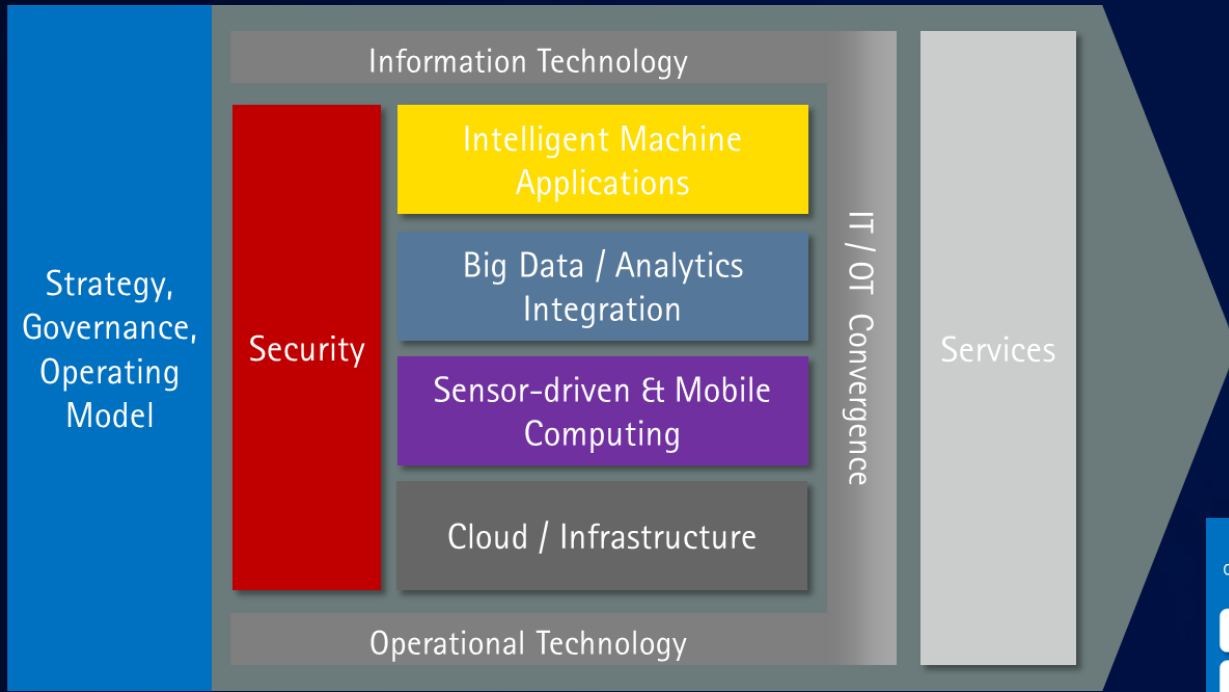
# 360-view of the ecosystem is key in reaping the most benefits from Industrial Internet



Source: acatech, "Smart Service Welt"



# IIoT Platform is needed to support the ecosystems



- Intelligent Product and Services
- Intelligent Productions

