

# The Industry Digitization Opportunity

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**Collaboration & Industry Digitization Leader**

**@midalm**

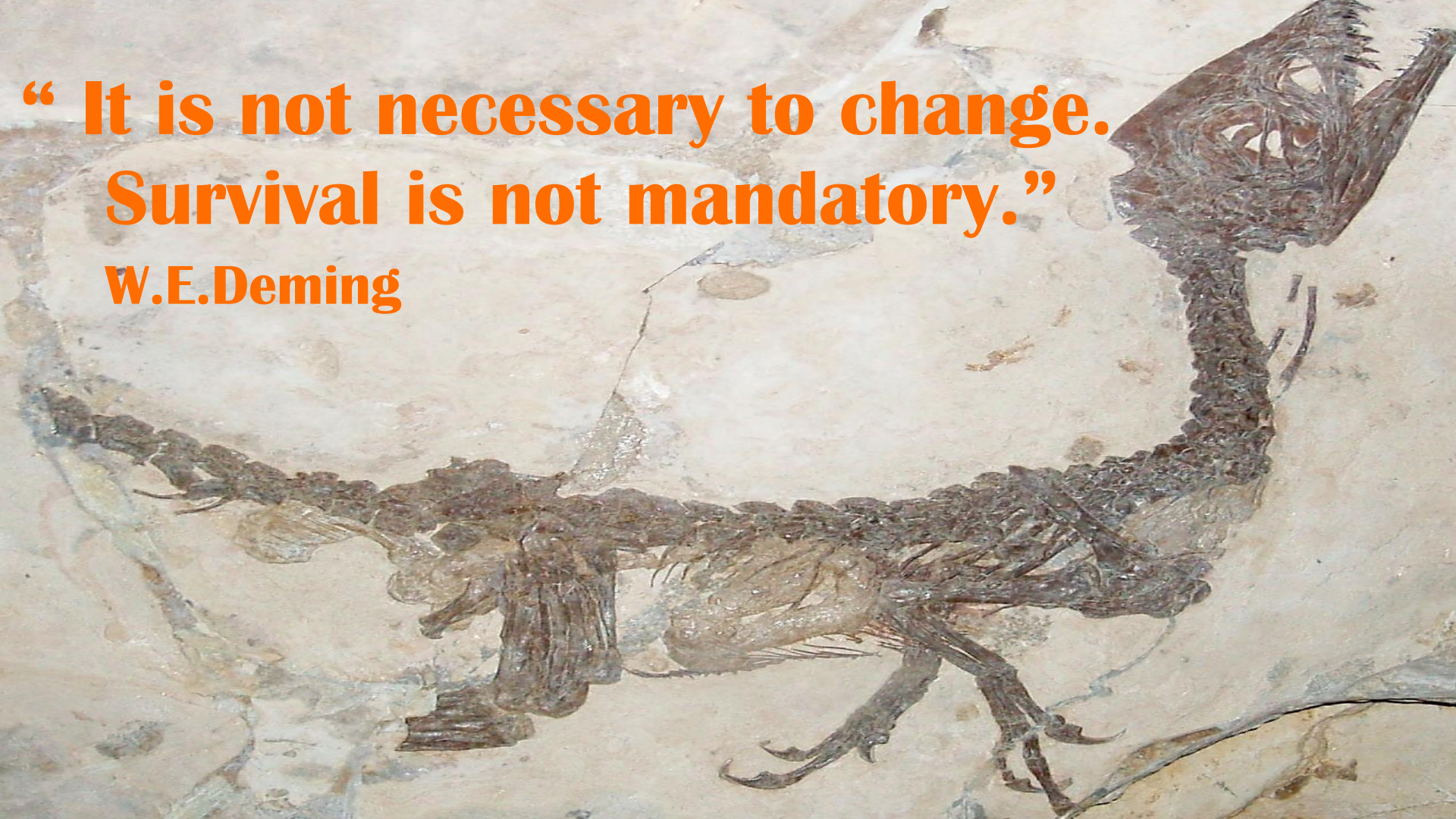
A man in a dark suit is shown from the side, gesturing with his hands. His right hand is pointing upwards, and his left hand is pointing to the right. The background is a blurred cityscape with tall buildings under a bright sky. The overall color palette is dominated by blues and greens, with a bright light source creating a lens flare effect.

**INNOVATION**

**GROWTH**

**CHANGE**

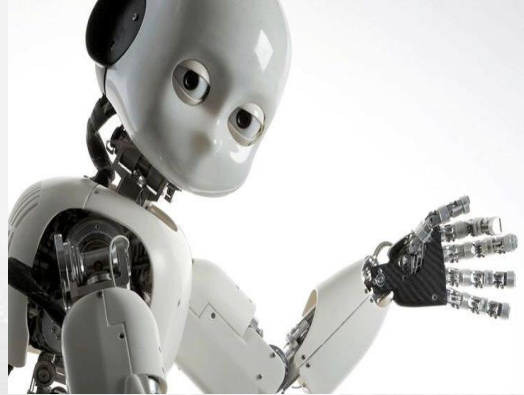
Is the New Status Quo



**“ It is not necessary to change.  
Survival is not mandatory.”**

**W.E.Deming**

# Creative destruction

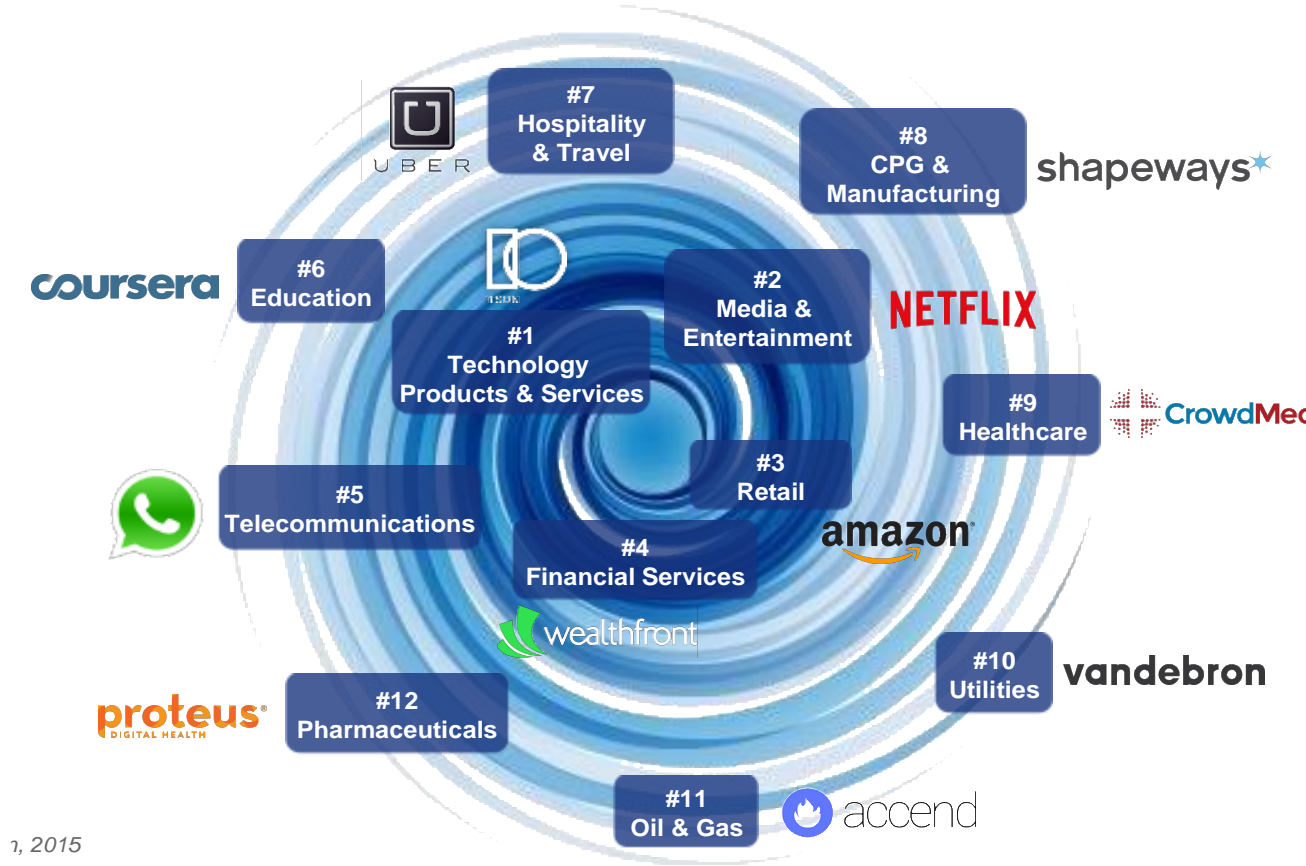


"The process of industrial mutation that incessantly revolutionizes the economic structure from within, incessantly destroying the old one, incessantly creating a new one"

# The Digital Vortex

**“Change is changing; it’s changing faster than it’s ever changed before and that’s because of technology.”**

**– Ray Davis, CEO, Umpqua Bank**



# Digitization in action is about 3 aspects



Transform Processes  
and Business Models

Innovations  
Faster Time to Market



Empower Workforce  
Efficiency and Innovation

Increased Productivity  
Better Retention



Personalize Customer/  
Citizen Experience

Increased Loyalty  
Greater Insight

## Mobility

Mobile traffic will exceed  
wired traffic by 2017

## IoT

IoT devices will  
triple by 2020

## Analytics

75% of companies planning  
to or investing in big data

## Cloud

80% of organizations will  
primarily use SaaS by 2018

A semi-transparent background image of an industrial factory. In the foreground, a large yellow mechanical structure, possibly a part of a conveyor system or a large-scale machine, is visible. Behind it, several large rolls of white material, likely fabric or paper, are stacked. The background shows the complex steel framework of a large industrial building with a high ceiling.

# Digital Transformation

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The use of technology to radically improve operations.

# Digital Manufacturing Driving Business Outcomes



Reduced Downtime

48%

Unplanned downtime down from 11% to 5.8%



Reduction in Defects

49%

Defect rate down from 4.9% to 2.5%



New Product Introduction

23%

New product introduction cycle time reduced from 15 to 11



OEE Improvement

16%

Average OEE improved from 74% to 86%



Improved Inventory

35%

Inventory turns increased from 14 to 19



Reduction in Energy Use

18%

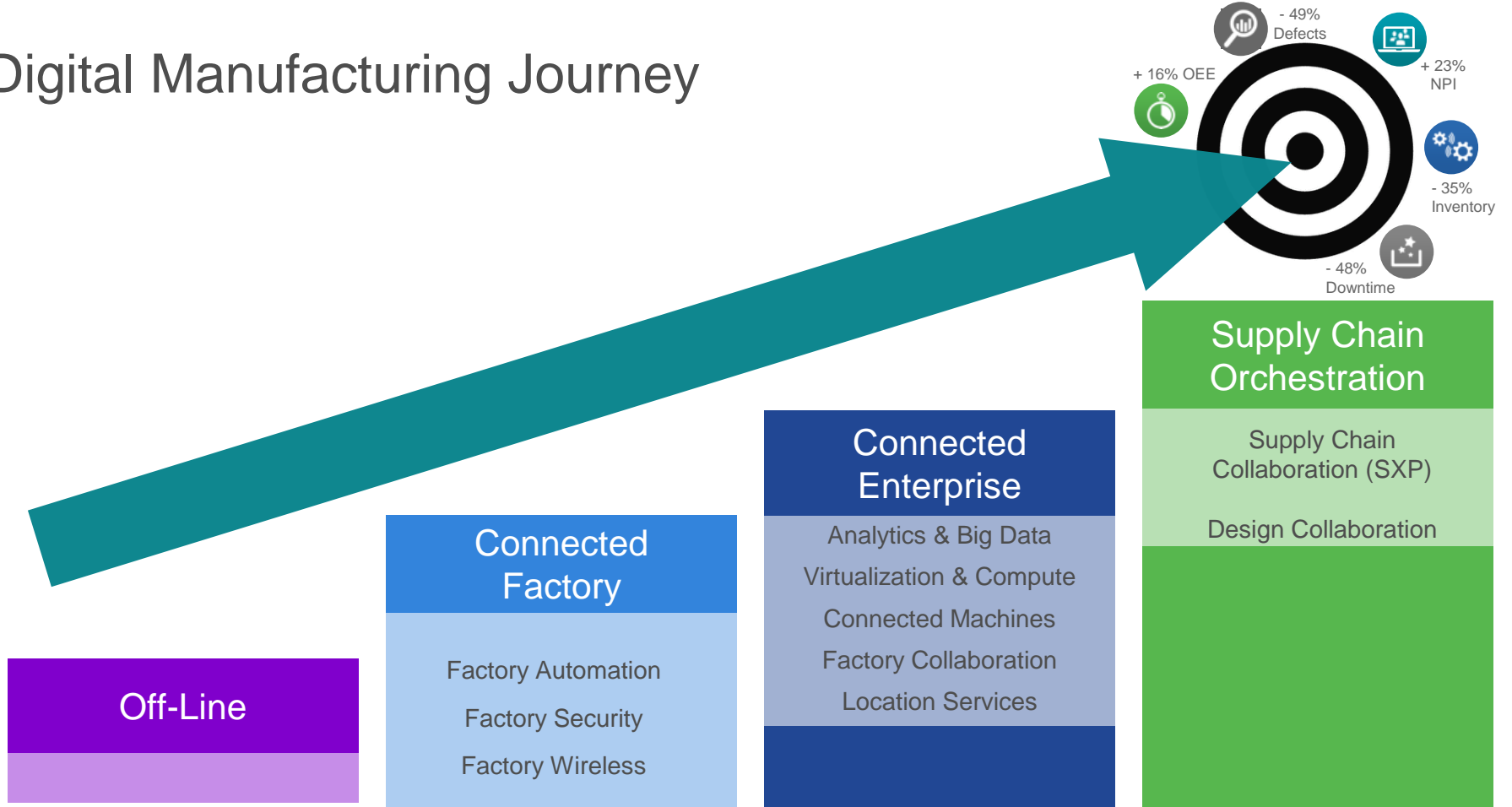
Annual energy cost down from \$8.4M to \$6.9M

## The Real Economic Value is Immense

*“Big value opportunity. We believe Cisco can help dramatically improve margins and profitability in manufacturing.”*



# Digital Manufacturing Journey



# One Unified and Secure Converged IP Network



Open standards vs. proprietary

# Factory Network Maturity

**Starting Point:**  
Proprietary  
Serial  
Islands

**Phase 1**

**Unmanaged, unconverted Ethernet**

- Richer sensor data
- Still siloed
- No security

**Phase 2**

**Converged Plantwide Network**

Converge siloed networks for IOT visibility & cost savings

**Phase 3**

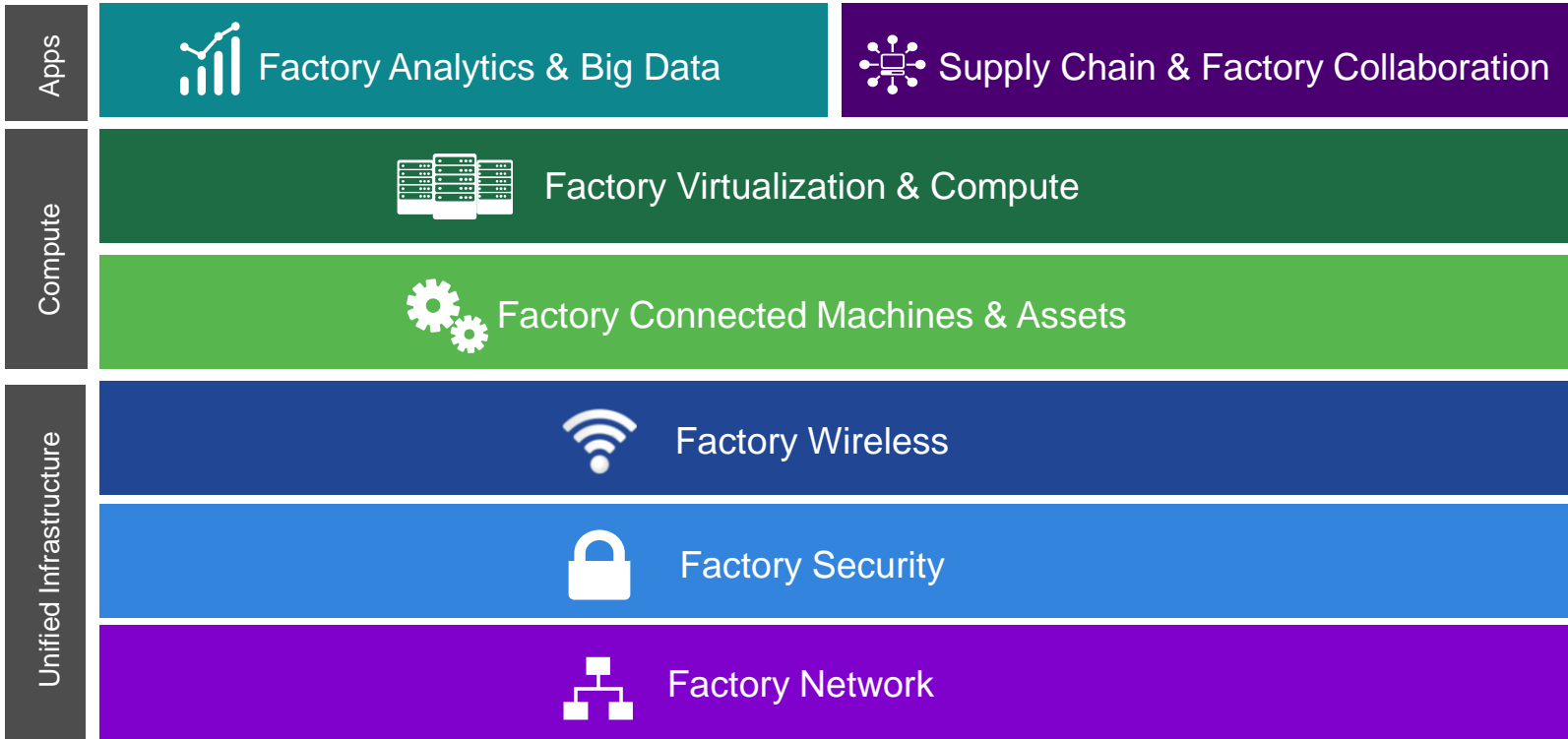
**Flexible, Multi-Service Platform**

- Controls security
- Controls Mobility
- Video & Remote Access
- Collaboration
- Remote Monitoring
- CLOUD, FOG
- Software Defined Factories



Increasing Value

# Digital Manufacturing Solutions



# The Connected Factory

Factory  
Wireless



Factory  
Network

Connected  
Assets

Connected  
Machines

Factory  
Compute

Factory Analytics  
and Big Data



Factory  
Virtualization



Factory  
Collaboration

Factory  
Security





# MARCEGAGLIA







# la marzocco

handmade in florence







la marzocco

# linea pb



Solenoid Valve Solid State Relay



Flow Meter Temperature  
**0** **98.40°C**

Load Cell  
**6.80**



Solenoid Valve Solid State Relay



Flow Meter Temperature  
**0** **188.00°C**

Load Cell  
**0.00**

LaMarzocco 12:31  
6.8 00 0.0



Solenoid Valve Solid State Relay Solenoid Valve



Flow Meter Temperature Solid State Relay  
**0** **188.00°**

Load Cell Temperature  
**0.00** **124.20°C**

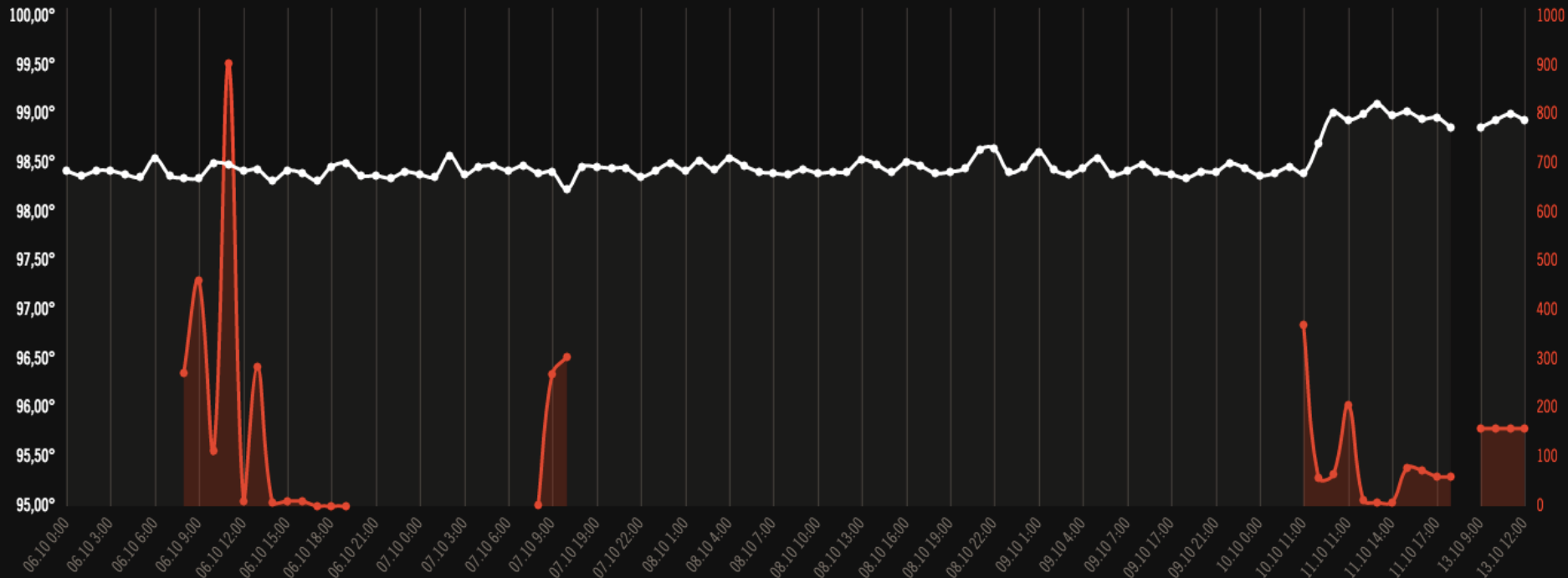


# history

06.10.2016 - 13.10.2016

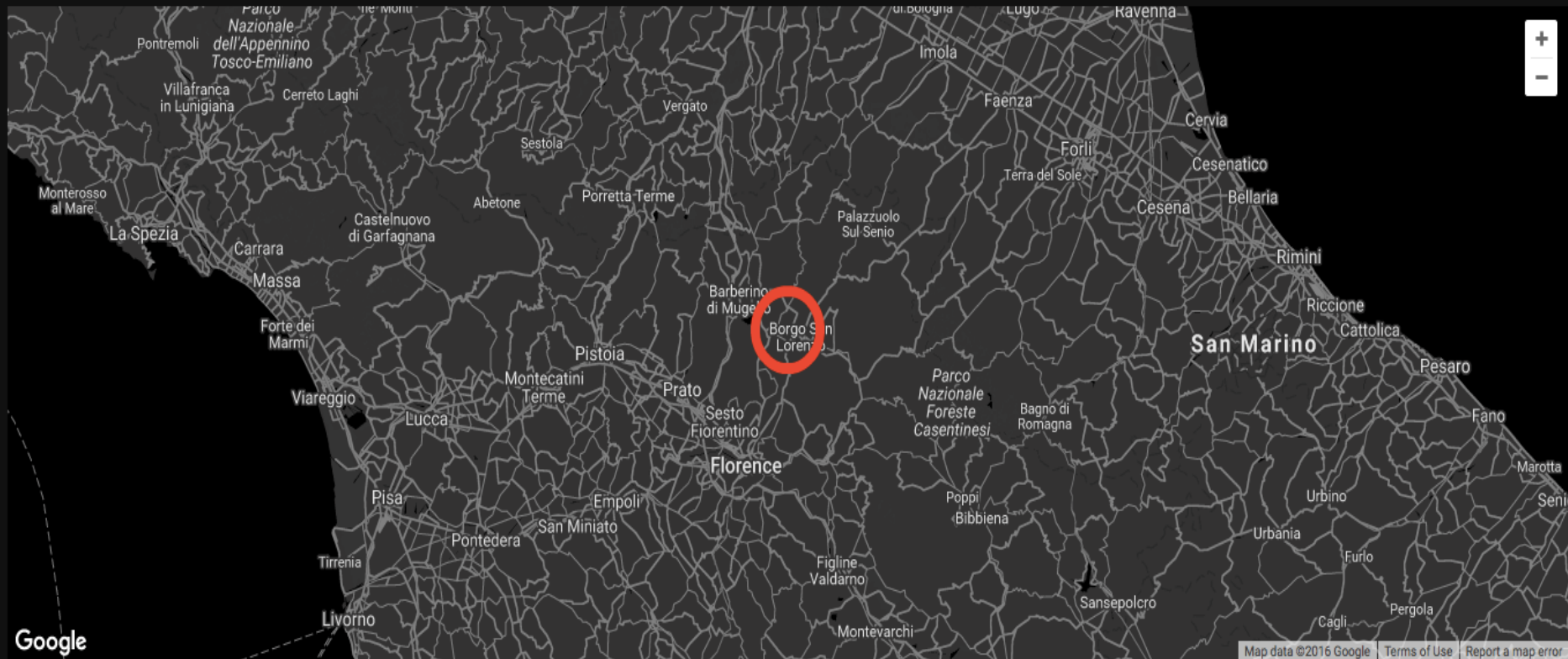
Coffee Boiler 1 Temperature

Flow Meter 1



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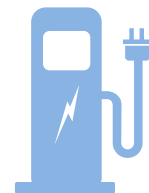
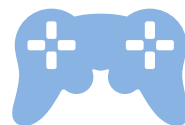
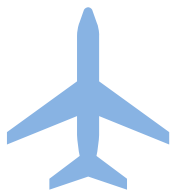
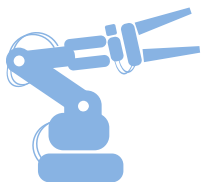
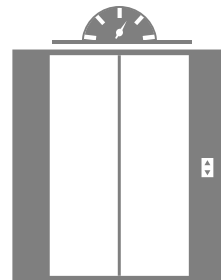
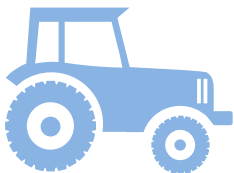
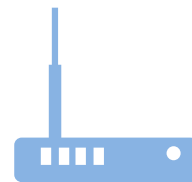
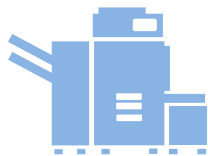
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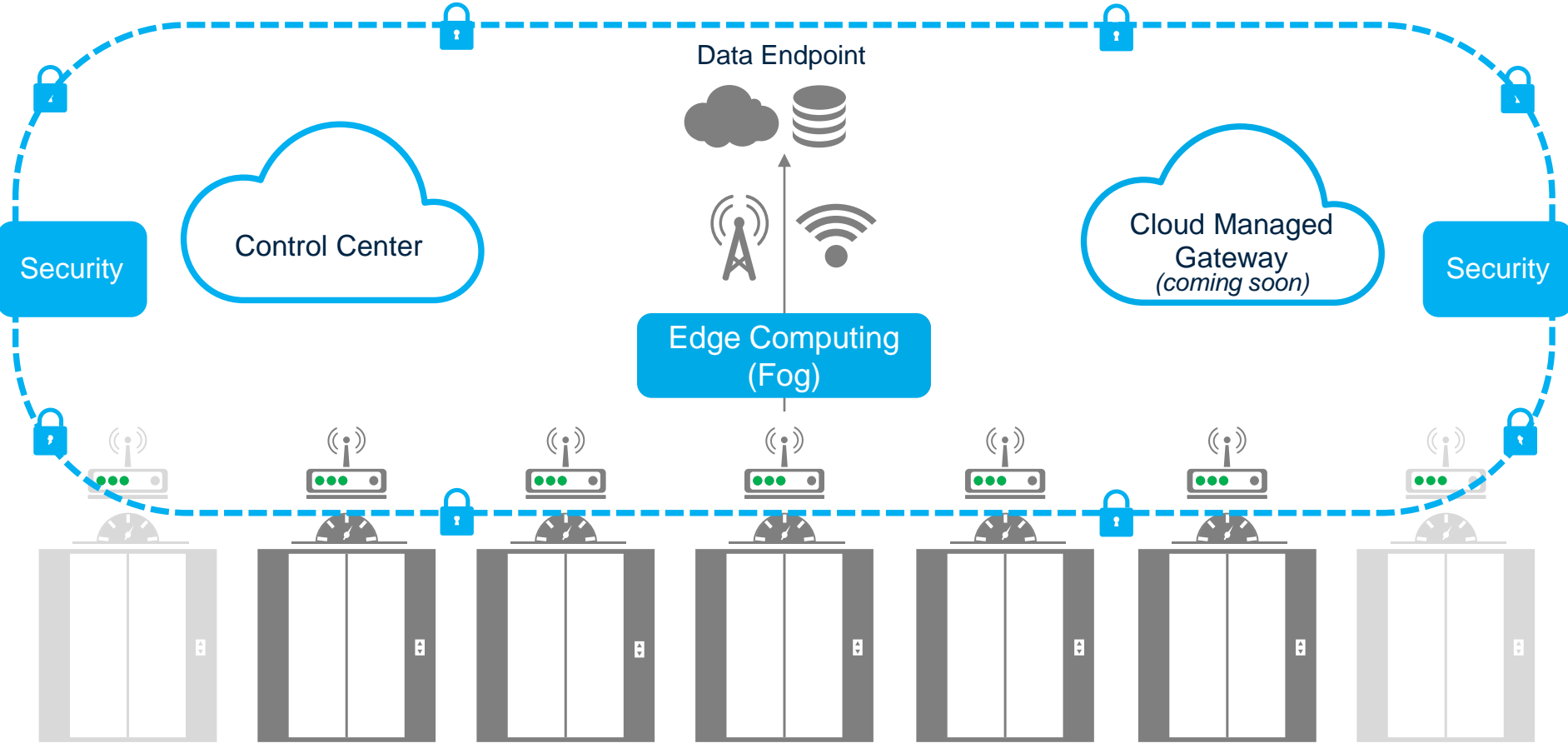
# Looking ahead

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# IoT Cloud – Solving the Data Delivery Problem





# #DIGITALIANI

## STRATEGIC INFRASTRUCTURES

**INNOVATION AND  
EDUCATION**

**SMART CITIES AND  
PUBLIC SERVICES**



**ECONOMICAL INNOVATION**



# Thanks

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