

Tomorrow's discrete manufacturing

Where can the CIO take advantage?



What the IoT can do for you

Currently, discrete manufacturers face a number of challenges including increasing competition, resource volatility, higher customer expectations and shorter innovation cycles. The variety of products has increased, putting more pressure on margins, supply, procurement and, indeed, overall business models.

In this age of manufacturing uncertainty, technology and data are key in growing a business that can navigate challenges (such as trade instability). That's why you, as a CIO, should look to see where technology innovations can help you win a competitive advantage.

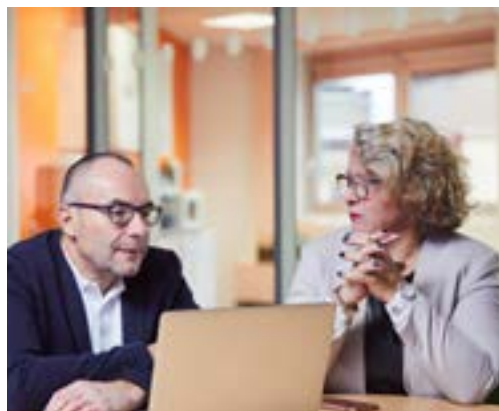
Digital transformation can re-invigorate discrete manufacturing businesses. Through the fourth industrial revolution, or Industry 4.0, businesses can be more productive and create new experiences with their customers through personalized and customized products and services—using technologies such as artificial intelligence (AI), machine learning and additive manufacturing.

One of the areas you should consider investing more in is the Internet of Things (IoT). Typically, IoT in industry sees discrete manufacturers embed a network of connected sensors and other devices into equipment which can transmit data in real time.

IoT connectivity can create value through better quality and control, while algorithms applied to large amounts of historical and real-time sensor data can increase prediction accuracy and analysis. The advantages of this include:

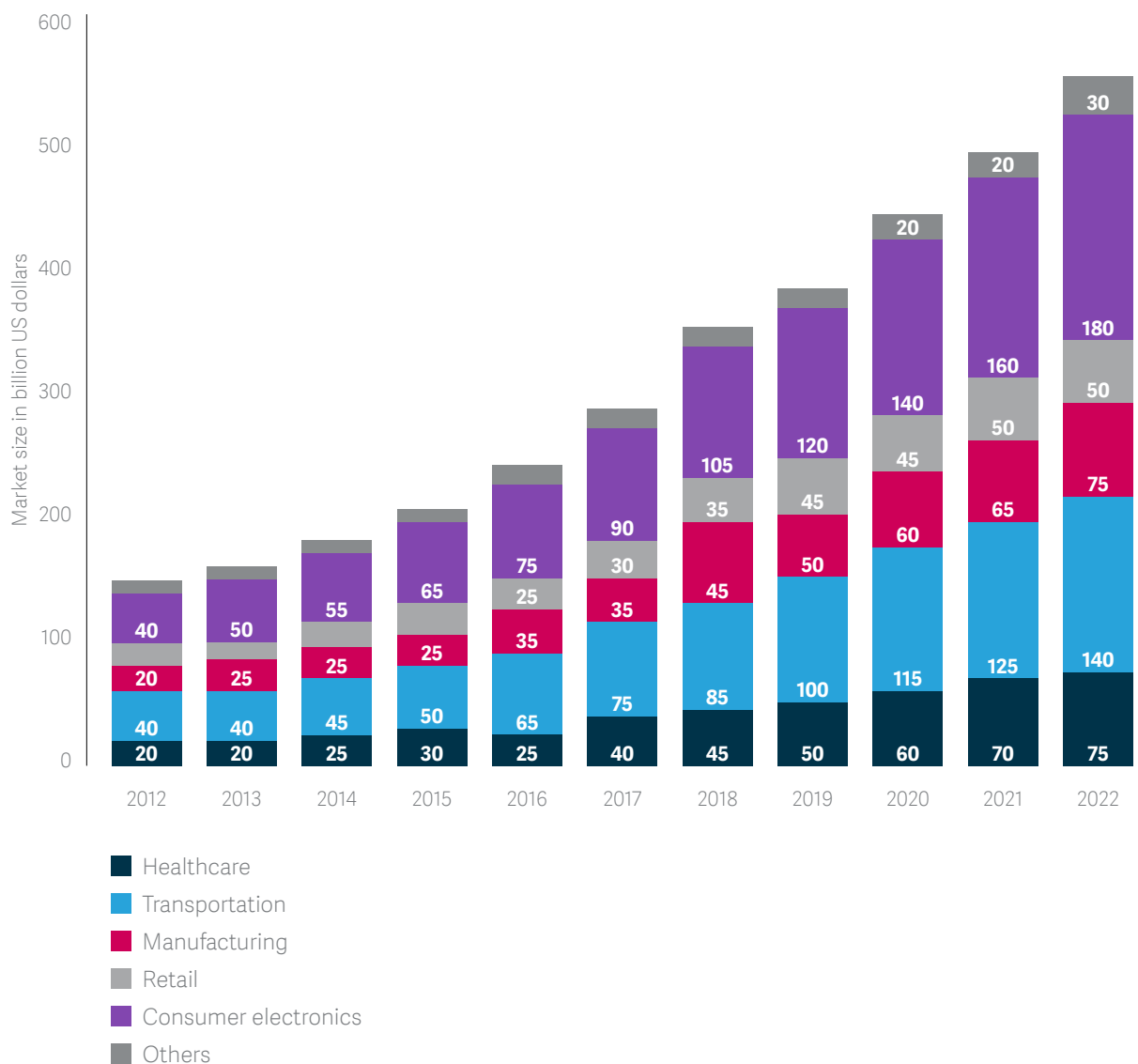
- Automated sensor-based data collection.
- Better insights, which drive better decision making.
- Improved uptime from the remote monitoring and management of equipment.
- Inventory tracking.

In discrete manufacturing, you could take advantage of projects—starting from enhanced traceability to more complex processes that involve automation or even AI. Through connecting products, creating a connected and customized shop floor, and expanding your services and business models, you can fully exploit the opportunities the IoT offers.



The size of the IoT market only seems to be growing—it's estimated to reach \$75 billion in 2022.

Size of the Internet of Things (IoT) market by application in North America from 2012 to 2022 (in billion US dollars)

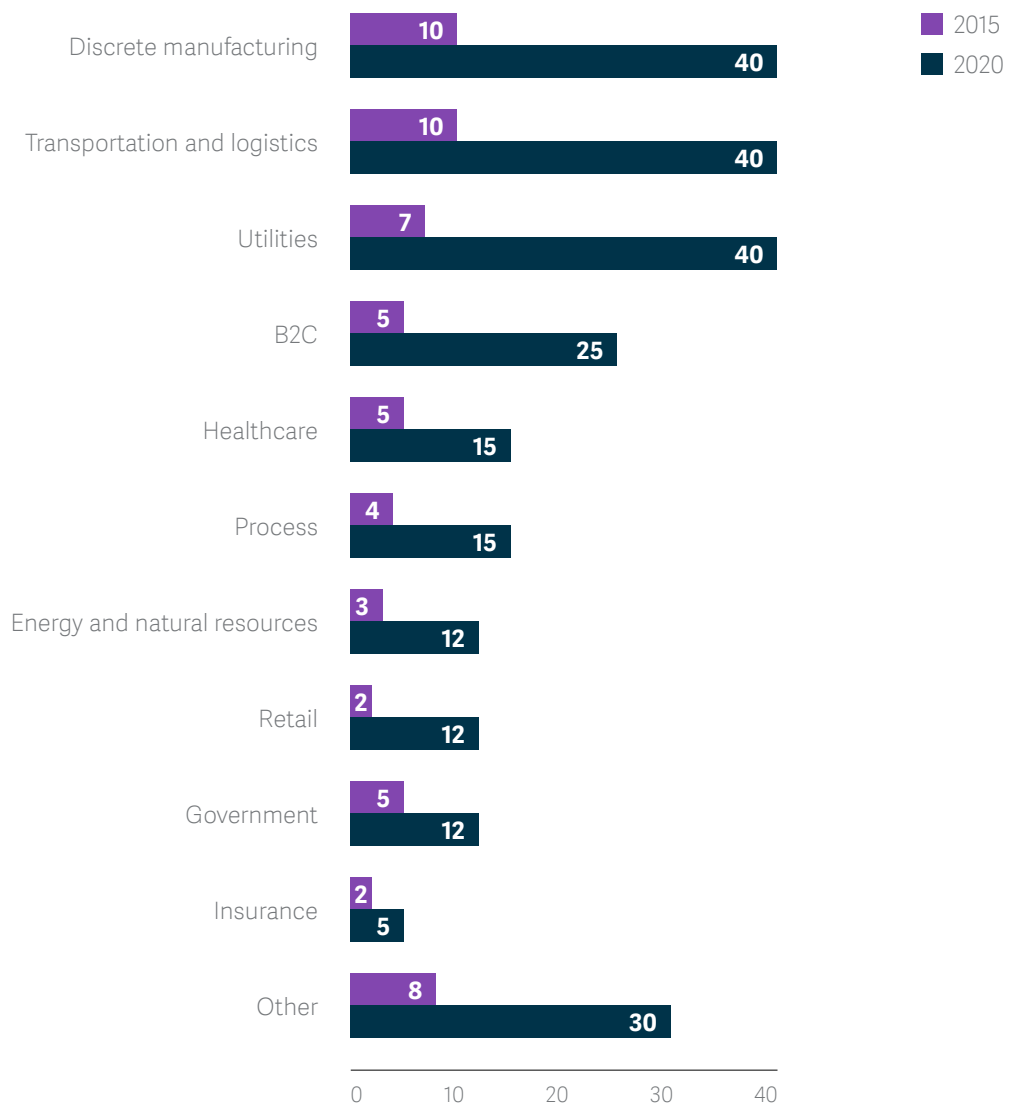


Sources: Grand View Research, Statista estimates.

Additional information—North America: Canada, United States; Statista estimates; Grand View Research; 2012 to 2015.

And according to Statista, the discrete manufacturing, transports and logistics, and utilities industries were projected to spend \$40 billion each on IoT platforms, systems and services.

Spending on Internet of Things worldwide by vertical in 2015 and 2020 (in billion US dollars)




Spending in billion US dollars

Source: BCG

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