



DI4.1 Marketing status report

Written by:
Lion Benjamins, Smart Strategies (Indyon)

DELIVERABLE NO	DI 4.1: Marketing status report
DISSEMINATION LEVEL	CONFIDENTIAL
DATE	June 22, 2007
WORK PACKAGE NO	WPI4
VERSION NO.	1.0
ELECTRONIC FILE CODE	
CONTRACT NO	507100 PROMISE A Project of the 6th Framework Programme Information Society Technologies (IST)
ABSTRACT	This paper reports on Marketing activities initiated since December 2006.

STATUS OF DELIVERABLE		
ACTION	BY	DATE (dd.mm.yyyy)
SUBMITTED (author(s))	Lion Benjamins	22.06.2007
VU (WP Leader)	Lion Benjamins	28.06.2007
APPROVED (QIM)	Dimitris Kiritsis	28.06.2007



Revision History

Date (dd.mm.yyyy)	Version	Author	Comments
22.06.2007	1.0	Lion Benjamins	

Author(s)' contact information

Name	Organisation	E-mail	Tel	Fax
Lion Benjamins		Lion.benjamins@promise-plm.com	+358-41 469 2656	



Table of Contents

1	INTRODUCTION.....	2
2	RELEVANT CRITICAL ISSUE IDENTIFIED JANUARY 2007	3
2.1	RECOMMENDATION 9: REVISIT THE BRANDING STRATEGY	3
2.2	RECOMMENDATION 10: PROGRESSING IN MARKET ASSESSMENT AND EXPLOITATION	3
2.3	RECOMMENDATION 11: BETTER ADDRESSING IPR ISSUES	3
3	INDUSTRIAL REFERENCE GROUP	4
	<i>International:</i>	4
	<i>Regional/national:</i>	4
	<i>Promise-Innovation:</i>	4
3.1	AREAS THAT NEED FURTHER ATTENTION	5
3.2	SUSTAINABILITY OF THE IRG	5
4	GO TO MARKET STRATEGY – PROMISE-INNOVATION.....	5
4.1	NAME CHANGE	6
4.2	GO-TO-MARKET STRATEGY	6
4.3	FUNDING	7
4.4	MARKET RESEARCH	7
5	IPR POLICY	8
6	VISIBILITY.....	8
7	APPENDICES	10
7.1	MEMORANDUM OF UNDERSTANDING - APPENDIX A.....	10
7.2	PROMISE IP ELEMENTS - APPENDIX B	11

Abbreviations

Abbreviations used in this document:

1 Introduction

PROMISE intends to find its own identity, as a technology, as a common architecture, infrastructure and overall as a framework or system.

PROMISE is not just a matter of developing appropriate technologies, but also to combine them into a new generation of Product Information Tracking and Flow Management system that allows all actors that play a role during the lifecycle of a product to track, manage and control product information at any phase of its lifecycle at any time and any place.

The ultimate goal is to create impact in industry through the uptake of results in industry.

The above scope is achievable if the PROMISE consortium is able to mobilise the necessary critical mass, especially in terms of attracting strong members and activate an effective IRG (Industrial Reference Group)

Traditional practices of developing technologies, combining them into a system and deploying application scenarios were deemed insufficient and in order to kick-start industrial take-up it was decided to appoint a marketing manager.

Besides the expected role of marketing, which is to give visibility to the PROMISE Project, Marketing's prime objective is interpreted as a vehicle to ensure that PROMISE will live beyond month 42, utilising both conventional and innovative ways of achieving this.

Although the project cannot have as a goal the development of a PROMISE "product" the design of the project incorporates exploitation deliverables for each of the consortium partners. The creation of an "Exploitation Manager" highlights the importance that has been accredited to this. It is clear however that not all consortium partners will be able to approach exploitation with the same objectives in mind. Clearly Demonstrators have different objectives to Academic research Partners which are again far from those shared by the Technology providers. The marketing message must take this into consideration.

Merely providing general project visibility to a wide audience will at best create interest but will not lead to any rapid uptake of the PROMISE framework.

It would also be wise to allocate the resources there where the impact is most likely to lead to the desired results and not attempt a generalised message that would again only serve to "create interest".

Marketing will have the most likely chance to succeed in its main goal, to have PROMISE survive beyond M42 by creating a spiral and viral approach. Roughly translated, this implies starting to communicate as if Technology Providers are ready to commercialise the PROMISE concept, utilising the Demonstrators as "Reference Clients".

The purpose of this document is to report on progress made during the 6 months leading up to M24 and how issues raised during the ITA were addressed.

2 Relevant critical issue identified January 2007

2.1 Recommendation 9: Revisit the branding strategy

The marketing manager after consultation with the companies participating in the exploitation of PROMISE results beyond M42 agree with the reviewers that branding the initiative “PLM“ will restrict the further scope of the opportunity.

It is agreed that the final name chosen is an important decision and should not be rushed into. It was furthermore agreed that only those organisations actually participating in the initiative should have a say in the final choice. The decision on whether the word “PROMISE” should figure in the final name is also under discussion.

For the time being a working name has been chosen
PROMISE-INNOVATION www.promise-innovation.com has been purchased.

2.2 Recommendation 10: Progressing in market assessment and exploitation

Considerable progress has been made in the area of exploitation and market assessment.

The PROMISE-M42 initiative was started, the purpose of which is to ensure Promise results will be exploited beyond month 42 of the project. As not one single company is able to deliver the entire promise solution alone, it was necessary to establish an alliance of interested participants. All members of the exiting consortium were asked to make their interest known as well as their level of commitment.

Basic product definition and a go-to-market strategy have been accomplished.

The results were presented to the consortium in Galway early May and a project steering board decision was reached which approved the motion to “GO” for moving ahead with the proposed plans.

The decision to create a memorandum of understanding which initiates the process of working towards establishing an alliance to enable marketing and commercialisation of the PROMISE technologies and processes was agreed in Berlin and signed by most of the early group. The results were presented in Galway and a number of additional consortium members have shown interest to join the initiative.

2.3 Recommendation 11: Better addressing IPR issues

The significance of IPR issues has been understood by the consortium. Presently an inventory is being conducted which will identify the Promise elements which are considered to contain IP. This will list the work package in which it was generated and to which application scenario it applies. It also identifies each partner that has worked on the element and believes it has a right to the specific IP. This is intended to highlight areas of overlapping claims which can then be addressed and identifies individual partners who have exclusive rights and will enable commercialisation negotiations to commence.

The demonstrators understand that IP issues will impact continued usage of the demonstrator application from a pre-existing IP as well as individually developed Promise IP.



It is intended that the technology providers actively involved in exploitation beyond M42 will work together in defining individual or joint offers for each of the application owners to be able to continue using the scenario after M42.

Further work is required but the consortium believes that the first steps have been taken to go from IP clauses in the Consortium Agreement to a workable IP policy.

3 Industrial Reference Group

The following is a resume of considerable advance in setting up an active IRG.

The IRG is considered to be a living group comprising 3 levels.

International:

Some 200 registered individuals have registered interest and will receive information about Promise via e-mail and be invited to comment.

Regional/national:

Academic Promise Consortium Partners will be supported by a complete set of information including videos of demonstrator applications which will enable them to communicate promise within their industrial partner population.

Promise-Innovation:

Individual marketing by this group will test the business potential of Promise technology and processes.

The scope of the IRG has been extended to include:

- Standards
- Architecture
- Security
- Consumer watchdog
- Exploitation

The IRG is expected to lead towards becoming or developing the Promise Regulatory Body.

Main feedback and recommendations harvested during the formal IRG Kick-off meeting held in Berlin during April:

PROMISE is of great interest in principle, especially the opportunity to feed field data back into engineering processes.

It is expected that PROMISE will contribute to improvements in product quality and services.

PROMISE is seen as an enabler to increase market share.

Standardisation is seen as a key factor. Not so much the creation of new standards but the need to embrace existing standards and especially the need to be vendor independent.

The potential of PROMISE is seen as reaching far beyond the borders of Europe.

It was suggested we encourage vendors of different ERP systems to join the IRG as well as end users

3.1 Areas that need further attention

Business Process Re-Engineering is seen as an essential element in order to be able to implement PROMISE in industry.

Data Quality needs to be addressed

Emphasis on the relationships between value chain (supply chain) partners in open networks

3.2 Sustainability of the IRG

The IRG should continue after the lifetime of the project and could become the “governing” promise regulatory body

4 Go to market strategy – PROMISE-Innovation

At the ITA in Turin an optimistic marketing plan was presented to the reviewers with still many areas requiring confirmation. Most important was to reach a conclusion by month 30 regarding the go or no-go of the commercialisation process named PROMISE-M42

Considerable progress has been made in this respect.

The purpose of the PROMISE-M42 initiative is to ensure Promise results will be exploited beyond month 42. As not one single company is able to deliver the entire promise solution alone, it was necessary to establish an alliance of interested participants. All members of the exiting consortium were asked to make their interest known as well as their level of commitment.

A group met in Berlin and many of the open issues were tabled and discussed. Basic product definition and a go-to-market strategy were accomplished.

The meeting was chaired by the Marketing Manager and attended by:

• InmediasP	• Cambridge
• Cognidata	• Dimitris Kiritsis
• Indyon	• SINTEF
• Trackway	• SAP
• David Potter	

The results were presented to the consortium in Galway early May and a project steering board decision was reached which approved the motion to “GO” for moving ahead with the proposed plans.

The decision to create a memorandum of understanding which initiates the process of working towards establishing an alliance to enable marketing and commercialisation of the PROMISE technologies and processes was agreed in Berlin and signed by most of the early group. The results were presented in Galway and a number of additional consortium members showed interest to join the initiative.

The following have now signed the MOU (appendix A)

• Cognidata	• Kary Främling
• David Potter	• Lion Benjamins

<ul style="list-style-type: none">• Dimitris Kiritsis	<ul style="list-style-type: none">• SINTEF
<ul style="list-style-type: none">• Indyon	<ul style="list-style-type: none">• Trackway
<ul style="list-style-type: none">• InmediasP	

The following have indicated they are discussing internally:

<ul style="list-style-type: none">• Cambridge	
---	--

The following organisations have indicated they will **NOT** participate in any **joint effort** to commercialise Promise results

<ul style="list-style-type: none">• Caterpillar	<ul style="list-style-type: none">• Infineon
<ul style="list-style-type: none">• CRF	<ul style="list-style-type: none">• SAP
<ul style="list-style-type: none">• Fidia	

4.1 Name change

Another recommendation made during the ITA in Turin was that the name of the future product should not be linked to PLM. After consultation with the companies participating in the exploitation of PROMISE results we agree with the reviewers that branding the initiative “PLM” will restrict the further scope of the opportunity.

It is agreed in Galway that the final name chosen is an important decision and should not be rushed into. It was furthermore agreed that only those organisations actually participating in the initiative should have a say in the final choice. The decision on whether the word “PROMISE” should figure in the final name is also under discussion.

It was agreed that the name must also be copyright protected to avoid misuse.

For the time being a new working name has been chosen

PROMISE-INNOVATION



www.promise-innovation.com has been purchased.

Considerable progress has been made in the area of exploitation and market assessment.

4.2 Go-to-market strategy

Now that the core team of actively participating companies has been identified we can start working on a detailed “group” business plan. This is expected to be completed by month 36, leaving 6 months of the project duration for execution.

The go-to-market strategy is that each technology partner will work towards a “PROMISE” product that fits its own market segment and expertise. It will build the offering for this product and commercialise it within its own customer base region in order to obtain most rapid results.

It is understood that the individual technology provider will in most cases be unable to deliver a complete solution. In these cases it will act as the main contractor and members of the PROMISE-INNOVATION initiative will be called on to participate.

The main contractor takes full responsibility for the project and is free to decide with which of the initiative partners it will deliver the solution. This will build a competitive environment and ensure each player pulls its weight.

The initial drive will be to provide feedback and report on overall picture of the target market:

- Overview of existing market players, buying patterns and value nets –both on demand and supply side
- Market potential assessment
- Offering requirements by the target client group
- Competition, their technology base, offering and market approaches
- Relevant macro-environmental influences

4.3 Funding

It is understood that the main risk of this joint approach is that each partner already has an operational business with day to day pressures and that maintaining momentum as a group will be difficult, if not impossible, without a centralised structure/persons of some sort.

It has been agreed that each participant will provide office facilities and a base of operations from which to work. Some partners are already willing to make some funding available but this would not be enough for a professional start and external funding is required. This issue will be addressed as the business plan is being formulated.

From the results of the IRG activities we are already seeing an interest from additional technology providers and experts that are willing to become actively involved in the initiative as providers of products and or services. It is in line with the overall strategy to have external players participating as certified partners.

4.4 Market research

Technologically, Promise hardware is a combination of sensors connected to a wireless PLC, a radio modem and an active RFID tag capable of reading passive RFID.

Companies selling radio modems mainly only supply hardware and components. No systems, with some exceptions. Systems are simple.

Companies supplying active RFID have some notion of systems and some sensors - provide operational but no physical control.

There is huge activity in wireless sensor networks with companies such as Intel, Texas Instruments, Atmel, Honeywell and SUN all active, some having created separate business units and providing hardware, software and development platforms.

There are as yet no overriding standards. There are two main groups, those that are counting on their proprietary standard becoming de facto standards and those that follow the Zigbee route.

Vehicle telematics solutions appear to have captured the main marketing drive of applications involved in this field with many fleet management solutions offering remote diagnostics and the possibility of connecting to on board computers. All applications appear to centre on middle of life situations with not one company mentioning end of life or feedback to beginning of life.

Some applications relate to remote monitoring of difficult to reach places such as high voltage power cables and water treatment centres.

There is some initiative towards environmental control.

The environment, and especially the built environment, is heavily regulated in the EU and globally. Increasing requirements for safety, service levels and long term sustainability will mean increasing measurement requirements and the need to prove that all requirements are fulfilled.

Conclusions

PROMISE-Innovation can address a niche market within all the identified markets by establishing a leading position in “closing the loop information flow”. Product offering should focus on providing both an adapted architecture with standard interfaces to hardware and software as well as hardware and decision support capability. One significant area that has not been covered by the Promise project is change management and re-engineering of business processes that would enable companies to achieve the full business potential of the solutions.

5 IPR Policy

An IP Policy has been formulated in accordance with the Consortium Agreement. This has been added to the activities of the Marketing plan as it is integral to exploitation and becomes critical to those demonstration partners that wish to continue using the developed application scenario in their organisation after month 42.

A document has been drawn up which identifies all elements relevant to IP in each of the application scenario and which of the partners have contributed. (Appendix 2)

This provides each of the partners with a comprehensive overview and will permit any areas of potential contention to become visible.

It has become apparent that there may be areas within the Consortium Agreement subject to different interpretation and these will be addressed during prior to month 36.

Search for external IP overlap/infringement:

Work within the IRG has brought to light that there are existing patents that appear to overlap with PROMISE and these could have serious repercussions for any exploitation. (UK patent GB2 366 430 B – 26/05/2004) Marketing will continue to monitor and report on incoming information but exhaustive research is considered outside the scope of the project. This will be relevant to Promise-Innovation activities and individual company exploitation.

6 Visibility

The following list is not exhaustive and is indicative of the type of events Promise is being presented.

January 2007 Promise was presented at the **PLM Innovation** day in London and received good reviews.

Promise is registered on **THE PARLIAMENT** website. This is used by MEP's on a daily basis searching for example information on RFID. Promise is linked to relevant search-words.

Promise participated at the **PLM summit** in June 2007. This was well received.

Promise presented a demonstration vehicle at the **STOA** exhibition in Strasbourg June 2007



Promise/Cambridge featured on the **BBC news** 19th June 2007
http://news.bbc.co.uk/2/hi/uk_news/england/cambridgeshire/6768545.stm

Cambridge provides press releases (June 2007)

Promise is featured on the front page of the **ESCI** (European Supply Chain Institute) Website
<http://www.escinst.org/> and also our documents on
http://www.escinst.org/html/plm_solutions.html

Promise will feature in the September/October issue of the **RFID journal** in an interview with John Edwards
Dimitris Kiritsis is receiving more and more invitations to present Promise internationally

7 Appendices

7.1 Memorandum of understanding - Appendix A

Memorandum of understanding

Between:

Partner ... and "PROMISE Exploitation Initiative"

Concerning:

Commercialisation of PROMISE results

Signatories to the present memorandum

XX.... representing partner... and Lion Benjamins, PROMISE Marketing Manager, representing the PROMISE Exploitation Initiative

Recognising the need to commence commercialisation of the results of the project known as PROMISE – Product Lifecycle Management and Information Tracking using Smart Embedded Systems – Contract no 507100 – EUs sixth framework programme – Priority 2 – Information Society Technologies

Further recognising that cooperation with more than one organisation may be required to fully exploit the results

Have reached the following understanding:

Purpose:

The purpose of this memorandum of understanding is to initiate the process of working towards establishing an alliance to enable marketing and commercialisation of technology and processes developed during the project known as PROMISE.

For the purpose of clarification to this memorandum the PROMISE product is delivered in the form of a PROJECT comprising one or more modules. Different partners will deliver one or several modules.

Partner intends to develop one or more productised PROMISE solutions that it will commercialise. Partner will act as the main contractor and coordinate other partners when required.

Partner agrees to make its own modules available to other partners within the initiative subject to commercial considerations at the time of the commercialisation.

By definition, partners cooperating in this Initiative are not limited to the existing PROMISE technology providers.

7.2 Promise IP elements - Appendix B

Status: 070515			Partner with rights on it																		Comments					
PROMISE IP elements	Generated in	Applied in	SINTEF	BIBA	BT-LOC	CAMBRIDGE	CAT	CIMRU	COGNIDATA	CRF	ENOTRAC	EPFL	FDOA	HUT	INDOYON	INMEDASP	INTRACOM	ITA	ITS	POLIMI		PRINCEON	SAP	TRACKWAY	UNIBIT	
DSS Framework without application specific algorithms	R8	A1-A11							X																	This is a development made solely by Cognidata
Handbook for DSS	R8	A1-A11, RT							X																	This is a development made solely by Cognidata
DSS algorithm for A1	R8	A1				X		X		X																Cognidata contributed in correction and integration of the algorithms
DSS algorithm for A2	R8	A2				X	X																			Cognidata contributed in correction and integration of the algorithms
DSS algorithm for A3	R8	A3	X					X							X											Cognidata contributed in correction and integration of the algorithms
DSS algorithm for A4	R8	A4								X								X								Cognidata contributed in correction and integration of the algorithms
DSS algorithm for A5	R8	A5					X					X														Cognidata contributed in correction and integration of the algorithms
DSS algorithm for A6	R8	A6											X					X		X						Cognidata contributed in correction and integration of the algorithms
DSS algorithm for A7	R8	A7																		X						Cognidata contributed in correction and integration of the algorithms
DSS algorithm for A8	R8	A8																		X						Cognidata contributed in correction and integration of the algorithms
DSS algorithm for A9	R8	A9										X					X									Cognidata contributed in correction and integration of the algorithms
DSS algorithm for A10	R8	A10			X							X														Cognidata contributed in correction and integration of the algorithms