

Pragmatic Digital Transformation

Through the Systematic Use of Data and Models

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### Consider the doorbell



Access to the cloud

Add a camera



Is this still a doorbell?

Add a motion sensor



# Digital transformation has changed the doorbell

### **Digital technology**

- HD video
- Motion detection
- Smartphone interface
- AWS Cloud







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- Smartphone interface
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#### **Business value**

Amazon buys Ring for \$1.2 billion+ in 2018

# Amazon Acquires Ring, Maker of Video Doorbells

Front-door monitoring device plays to buyer's ambitions in home-security business



# Digital transformation has changed the doorbell

### Digital technology

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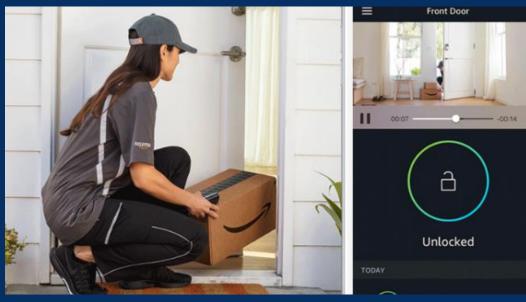
#### **Business value**

Amazon buys Ring for \$1.2 billion+ in 2018

### New revenue opportunities

- "Ring Protect" subscription plans (\$99-\$499)
- Additional security with Ring Alarm kit
- More secure delivery through Amazon Key







# Who and what were required to undergo this transformation?

App developers

Smartphone interfaces

Cloud experts

Data engineers

Computer vision

System architects

Wireless systems

Software engineers

Algorithm designers

Image processing

IoT platform

Enterprise systems

Data analytics

Logistics

Business partnerships

Controls design

IT integrators

Model development

Data security

Logistics experts



### **People**

Data engineers Algorithm designers App developers IT integrators Cloud experts Software engineers System architects Logistics experts

Logistics

Business partnerships

Data security

**Processes** 

Enterprise systems

Model development

Data analytics

Controls design

Smartphone interfaces

Wireless systems

Image processing

Computer vision

IoT platform

**Technologies** 



### More than just doorbells ...

#### **Industrial Automation**



Individually customized manufactured units

#### **Medical**



Wearable devices to monitor mental health

#### **Automotive**



Fully autonomous driving capabilities

#### Aerospace



Global management of aircraft fleet

#### **Utilities & Energy**



Increased energy efficiency with predictive maintenance

#### **Finance**



Real-time data analytics for predictive insights



# Why Digital Transformation?

### Do things better **Optimization**

- Optimize design performance in-operation
- Predict when system needs maintenance
- Manage a fleet of connected systems

### Do new things **Transformation**



# Why Digital Transformation?

### Do things better **Optimization**

- Optimize design performance in-operation
- Predict when system needs maintenance
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### Do new things **Transformation**

- Go into new industries and markets
- Expand into an entire platform service
- Provide unique value to your customer

The doorbell illustrates both types



Plan and Pilot Launch!

**Expected project duration** 

**Actual project duration** 

Plan Plan Some More Pilot Launch? Keep Piloting

> < 20% of organizations are on target with their digital transformation objectives

Source: McKinsey, Can IT Rise to the Digital Challenge?, October 2018.



# Why is it hard?

### **People**

Unreasonable expectations

Entire organization not involved

Reorganization of employee roles

New skillsets needed

**Processes** 

System models not shared or reused

Not clear what to change and what to keep the same

Using untested technologies that have not been proven out

Combining technologies to implement one system

> Data security risks

**Technologies** 



### What approaches have people tried?



**Big Bang Approach** 

Build complete infrastructure first Value not delivered to customer Risky

#### **Pragmatic Approach**

Build on models you already have Extend beyond siloed use of data Unleash untapped value



**Siloed Approach** 

Each group works in own silo Stuck in business model Obsolete

# **Pragmatic Digital Transformation**

Systematic use of data and models to create and deliver superior value to customers throughout the entire lifecycle





# Data centralization has made engineering even more difficult

**Field** data

**System** data

User data

**Environment** data









**Big Data** 





**CLOUDERA** 

**Cloud Platforms** 







### **Data diversity complexity**

- Engineering, Scientific, and Field
- Business & transactional
- Noisy, Outliers, Missing data
- Time series synchronizing

### **Modern data management** multiplies complexity

- Proliferation of data systems
- More siloes
- Cloud, on-premise, hybrid
- Big Data



### **Example: GSK Consumer Healthcare**

Using big batch process data to make better products



#### £1 billion brand

~8% growth Close to capacity at all 20+ factories

"Trying to squeeze every last drop of efficiency .... Last thing we want to do is build another toothpaste factory" Dr. Bob Sochon





# Challenge #1: Big data lives in many siloes

#### **Formulations Archive**



Mix Formulation Year, month, date, time **Operators** 

20 factories 5 years of data **Top-10 formulations** 

10,000 batches

**Terabytes** of data



#### **Production Process**

Every process variable! Vessel temperature Batch properties Mixer/formula concentrations

### **Sales History**



What people are buying What stores are selling What time made



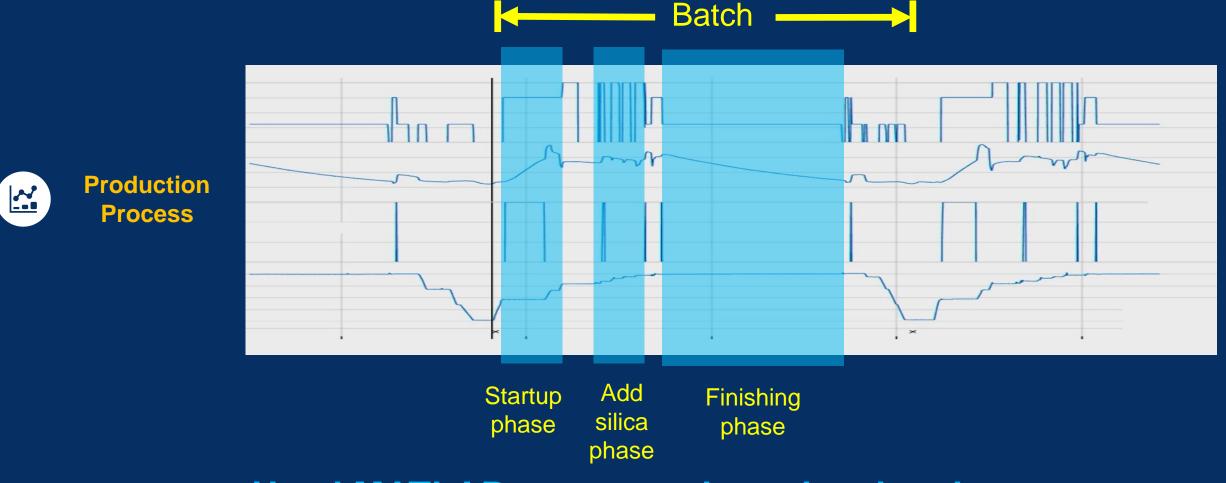
Excel **Files** 

Miscellaneous Historical

**Used MATLAB to combine and clean data** 



# **Challenge #2: Need systematic pre-processing**



Used MATLAB to sort and tag data by phase



# **Challenge #3:** Need systematic views of data

**Formulations Archive** 



**Sales History** 



**Production Process** 



Excel files

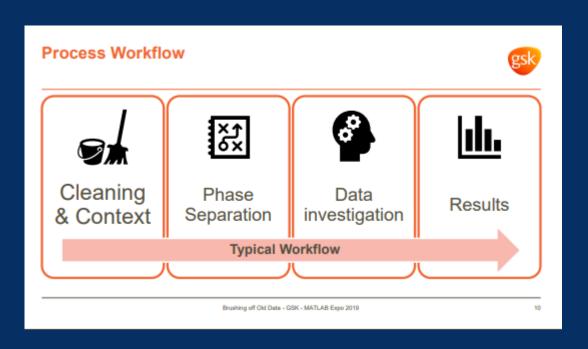


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### **Used MATLAB to build views**



# Results of Digital Transformation at GSK



### Systematic use of data

- Combine siloed data
- Sort and tag
- Views to select

### Can now use data to answer questions

- What affects the process
- How is each phase performing
- What happens if we adjust parameters

#### **Benefits**

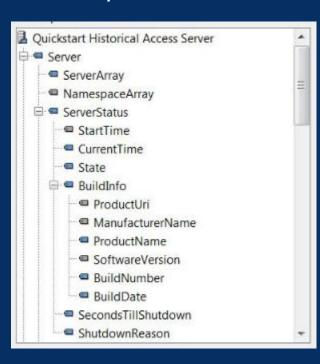
- Reduced time to market for new formulas
- Automated reports for process improvement
- Added capacity without building a new factory



### What is new to make this easier?

#### **OPC UA**

Access plant data securely from OPC UAcompliant servers.

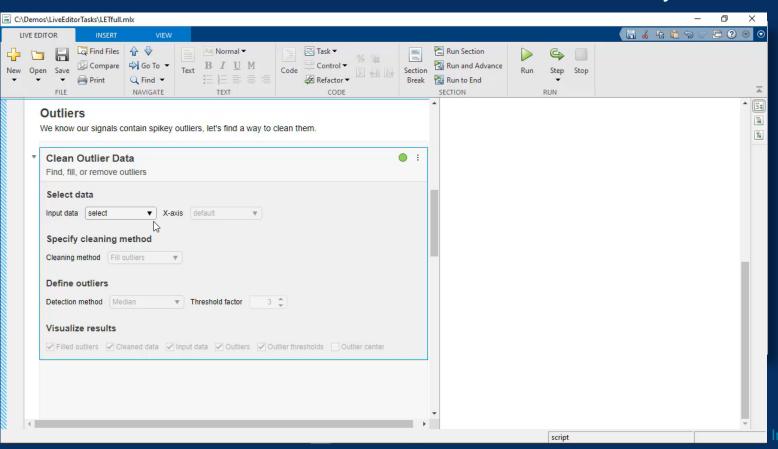


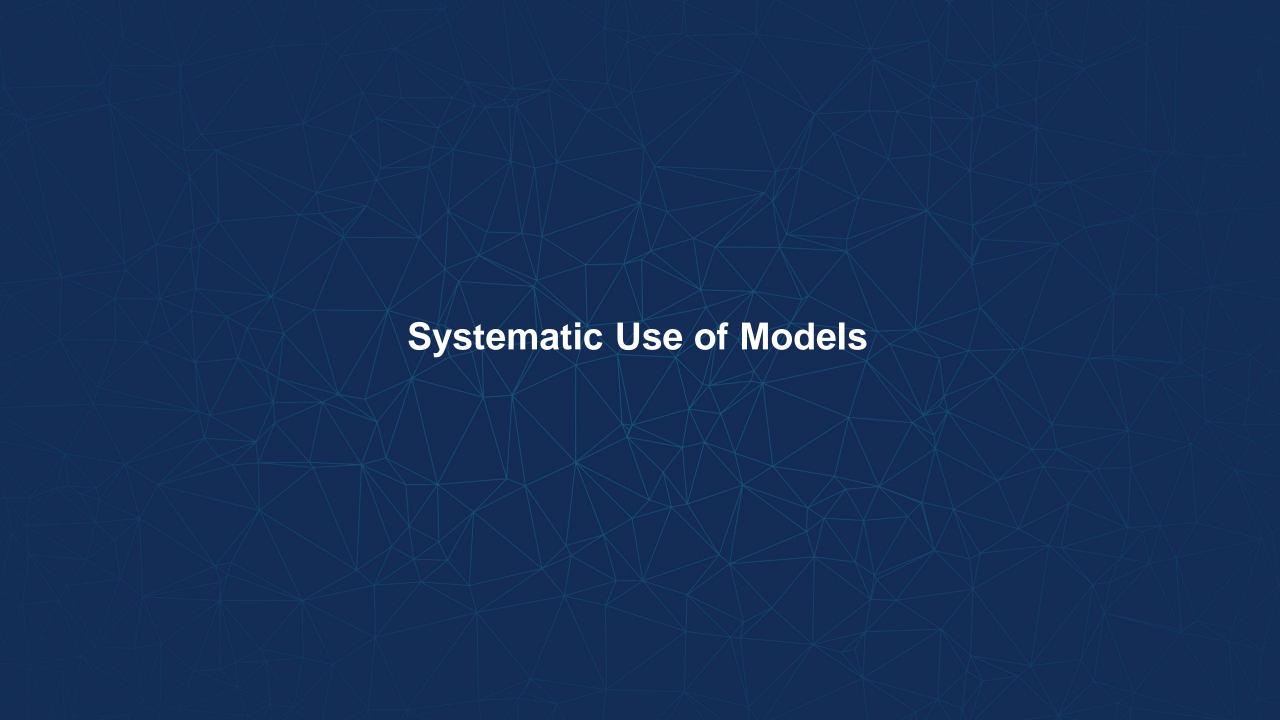
#### **Live Editor Tasks**

Apps that help you reduce development time and errors

#### **Predictive Maintenance Toolbox**

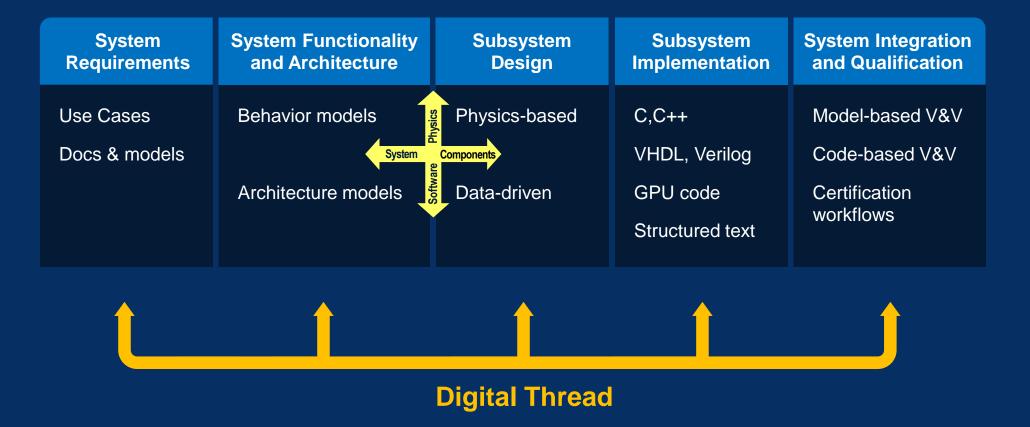
Design condition indicators and estimate RUL of machinery







# Model-Based Design: Systematic Use of Models in Development



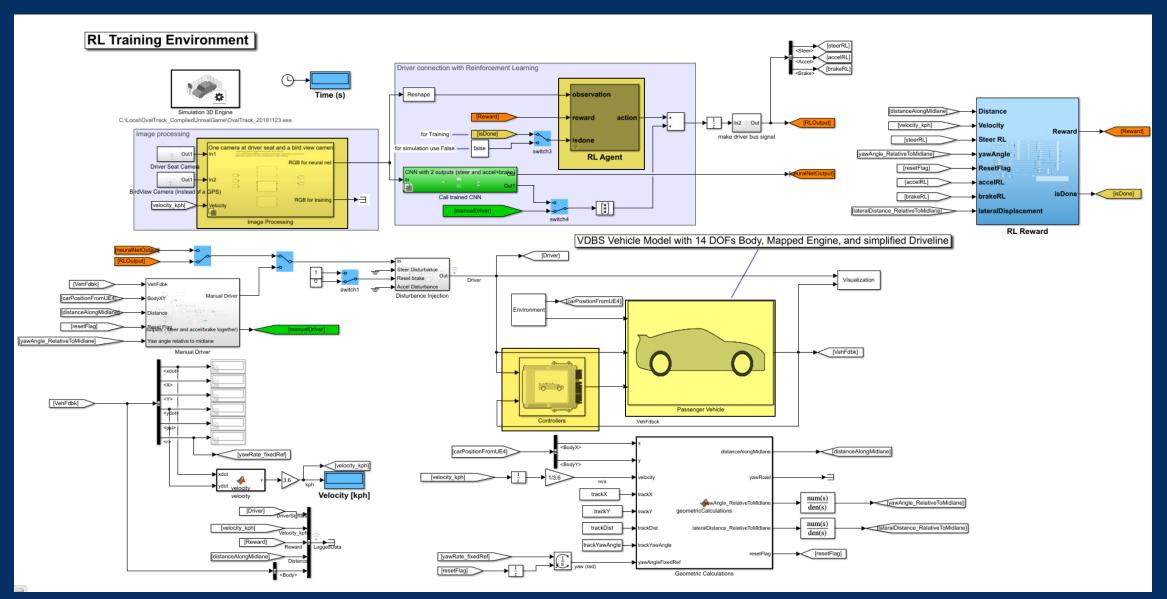


# Model-Based Design: Systematic Use of Models in Development

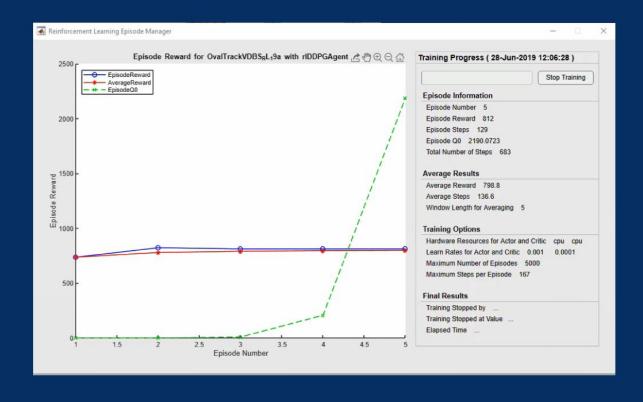
System Requirements	System Functionality and Architecture	Subsystem Design	Subsystem Implementation	System Integration and Qualification
Use Cases Docs & models	Behavior models  System  Architecture models	Components	C,C++ VHDL, Verilog GPU code Structured text	Model-based V&V Code-based V&V Certification workflows
	Al	Data labeling Training Quantizing	C,C++ GPU code	Al Integration in Simulink models

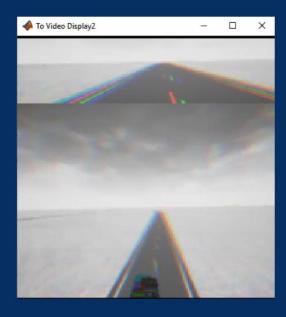


# **Example: Reinforcement Learning for Autonomous Vehicles**

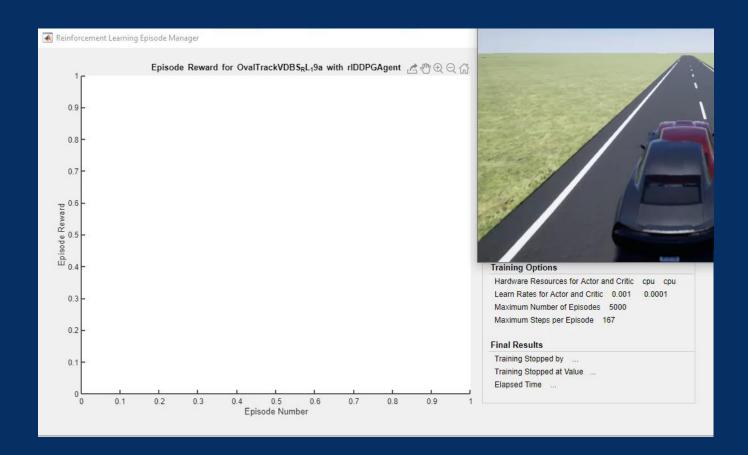


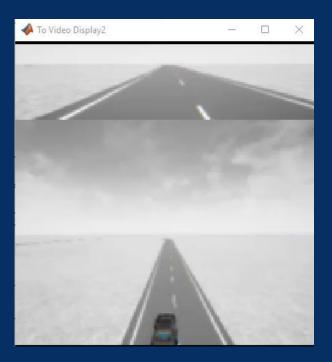






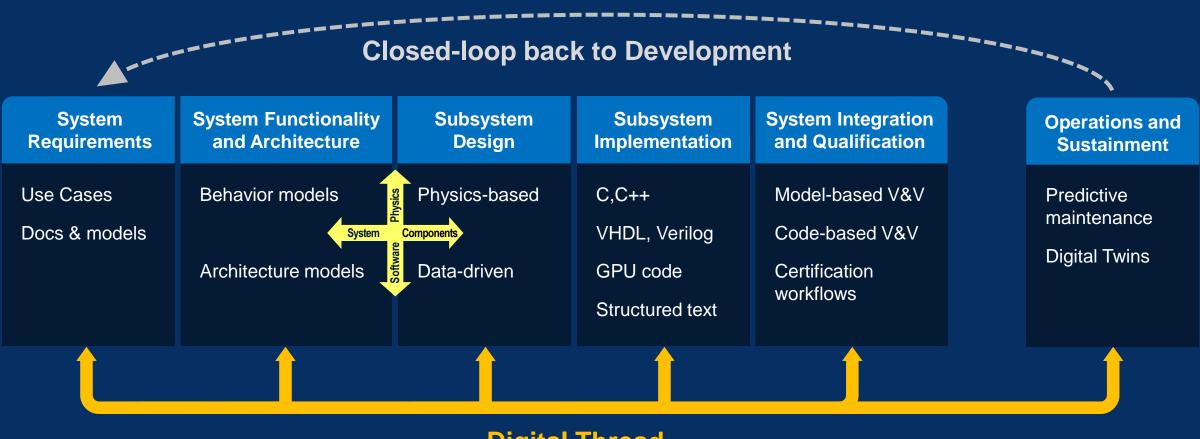








# **Extending Through the System's Lifecycle**



**Digital Thread** 



# Case Studies: Use of Data and Models in Operation



Atlas Copco: Digital thread for compressor systems



Schindler Elevator: Virtual commissioning



**BuildingIQ: Predictive** energy optimization



Tata Steel: Controller optimization



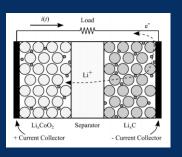
Fuji Electric: Real-time analysis of Smart Grid



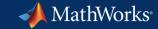
Lockheed: Aircraft fleet management



Mining company: Fault detection and predictive maintenance



NIO: Battery management for electric vehicles



# **Atlas Copco: Challenges**



Air Compressor System

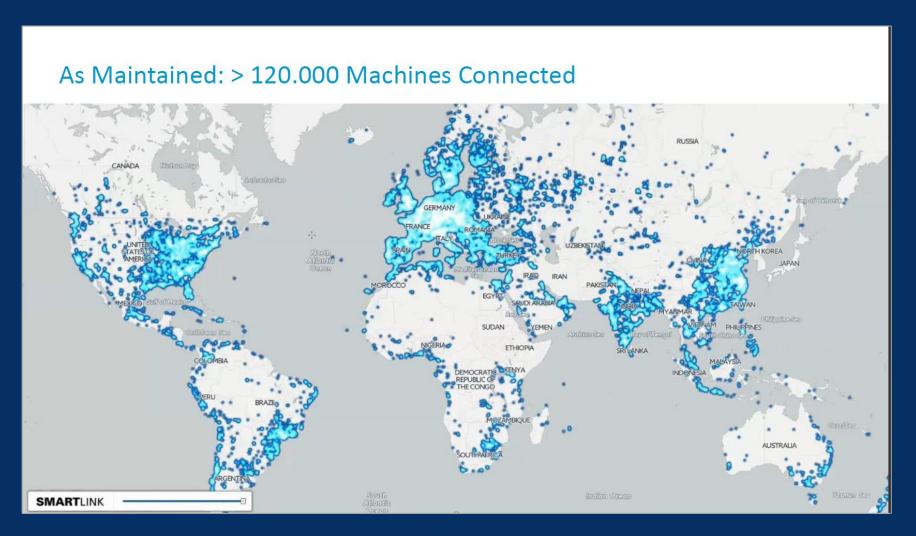
- Shorter Time to Market
- Cross divisional development
- Improve reliability and efficiency
- Control total development, production and service costs
- High product variability



### **Atlas Copco**

System Lifecycle Use with MATLAB & Simulink

As Designed **As Configured As Produced As Maintained** 





# As Achieved: Standardized Model Based Engineering Platform

#### **Process**

- Company-wide workflow
- Used throughout product lifecycle
- Optimized maintenance and Data Analytics platform
- Continuously updated digital twins

### People

- Collaboration platform for efficient communication
- Standardized accurate configuration tool used by global sales

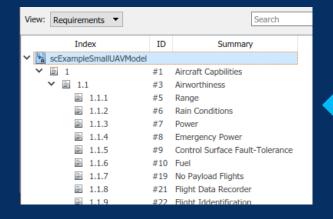
#### Results

- 120k+ connected machines
- Quick implementation of upgrades
- Re-establishing Atlas Copco as undisputed global market leader

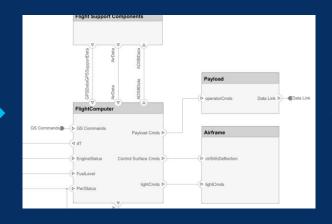


# What is new to make this easier (more powerful/effective)?

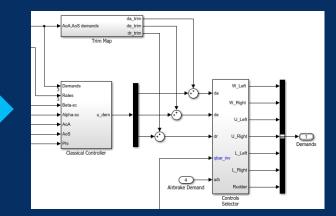
#### **Simulink Requirements**



#### **System Composer**

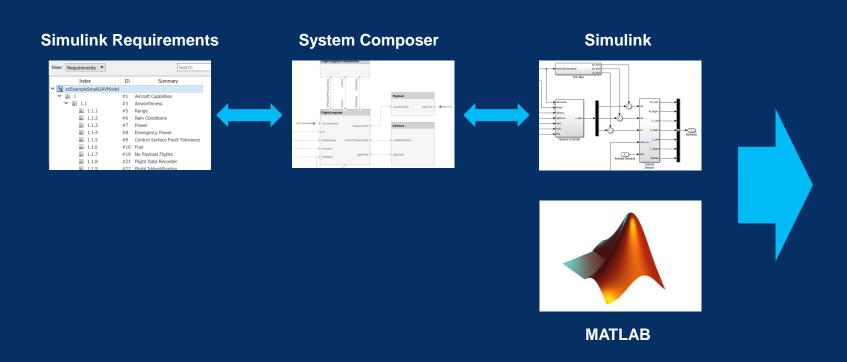


#### **Simulink**

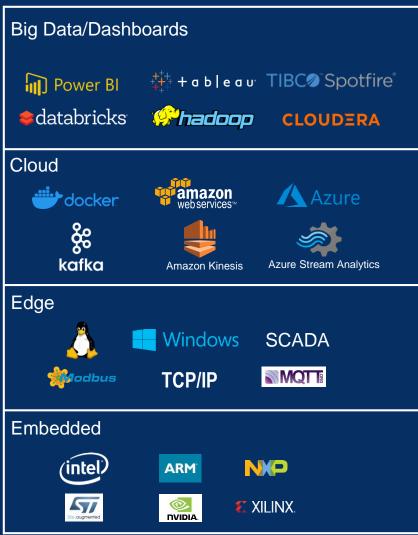




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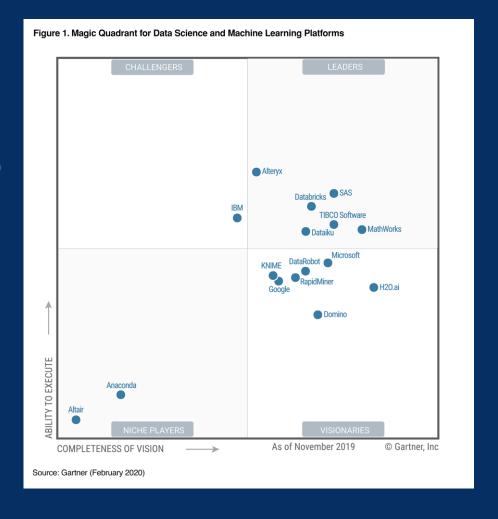


#### **Digital Twins and Predictive Maintenance**





A **Leader** in the Gartner Magic Quadrant for 2020 Data Science and Machine Learning Platforms



\*Gartner Magic Quadrant for Data Science and Machine Learning Platforms, Peter Krensky, Erick Brethenoux, Jim Hare, Carlie Idoine, Alexander Linden, Svetlana Sicular, 11 February 2020.

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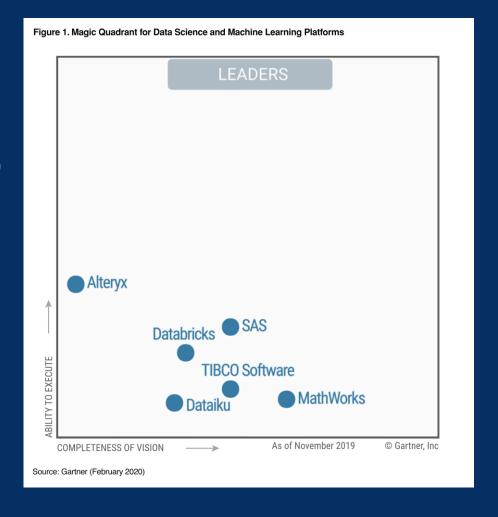
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We believe this recognition demonstrates our ability to:

- Empower teams, even those with limited Al experience
- Support entire AI workflows
- Deploy to embedded, edge, enterprise, and cloud
- Tackle integration challenges
- Manage risk in designing Al-driven systems



\*Gartner Magic Quadrant for Data Science and Machine Learning Platforms, Peter Krensky, Erick Brethenoux, Jim Hare, Carlie Idoine, Alexander Linden, Svetlana Sicular, 11 February 2020.

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# Why MathWorks for Pragmatic Digital Transformation?

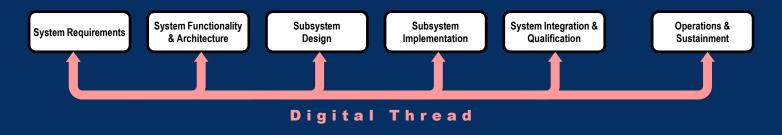
Systematic use of data and models



to create and deliver superior value to customers



throughout the entire lifecycle



Keep in mind today:

How can you systematically use models and data as part of your pragmatic digital transformation?

Enjoy the Conference!