

EfficienSea2 Conference: GETTING CONNECTED TO THE FUTURE

8-9 November 2016

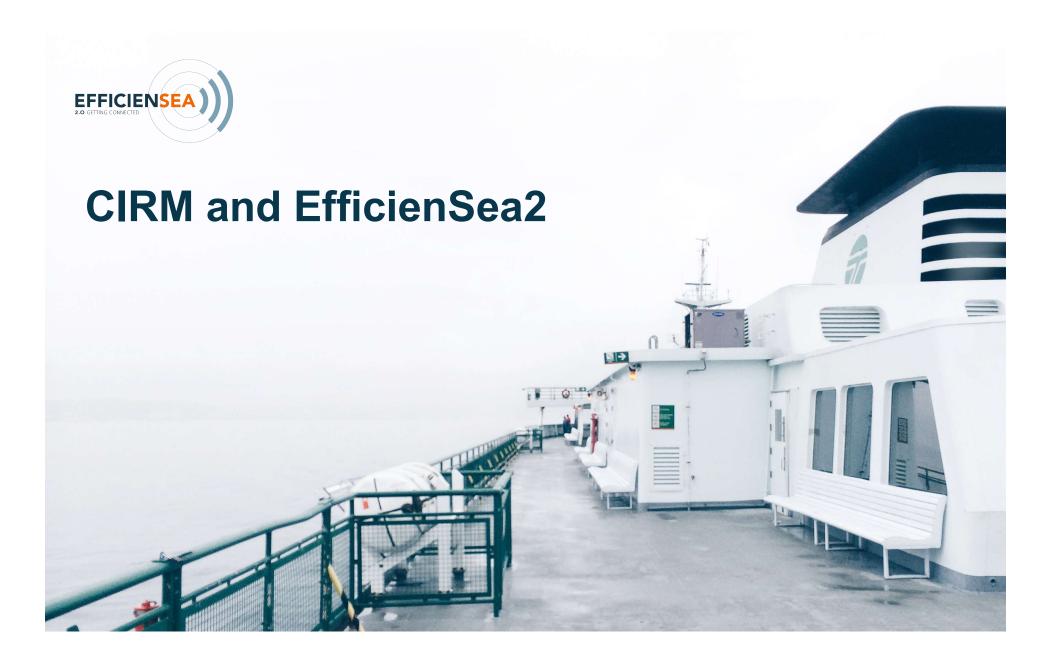


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How will new standardized, digital services and The Maritime Cloud affect the industry for suppliers of navigation equipment?

09-11-2016 Richard Doherty, Deputy Secretary-General, CIRM







CIRM...

- has existed since 1928
- is a global association of marine electronics companies
- is an NGO in Consultative Status to IMO
- has approximately 105 members
- is heavily involved in regulation & standardisation.



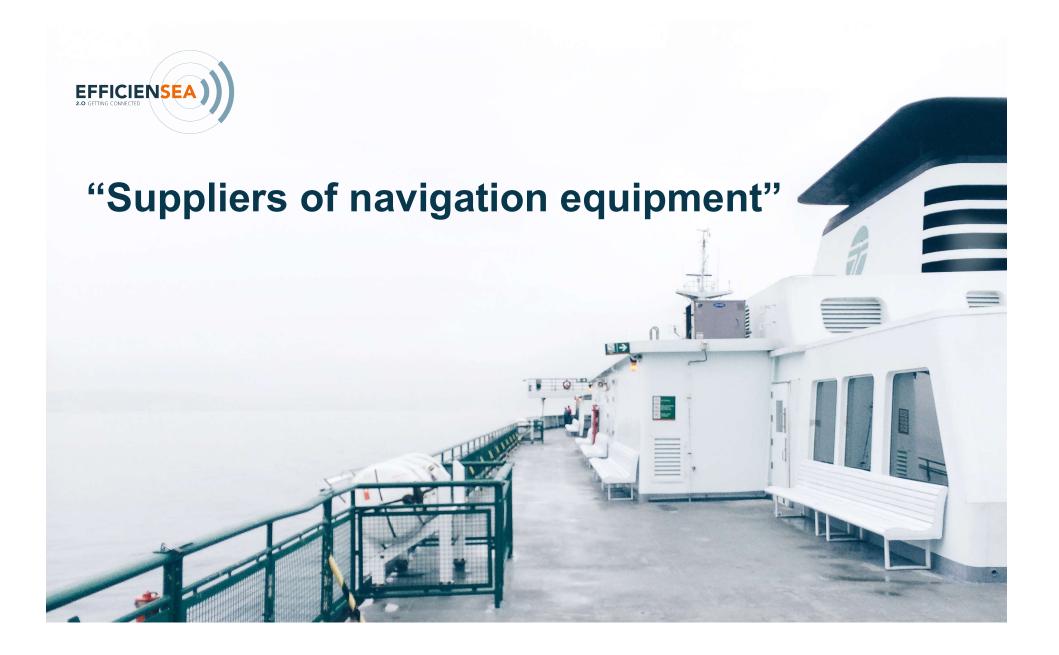
CIRM's members...

- Produce marine navigation and communication equipment and systems
- include manufacturers, system integrators, and service providers
- use CIRM to keep on top of The Rules.



Our involvement in EfficienSea2

- CIRM directly participating through the Secretariat
- CIRM also sits on the project Executive Board
- Some CIRM members are participating directly
- Other members in general have an interest in E2 developments and are kept abreast of progress.





Who are we talking about?

- Manufacturers of navigation equipment and systems
- This presentation considers E2 from their point of view...









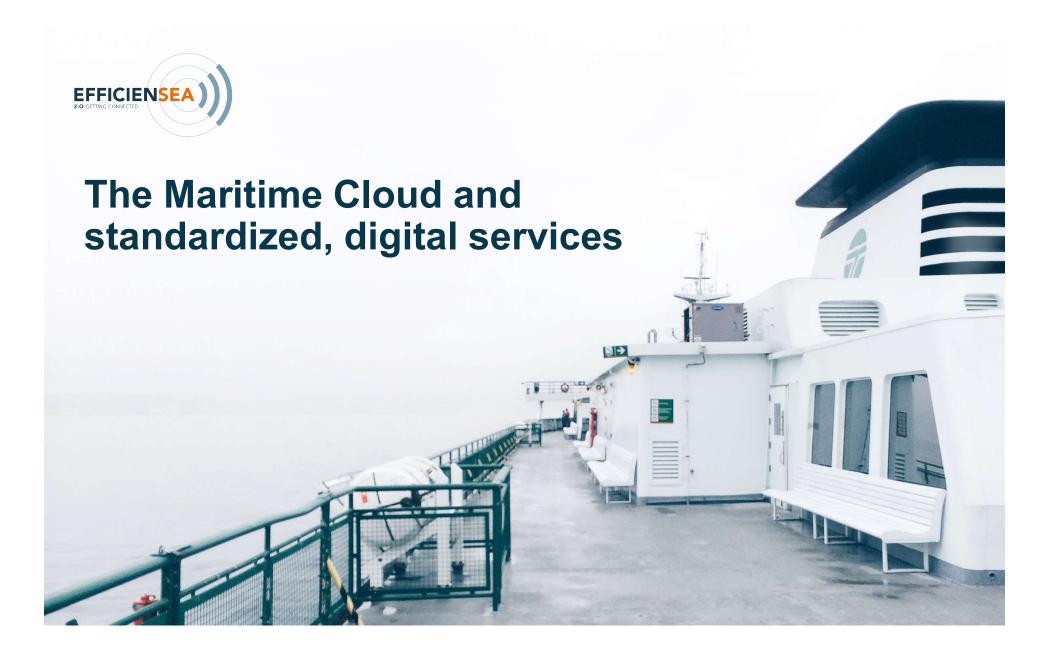
The manufacturers' world

- Is one of rules and regulations
 - IMO, IEC, ITU, ISO, Type Approval, etc.
 - Staying on top of the rules is important
- The SOLAS equipment market is small and competitive
 - Brand identity and product differentiation is important
 - Fundamental is the ability to innovate; to develop features and functions beyond mandatory requirements.



Innovation

- Innovation requires resources
- To justify R&D costs, there must be a solid business case the market must be there
- Therefore new features/functions must bring tangible benefit/value to the user.





Maritme Cloud

- Effectively, a discovery method for standardized services related to e-navigation
- Progress of development within E2 very encouraging!
- Manufacturer feedback: the Maritime Cloud will be an effective mechanism to facilitate safe and efficient service discovery.





Standarized end user services



- Wide range of services proposed/under development
- Includes the delivery of new/better information to the ship through shipboard navigation equipment
- Potentially bring value to the user in a number of different ways
- Manufacturer feedback: potential is there, but are the users convinced? Are the services well enough defined?



Opportunities for the manufacturers (i)

- Develop key aspects of the e-nav service infrastructure
 - Transport of data on board and between ship/shore
 - Make data available on board in user-friendly way
- Meet customer drivers through service-based solutions:
 - Reduction of admin workload
 - Cost saving through performance monitoring/analytics
 - Better flow of information between ship/shore.



Opportunities for the manufacturers (ii)

- Ability to provide innovative info/services at relatively quick pace - as value-add on existing equipment
 - Contrast to critical "safety-related" functionality
- Emergence of new business model? e.g. service-driven sales instead of hardware-driven
 - Physical systems as shipboard service platforms
 - Will we see a new market paradigm?



Threats

- Unclear if users are convinced about the value of new standardized digital services
- Few services are well defined... MSPs still immature
- Are demonstrations of concepts/test-beds enough to sell the Maritime Cloud and its related services to customers?



What is needed?

- On Maritime Cloud side, outlook is positive
- On services side... more progress on development of standardised digital services (e.g. definition of MSPs within IMO/IALA) beneficial
- More engagement with intended users of services to confirm "buy-in" / customer base.



Closing thoughts

- We are building the foundation of an e-navigation future
- MC and services have potential to positively affect industry for suppliers of navigation equipment
- Manufacturers ready to undertake tech development
- But are users convinced about need?
- Manufacturers need assurances from users that development of the technical solutions is justified.

