

Let's Build A Smarter Planet[®]



The world is smaller and flatter.

The reality of living in a globally integrated world is upon us

- Frozen credit markets and limited access to capital
- Economic downturn and future uncertainty
- Energy shortfalls and erratic commodity prices
- Information explosion and risk/opportunity growth
- Slowing superpowers and emerging economies
- Increasingly complex supply chains and empowered consumers

The world is connected:
economically, socially and technically

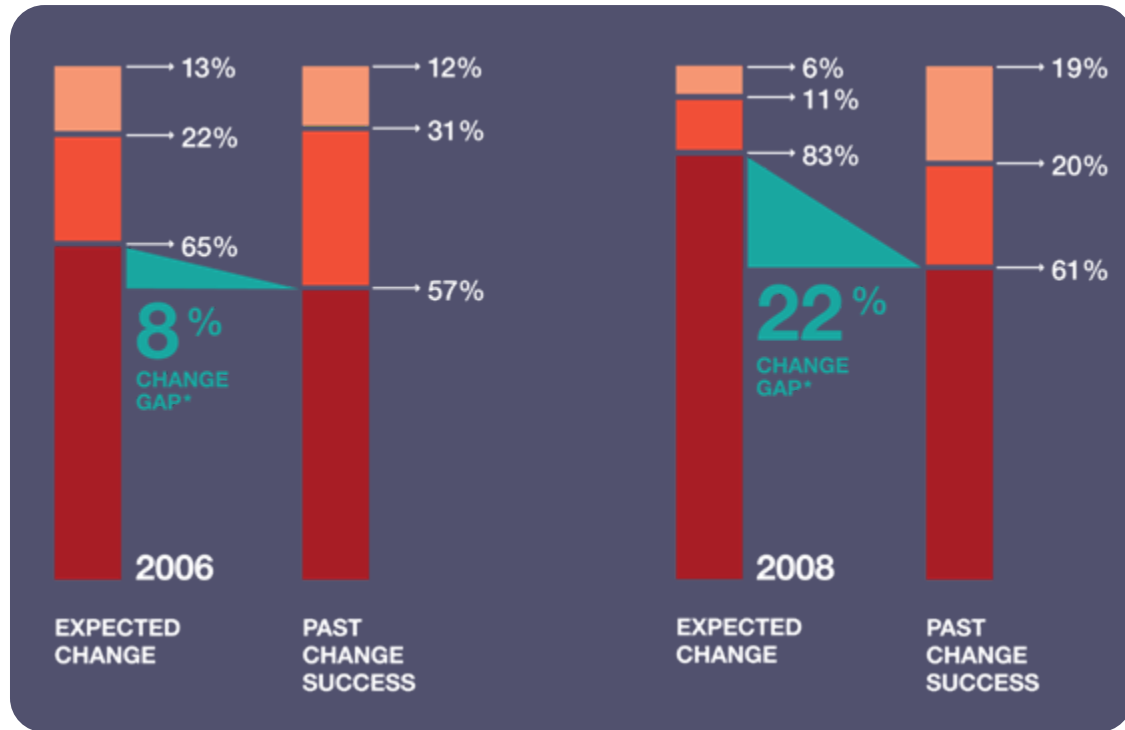
The way the world works is changing—and leaders must lead through the unknown

8 in 10

CEOs anticipate turbulent change and bold moves.

3x

Increase in the gap between leaders' need for change and their ability to manage it.



We now have the ability to measure, sense and monitor the condition of almost everything

30 billion

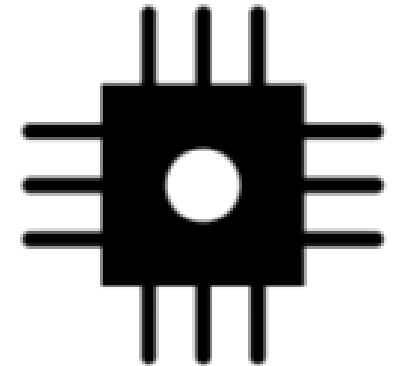
By 2010, 30 billion RFID tags will be embedded into our world and across entire ecosystems

1 billion

By 2010, there will be more than 1 billion camera phones in existence

85%

Nearly 85% of new automobiles will contain event data recorders by 2010



Instrumented



People, systems and objects can communicate and interact with each other in entirely new ways

2 billion

There will be an estimated 2 billion people on the internet by 2011

4 billion

There are an estimated 4 billion mobile phone subscribers worldwide

1 trillion

Soon, there will be 1 trillion connected devices in the world, constituting an "internet of things."



Instrumented



Interconnected



We can now respond to changes quickly and accurately, and get better results by predicting and optimizing for future events

50 terabytes

Agricultural consultancy Lanworth crunches more than 50 terabytes of satellite images, digital soil maps and weather forecasts to make more accurate crop forecasts

1 petaflop

Scientists are working to prevent influenza outbreaks by modeling the viruses with a super-computer that can operate at one petaflop, or one quadrillion operations per second

100,000

Electronic medical records could prevent an estimated 100,000 deaths a year from medical error



Instrumented

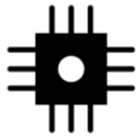


Interconnected



Intelligent





Our world is becoming

INSTRUMENTED



Our world is becoming

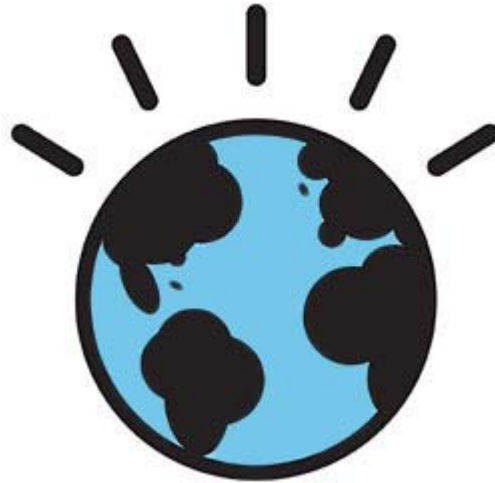
INTERCONNECTED



Virtually all things, processes and ways
of working are becoming

INTELLIGENT

This is an opportunity for the world to get smarter



Give one visionary and at the same time practical example in your industry where substantial change will occur in the next 5-10 years due to the introduction of a smart solution.

What are the greatest opportunities for progress in your industry?



Information is exploding:

In volume. **15 petabytes**

Amount of new information being generated every day, 8x more than the information in all U.S. libraries

200 billion

More than 200 billion emails are sent every day

988 exabytes

Amount of digital information that will exist in 2010—equivalent to a stack of books from the sun to Pluto and back

In variety. **80%**

New data growth that is unstructured content, generated largely by email, with increasing contribution by documents, images, video and audio

30 billion

By 2010, up to 30 billion RFID tags will be produced globally, embedded into products, pass-ports, buildings—even animals

\$5.7 million

For every 1,000 knowledge workers it employs, a company loses \$5.7 million annually in time wasted reformatting information between applications

With this change comes an explosion in information ...



Volume of Digital Data



Variety of Information



Velocity of Decision Making

... Yet organizations are operating with blind spots

Lack of Insight

1 in 3 managers frequently make critical decisions without the information they need

Inefficient Access

1 in 2 don't have access to the information across their organization needed to do their jobs

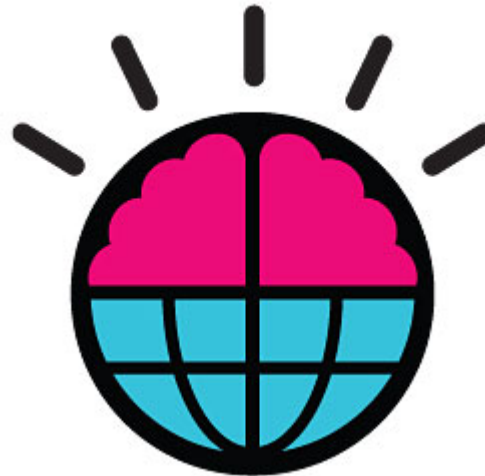
Inability to Predict

3 in 4 business leaders say more predictive information would drive better decisions

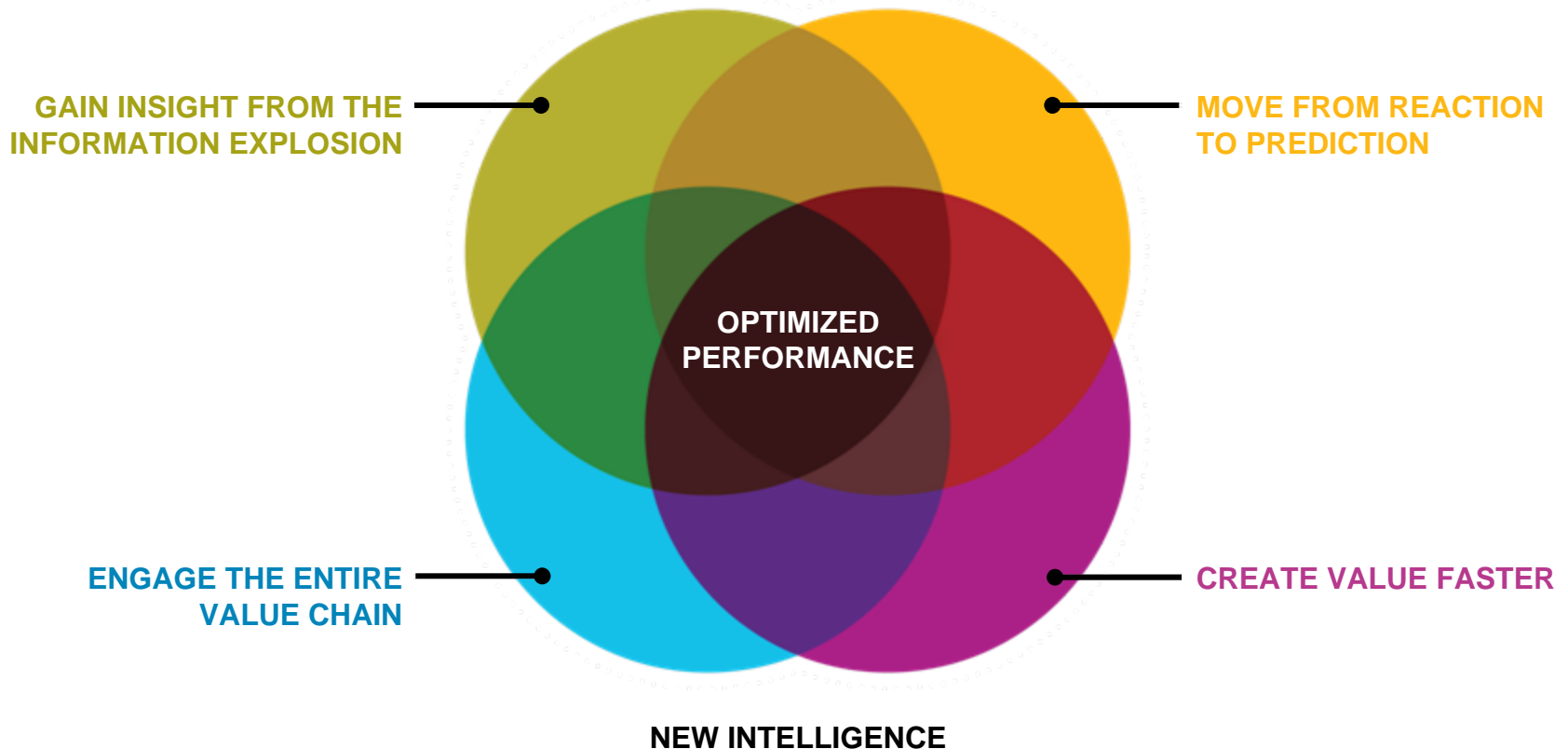
New ways of working to optimize decisions and actions



We are crossing a new threshold in our ability to manage pervasive information, analyze it to gain insight, predict risks and opportunities, and drive faster, smarter decisions and actions. This is New Intelligence.

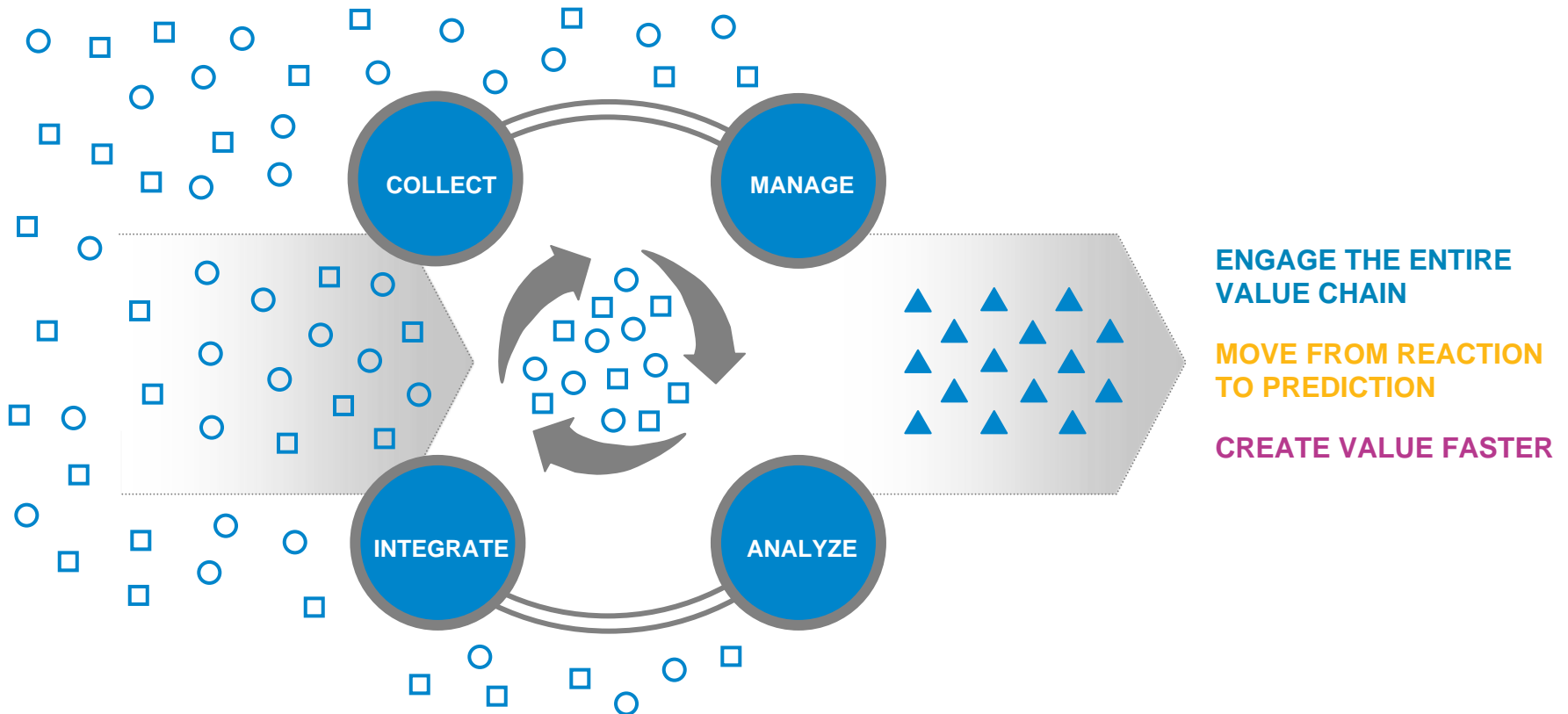


New Intelligence is giving smarter organizations entirely new capabilities for optimizing business processes, collaborating and driving innovation



Gain Insight from the Information Explosion

Smarter integrated solutions help you manage, protect, process and analyze unprecedented volumes of structured and unstructured data—creating insight that drives innovation and business optimization



Gain Insight from the Information Explosion

SMART IS

Capturing and analyzing changes in markets, trends, and consumer preference more quickly



Impire AG: Aggregated real-time data from hundreds of sources to deliver seamless information to customers. Faster data management, integration and analysis has led to 15% annual revenue growth, 10% market share growth in Germany and 40% market share growth in Austria and Switzerland.

SMART IS

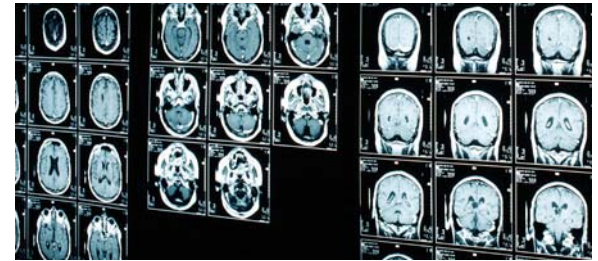
Knowing what the customer looks like



Irish Life and Permanent: Deployed trusted data assets as re-usable, shared services, reducing duplicate, conflicting views of client base by 30% while increasing cross-sell opportunities and driving higher loyalty.

SMART IS

Modeling the human brain at the molecular level



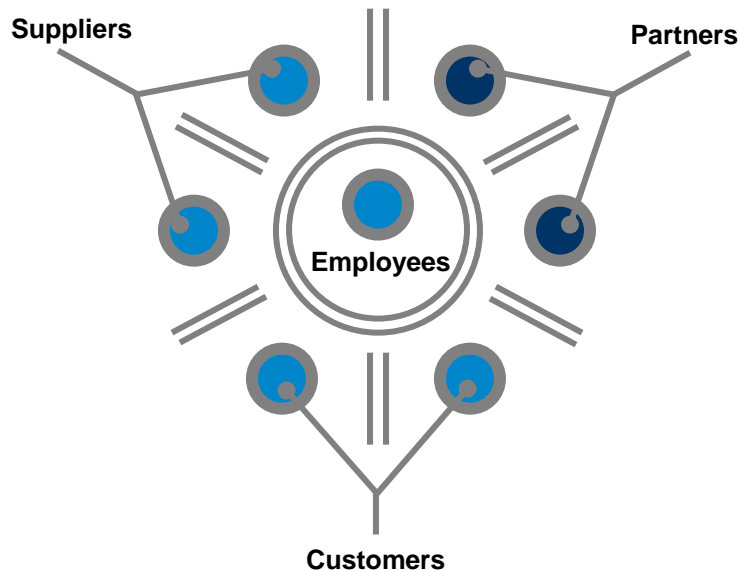
Ecole Polytechnique Federale de Lausanne:

Is using an IBM Blue Gene supercomputer to run simulations of the brain down to the molecular level and create a three-dimensional database receiving data about various brain regions from networked researchers around the world, which will help lead to new insights into cognitive processes such as thought, perception and memory.

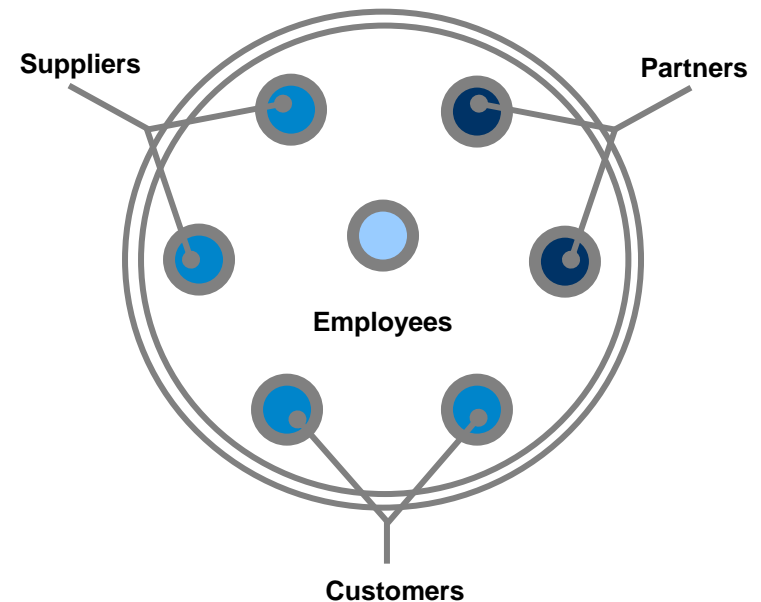
Engage the Entire Value Chain

Visibility into every part of the value chain creates an ecosystem that enables an organization to capture and share collective wisdom, collaborate and make decisions with greater confidence.

LOW VISIBILITY



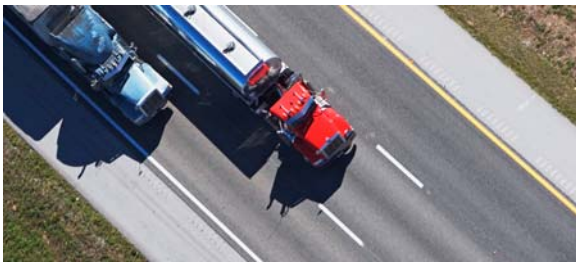
HIGH VISIBILITY



Engage the Entire Value Chain

SMART IS

Ensuring that food gets from farm to fork safely



Matiq: Uses smart RFID labels to ensure food safety by tracking and tracing poultry and meat products from the farm, through the supply chain, to supermarket shelves.

SMART IS

Staying competitive through cost-effective self-service



Air Canada: Implemented a self-service infrastructure and kiosk strategy that improved customer satisfaction and retention rates, reduced customer service costs through process automation, improved time to market with new services and lowered IT and support costs.

SMART IS

Achieving compliance faster than the competition

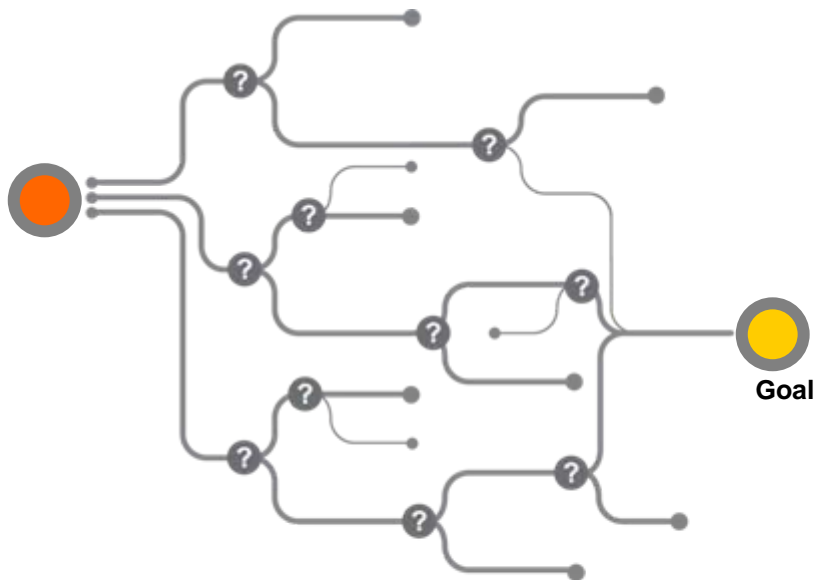


GSMS: Gained competitive advantage by implementing the Pharmaceutical Track & Trace Solution, which uses RFID and other sensors to track product movements, helping to validate product authenticity and security, and reducing manual processes associated with pharmaceutical receipt verification and reconciliation.

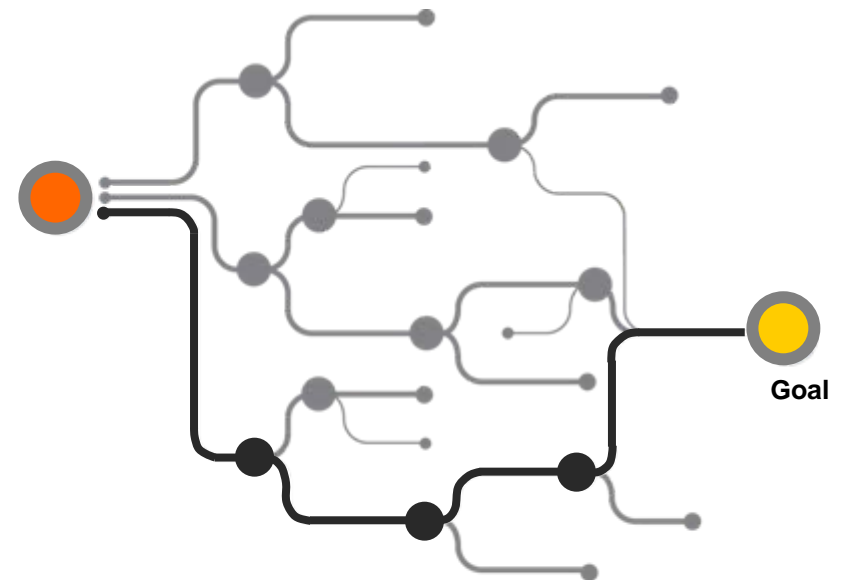
Move from Reaction to Prediction

Apply advanced analytics and industry expertise to a wealth of information in order to more precisely predict—and continuously act on—risks and opportunities.

REACTION



PREDICTION



- ⊙ Unforeseen Decision Point
- Predicted Decision Point

Move from Reaction to Prediction

SMART IS
Optimizing inventory



The Nuance Group: Implemented a Dynamic Inventory Optimization Solution, a forecast and inventory management system that helps identify quick ways to optimize inventory and improve service levels, reducing inventory by 10-15% and improving service by 95% at the warehouse level.

SMART IS
Preventing crime before it happens



New York City Police Department: Is combining business intelligence software with GIS mapping and visualization tools to detect crime patterns as they are forming, enabling precinct commanders to take proactive measures to keep ahead of these trends and head off spikes in criminal activity.

SMART IS
Finding what you're looking for more quickly

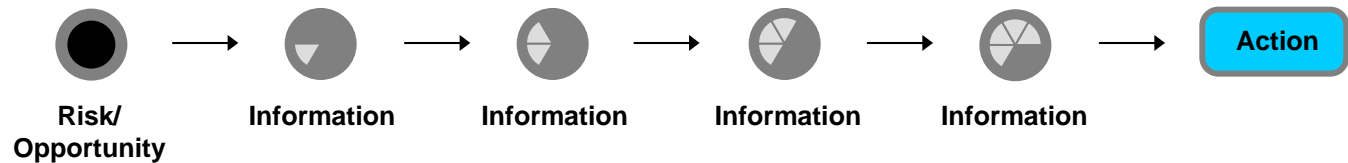


Repsol: Broke through the accuracy-versus-speed tradeoffs that previously defined seismic exploration by working with IBM to build a system capable of running the next generation of more accurate seismic algorithms, resulting in an 85 percent reduction in runtime and a faster time-to-market for new oil and gas properties.

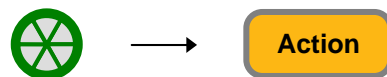
Create Value Faster

Operate with speed by delivering trusted insight that gives decision-makers the confidence to take action faster, driving innovation and optimizing business results.

**INFORMATION
GATHERED
OVER TIME**



**INSTANT
INSIGHT**



- High confidence
- Low confidence
- Insight

Create Value Faster

SMART IS

Anticipating and preparing for disease outbreaks



An International Health Agency: Deployed an information exchange platform that offers near-real-time access to local and international disease data while complying with national privacy and security requirements. With this data, users can forecast and analyze health risks, allowing more time for hospitals and countries to prepare for potentially disastrous disease outbreaks.

SMART IS

Giving your customers greater transparency and control



DHL: Developed an advanced temperature tracking solution that combines sophisticated sensing and RFID technology to enable the real-time monitoring of temperature-sensitive shipments while in transit, giving shippers and customers a new, unprecedented level of information transparency and control, which in turn improved customer loyalty through increased delivery reliability.

SMART IS

Sharing insights more quickly



One of the Largest Full-Service Financial Institutions in the Netherlands: Integrated financial data sources into a centralized, customizable portal, enabling staff to provide faster, more accurate advice, and allowing customers to track relevant data in real time via the Web, while lower application costs cut TCO by 15%.

Do you believe that new intelligence / business analytics and optimization will substantially increase the ability of users to analyze and understand financial and business performance data?

What percentage of application users will be able to better analyze and understand financial and performance data as a result of the use of new intelligence / business analytics?

What percentage of users will take better decisions by using smart analytics?

Red 0%

Green 10%

How to get started?

Plan an information agenda

Apply business analytics to optimize decisions

Establish a flexible information platform

How to get started?

Plan an information agenda



Information Agenda

An industry-specific, proven approach for defining and implementing an information-led transformation, an information agenda transforms silos of information into a trusted, strategic asset that is shared across the organization.



Business Analytics and Optimization Strategy

Business consulting services help you achieve your business objectives faster, with less risk and at a lower cost by improving how information is recognized and acted upon across the organization or within a business function.

How to get started?

Apply business analytics to optimize decisions

- **Business Intelligence and Performance Management**

Software and services enable you to make better decisions by providing planning, budgeting, forecasting, measuring, monitoring, reporting and analysis capabilities.

- **Advanced Analytics & Optimization Services**

Services enhance organizational performance by applying advanced mathematical modeling, deep computing, simulation, data analytics and optimization techniques to improve operational efficiency.

How to get started?

Establish a flexible information platform



Information on Demand Software

A rich portfolio of technology and services enables you to transform silos of information into a trusted, strategic asset that is shared across the organization.



Information Infrastructure

Storage virtualization, information lifecycle management, archiving, and a wide array of hardware, software and infrastructure services help you manage information to drive greater operational efficiencies.



We've only just begun to uncover what is possible on a smarter planet.

The world will continue to become smaller, flatter and smarter. We are moving into the age of the globally integrated and intelligent economy, society and planet.

New intelligence isn't simply a greater level of detail. It's a new way of looking at the way the world works, in which data is no longer the enemy, but rather fuel for engines of innovation and growth. New intelligence is the ability to solve problems and create value in new ways.

Let's work together to make smarter decisions for our world.

Which smart solution that you can think of will generate the biggest benefit for the world's population in 15-20 years time?

If you could choose one initiative to improve the world with a smarter solution, what would you do?

Buzz group