

IBM Invests to Lead Global Internet of Things Market - Shows Accelerated Client Adoption

- USD 200M Investment in Global Watson IoT Headquarters in Munich - One of IBM's Largest in Europe to Date - Launches Industry's first Cognitive IoT Collaboratories for Clients and Partners - Announces Strategic Partnership with Schaeffler and New Client Engagements with Aerialtronics and Thomas Jefferson University Hospitals

Munich, Germany; New York, US - 03 Oct 2016: IBM (NYSE: [IBM](#)) today unveiled a \$200 million USD investment in the new global headquarters for its Watson Internet of Things (IoT) business in Munich, new IoT capabilities around Blockchain and security and an array of clients that are driving real outcomes by using Watson IoT technologies to draw insights from billions of sensors embedded in machines, cars, drones, ball bearings, pieces of equipment and even hospitals.

As part of a global investment of \$3 billion USD designed to bring Watson cognitive computing to IoT, IBM has allocated more than \$200 million USD to its [global Watson IoT headquarters in Munich](#). The investment, one of the company's largest ever in Europe, is in response to escalating demand from customers who are looking to transform their operations using a combination of IoT and Artificial Intelligence technologies. Currently IBM has 6,000 clients globally who are tapping Watson IoT solutions and services, up from 4,000 just 8 months ago.

The Watson IoT headquarters will be home to the first ever cognitive IoT Collaboratories – hands-on industry labs where clients and partners can work together with IBM's 1,000 Munich-based researchers, engineers, developers and business experts to drive collaborative innovation in the automotive, electronics, manufacturing, healthcare and insurance industries. Together, they will tackle the toughest challenges of their respective industries; apply new concepts and technologies to build IoT solutions; develop and test new business models, solutions and services; and push the boundaries of what is possible with IoT.

"IBM is making tremendous strides to ensure that businesses around the world are able to take advantage of this incredible period of technological transformation and develop new products and services that really change people's lives," said Harriet Green, Global Head of IBM's Watson IoT business. "Germany is at the forefront of the Industry 4.0 initiative and by inviting our clients and partners to join us in Munich, we are opening up our talent and technologies to help deliver on the promise of IoT and establishing a global hotbed for collaborative innovation."

Schaeffler, Aerialtronics and Thomas Jefferson University Hospital Drive Success with IBM Watson IoT

Companies around the world continue to demonstrate real business outcomes through Watson IoT. New

engagements include:

- **Schaeffler**, German industrial heavyweight and one of the world's leading automotive and industrial suppliers, has signed a multi-year strategic partnership agreement with IBM to accelerate the digital transformation of its entire operations and customer solutions using Watson's cognitive intelligence and insight from billions of sensors. Schaeffler's goal is to be the world's leading manufacturer of cognitive solutions which keep the world moving. Tapping the connectivity and analytics capabilities of IBM's cloud technologies and Watson IoT platform, Schaeffler will analyze huge amounts of data from millions of sensors and devices across its operations and provide insight to help it to be more flexible, make faster decisions and optimize the performance of equipment in the field. [WATCH VIDEO](#)
- **Aerialtronics**, a Netherlands-based designer and producer of unmanned aircraft systems for industry, has announced the first commercial drones featuring cognitive computing capabilities from the IBM Watson IoT Platform on IBM Cloud. Aerialtronics vehicles can provide high-quality inspection services for global organizations across multiple industries, from monitoring city traffic patterns to inspecting wind turbines, oil rigs and cell tower optimization. Now, rather than climbing towers, inspecting key areas and reporting back findings, teams can deploy Aerialtronics drones from the ground and, through high definition cameras and Watson Visual Recognition analytics, immediately gain a complete 360-degree, high resolution overview while understanding what it's seeing. [WATCH VIDEO](#)
- **Thomas Jefferson University Hospitals Inc.**, three facilities with more than 900 acute care beds and part of Jefferson Health located in Center City, Philadelphia, Pennsylvania, is working with IBM to launch cognitive hospital rooms powered by IBM Watson IoT that enhance the patient experience and help bring deeper levels of personalized, agile and responsive care. With the ability to interact with in-room speakers that are connected to the IBM Watson IoT Platform, patients can take control over their hospital stay and the overall experience -- operating lights, window blinds, asking questions about hospital facilities or even getting background information on their physician.

IDC Cites IBM as an IoT Industry Leader

IBM's leadership in the Internet of Things was recently highlighted by industry analysts IDC who surveyed over 4,500 business decision makers in 25 countries around the world for their [Global Decision Maker Survey](#):

"With 55% of respondents stating that IoT is strategic to their business, we can see that the market is pivoting away from proof of concept projects to scalable deployments that are incorporating cloud, analytics, and security capabilities," said Vernon Turner, Senior Vice President of Enterprise Systems and IDC Fellow for the Internet of Things. "In our research, IBM came across as a major player in nearly every aspect of the IoT market with clear leadership for its IoT platform, software and systems integration. IBM's investment to bring its Watson cognitive computing technologies to the IoT is clearly gaining traction with companies around the world which are launching their own IoT solutions."

New Watson IoT offerings

IBM is also announcing a number of new offerings to benefit IoT customers and developers:

- **Watson IoT and Blockchain:** a new capability that connects Internet of Things data to Blockchain through the IBM Watson IoT Platform. Businesses can share IoT data in a secure, private blockchain to reduce the costs and complexities of doing business across a network of people and goods. This capability is fully integrated into IBM Blockchain. Kouvola Innovation (Kinno), an economic development company based in Finland, used the IBM Watson IoT Platform to connect devices to a blockchain. Using the technology, Kinno is developing a solution that tracks, monitors, and reports on container status and location, and optimizes packing and transfer of shipments through shipping lanes.
- **Security Solutions and Services:** A new set of IoT Security Solutions and Services that help companies proactively identify potential risks and protect their devices from compromise. Enhanced security features in the Watson IoT Platform will provide visibility to possible exposures across the IoT landscape, alerts for immediate notification, and automatic operational responses tailored to individual customer environments. The service offerings will also include advanced security assessment, threat intelligence to identify anomalies, and data anonymization to ensure data privacy while maximizing data utility.
- **Natural Language Interface:** New offerings which enable customers to tap the Watson IoT platform to develop new voice interfaces for customers – in homes, cars, stores, hotels and offices. For example, Local Motors uses a Watson powered Natural Language Interface for **Olli** – one of the world's first self-driving vehicles capable of a natural language interaction with its passengers.
- **Cognitive IoT Cookbook:** A new resource that includes new recipes for developers containing code and best practice approaches for solving cognitive IoT challenges using Watson's Natural Language Application Program Interfaces (APIs).

About IBM Watson IoT

Within two years, the Internet of Things will be the single greatest source of data on the planet, generated by billions of interconnected sensors and devices embedded into the world's physical systems. IBM's Watson technologies use machine learning and natural language processing to reveal insights from this data, helping to transform businesses, lives and societies. IBM is an established leader in the Internet of Things with more than 6,000 client engagements in 170 countries, a growing ecosystem of over 1,400 partners and more 750 IoT patents.

For more information about IBM Watson IoT, please visit: www.ibm.com/iot

For an infographic which visualizes how IBM is investing to lead the global IoT market, please visit: <http://bit.ly/2dLMSyL>

<https://uk.newsroom.ibm.com/2016-Oct-03-IBM-Invests-to-Lead-Global-Internet-of-Things-Market-Shows-Accelerated-Client-Adoption>