IoT as enabler for Niko and Smart Lighting

Paul Matthijs
CEO Niko Group
12 Sept 2017

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About NIKO

Our Challenges

A vision of the future

Opportunity

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About NIKO

What Niko is known from (in Belgium)

Niko today

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Family-owned since 1919

1919 — Niko foundation

1928 — 1st Bakelite wall switch

1950's — 2nd generation

1965 — 1st flat luxury switch in Europe

1967 — 1st electronic dimmer

1989 — 3rd generation: Jo De Backer

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Design has been part of Niko's DNA

1965

2007

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Family-owned since 1919

1997
Home automation: Nikobus

2004
Focus on care sector

2007
Fifthplay foundation

2008
Servodan acquisition

2014
Züblin acquisition

2017
One company, one team, one strategy!

Automation capability

Smart/Connected/Cloud capability

Sensor capability
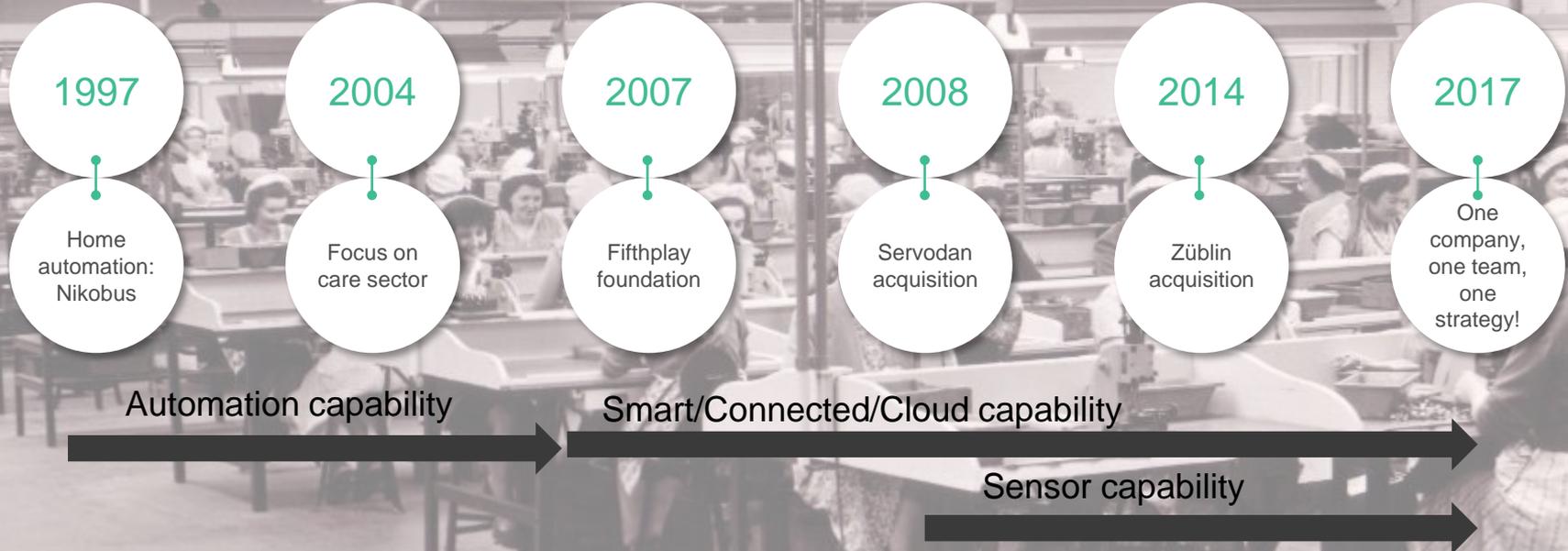
Innovation has been part of Niko's DNA

1967

1997

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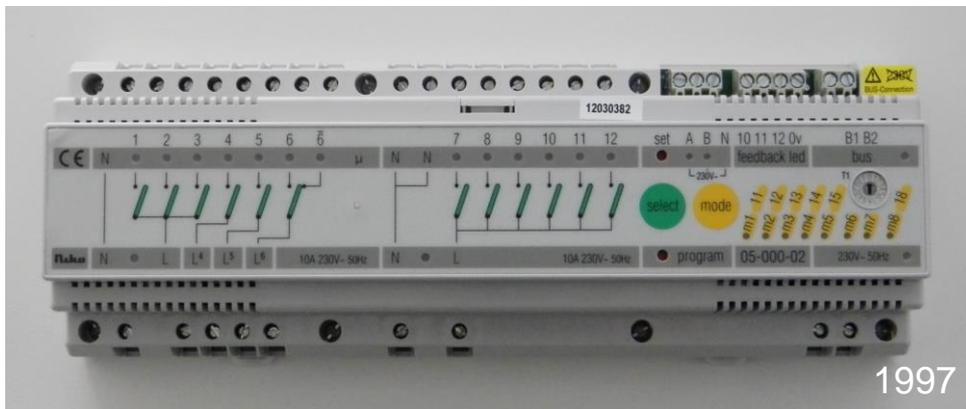
Innovation through Incubation

In 2006, Niko Group established fifthplay, an incubator creating a Cloud based software platform with a focus on enabling smart homes, buildings and related business models

International Expansion

Through the acquisition of Servodan (DK) in 2008, and Zublin (CH) in 2014, Niko obtained a Europe wide position in sensor devices

Niko Group today

active in
12
countries

more than
600
employees

53
net promotor score

in touch with
± 200 000
professionals

Net Sales (2016)
€ 162M

more than
5000
products

Niko Group Capabilities

R & D

TOOLS

MOULDING
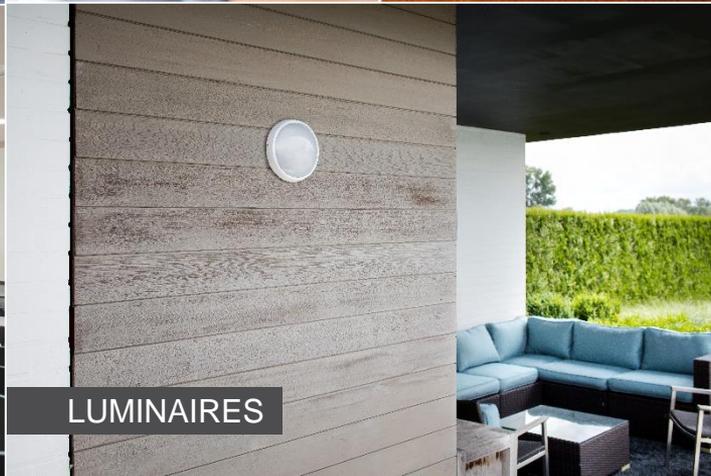
METAL

ASSEMBLY
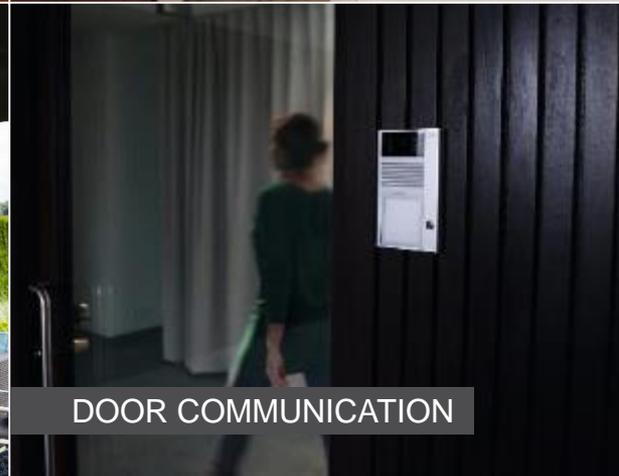
PEOPLE

Niko Group Portfolio

DETECTORS

SMART SOLUTIONS

SWITCHES & SOCKETS

LIGHTING CONTROL

LUMINAIRES

DOOR COMMUNICATION

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Our Challenges

Technology trends affecting us and our business

Everything Connected

- Every device talking to the Cloud
- Devices connected through the Cloud
- IoT evolutions

Data Science

- AI, machine learning, deep learning
- Learning, cognitive appliances
- Personal assistants

Digital Transformation

- Non physical products
- Cloud2cloud
- Security and Privacy (GDPR compliancy)

'Appification'

- Mobile as master control
- App2app
- Small and lean GUIs

Disruptive business models

- Hardware to services
- Go-to-market channel disruption
- 'Cloudy' business cases

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IOT's impressive numbers

Our Challenges

Size
14 billion devices in 2014
50 billion connected devices by 2020

Spread
2 connected devices per person in 2014
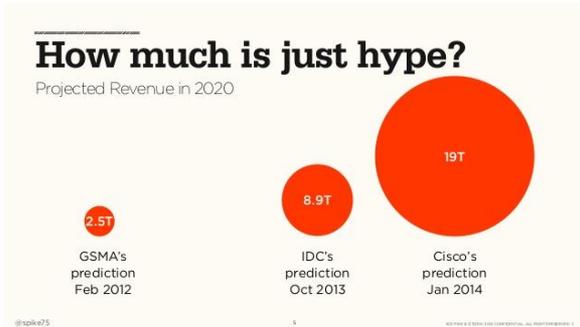5 connected devices per person in 2020

Growth
CAGR 15..20%

Opportunity
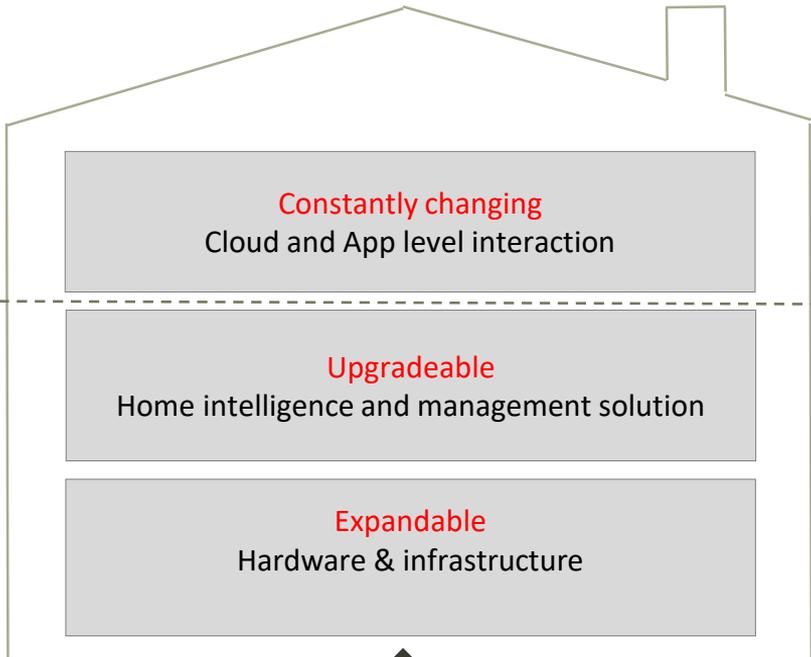250 Billion IoT spend (devices + services) by 2020

Hype

How much is just hype?
Projected Revenue in 2020

2.5T

8.9T

19T

GSMA's prediction Feb 2012

IDC's prediction Oct 2013

Cisco's prediction Jan 2014

@spike75

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Our Challenges

Marry the 'old' and the 'new'

Lifetime

xx months

+10yrs

+25yrs

Private Infrastructure

Public Infrastructure

Constantly changing
Cloud and App level interaction

Upgradeable
Home intelligence and management solution

Expandable
Hardware & infrastructure

Changing
Distribution Infrastructure

Up time
99,9xx%

Ultra
Dependable
Reliable
99,9999xx%

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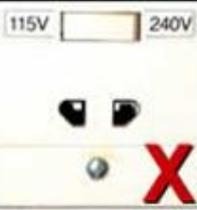
Our Challenges

Technology adoption and thresholds for change

100% adoption
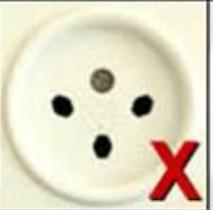
2017: 1,2pce / new built home

??% adoption

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Our
Challenges
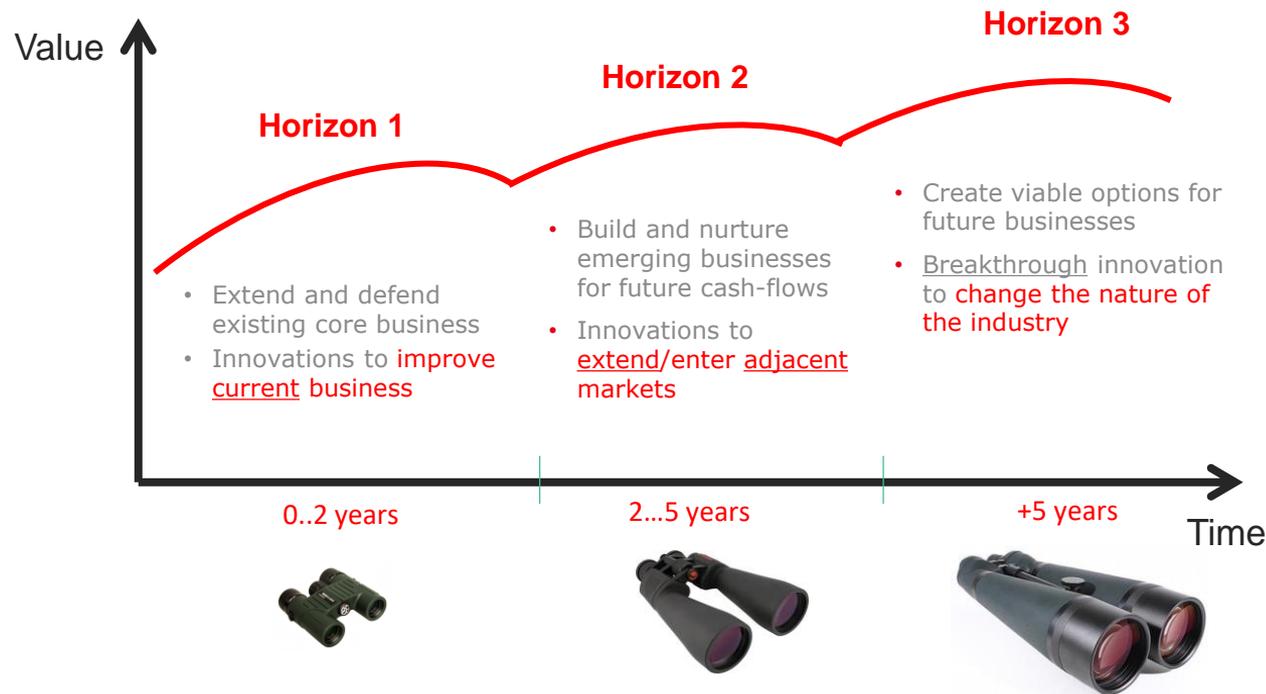
Failing standardization

| North America
Grounded
NEMA 5-15 | Japan
Non-grounded
JIS C 8303 | Europe
German style
CEE7/4 Schuko | Europe
French style
Schuko | Europe/Russia
Non-grounded
CEE7/16 Europlug | Great Britain
Grounded
BS-1363 | Great Britain
"Shaver socket"
BS-4573 |
| Australia/China
Grounded
AS-3112 | Italy
Grounded
CEI 23-16 | Switzerland
Grounded
SEV-1011 | Denmark
Grounded
SRAF 1962/DB | Israel
Grounded
SI 32 (IS 16A-R) | India
Grounded
BS-546 "Small" | South Africa
Grounded
BS-546 "Large" |
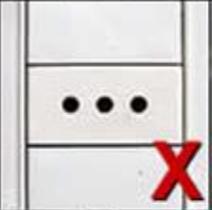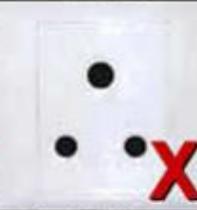
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Looking ahead using different horizons

Mc Kinsey's 3 horizons model*

Value

Horizon 3

Horizon 2

Horizon 1

- Extend and defend existing core business
- Innovations to **improve current** business

- Build and nurture emerging businesses for future cash-flows
- Innovations to **extend**/enter **adjacent** markets

- Create viable options for future businesses
- **Breakthrough** innovation to **change the nature of the industry**

0..2 years   **2...5 years**   **+5 years**

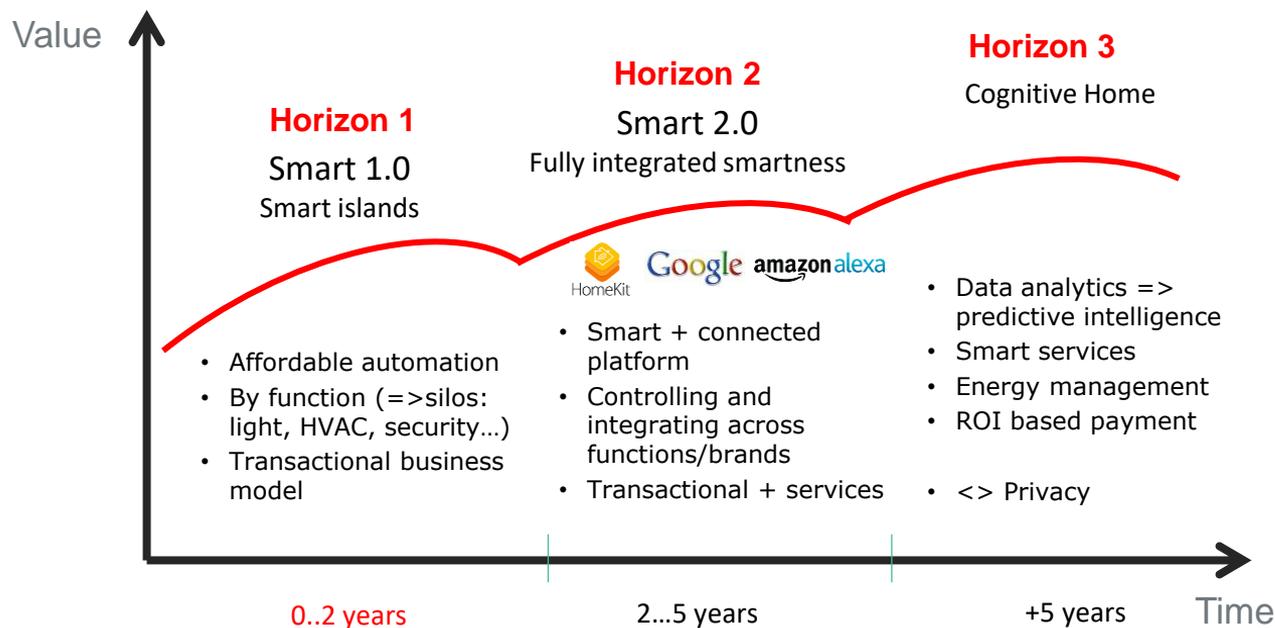**Time**

*Reference: http://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/enduring-ideas-the-three-horizons-of-growth

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3 Horizons Model applied to the Smart Home sector

Consumer standpoint of view

Value

Horizon 1
Smart 1.0
Smart islands

Horizon 2
Smart 2.0
Fully integrated smartness

Horizon 3
Cognitive Home

- Affordable automation
- By function (=>silos: light, HVAC, security…)
- Transactional business model

- Smart + connected platform
- Controlling and integrating across functions/brands
- Transactional + services

- Data analytics => predictive intelligence
- Smart services
- Energy management
- ROI based payment

- <> Privacy

Google **amazon**alexa
HomeKit

Time

0..2 years   2…5 years   +5 years

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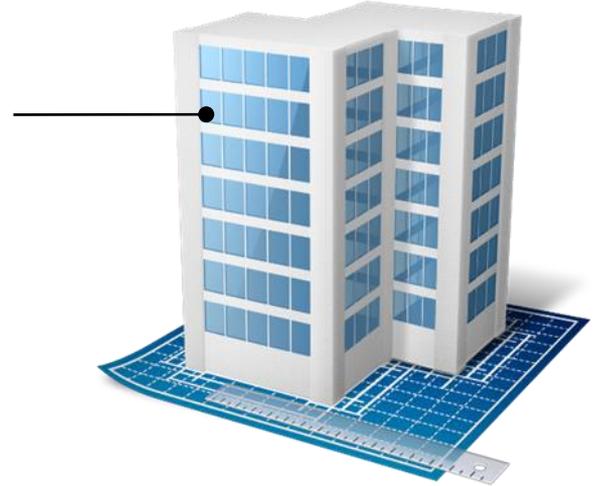
IoT in Lighting Control
More data, thus better control, more comfort and higher efficiency

HCL
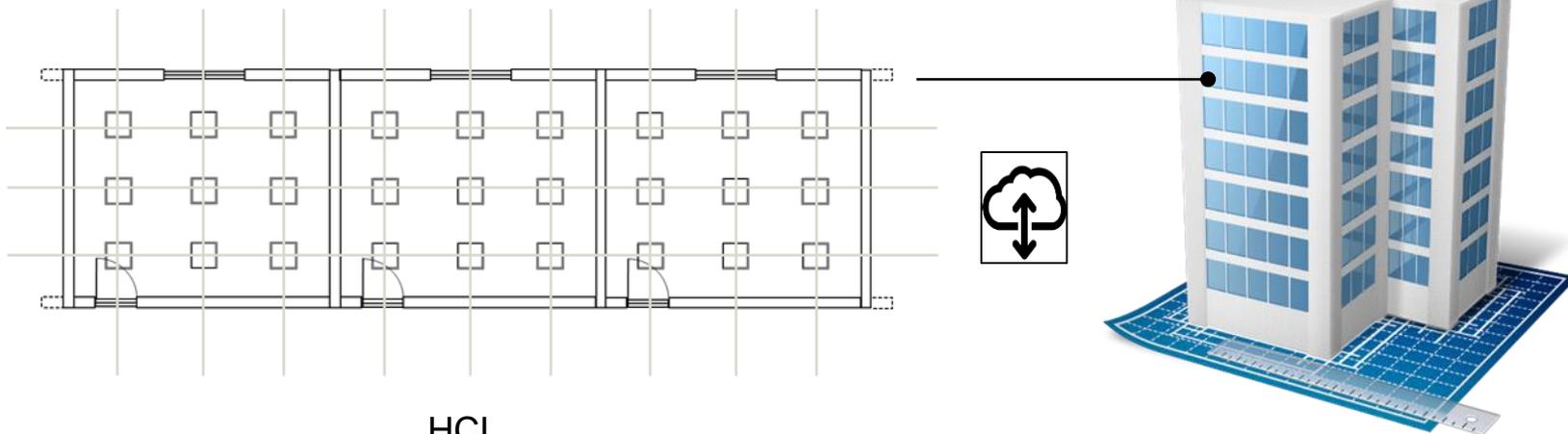
Personalized control

6000K

2700K
Tunable White
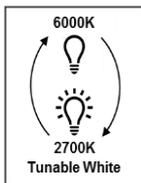
More comfort and efficiency

75%

21°C

1172 KWH
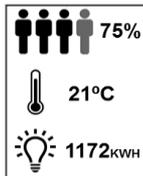
More data – and savings

DALI 2

ENERGY SAVING

TCO

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IoT in Lighting Control
Facilitating Commissioning

A new way to configure sensors

The Niko Sensor Tool app provides…

- Simplicity and user friendliness

All you need…

- The app Niko Sensor Tool

- IR-dongle

Opportunity

What IoT brings

What IoT also brings

More value to the end-user

Complexity

Ease of use

Too many Apps

New functional possibilities

Functional islands

Higher efficiency in installation

Tech stress

Increased maintenance economy

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The opportunities for companies in our sector

Lifetime

xx months

+10yrs

+25yrs

+40yrs

Energy

Comfort

Security

License Update
Cloud and App level interaction

Upgradeable
Home intelligence & management (the brains)

Expandable
Hardwired, wall based infrastructure

Energy distribution infrastructure

Up time 99,9x%

Cloud Infrastructure

Up time 99,9999xx%

Private Infrastructure

Public Infrastructure

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Integration, Collaboration, Interfacing and Translation

Different standards will always be a fact of life

Assuming there is no winner, collaboration is the only option
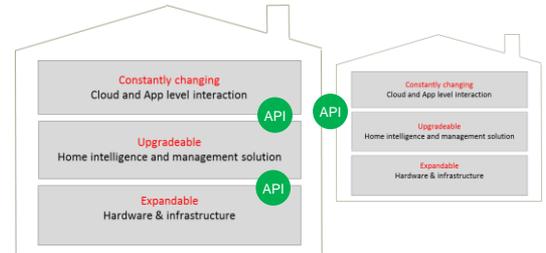
Operability & Interoperability is our duty

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A last word on Lighting and Lighting Control

- Lighting has lead the way on energy saving and efficiency

- It can lead the way in the IoT era:

  - As the most common comfort function in our private and professional life, it calls to everyone

  - Personalization and Human Centric Lighting are just at the beginning of exploitation

  - We have research, industry collaboration bodies, and government support available

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Q&A