



The biggest challenge will be to sell customers and vendors, especially in a business context, a new open, flexible approach and designs, to clearly demonstrate the advantages of apps and to make them comprehensible to everyone.



Prior to the Automotive App Conference, we.CONECT spoke with Thomas Roesch, Managing Director, Openmatics s.r.o./Czech Republic about challenges for app development, platform issues and solutions.

openmatics
The open telematics platform.

we.CONECT: In what area is your business operating and what is your special focus?

Thomas Rösch: Openmatics is in the Telematics sector and specialized in developing an open and flexible platform. So the 2012/2013 market launch is focusing on solutions for the transportation and logistics sectors in particular. The special focus of the platform is, that a variety of vendors can develop their products as applications (apps) for the Openmatics platform with the help of the software development kit (SDK) and sell them to vehicle fleet companies via Openmatics' App Shop. Openmatics sees itself as the vendor and operator of the platform - a marketplace in which individuals' expertise can be bundled and integrated into a total solution - as well as a vendor of special system and base apps.

we.CONECT: What do you see as the challenges and trends in the automotive apps - especially in trucks?

Thomas Rösch: There's a very clear trend towards applications that help reduce consumption, emissions, and and wear, improve business processes. Gas is getting more and more expensive, emissions levels are getting stricter, and margins are declining due to increasing internationalization of transport and the resulting increased pressure from the competition. The great challenge is to design apps and solutions that neither distract the driver nor negatively impact vehicle safety. Furthermore, automotive apps must be able to run on modern systems and deliver comparable and reliable results independent of the vehicle manufacturer or type - even for mixed fleets.

we.CONECT: What do you think are the differences in the app development compared between consumer Cars & Trucks?

Thomas Rösch: The goals and motivations that lead shipping companies and private individuals to use apps are essentially different. The content and functions of the apps as well as their security requirements differ between the two target groups. For trucks, applications are more strongly oriented towards the business environment. To be attractive to the customer, they must contribute to optimizing business processes, saving fuel, reducing wear, and increasing safety. The corresponding functions generally require serious intrusion into the vehicle architecture and therefore must take stricter safety aspects into account than apps for consumer cars, since apps for consumer cars aim more at improved comfort and driving enjoyment and thus serve to strengthen the customer relationship between the driver and manufacturer. For these applications, apps don't necessary require any intrusion into vehicle systems, or only to a non-critical degree. Buyer behavior differs too, so the customers must be addressed in different ways. A shipping company expects concrete evidence that and in what ways an app is helping it run its business more efficiently and can increase revenue and profit. It expects apps to meet the automotive sector's stringent safety requirements. Consumer car customers are more convinced by emotional arguments, and business advantages are not the first priority.

we.CONECT: What answer does your company offer to these challenges?

Thomas Rösch: The Openmatics Onboard Unit's security design prevents applications from interfering with the vehicles' CAN bus system and creating a potential risk. Data can only be read off the FMS interfaces and connections which link the Onboard Unit to the vehicles but not modified or entered into the system. All apps that can reach the platform and the vehicles via the Openmatics App shop must also undergo a special certification process before they are released for platform. Inspection and certification is performed bv Openmatics or an independent entity. The certification guarantees that apps do not endanger vehicle safety or interfere with driving behavior in an undesired way. Not only the app itself is examined but also the vendor. Only apps from serious vendors that fulfill certain conditions and can provide service are accepted into the shop.

we.CONECT: What range of products do you offer to find solutions for this specific issue?

Thomas Rösch: Openmatics' product spectrum is infinitely extensible through its app model and is defined by the selection of available applications. Openmatics' business activities are currently focusing on the shipping and transport sectors. Therefore the majority of apps from Openmatics and third-party developers deal with requirements from this domain. However, the system's open nature also allows applications for consumer cars to be developed and offered at any time. This basically depends on the demand and availability of interested app developers from this sector.

we.CONECT: In which specific projects are you working in your company? What special features included these projects?

Thomas Rösch: Our most important current projects are distributing the platform in the market and acquiring app development and sales partners. The challenge is that this kind of open platform is not really attractive to customers until a certain critical mass of applications is available. On the other hand, app developers won't really get excited about the platform and invest in it until it has a certain critical number of customers which make it worthwhile to develop applications. Therefore we are currently focusing on producing a base app package containing apps for remote download of digital tachograph data (the "DigiTacho Download" app) or driver feedback systems for improving driving style to reduce fuel consumption and component wear (the "Gentle Driver Truck" app), among others.

we.CONECT: Describe the theme of your presentation that you will present at the we.CONECT automotive app conference.

Thomas Rösch: The presentation explains the advantages of an open, flexible platform through an example of three different clients' app portfolios. Most telematics vendors have till now only focused on a few particular application domains, such as vehicle position determination or messaging between dispatcher and driver. So if customers want to handle all their requirements with conventional solutions, that usually means that multiple systems have to be installed. Integrating different systems is generally complicated and only possible to a limited degree. But if customers choose an open, flexible system like Openmatics, they can meet their needs in an optimal way by putting together an individual app portfolio without worrying about whether the different applications will work together. And if no application is available yet for a particular task, they can develop it themselves and even offer it to other users for purchase platform. on the Openmatics can easily grow with customers' needs - because who knows today what they or the market will need in two years?

we.CONECT: Last but not least: What do you think is interesting about the subject of Automotive App Development and what future challenges does the industry expects in general and specifically for OEMs, suppliers and software companies?

Thomas Rösch: The biggest challenge at first will be to sell customers and vendors, especially in a business context, on the new open, flexible approaches and designs, to clearly demonstrate the advantages for everyone involved, and to make them comprehensible to everyone. As soon as the app business model has gained wide acceptance, the challenge will be for the vendors to retain customers. When it gets easier to switch between different vendors, use behavior will change and the frequency of vendor change will increase. For the users the challenge will be to keep abreast of a growing variety of vendors and functions. We take the view that each challenge is best solved by the relevant specialist and that vendors with a broad but shallow production spectrum will thus always have a harder time holding their ground in the market. Focusing on core competencies will be decisive for competitiveness. OEMs must find a way to make their vehicles more open and able to run additional applications without risk. We see an open platform based on apps as the

we.CONECT: Thanks a lot for this interview!

best solution to meet these

challenges.

Interview: Henry Fuchs & Thomas Rösch

Thomas Rösch is Managing Director at Openmatics s.r.o./Czech Republic. He is working at ZF Friedrichshafen since 1982. Started as a test engineer, he has been working at various positions, at least and still today he is responsible for the business unit telematics.

About the conference: The <u>Automotive Apps and Mobile Device Evolution 2012 conference</u> is the leading conference focusing on the development of content & apps for the automotive industry. From the 3rd & 4th of December more than 120 delegates from all over the world will discuss and share experiences and current challenges. OEMs like GM; Ford, Toyota, Huyndai, Daimler, Volkswagen, Porsche, PSA, MAN, Seat, Scania, Ferrari, Volvo, Jaguar Land Rover, Audi will exchange brand new approaches, process optimization and future trends with suppliers and software companies.

Information about the event and about we.CONECT can be found at: http://automotive-apps.we-conect.com/en

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