Consulting Offer from Wireless 20/20 for Basic IoT Business Case Development

1. Introduction

IoT is one of the most important new development areas in the wireless industry today. It holds great promise to develop new kinds of applications for connecting many types of wireless devices to broadband wireless networks. But much of the focus on new IoT projects is on the use cases and technology. But 70-80% of IoT projects never get past the Proof Of Concept stage. Typically, this is because many solution developers neglect the business case analysis to test the economic viability of the project.

Wireless 20/20 has developed a business case analysis tool to support IoT solution developers. The tool enable a developer to assess IoT wireless business opportunities and to analyze potential business models for engaging with enterprise customers and other entities interested to implement IoT use cases. The WiROI® IoT Business Case Tool can allow a developer to quickly build a comprehensive business case for almost any IoT solution.

2. Consulting Offer

Wireless 20/20 will work with the developer to build an IoT business case using the WiROI IoT Business Case Tool for their specific IoT application. Using the standard version of the tool, Wireless 20/20 will engage with the developer

1) Provide an economic analysis to support clients examine the financial viability of the project.
2) Be able to estimate the budgetary cost quotes for IoT use case CapEx to build out the IoT system, and the OpEx to estimate the on-going costs to support the operation of the IoT use case.
3) Analyze the cost to deploy the network with different technology approaches. Evaluate the optimal technology choice, and architecture to support the designated use case. Provide cost analysis and optimization from selected IoT technologies, to determine the best fit for a given use case.
4) Support the ability to analyze the ROI for a given deployment, including providing quantitative analysis to cost justify an IoT deployment, including analyzing potential revenues and various cost savings enabled by the deployment..

Wireless 20/20 will work with the client team to develop a custom version of its WiROI IoT Business Case tool to help support these goals. The WiROI IoT tool can also be used to

examine potential business arrangements between an operator, and the enterprise customer. The goal will be to show the economic impact of client's solutions to justify bringing projects to full deployment.
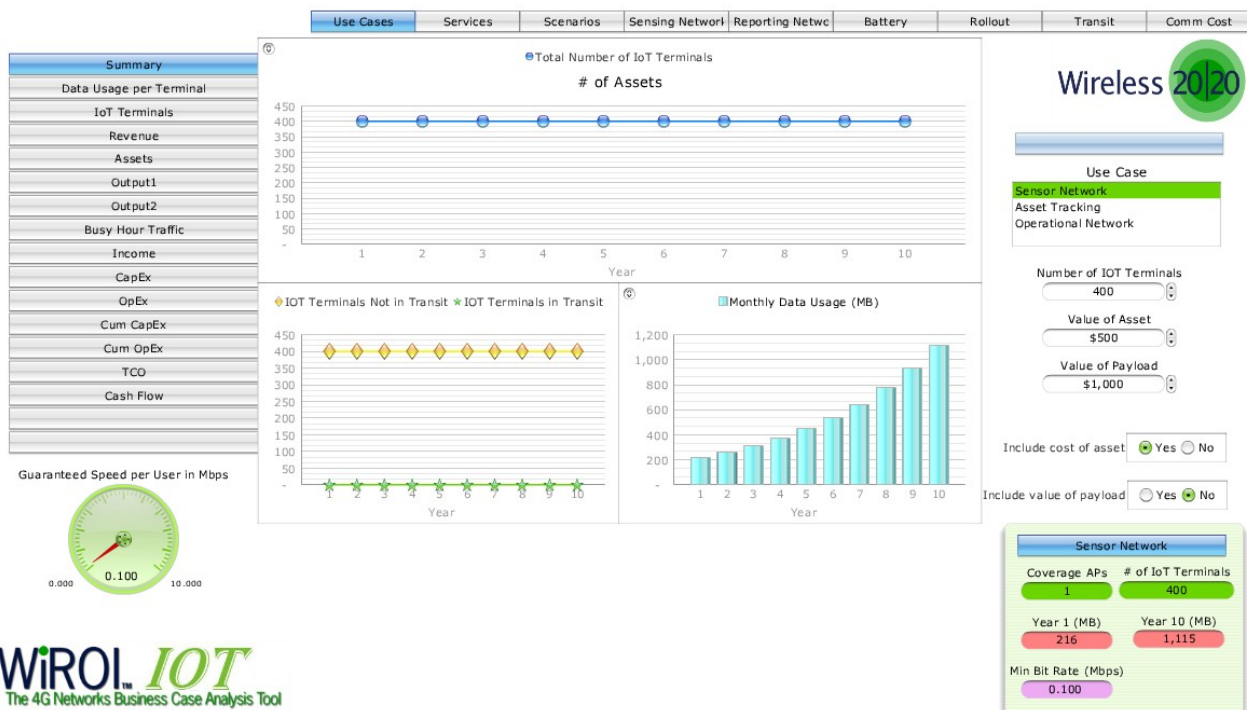
As the output of the project, Wireless 20/20 will deliver a full interactive graphical version ot the WiROI Business Case Tool as shown below, for the clients full unlimited use. The output is delivered as an interactive .pdf file that can be run on any computer.
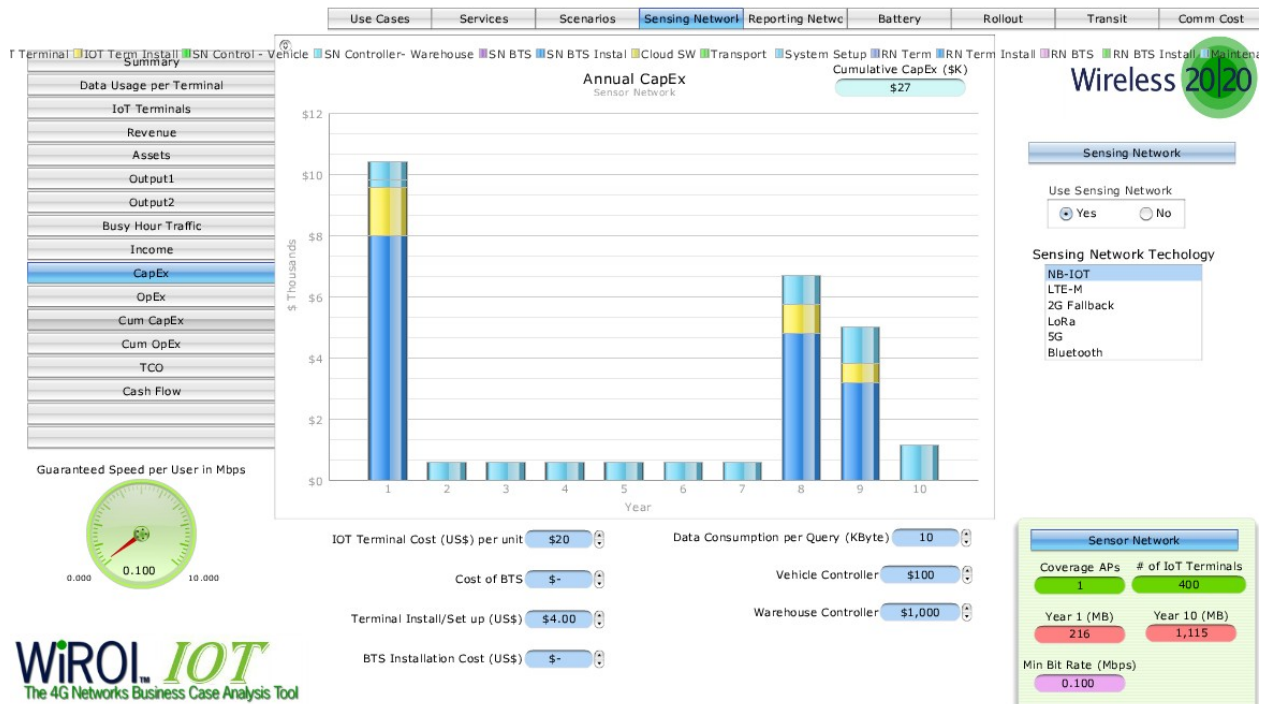
3. WiROI IoT Business Case Tool

Wireless 20/20 has developed the WiROI IoT Business Case tool for deployment of IoT solutions, initially focusing on 3 selected use cases, which support the vast majority of IoT use cases. The use case types supported are broken down into 3 categories

- o   Asset Tracking Network
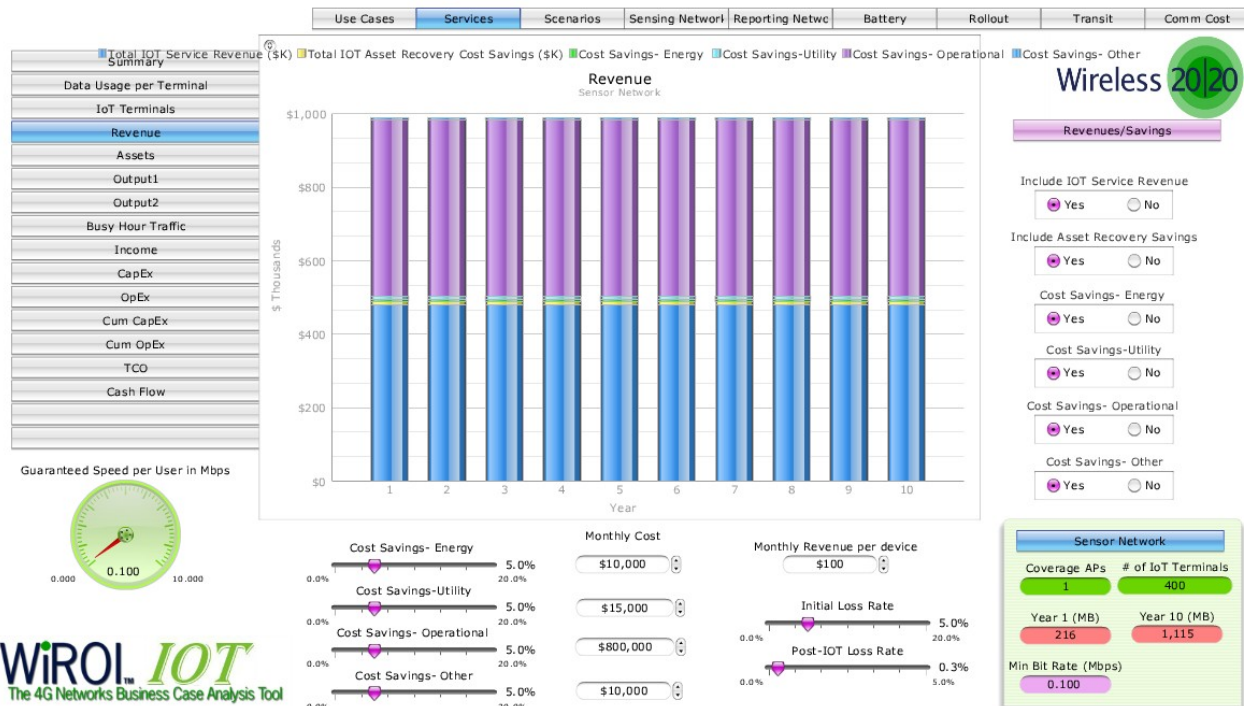- o   Sensor Network
- o   Operational Network

The model will analyze each use case, and allow a user to input the key parameters necessary to define a particular use case in that category. The model will allow for a multi-level network for each use case if needed; a Sensing Network and a Reporting Network.

The model will allow the technology choices for each network, including Bluetooth, Wi-Fi, NB-IoT, LTE-M, LPWAN, cellular, satellite and wired. The tool includes a financial and technical model that allows the CLIENT to analyze the potential CapEx and OpEx associated with network deployments for each of the technology choices, and determine which could be the optimal choice for the particular use case.

The model also will be able to analyze the positive side of the business case by analyzing the potential revenue and cost savings enabled by the IoT network. The model can include revenue from services provided by the network as well as cost savings which can justify the investment in the IoT network. These inputs can contain several categories of cost savings which can be selected for inclusion in the analysis. These can include asset recovery savings (for an asset tracking use case), energy savings, operational savings, engineering savings, water savings, for example. The final list of cost savings to be modeled can be decided between Wireless 20/20 and CLIENT, up to a maximum of 8 revenue or cost savings sources.

The tool will execute the business case analysis to look at the total CapEx and OpEx costs, and compare these costs with the revenue and cost savings models. The model will be able to do sensitivity and what-if analyses to be able to optimize the deployment model to improve and optimize the economic results.

4. Project Outline and Deliverables

As part of the consulting project, Wireless 20/20 will work directly with the client throughout the project. The steps of the project include

- Initial consultation meeting
- Client questionnaire
- Initial business case development and review
- Development of draft business case
- Review of final business case and delivery

Deliverables

The WiROI IoT Tool will be delivered to the CLIENT in PDF format, for their own internal and external use, on an unlimited seat, one-time license basis.

5. Consulting Project Timeline:

It is anticipated that the project timelines will be as follows:

Basic IoT Business Case Project timeline-   3-4 Weeks

If a client needs a custom version of the WiROI IoT Business Case Tool for an application which cannot be covered by the basic IoT analysis tool, a separate custom proposal can be developed by for you by Wireless 20/20.

6. Compensation:

Compensation would be in the form of project rates, and out of pocket expenses as follows:

Project Rates:

For the phases that have been outlined, the following prices would be charged for each phase of the project.

	Project Timeline	Project Fees
Development of T-Systems WiROI IoT Business Case Tool	3-4 Weeks	**US$15,000**
Total Project Fees		**US$15,000**

Wireless 20/20
Randall Schwartz, Principal Consultant

Randall Schwartz

Party receiving services:

Accepted: _____

Name: _____

Title: _____

Date: _____