

### IT TECH OFFICE SINGAPORE - MISSION.



As part of the BMW Group IT Innovation Network, our mission is to evaluate early-stage technologies, gather insights and transfer the key outcomes to business solutions. We achieve this by developing agile projects together with local start-ups, universities and other corporate innovation hubs.

#### **BLOCKCHAIN**

- Singapore consistently ranked top city for blockchain development.
- Initially focused in FinTech, the ecosystem is moving towards other industries and use cases.
- Active Sstartup scene.





#### CYBERSECURITY

- Close cooperation with BMW Regional Security Team.
- Singapore is ranked amongst the most cyber-secure nations, but further progress still underway.



**SMART CITY** 

- New 2019 strategic topic for IT Tech Office Singapore.
- Strong government commitment to transform Singapore into a Smart Nation through several initiatives.
- Great opportunities to leverage the ecosystem built in Singapore in connection with BMW initiatives.

### **BMW GROUP IT INNOVATION NETWORK.**







### IT INNOVATION PROCESS.



#### Ideation.

- > Problem statement definition
- > Value Proposition
- Scout for potential solution partner

#### Prototype.

- Technical feasibility study on selected user stories to proof the technology
- ➤ Business case & Roadmap

#### Pilot.

- > Build solution with full solution stack to accommodate selected user stories
- Conduct field test to validate the proposition

#### Project.

- Enhance pilot solution based on results
- > Add functionality

#### **Production.**

- > Continuous Improvement
- Experience enhancements through iterative user feedback











### **BLOCKCHAIN IN AUTOMOTIVE AND AVIATION INDUSTRY SHARED CHALLENGES**

#### **AUTOMOTIVE INDUSTRY**



Critical part tracking in supply chain.



Border/customs clearance solutions.

**AVIATION INDUSTRY** 



**Repair service history** of vehicles/aircrafts.



**Customer ID** verification & sharing.



**Enhanced customer** loyalty schemes.



Inter-airline fare settlement systems.



Carbon economy environment incentives

services.



payment methods.

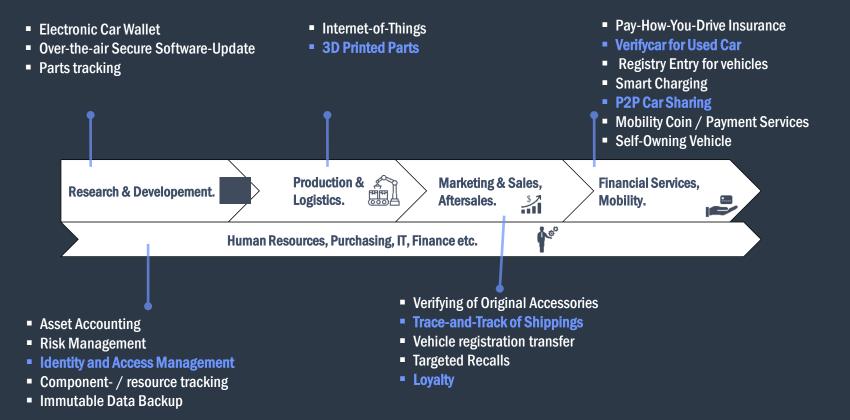


Vehicle lifecycle management



Alternative (crypto)-

### **BLOCKCHAIN USE CASES ALONG THE VALUECHAIN**



SINCAPONE

Department Talk | Tech Office Singapore | 18.10.2018

## VERIFYCAR.

VEHICLE DIGITAL PASSPORT ON THE BLOCKCHAIN.

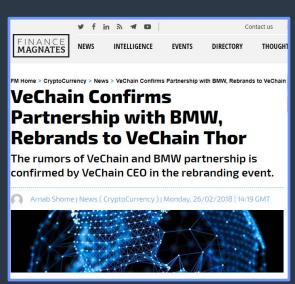














### Odometer fraud is widespread and has a negative impact on trust



33% of second hand cars sold in Germany have manipulated odometer data.



The estimated average economical impact of this practice adds up to 3,000 EUR per car resulting in a total damage of around 6 billion EUR yearly.

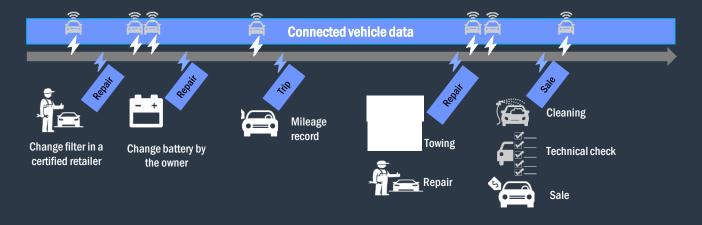


BMW's card dealerships are not able to identify all cases of odometer fraud, many times passing down the problem to second hand buyers.

## **HOW IT WORKS - STORING & SECURING THE DATA.**

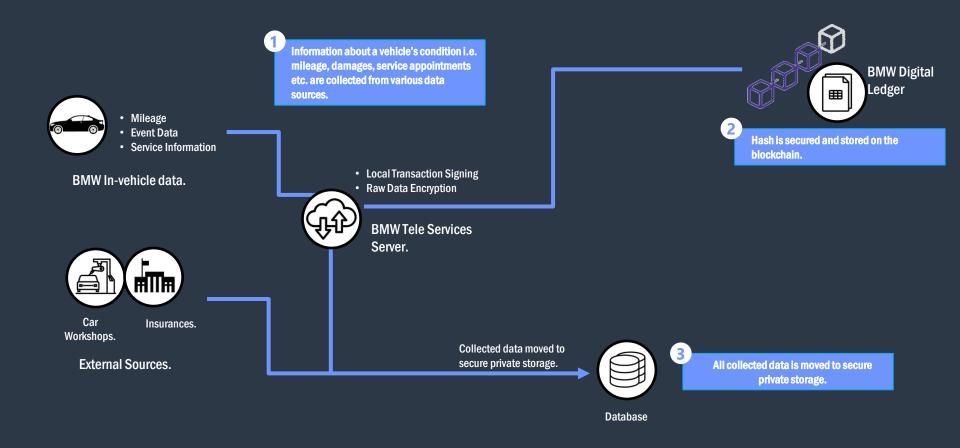


- Created a digital maintenance book and verified mileage record for each vehicle on the blockchain
- Information uploaded by related parties instead of the car owner, and it is timestamped and secured by the blockchain
- Car owners control the read / write access rights to the digital passport
- Data collected can be shared with potential buyers, insurance, etc. When the vehicle is sold, it can be transferred to the new owners
- Ownership of the vehicle is safely stored on the Blockchain



### **VERIFYCAR - HOW IT WORKS.**





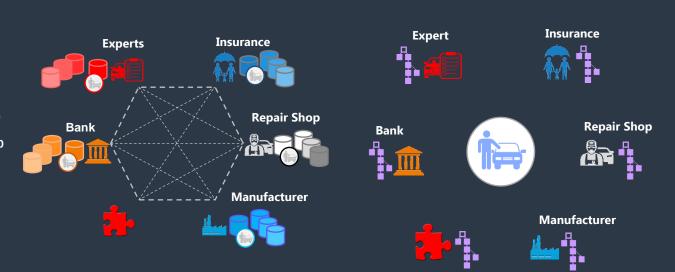
### **VERIFYCAR – VEHICLE DIGITAL PASSPORT ON THE BLOCKCHAIN.**

**Current Model** 



**Target Model** 

- Since the digital maintenance book can provide trusted data, it can reduce the due diligence effort by a potential buyer, an insurance company, a bank, etc.
- The digital passport can increase the value of second-hand vehicles and the ownership can be transferred
- The brand and car owner can receive rewards for providing services or data



VS.

# **BMW X DHL KEYCHAIN.**

INTRODUCING THE BLOCKCHAIN TO AFTERSALES LOGISTICS













### **KEYCHAIN - SOLUTION.**



