Application for the UIC digital award: Productivity

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1. EXECUTIVE SUMMARY

During an intervention, operational technicians have difficulties to understand complex procedures. Today, they do not have enough information to solve efficiently those situations. Our purpose is to give them an innovating tool which accompany them during their interventions.

In order to optimize and reduce maintenance costs of their equipments, industrial companies use CMMS (Computerized Maintenance Management System) tools. These softwares allow to realize the management of facilities, stocks, purchases, human resources and planning. However, these tools do not allow them to guide operational technicians during their field operations. Therefore, to address this need, Ermeo is positioning itself on the productivity mobile app sector.

We have therefore developed Ermeo, a digital solution which allows industrial companies to create smart technical documentation (checklists, maintenance manuals, operating procedures etc.) and make it available on a mobile application. Our main goal is to provide operational technicians with a « digital toolbox » to help them during their interventions and allow them to easily collect information from the field.

Our solution allows time savings regarding the identification and the resolution of failures. It also collects useful information from the field. Besides, Ermeo makes interventions more reliable and safer. Ermeo’s purpose is to create a whole ecosystem connecting all industrial actors around a technical documentation: industrials, manufacturers and service providers.

We are already established in the railway industry. We have deployed our solution with SNCF and private railroad operators. Furthermore, the knowledge and skills of the founders permitted to enter in the energy sector (RTE and Total).

Many industrial major companies are enthusiastic about Ermeo’s solution. Indeed, Ermeo was selected in 2015 to join the SNCF incubator.

Ermeo was also picked up in 2016 to join the incubator Impulse Labs for two calls for projects: « Plant 4.0 » sponsored by Total & « Construction and Energy » sponsored by various companies (Vinci, Bouygues, Areva, etc.)

Ermeo was awarded by: Réseau Entreprendre Paris (15k loan); Scientipôle Network (60k loan); & BPI France (30k loan).
2. PROJECT ORIGIN

THE COMPANY

ERMEO SAS was created on February 26th 2015 with a shared capital of 9k€. 60k€ provisions were made (20k€ from each partner) from current accounts.

The shared capital is divided between the three partners as follows:
- Victor PAYAN: 34%,
- Pierre JOLY: 33%,
- Christophe JOLY: 33%.

Ermeo launched its operational start in September 2015.

The Impulse Lab incubator is currently hosting Ermeo after winning two calls for projects. It is a start-ups accelerator in Paris designed for Construction & Energy related businesses.

Ermeo is a laureate of the Scientipôle Network (unsecured loan of 3x20k€) and of Tektos incubator (SNCF business accelerator) with a 5k€ subvention.

The company is also a laureate of the Réseau Entreprendre Paris Network and was granted a 15k€ unsecured loan.

THE FOUNDERS

Pierre JOLY, 28 years old.

Pierre is a Supelec engineer and started his career as;
- IT consultant for a year at Solucom (2012-2013).

Pierre created two start-ups while studying:
- GreenStep: start-up producing an energy recovery system on stairs.
- Immoca: start-up developing a web platform comparing real estate adds.

Pierre is Ermeo’s CEO, he handles the definition of the product and general operations.

Victor PAYAN, 28 years old.

Victor is a Supelec engineer and started his career as a digital transformation consultant at BearingPoint.

He helped several major french companies in their digital transformation on topics such as connected objects, maintenance optimization and process digitalization.

Victor developed leading and strategic skills. He acquired an expertise regarding the digital transformation of large groups.

Victor is Ermeo’s CTO, he handles the technical development of the product.
Christophe JOLY, 33 years old.

Christophe is a business manager trained at Novancia. He was a brand developer for 8 years in two sectors:
- Retail: Carrefour, Casino, Leader Price and Franprix
- Fast food: KFC.

Christophe developed skills in sales and project management. Christophe is Ermeo's CCO, he handles the business development of the company.

**THE PARTNERSHIP**

- Beyond a solid **family** link (Pierre and Christophe are brothers) and their **friendship**, Pierre, Victor and Christophe and united by an **entrepreneurial passion**.

- Their entrepreneurial process went step by step. First they created the start-up **Greenstep** (2009-2012), which conceived an energy recovery system but did not succeed to have a sustainable business model. Then they created the start-up **Immoca** (2012), an innovative web service allowing customers to compare real estate. These steps confirmed their **common will and ability to work together**.

- **Today they form a young, welded and complementary team** produced by the mixing of their skills and their determination.

**3. THE PROJECT**

**THE BUSINESS**

Ermeo is a BtoB SaaS software editor.

Ermeo developed an innovative platform that allows industrials to create smart technical documentation designed for field operators. From the web platform or the mobile app, any client can manage the daily operations of his technicians and get real time feedbacks of the maintenance interventions being realised.

Ermeo's clients can collect and analyse data from the field in order to switch to **predictive maintenance** and **reduce their maintenance costs**.
**THE PRODUCT**

The Ermeo solution is a SaaS software designed for field technicians to assist them during their day-to-day maintenance interventions. The product is composed of:

**A web platform** that allows its users to:
- Create and update technical documentation (assistance notice, operating procedures, checklists, forms, etc.).
- Gather interventions reports and field data of all operators, and manage it thanks to a dashboard.

**A mobile application** that allows field operators to:
- Access the smart documentation created.
- Give feedback information to improve the documentation.

Ermeo aims at creating a **whole collaborative ecosystem** in which field operators can share their best practices.

**ERMEO’S VALUE ADDED**

Ermeo’s customers benefit from:

- **Productivity gains** for field operators: quick failure identification thanks to troubleshooting guides with decision trees. The mobile app is able to ask questions to the technician and guide him to the right procedure according to his answers. **Ermeo’s first clients: SNCF and Total estimate the productivity gains related to the troubleshooting feature at about 20-25%**.

- **Time savings**: the solution enables technicians to avoid useless double drafts (paper & CMMS) by generating automatic reports. **Time savings related to the automatic reports are quantified over 40%**.

- **Better data collection**: Thanks to a detailed view of tasks, Ermeo’s solution avoids data losses due to forgetfulness and mistakes done retyping the data back at the office. Information is retrieved directly « on the spot » from the field: values, images, videos, GPS coordinates, etc.

- A **high ability to react quickly**: data is updated and available at all times. Technicians have a guiding tool at their disposal to react to an emergency or an unexpected malfunction anywhere they are.

- A way to **backup knowledge** of experienced technicians: the comments system is a mean to gather this knowledge, and prevents from loosing the expertise along with the turnover and retirement of technicians.
BRAND POSITIONING

Ermeo’s competitive edges rely on three principal elements:

1. **An expertise regarding industrial maintenance issues.** Ermeo is able to address the needs of industrial companies and provides features that are conceived specifically to answer maintenance problematic.

2. **The power of the solution** that tops its competition thanks to unprecedented features. For example: the troubleshooting system and new features which development in on going. (OCR module, a module to import directly the documentation from various types of files, machine learning to optimize the documentation, etc.)

3. **An intuitive solution** thanks to a user-friendly interface.

4. **THE MARKET AND TARGETS**

**THE MARKET**

The concept of Industry 4.0 gathers « smart factories » which provide a stronger capacity to adapt regarding maintenance issues and operations. This results in more effective assignments of resources, granting competitive edges and time savings. From now to 2020, European industrial companies will invest 140 billion € a year in the Future Industry. (Source: Pwc).

Not long ago, the French government decided to develop its Industry 4.0 with a project entitled « Industrie du futur » (Industry of the future). France provides a financial support to companies that invest in the transformation of their tools or change their business model thanks to digital technologies. The French government invested 1,5 billion euros to support those companies and is planning on investing 3,4 billion secondly. (Source: the DGE).

Mobile applications designed to address industrials maintenance needs are the biggest area of unexplored competitive edges. The market of BtoB mobile app designed to enhance productivity is experiencing an important growth. The market represents approximately 58 billion dollars is 2016.

Ermeo intends to enter this expanding market of productivity mobile apps.

This market and product matches the issues raised by the UIC digital award. Ermeo defines and develops its product regarding tomorrow’s mobility need and applied to the industrials sector.
TARGETED STRUCTURES

Ermeo is a BtoB business reaching out industrial manufacturers, operators and companies providing services looking for mobile solutions to improve their productivity and optimize their field operations. First in the rail industry, then in the transportation, energy and oil & gas sectors.

First clients:

- The first clients to deploy the solution were large industrial companies: SNCF and RTE.
- **Ermeo’s first contract was quickly signed with SNCF** thanks to Pierre JOLY’s expertise and personal network in the rail industry. Then, Ermeo used this first reference and the network of the Tektos incubator to spread itself in the railway transportation industry toward manufacturers and operators of the new French high-speed railways.
- Personal network of Victor PAYAN and Pierre JOLY from Supélec were used to get a first contract in the energy sector with RTE. Ermeo plans on using that first contract to intensify its presence in the business.
- Two prototypes were signed with Total and a POC (proof of concept) was validated with Ansaldo STS.

Prospects:

- Ermeo led an intense business development policy by targeting strategic individuals inside major firms. This way, Ermeo created an important database of prospects thanks to LinkedIn.
- Discussions are currently held to set up a pilot on a restricted area, with a defined number of users with some large industrial companies. For example: Alstom, Air Liquide, SNCF Réseau and Vossloh.

On a mid-term prospective, Ermeo is willing to get to companies from three European countries outside of France. Companies that work in the same businesses quoted earlier. On a long-term prospective, the objective is to implement the Ermeo solution in industrial companies across the globe.

A majority of UIC members are part of Ermeo’s targeted market. Rail transport is Ermeo’s first and major business. The Ermeo solution has a high value added and expertise in this department due to Pierre Joly past career and a continuing collaboration with SNCF. Many companies involved in the UIC award may have maintenance issues that Ermeo could deal with, providing a very important return on investment (ROI) in the process.
5. MEANS TO ADDRESS THIS MARKET

BUSINESS DEVELOPMENT STRATEGY

Direct sales:

- Ermeo’s commercial strategy consists in acquiring a big reference in a sector. Then use it to backtrack the whole ecosystem. In the railway industry, Ermeo made a first contract SNCF which led to contracts with private rail operators and manufacturers.
- Total and a jury of industrial companies selected Ermeo to join the Impulse Lab incubator. Ermeo will apply the same strategy in the Oil & Gas department.
- Ermeo uses an aggressive strategy to attract huge firms: billing the mobile application only, at a lower price: 9€/user against 19€/user for SMEs.

Indirect sales:

- Ermeo is currently discussing with three consulting firms to establish partnerships. The aim is to include Ermeo’s solution in their offer of services. This process can be a tremendous growth driver for Ermeo. So far two consulting firms initiated contacts with prospects.
- Ermeo also uses business introducers to connect with large accounts. Exactly like the consulting firms, they take 10 to 20% of the incomes generated thanks to their work. (Fixed and recurrent incomes).

THE COMMUNICATION & MARKETING STRATEGY

Since it was created, Ermeo’s activity was focused on developing its product in order to validate it before launching the marketing and communication activities. Therefore, these activities are currently in development and planned to start on November 2016.

However, Ermeo implemented some marketing actions:

Offline:
Participation to exhibitions (Viva Technology, the industry exhibition).
Participation to the Open Innov days of GRT GAZ.

Online:
Community management: Ermeo displayed pictures of the events mentioned, and share successes on social networks. For example, the celebration of being prizewinner of Réseau Entreprendre Paris, Scientipôle, etc.
Most of the business development is fulfilled with the LinkedIn account of the CEO of Ermeo: Pierre JOLY. Today his account has over 3.5 thousand contacts in about two hundred large companies and six hundred SMEs. Most of which are located in France. This network is already used for business development purposes, but will also be a mean of communication for Ermeo in the future.