

*Spotlight*

## Deciphering the code of the future together

**Christian Dreyer**

Photo: private

It is common knowledge that digital data and connection services are changing the way we think and act – or indeed already have. Connected communication is with us everywhere we go, both at work and in our personal lives. An estimated 80 percent of innovative ideas in our sector today are based on digital technologies. That makes it even more important that we as a sector work together to finally establish the digital transformation and the many opportunities it brings in agribusiness, too – together, on a level playing field, and with every player throughout the supply chain..

### **Data sovereignty lies with farmers**

We are still finding Achilles' heels all over the place, however – be it in the still fragmented network infrastructure or the sensitive and complex issue of data protection and security. Addressing these issues reliably as part of professional data management is one of the key challenges we face over the next few years. Data that is not covered by statutory provisions for personal data protection – primarily operating and business-related data – therefore needs to be negotiated at a contractual level.

One thing that remains non-negotiable, however, is the data sovereignty of the farmers; that includes all data generated by an agricultural operation as part of its business. Having always been practiced by farmers and agricultural machinery specialists, contract compliance is a vital source of protection in this. Maintaining the principle properly for the long term prevents many concerns from arising in the first place. The agricultural machinery industry therefore very deliberately takes the side of farming, and has always seen itself as a reliable partner and advocate of agricultural interests.

### **Industry does its homework**

From a technological perspective, too, we have done our homework meticulously and reliably. Thanks to reliable and practical standards, the problem of ensuring smooth connectivity between a huge range of different machines and systems has now been largely solved. But is this enough in the long term? There can be no question that the digital revolution demands much more than just the right connections and working interfaces. That makes it all the more important to be proactive in exploiting the extraordinary opportunities offered by intelligent algorithms, accurate sensory technology and lightning-fast processors with a clear vision and good sense.

## **Developing and implementing new business models**

If we are willing to use the progress of the next few years as an opportunity that benefits us all, totally new business models can be conceived and planned. The benefits will be felt by us, the agricultural machinery and tractor industry, but especially by our customers – farmers and agricultural contractors in Germany and the world over, who now play an absolutely crucial economic function given the rapid population growth and shrinking space available. The dramatically increased number of players from outside the sector who are discovering agribusiness is further proof of the wealth of opportunity our shared digital future is considered to hold. Around 500 agriculturally-orientated start-ups from the IT sector were set up worldwide last year alone.

But the transition from a smart product to an intelligently connected system can only be an effective and long-lasting success if the agricultural machinery and tractor industry maintains its technological lead. After all, only those who understand how to bring together mechanics, hydraulics, electronics and process intelligence will ultimately be able to launch practical solutions on the market.

## **The user has the choice**

Getting farmers and contractors excited about the new opportunities will take more than conventional ready-made solutions. As independent businesspeople, managers of agricultural businesses rightly expect efficient, tailored solutions – so offering the user useful choices will be crucial. That means that those who want to meet the diverse needs and goals of their customers will need to offer a range of connection packages. Visible increases in efficiency are the only way to make the benefits of digital data packages transparent for farmers and contractors. Be it demand analysis in the fields, logistics in the machine park or preemptive maintenance – the user will have constant access to an effective body of data for every conceivable decision-making process in the business. Needless to say, when an individual uses something like this in practice, he needs to be free to decide how it looks and works.

## **Fair contractual arrangements are crucial**

Fair and transparent contractual arrangements are thus absolutely essential if digital connection ideas are to become a success. The manufacturers organized in VDMA Agricultural Machinery have developed a robust code of conduct for this; it is now ready for signing and ensures the data sovereignty of the data owners based on coordinated and transparent guidelines. Of course, this does not affect the individual contractual arrangements of any data-related business relationship.

## **A culture of trust**

However, by implementing an excessively rigid data protection regime that tries to achieve statutory regulation for every tiny detail, we would lose the dynamism of the entire sector and fall behind our international competitors. After all, there could be some interrelationships that we have not yet recognized clearly and therefore viewed critically, but that will be of great practical use in the future. It is important to remember that digitalization is not an end in itself, and must not merely become a gimmick for technology fans. Instead, it is about intelligent tools that need to pass the litmus test of practice, i.e. that give farmers and agricultural contractors real increases in productivity and profitability.

A culture of transparency and trust – in other words, the traditional values and virtues of an honorable merchant – ultimately plays an enormous role in shaping this process of change successfully. By viewing the sometimes difficult matter of data management as an opportunity without prejudice, we enable ourselves as a sector to decipher the code of the future. That is what I am advocating – with a clear vision and an open mind.



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