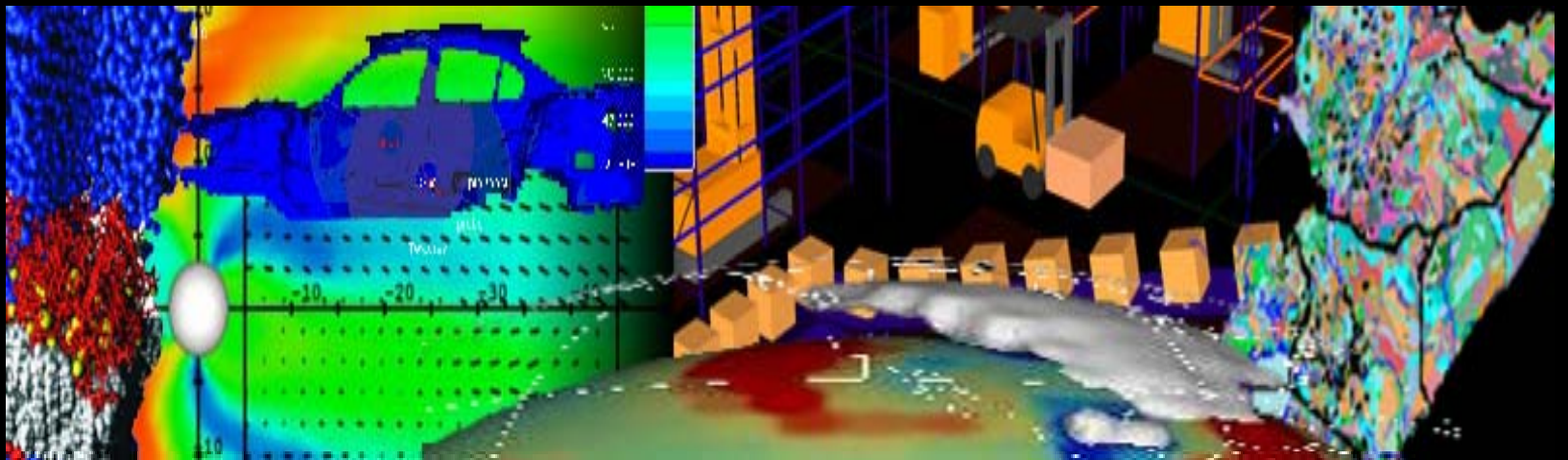
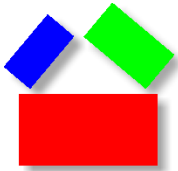


The Data-Driven Economy

Applications of the M Language in Agriculture

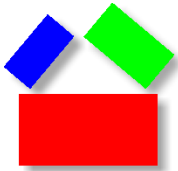


Edmund W. Schuster and Stuart J. Allen
The Data Center Program
Laboratory for Manufacturing and Productivity
Massachusetts Institute of Technology



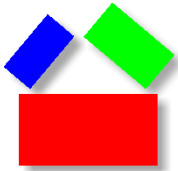
WHAT WE WILL DISCUSS TODAY

1. Managing **risk** in agriculture
2. An **introduction** to the M Language
3. A list of **applications** and projects programmed for the future
4. **Engineering Marketing Science** – The integration of marketing science, engineering technology, and supply chain management



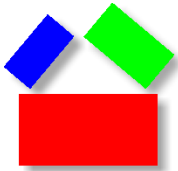
THE MIT DATA CENTER WEB SITE

www.mitdatacenter.org



An Interactive Discussion is welcome

Please feel free to ask questions or add comments



THE GRAPE HARVEST AT WELCH'S

Allen, S.J. and E.W. Schuster, "Controlling the Risk for an Agricultural Harvest," *Manufacturing & Service Operations Management* 6:3 (2004): pp 225 – 236.

Allen, S.J. and E.W. Schuster, "Managing the Risk for the Grape Harvest at Welch's," *Production and Inventory Management Journal* 41:3. (2000): pp 31 – 36.

Schuster, E.W. and S.J. Allen, "Raw Material Management at Welch's," *Interfaces* 28:5 (1998): pp. 13 - 24.











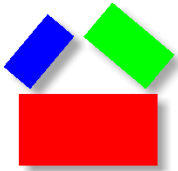






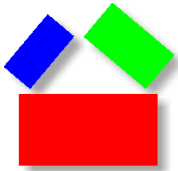






PURPOSE OF THE “HARVEST MODEL”

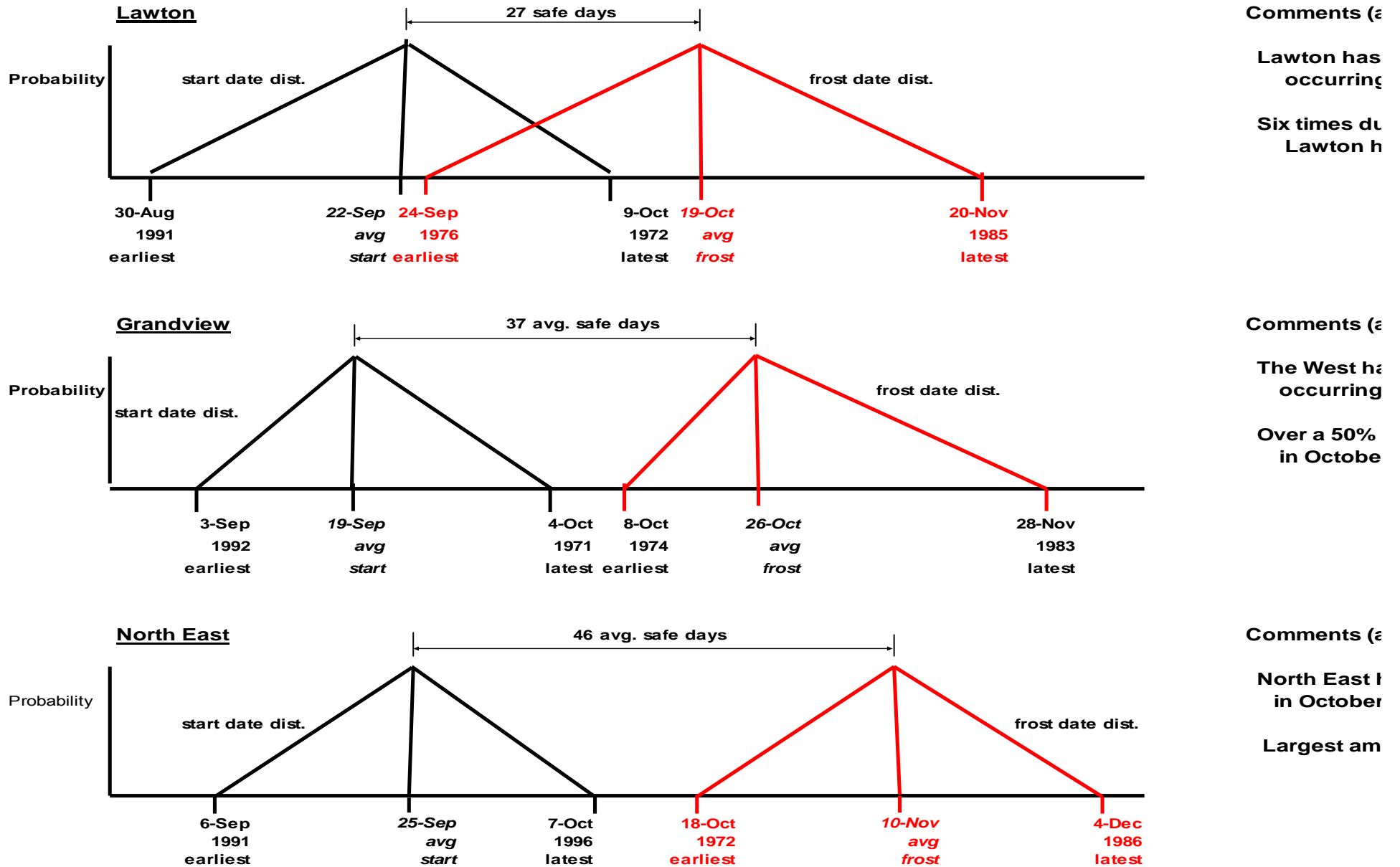
- Balance the growers desire to harvest all grapes before a hard frost verses capital expenditures required for maximum through-put rate.
- Historically, Welch’s used a fixed-length of harvest to plan the though-put rate.
- The fixed-length of harvest method ignored the risk of a hard freeze



DEFINITION OF “POLICY”

- Take 100% of the crop, 85% of the time
- Implies a harvest rate (R) required to meet the policy
- By defining a “statistical” policy for receiving grapes we can make trade-offs between harvest capacity and investment in equipment
- We calculated a “loss function” and found the 85% policy to be optimal

Qualitative Comparison of Start Dates and First 28 Degree Day With Estimated Triangular Distributions



Comments (a)

Lawton has occurring

Six times du Lawton h

Comments (a)

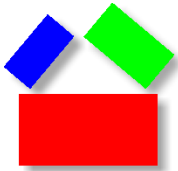
The West ha occurring

Over a 50% in October

Comments (a)

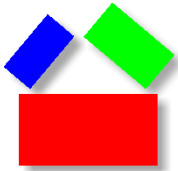
North East I in October

Largest am



DATA REQUIRED FOR THE HARVEST MODEL

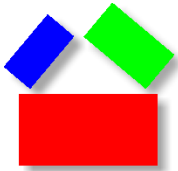
- Harvest Size - we use the average of the LRP for Concord, for each growing area
- Historical analysis shows the harvest size to be normally distributed



DATA (continued)

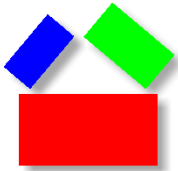
- We use the “start date” and “end date” provided by National to calculate the length of season, L
- We assume the distribution of the season length to be normal (based on observations of histograms)
- L is not correlated with harvest size, H .
 - .14 correlation with significance of 53%.
- ONLY DATA AVAILABLE – POINT ESTIMATE OF TEMPERATURE
- TEMPERATURE SENSORS





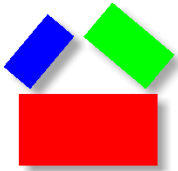
M – THE BIG PICTURE

- Sensors
 - “the number of deployed sensors will dwarf the number of personal computers by a thousand fold in 2010”
 - Ferguson, Glover, Sanjay Mathur and Baiju Shah (2005), “Evolving From Information to Insight,” *Sloan Management Review* 46:2, p. 52.
- A Network of Models
 - Capture 50 years of modeling
 - Something like eBay
 - The future of ERP...Packaged Software?
 - SAP and DEC, **Analog Devices**
- Connect to the customer, interact
- Interoperable Data
 - Something like Adobe Acrobat



SEVERAL TYPES OF WEBS

- The Web of Information
 - HTML and the World Wide Web
- The Web of Things
 - Linking physical objects together using the EPCGlobal Network and RFID
- The Web of Abstractions
 - Building a network of mathematical models
 - Link models together
 - Link data to models
 - Computer languages & protocols to create a free flow of models in a network (Internet or Intranet)



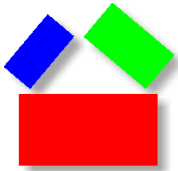
EDMUND W. SCHUSTER
STUART J. ALLEN
DAVID L. BROCK

Global RFID

The Value of the EPCglobal Network™
for Supply Chain Management



 Springer

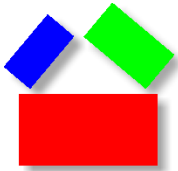


BOOK

- **GLOBAL RFID: The Value of the EPCglobal Network and RFID for Supply Chain Management**

Edmund W. Schuster, Stuart J. Allen, David L. Brock

- Publisher: Springer Verlag, Manuscript = 330 pages
- 600 citations
- 41 figures and tables



GOALS IN WRITING THE BOOK

- What does the capability of unique identification mean for supply chains and business in general?
- Insight into EPCglobal, Inc.
- Targeted for a wide audience
- Focus on implementation
- The role of data, and the future (MIT Data Center and the M Language)
- Foreword written individually by Kevin Ashton and Sanjay Sarma

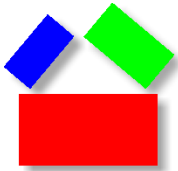


TABLE OF CONTENTS

List of Photographs, Figures, and Tables

Foreword

Preface

Part I: Introduction

1 - The Emergence of a New Key Technology

2 - Hardware: RFID-Tags and Readers

3 - Infrastructure: EPCglobal Network

4 - Data: What, When and Where?

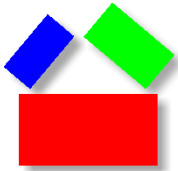


TABLE OF CONTENTS (CONTINUED)

Part II: Leveraging the Supply Chain: Case Studies

- 5 - Warehousing: Improving Customer Service
- 6 - Maintenance: Service Parts Inventory Management
- 7 - Pharmaceuticals: Preventing Counterfeits
- 8 - Medical Devices: Smart Healthcare Infrastructure

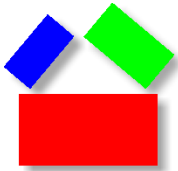


TABLE OF CONTENTS (CONTINUED)

Part II: Leveraging the Supply Chain: Case Studies

9 - Agriculture: Animal Tracking

10 - Food: Dynamic Expiration Dates

11 - Retailing: Theft Prevention

12 - Defense: Improving Security and Efficiency

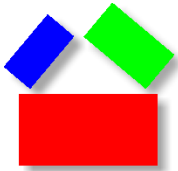


TABLE OF CONTENTS (CONTINUED)

Part III: Creating Business Value

13 - The Role of Data in Enterprise Resource Planning

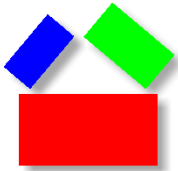
14 - Building a Business Case for the EPCglobal Network

15 - Enhancing Revenue Using the EPC

16 - Outlook: Navigating the Sea of Data

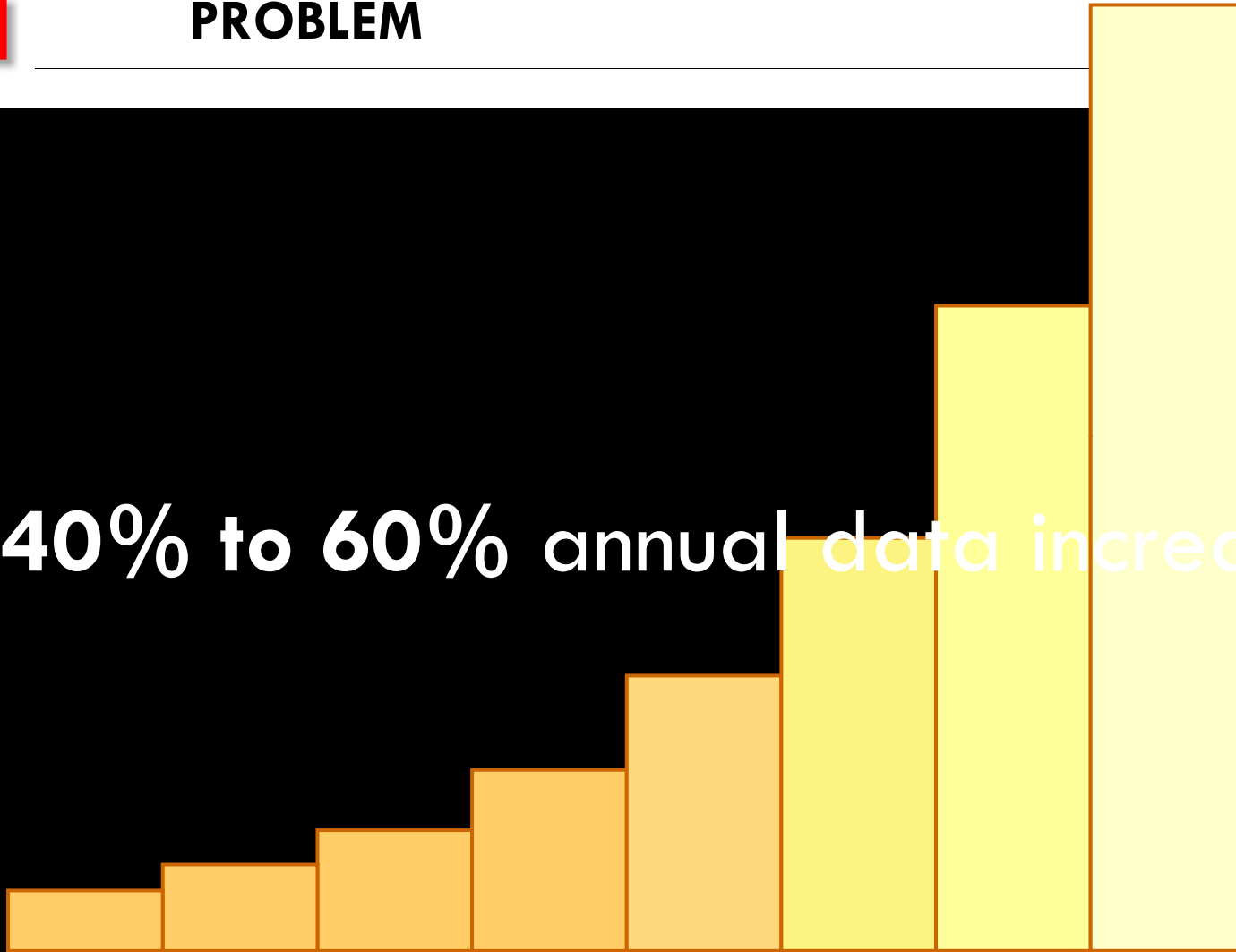
Notes

Glossary

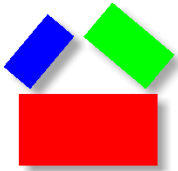


PROBLEM

40% to 60% annual data increase

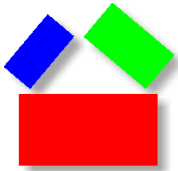


From Forbes



PROBLEM

What are you going to do
with all your
Data?



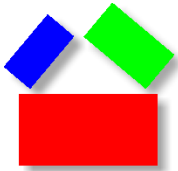
THE IMPORTANCE OF WHAT WE ARE DOING...

“Semantics is a hot industry sector right now – a \$2 billion per year market and projected to grow to over \$50 billion by the year 2010.”

“Leading analysts have estimated that 35-65% of our System Integration costs are due to Semantic issues.”

And in every sector of the market...our biggest software challenges come down to creating and resolving meaning. In other words: semantics.

2006 Semantic Technology Conference
San Jose, Ca

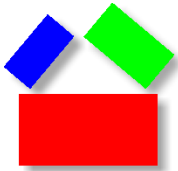


The market in semantics might be 10 times larger than RFID

This is a good area to add value, create new research, and make profits

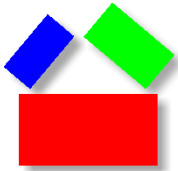
There are many internal company benefits as well

We think the MIT Data Center might be larger than the Auto-ID effort



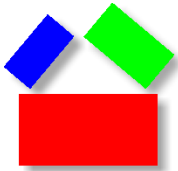
The market for mathematical models might be even larger

We want to become the “Henry Ford of Modeling”



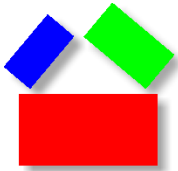
MIT DATA CENTER PROGRAM

- First work conducted in 2003
- Smartworld 2004 – over 300 attendees
- Administrative Unit within MIT 2005
- Laboratory for Manufacturing and Productivity
 - New Master of Engineering in Manufacturing
 - A number of high tech manufacturing experts
- First member, MorganFranklin Corporation, then LG, Raytheon, Siemens, and ReadyTouch



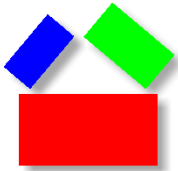
BREAK-THROUGH

- **“An Introduction to Semantic Modeling for Logistical Systems,”** D.L. Brock, E.W. Schuster, S.J. Allen and P. Kar.
- Winner of the 2004 **E. Grosvenor Plowman Award** given by the Council of Logistics Management for best contribution to the study of logistics.

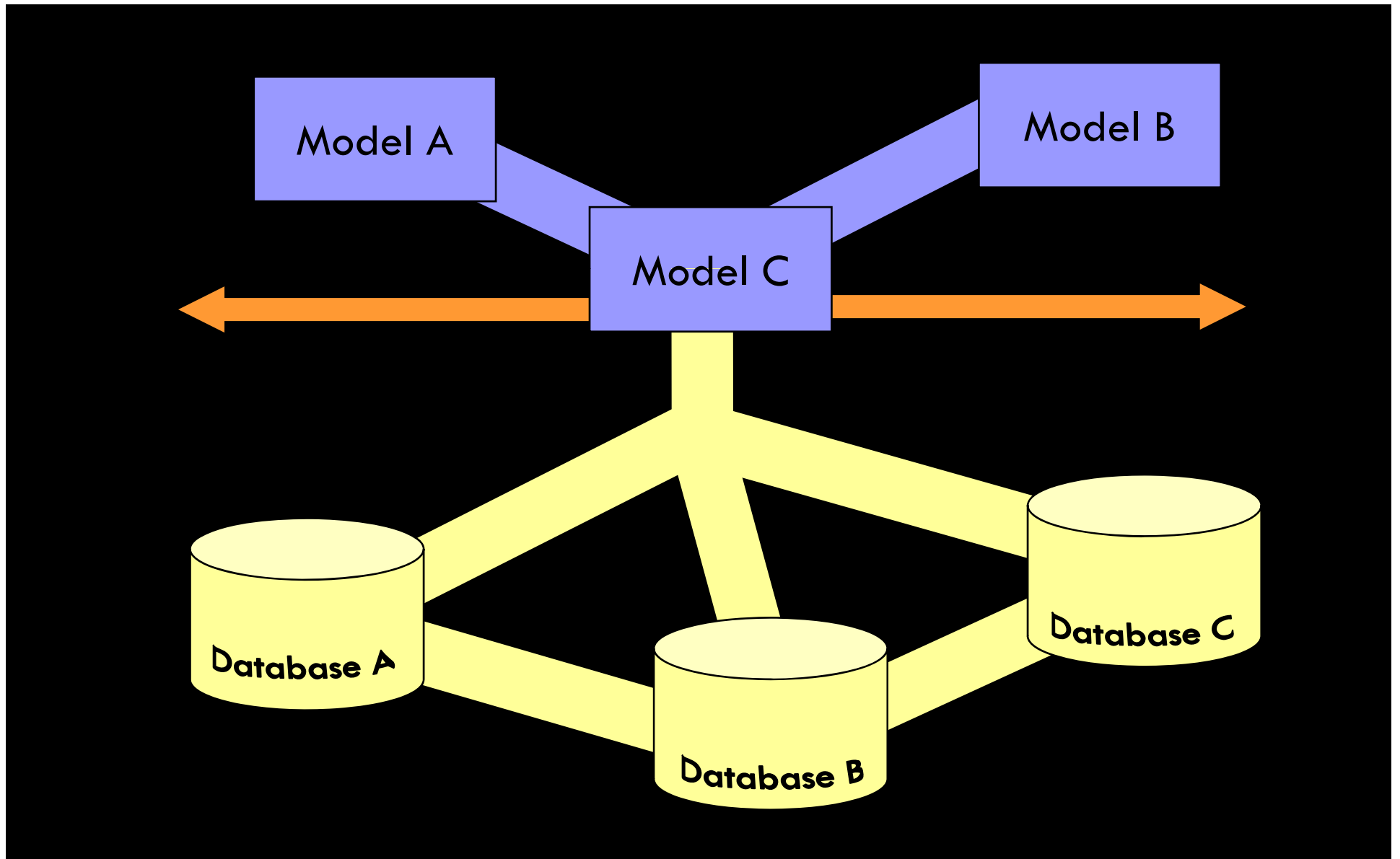


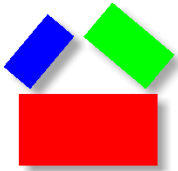
THE M LANGUAGE

- David Brock, Chief Architect
- Initial Design – Dictionary and Rules
- A way to link data together semantically

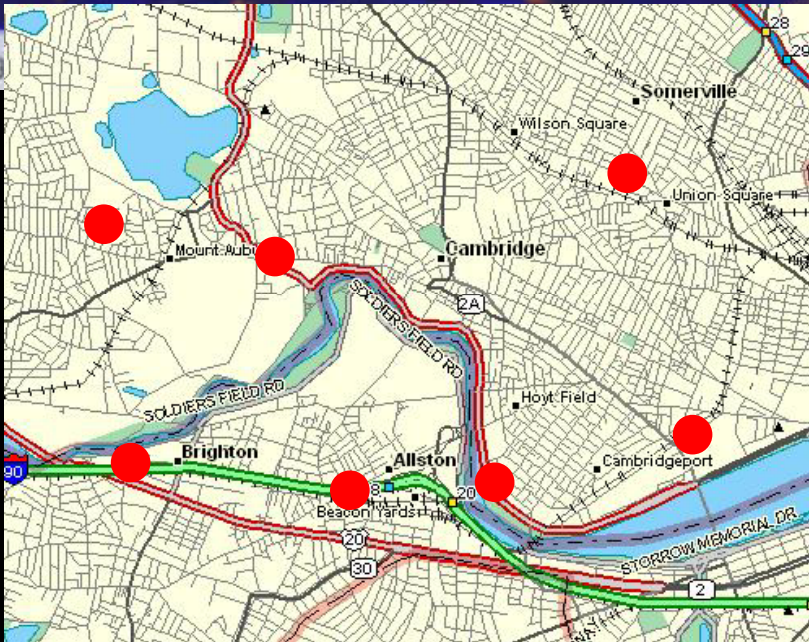
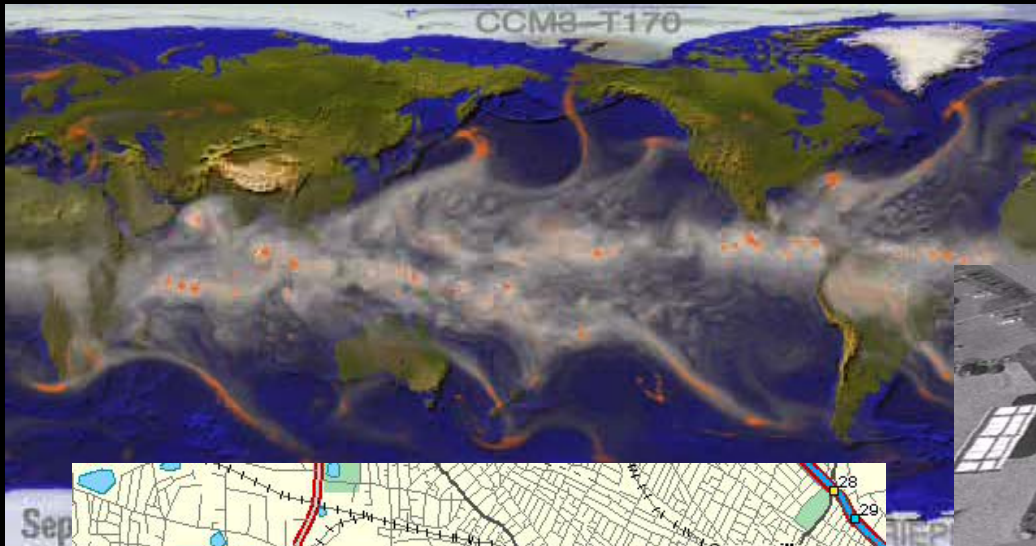


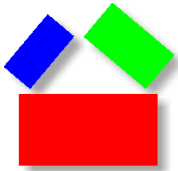
VISION





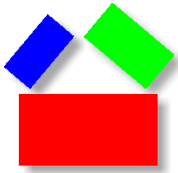
EXAMPLE - LOGISTICS





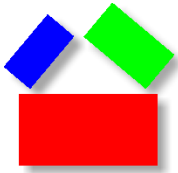
DATA





DATA

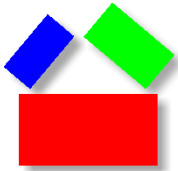
Data



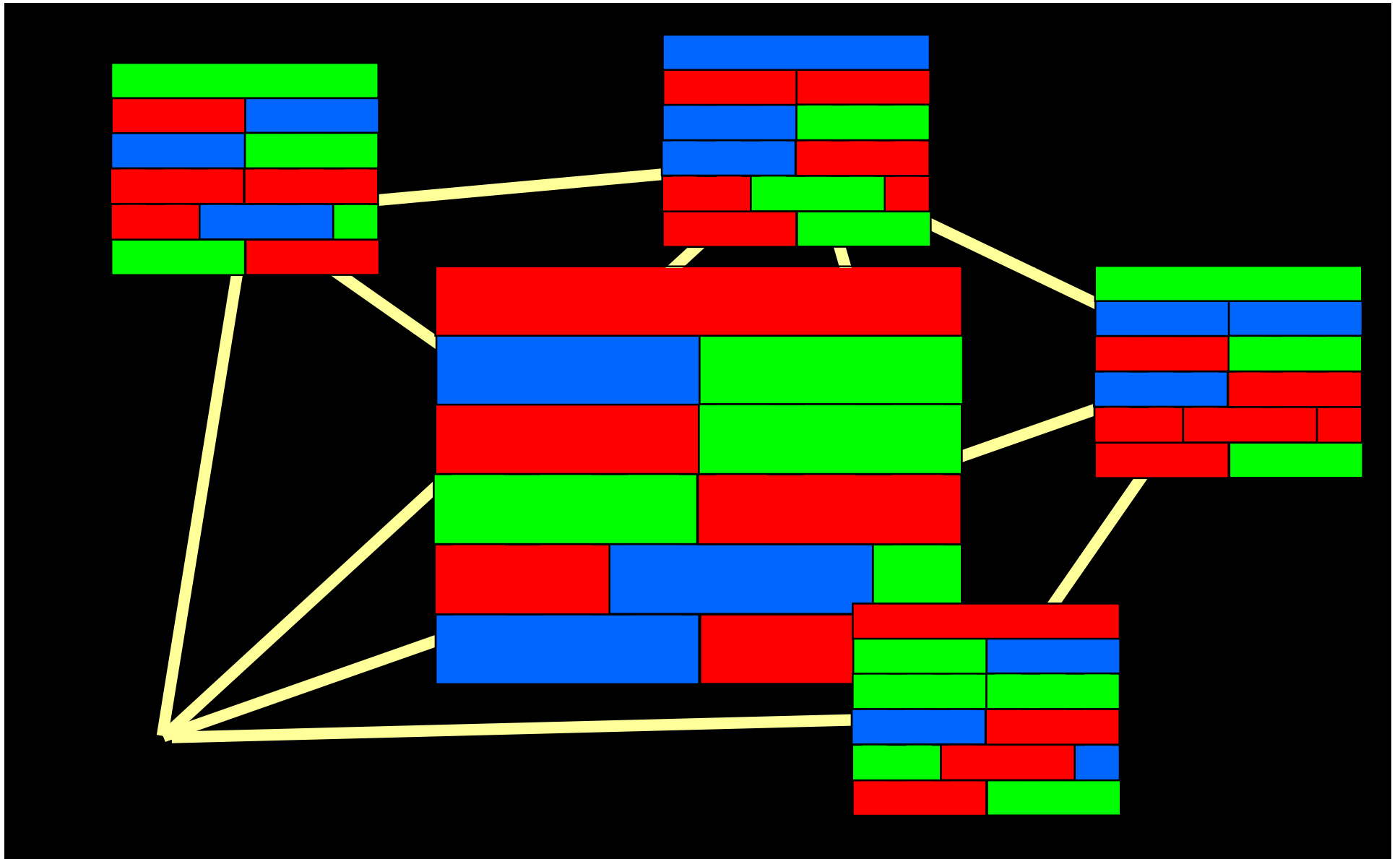
DATA

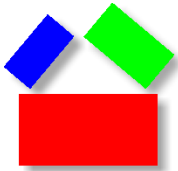


Data



DATA NETWORK





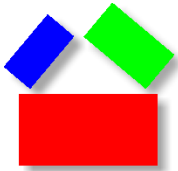
VISION

Mission

- **Make sense of your data**

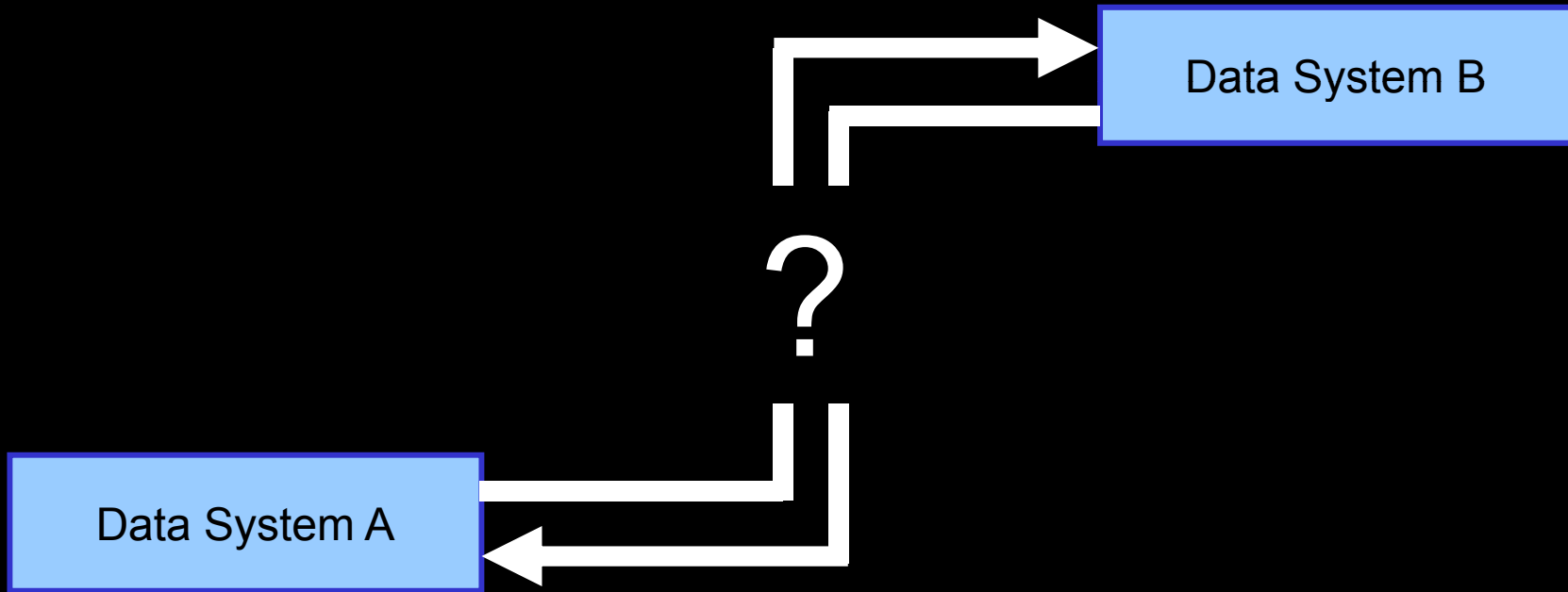
Task

- **Create the standards and systems for interoperable data and modeling**



VISION

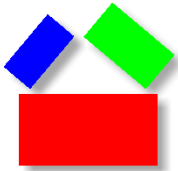
How do we synchronize data?



Data = Symbol

CONTEXT

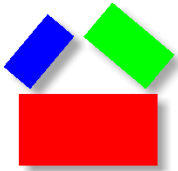
Target: Vocabulary and Syntax



SOLUTION

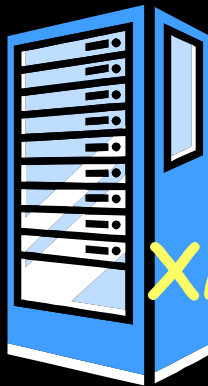
XML

Must agree on vocabulary and syntax

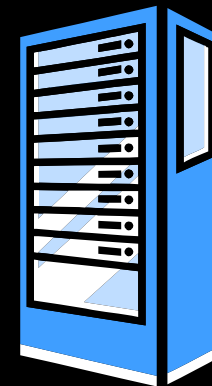
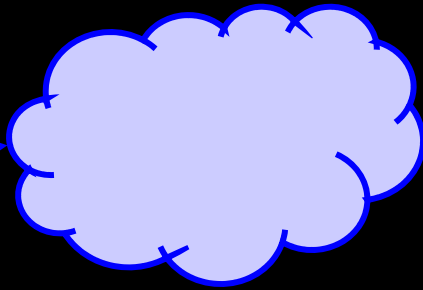


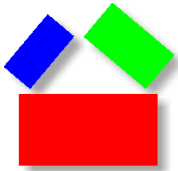
XML

XML is like a form.



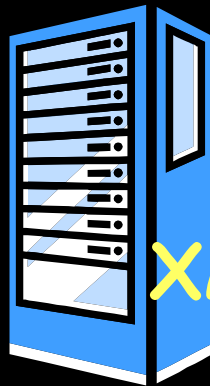
XML



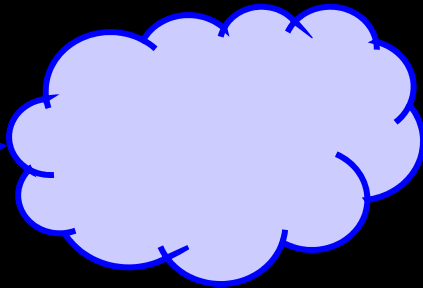


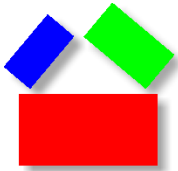
PROBLEM

Different forms ?



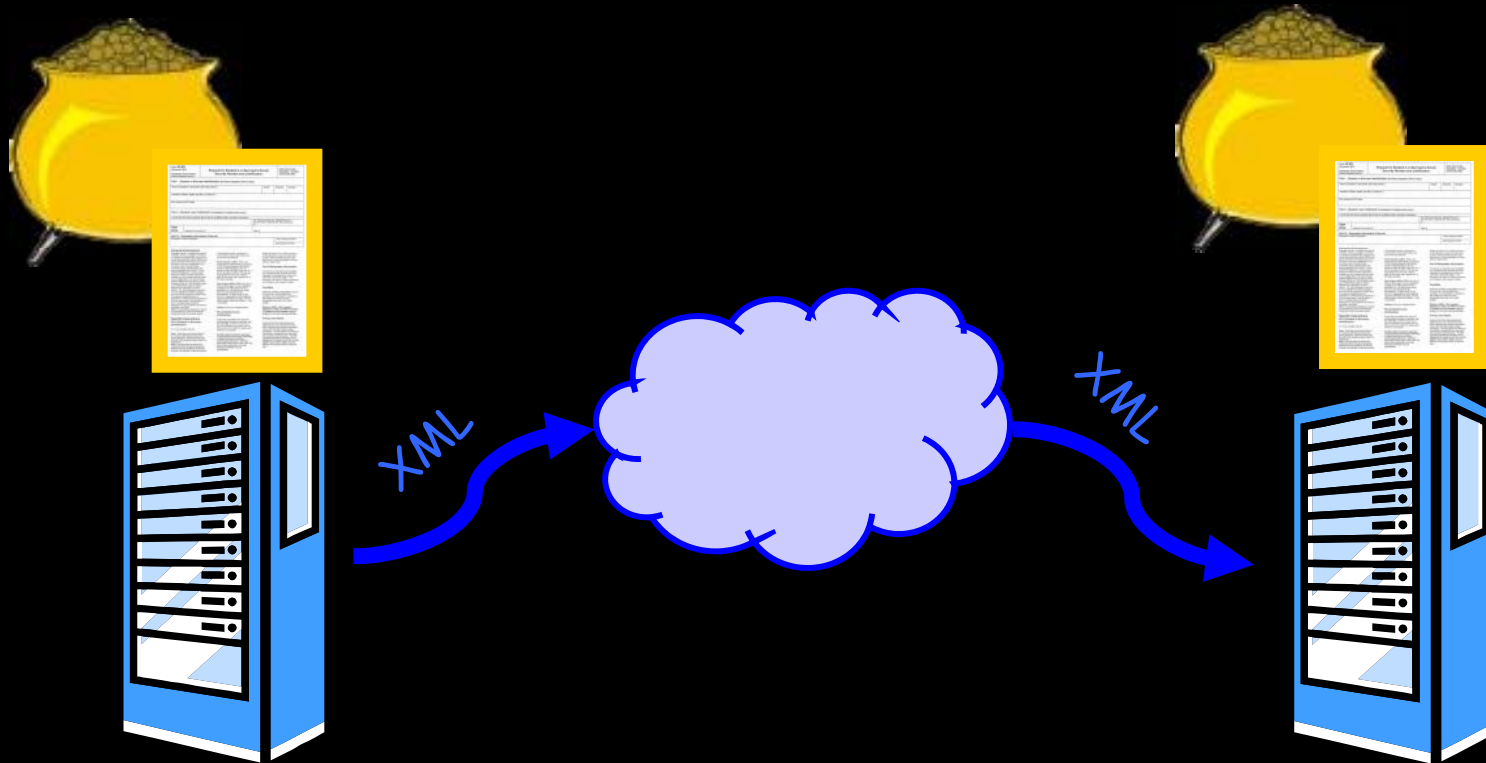
XML

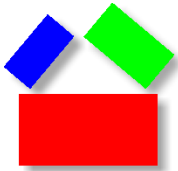




STANDARD

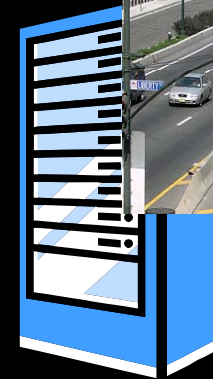
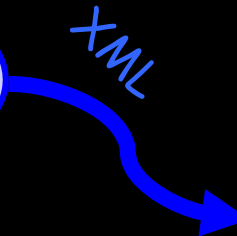
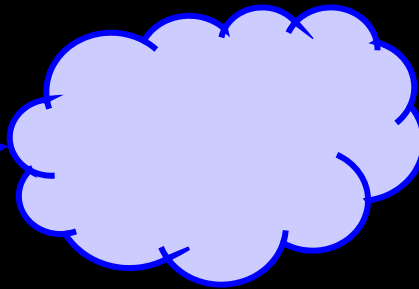
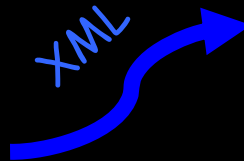
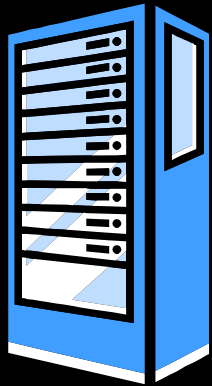
Can't we just agree on one form?

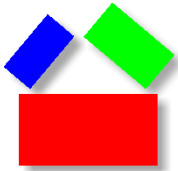




STANDARD?

Whose form?

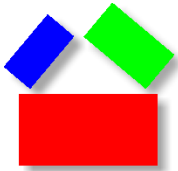




STANDARDS?

4ML	ARML	BiblioML	CIDX	eBIS-XML	HTTP-DRP	MatML	ODRL	PrintTalk	SHOE	UML	XML F
AML	ARML	BCXML	xCIL	ECML	HumanML	MathML	OeBPS	ProductionML	SIF	UBL	XML Key
AML	ASML	BEEP	CLT	eCo	HyTime	MBAM	OFX	PSL	SMML	UCLP	XMLife
AML	ASML	BGML	CNRP	EcoKnow	IML	MISML	OIL	PSI	SMBXML	UDDI	XML MP
AML	ASTM	BHTML	ComicsML	edaXML	ICML	MCF	OIM	QML	SMDL	UDEF	XML News
AML	ATML	BIBLIOML	Covad xLink	EMSA	IDE	MDDL	OLife	QAML	SDML	UIML	XML RPC
AML	ATML	BIOML	CPL	eosML	IDML	MDSI-XML	OML	QuickData	SMIL	ULF	XML Schema
ABML	ATML	BIPS	CP eXchange	ESML	IDWG	Metarule	ONIX DTD	RBAC	SOAP	UMLS	XML Sign
ABML	ATML	BizCodes	CSS	ETD-ML	IEEE DTD	MFDX	OOPML	RDDI	SODL	UPnP	XML Query
ACML	AWML	BLM XML	CVML	FieldML	IFX	MIX	OPML	RDF	SOX	URI/URL	XML P7C
ACML	AXML	BPML	CWMI	FINML	IMPP	MMLL	OpenMath	RDL	SPML	UXF	XML TP
ACAP	AXML	BRML	CycML	FITS	IMS Global	MML	Office XML	RecipeML	SpeechML	VML	XMLVoc
ACS X12	AXML	BSML	DML	FIXML	InTML	MML	OPML	RELAX	SSML	vCalendar	XML XCI
ADML	AXML	CML	DAML	FLBC	IOTP	MML	OPX	RELAX NG	STML	vCard	XAML
AECM	BML	xCML	DaliML	FLOWML	IRML	MoDL	OSD	REXML	STEP	VCML	XACML
AFML	BML	CaXML	DaqXML	FPML	IXML	MOS	OTA	REPML	STEPML	VHG	XBL
AGML	BML	CaseXML	DAS	FSML	IXRetail	MPML	PML	ResumeXML	SVG	VIML	XSBEL
AHML	BML	xCBL	DASL	GML	JabberXML	MPXML	PML	RETML	SWAP	VISA XML	XBN
AIML	BML	CBML	DCMI	GML	JDF	MRML	PML	RFML	SWMS	VMML	XBRL
AIML	BML	CDA	DOI	GML	JDox	MSAML	PML	RightsLang	SyncML	VocML	XCFF
AIF	BannerML	CDF	DeltaV	GXML	JECMM	MTML	PML	RIXML	TML	VoiceXML	XCES
AL3	BCXML	CDISC	DIG35	GAME	JLife	MTML	PML	RoadmOPS	TML	VRML	Xchart
ANML	BEEP	CELLML	DLML	GBXML	JSML	MusicXML	PML	RosettaNet PIP	TML	WAP	Xdelta
ANNOTEA	BGML	ChessGML	DMML	GDML	JSML	NAML	PML	RSS	TalkML	WDDX	XDF
ANATML	BHTML	ChordML	DocBook	GEML	JScoreML	xNAL	P3P	RuleML	TaxML	WebML	XForms
APML	BIBLIOML	ChordQL	DocScope	GEDML	KBML	NAA Ads	PDML	SML	TDL	WebDAV	XGF
APPMML	BIOML	CIM	DoD XML	GEN	LACITO	Navy DTD	PDX	SML	TDML	WellML	XGL
AQL	BIPS	CIML	DPRL	GeoLang	LandXML	NewsML	PEF XML	SML	TEI	WeldingXML	MGML
APPEL	BizCodes	CIDS	DRI	GIML	LEDES	NML	PetroML	SML	ThML	Wf-XML	XHTML
ARML	BLM XML	CIDX	DSML	GXD	LegalXML	NISO DTB	PGML	SAML	TIM	WIDL	XIOP
ARML	BPML	xCIL	DSD	GXL	Life Data	NITF	PhysicsML	SABLE	TIM	WITSML	XLF
ASML	BRML	CLT	DXS	Hy XM	LitML	NLMXML	PICS	SAE J2008	TMML	WorldOS	XLIFF
ASML	BSML	CNRP	EML	HITIS	LMML	NVML	PMML	SBML	TMX	WSML	XLink
ASTM	BCXML	ComicsML	EML	HR-XML	LogML	OAGIS	PNML	Schematron	TP	WSIA	XMI
ARML	BEEP	CIM	DLML	HRMML	LogML	OBI	PNML	SDML	TPAML	XML	XMSG
ARML	BGML	CIML	EAD	HTML	LTSC XML	OCF	PNG	SearchDM-XML	TREX	XML Court	XMTTP
ASML	BHTML	CIDS	ebXML	HTTPL	MAML	ODF	PrintML	SGML	TxLife	XML EDI	XNS



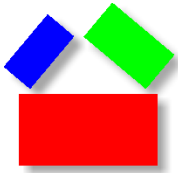


M

A Modeling Language

The Fundamental Idea:

Separate **vocabulary** and **grammar**

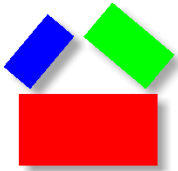


M

Words
Dictionary

+

Rules
Grammar

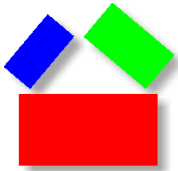


DATA "BLOCK"

Word



Data



DICTIONARY ENTRY

WORD

call.5

DEFINITION

call *n.* a telephone connection.

RELATIONS

Synonyms: phone_call.1, telephone_call.1

Type of: telephone.2, telephony.1

Part of:

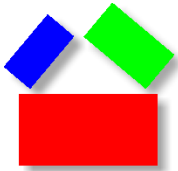
DATA

Data: $^{+}[0-9]\d{2}-\d{3}-\d{4}\$$

Attributes: party.5, duration.1, telephone_number.1

TRANSLATIONS

Data: 电话, telefoongesprek, 전화, телефонныйа вызов

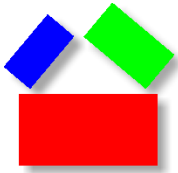


DATA "ATOM"

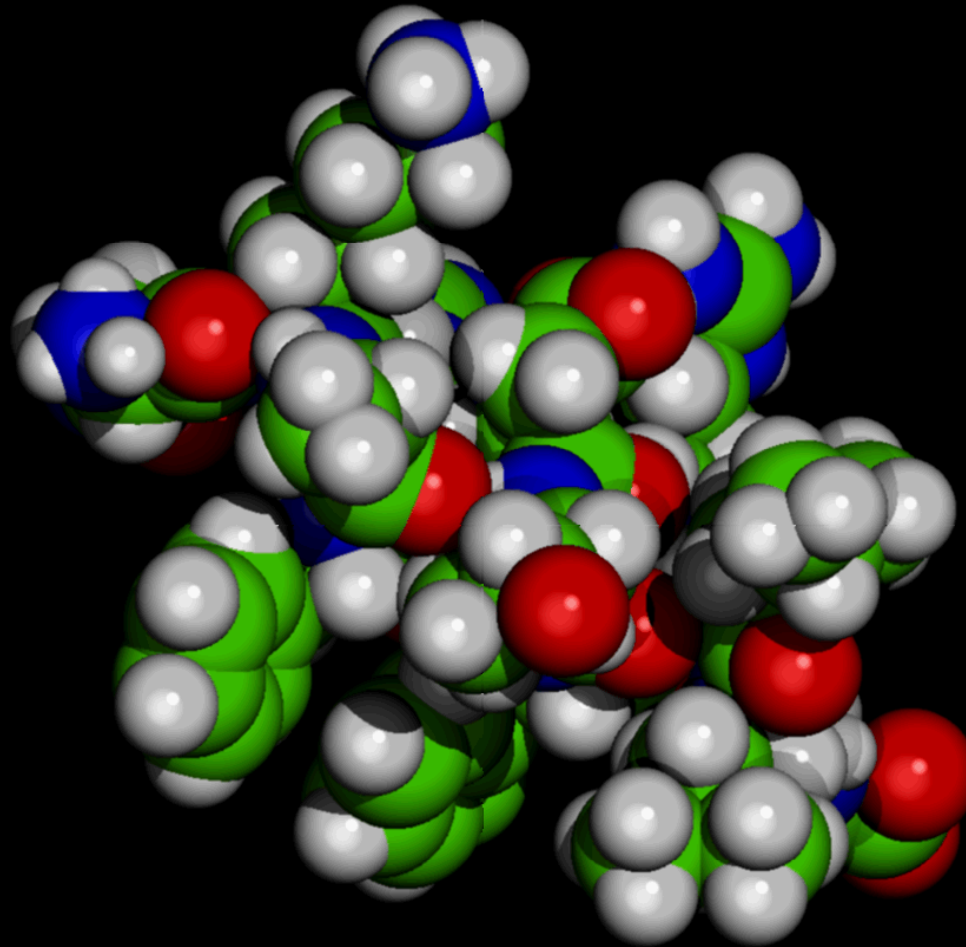
Word

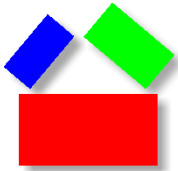
Data

Data that "self identifies"



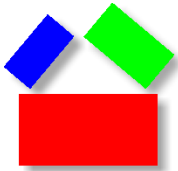
DATA "MOLECULE"





DICTIONARY AND GRAMMAR DEVELOPMENT

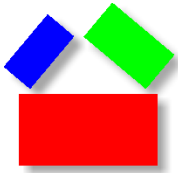
- Web accessible
- Web editable – A “wiki” dictionary
- Web community
- Staged approval
 - Proposal – Universal accessible and editable
 - Draft – Universal accessible and limited editable
 - Pre-approval – Universal accessible and limited comments
 - Recommendation – Universal accessible



HOW DOES M COMPARE TO SEMANTIC WEB?

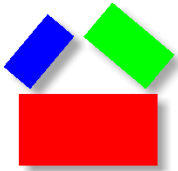
- The M Language works with W3C standards
 - XML
 - XSLT
- M focuses on atomic elements, Semantic Web focuses on creating an ontology
- M is designed for “many to many” communication, across industry disciplines
- Semantic Web plans to use some elements of Artificial Intelligence and Knowledge Management



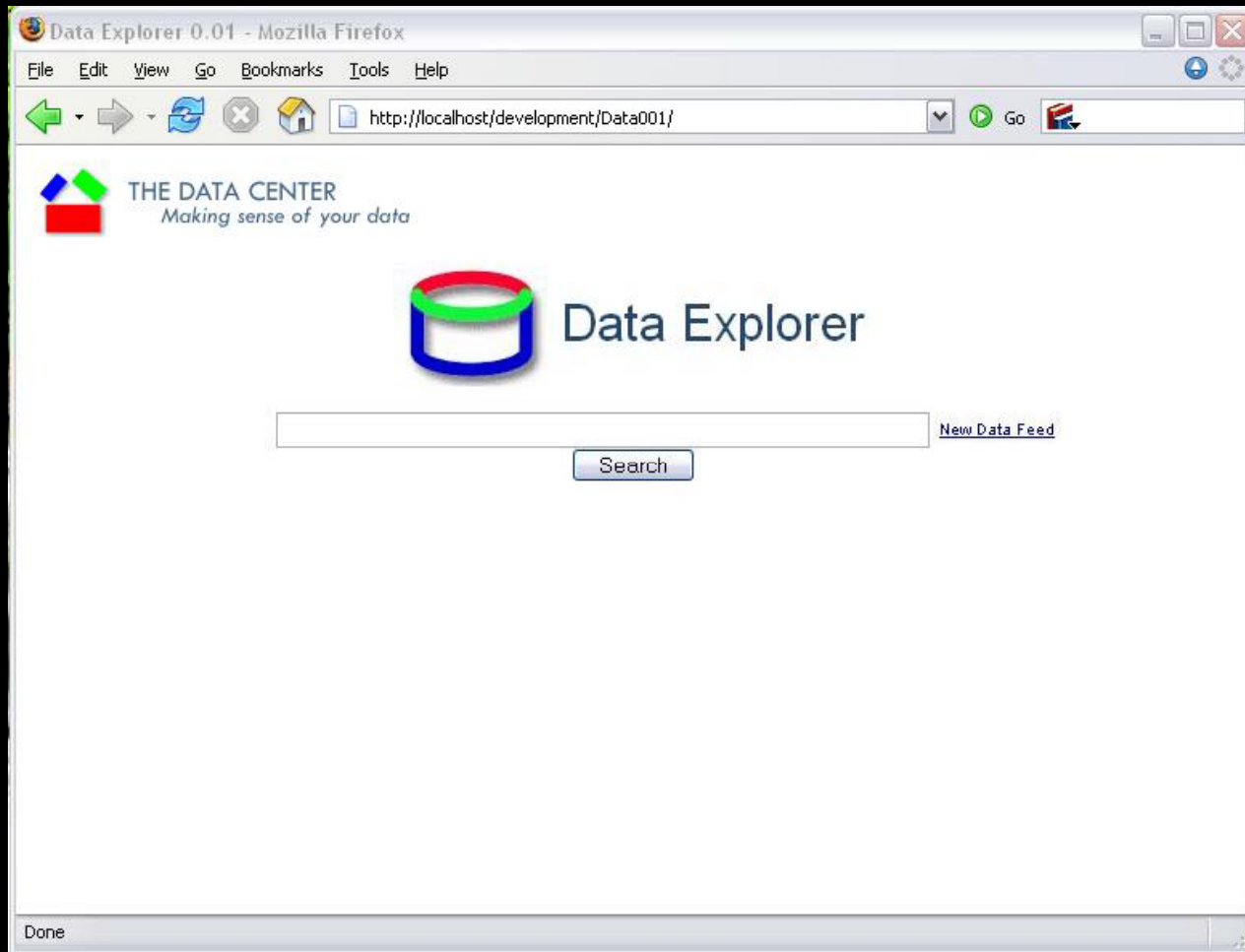


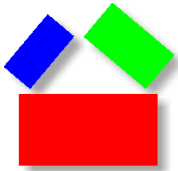
APPLICATIONS

Applications



M DATA FEEDS





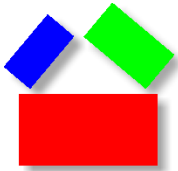
M NEWS FEEDS



M 1.0



```
<M>
  <version>1.0</version>
  <channel4>
    <title>CNN.com</title>
    <link2>http://www.cnn.com/rssclick/?section=cnn\_topstories</link2>
    <description>
      CNN.com delivers up-to-the-minute news and information on the
      latest top stories, weather, entertainment, politics and
      more.
    </description>
    <language>en-us</language>
    <publication_date>Tue, 20 Sep 2005 18:01:37 EDT</publication_date>
    <managing_editor>editor@cnn.com</managing_editor>
    <webmaster>webmaster@cnn.com</webmaster>
  <item>
    <title> Rita.7 pounds.2 Florida_Keys.0 and.0 spawns.2 tornadoes.0 </title>
    <link>http://www.cnn.com/rssclick/2005/Weather/09/20/rita/
      Index.html?section=cnn\_topstories
    </link>
    <description>Hurricane Rita battered South Florida and the Keys with heavy rain
    and strong winds Tuesday after strengthening to a Category 2 storm. Gov. Jeb Bush warned
    residents to stay vigilant as the storm -- with maximum sustained winds of 100 mph --
    passed through the Straits of Florida without so far making official landfall. Radar
    indicated Rita spawned tornadoes near Hollywood, Florida, and a water spout or tornado
    near Islamorada, in the upper Keys.
    </description>
    <publication_date>Tue, 20 Sep 2005 16:13:49 EDT</publication_date>
  </item>
</channel4>
</M>
```



M DATA FEEDS

NOAA NDBC

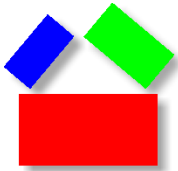
Raw Data Feed

```
YYYY MM DD hh mm  WD WSPD  GST  WVHT  DPD  APD MWD  BARO  ATMP  WTMP  DEWP  VIS  PTDY  TIDE
2005 07 11 17 50  MM  MM  MM  1.2  5  MM  MM 1011.8  16.2  13.8  13.6  MM -0.7  MM
. . .
```

'M' Data Feed

```
<timestamp.1>
  2005-07-11T17:50
</timestamp.1>
<wave.5_height.2>
  1.2
  <unit.5>foot.11</unit.5>
</wave.5_height.2>
```





M BROWSER

Fusion 0.7

File Edit View Tools Help

Navigation icons: back, forward, refresh, home, search, settings

Address bar: <http://localhost/m/grocery.m>

Sales Receipt

Company

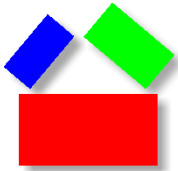
Name Trade Fair Supermarkets
Address 23 Broadway, Astoria, NY

Item List	
Name	Price
Cambell Chicken Noodle Soup	0.99
Elmherst Half-Half	0.89
Jones Liverwurst	1.50
Produce	2.85
Bakery	0.60

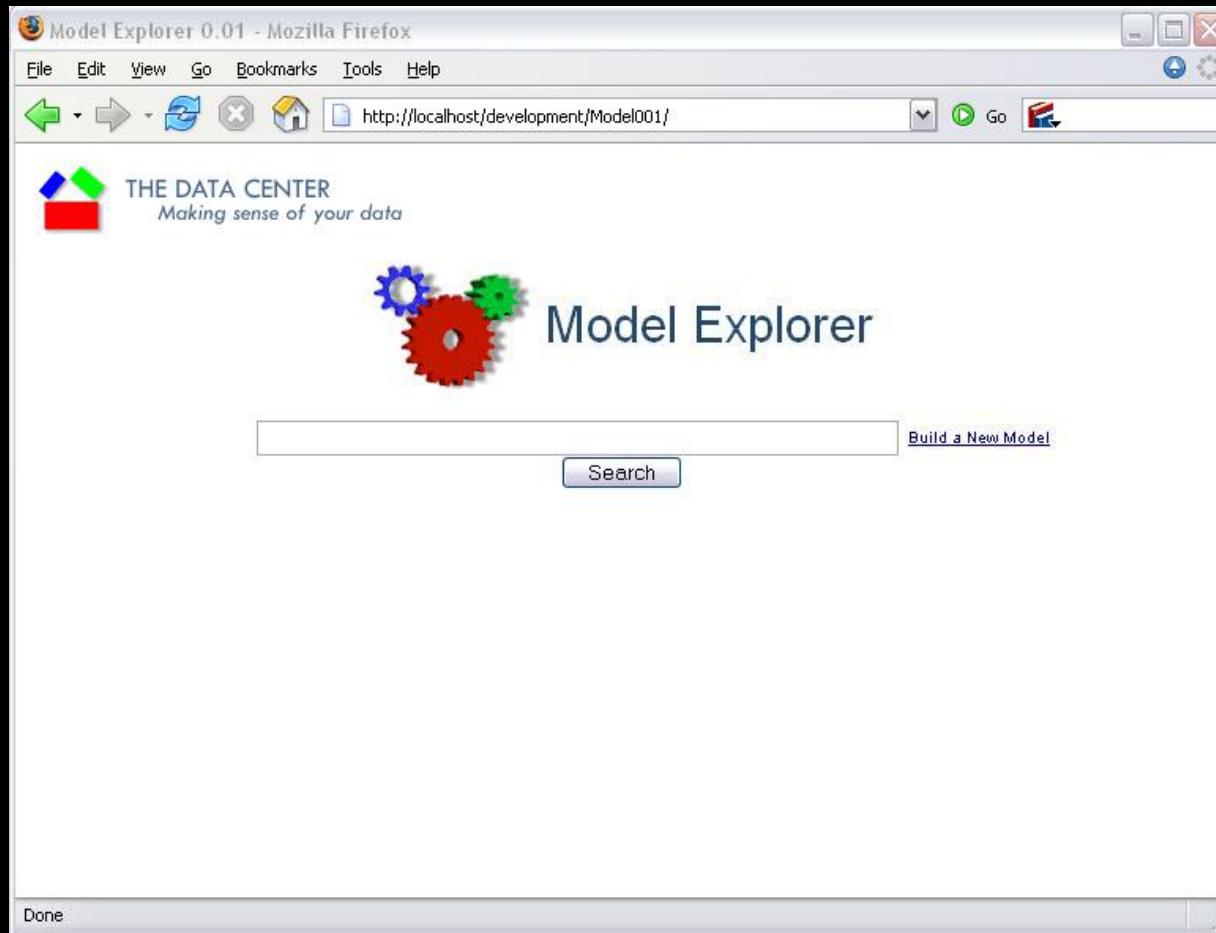
Receipt

Subtotal 6.83
Tax 0.00
Total 6.83
Cash 10.00
Change 3.17

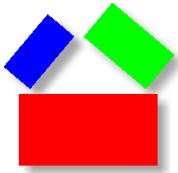
Status Ready... M 1.0



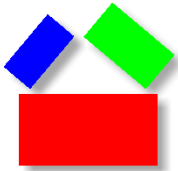
'M' MODEL EXPLORER







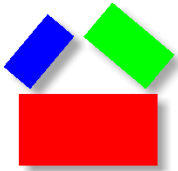
Engineering Marketing Science



Mass Advertising is taking a big hit

“Advertising is scary”

Prof. Duncan Simester
MIT Sloan School of Management



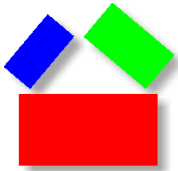
The Future...

The integration of marketing science, engineering technology, and supply chain management.

Supply chains that sense and respond to the physical world.

This requires an **Intelligent Infrastructure** for management, control, automation and interaction.

The **M Language** is an open system that will form the base.

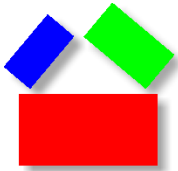


OBJECTIVE

Develop new ways of influencing customer decision-making at the point of sale

Interactive Marketing

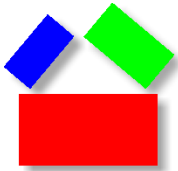
Use the M Language as the data aggregator between venders and retailers



RELEVANCE

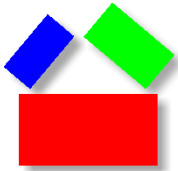
Research Question – measuring and modeling the effect of increased amount of data at the point-of-sale.

Commercial Question – employ interactive marketing to increase sales at retail outlets.



M LANGUAGE APPLICATION

- Serve as a data aggregator
- Effective solution for the “many to many” problem
- Open source system
- Key Point – no standard exists today

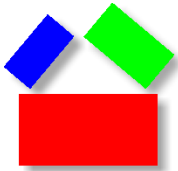


In-Store Informational Kiosk

Self-service, interactive,
networked terminals in the aisles
for:

- *Product information*
- *Comparisons*
- *Targeted marketing*
- *Promotions*

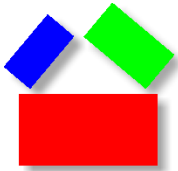




Brand Owner Benefits

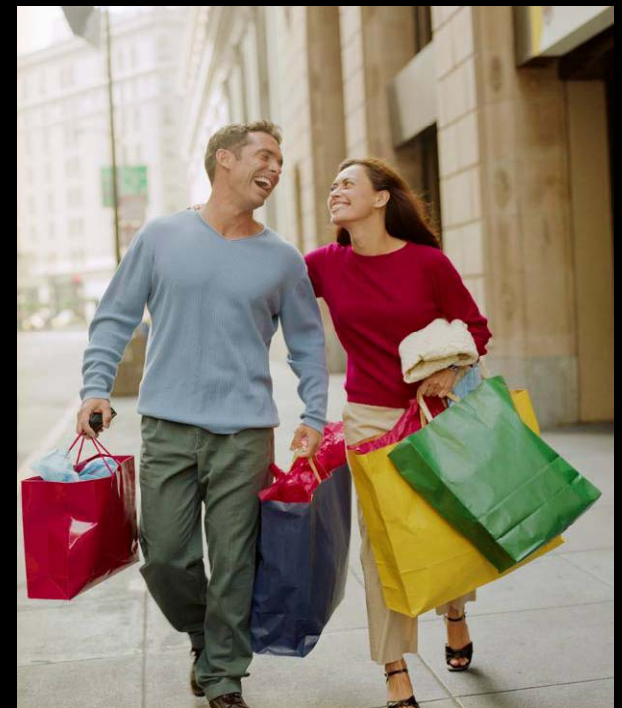


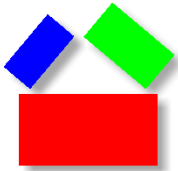
- Consistent messaging
- Direct access to retail shoppers
- Access to customer shopping metrics
- Highly creative marketing options
- Deliver timely promotions



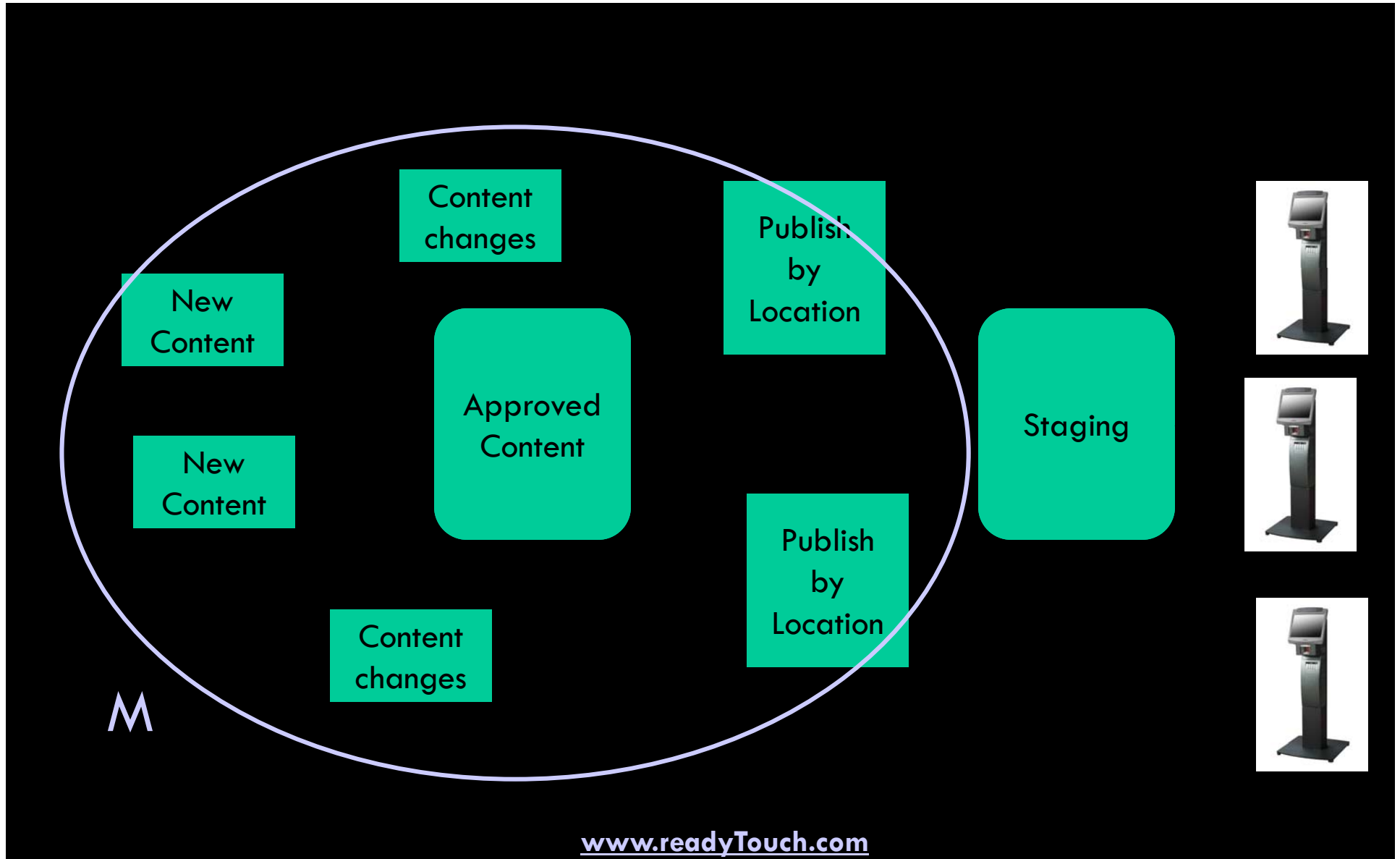
Retailer Benefits

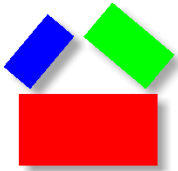
- Improve bottom line
 - More sales
 - Higher margin sales
- Improve customer service
 - More satisfied customer
- Hi-impact cross-promotions
 - Increase basket size
- Optimize staffing
 - Kiosk is product “expert”





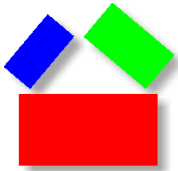
A Supply Chain for Product Information





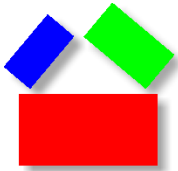
Expansion options

- Put the information on a cell phone
- RFID enabled devices – auto detect
- Loyalty card tie-in
- Web history tie-in
- Blogs and customer reviews
- Reporting tools to show marketing trends

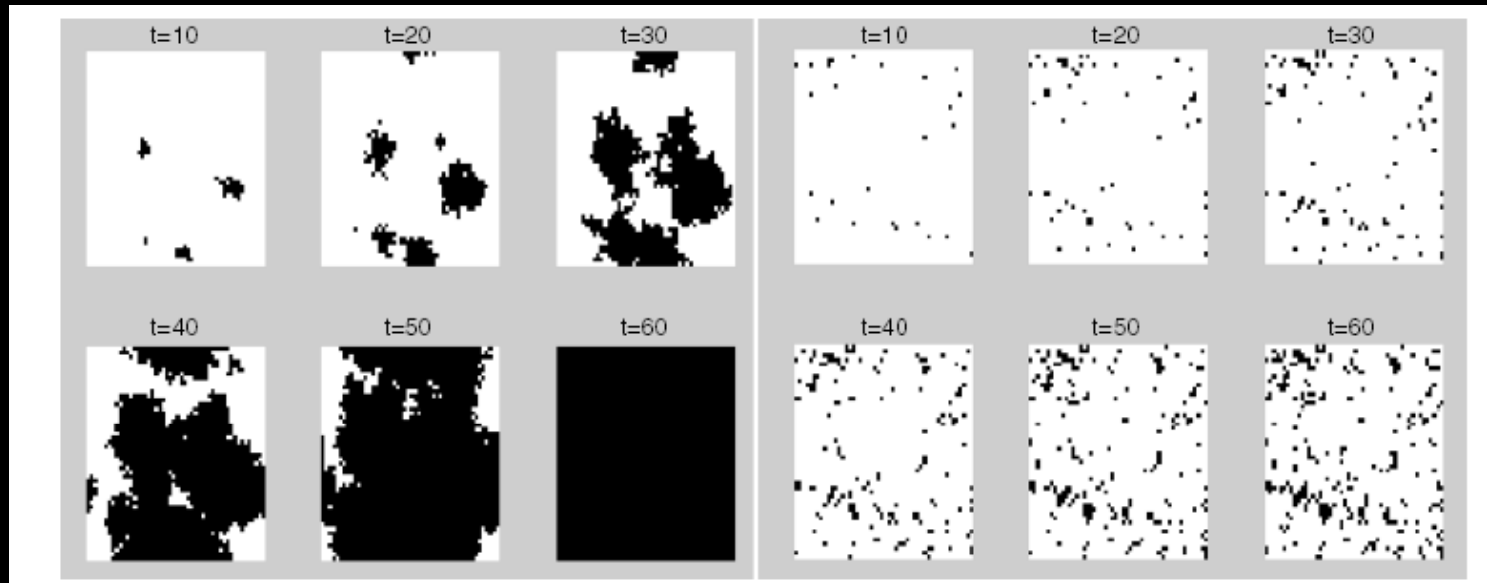


Changes in the Supply Chain

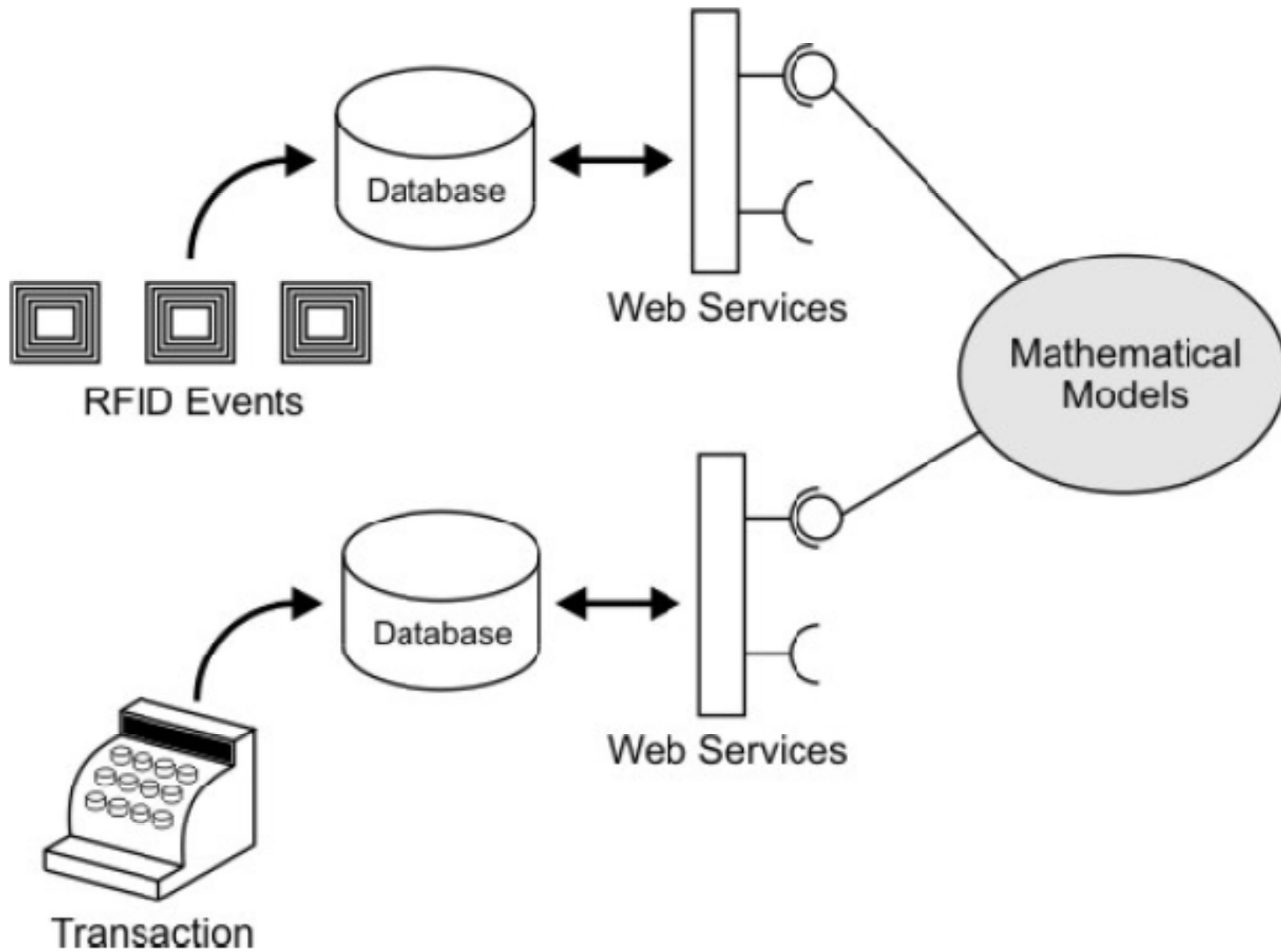
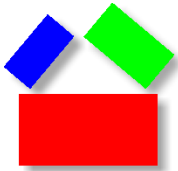
- Orientation 1 – Power to Retailer
 - Consumer has the ability to compare across brands at point of sale
- Orientation 2 – Power to Manufacturer
 - Control information flow about a brand
- Orientation 3 – Marketing Research Tool
 - Gain store level data on customer behavior

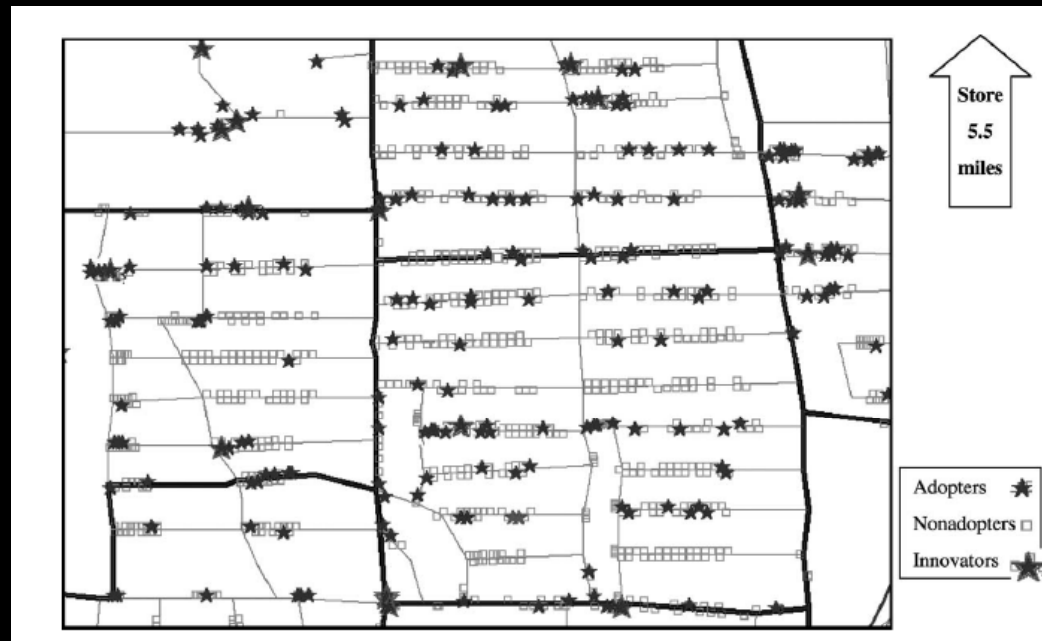
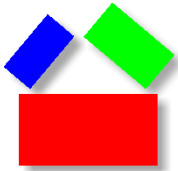


Marketing Spatial Diffusion

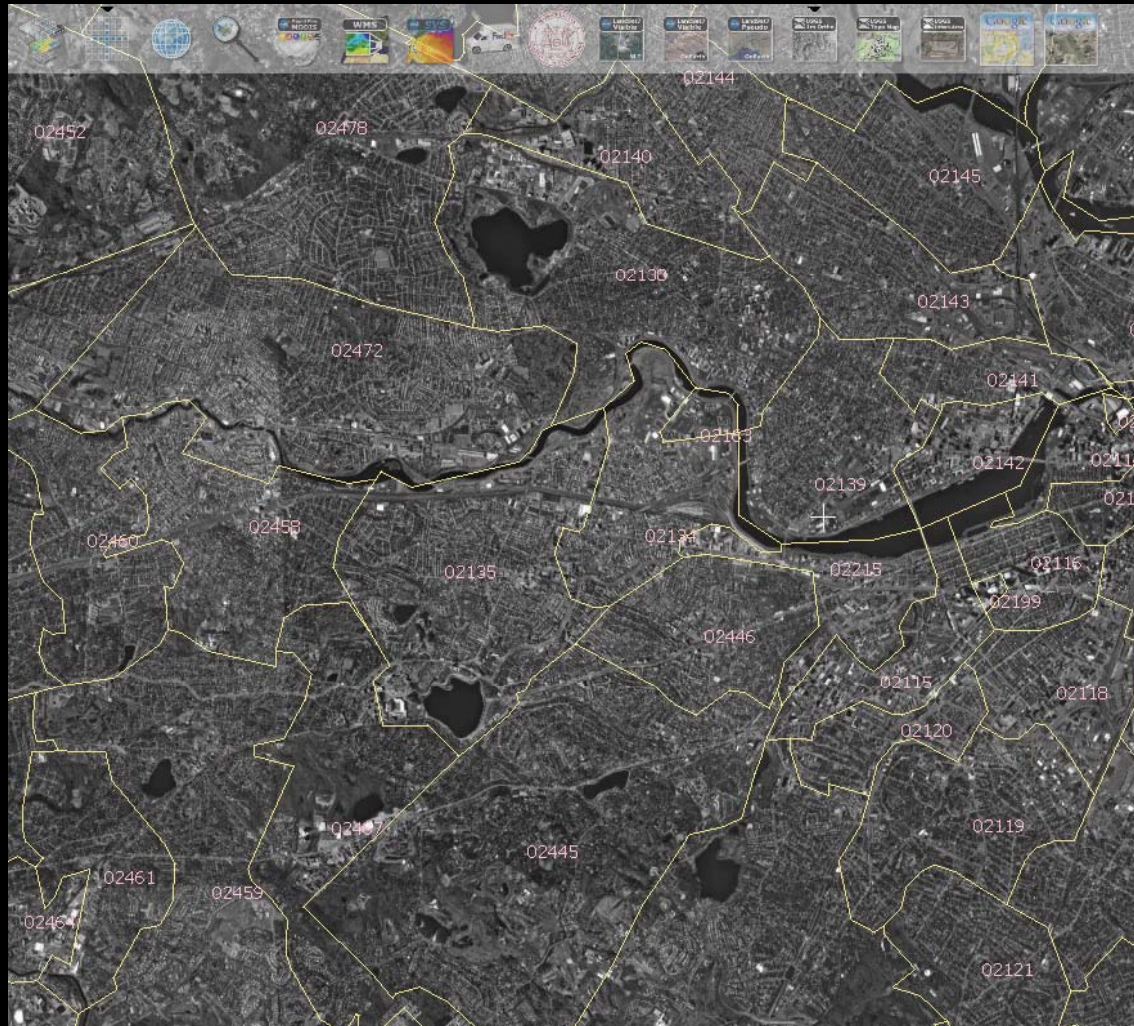
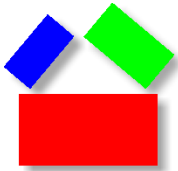


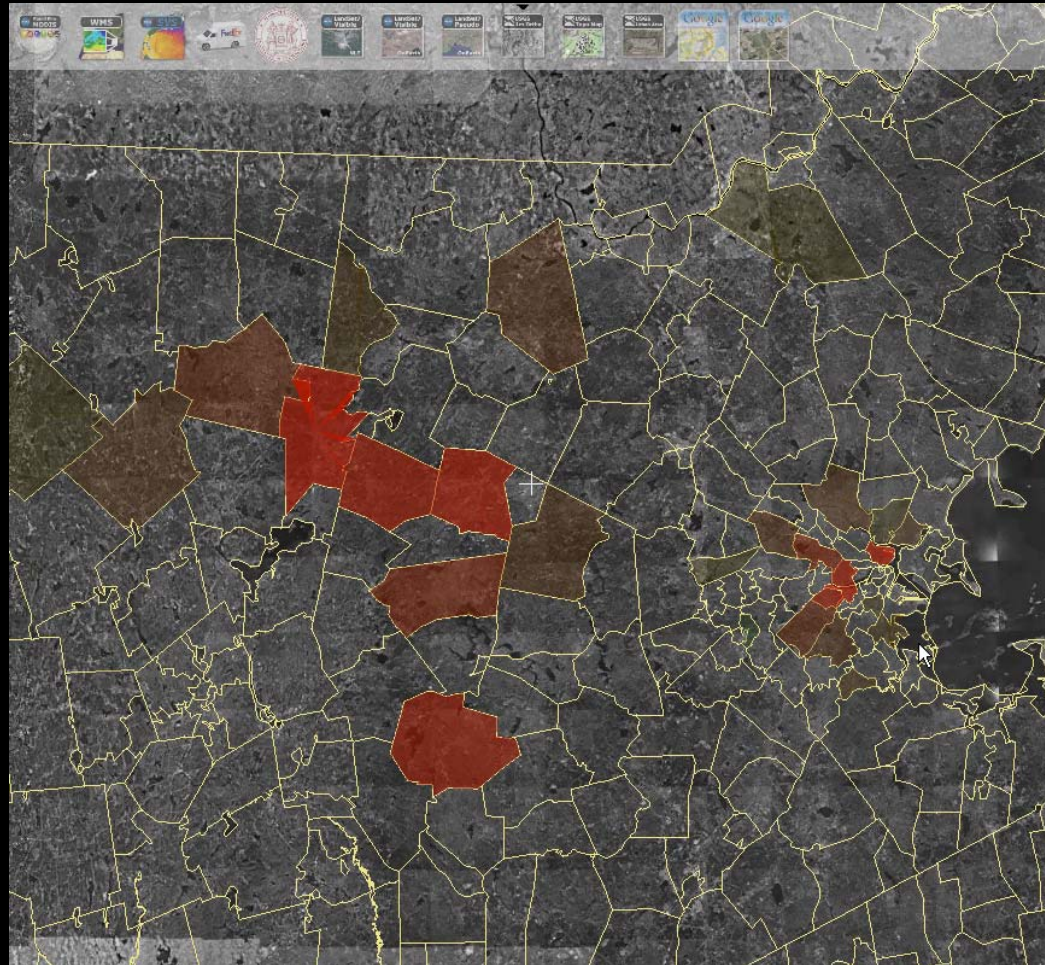
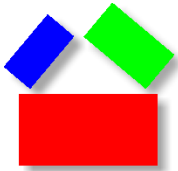
Garber, Tal, Jacob Goldenberg, Barak Libai, and Eitan Muller (2004), "From Density to Destiny: Using Spatial Dimension of Sales Data for Early Prediction of New Product Success," *Marketing Science*, Vol. 23, No. 3, pp. 419-428.

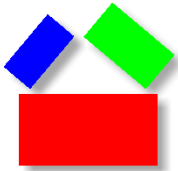




Allaway, Arthur W., David Berkowitz and Giles D'Souza (2003), "Spatial Diffusion of a New Loyalty Program Through a Retail Market," *Journal of Retailing*, Vol. 79, pp 137 – 151.

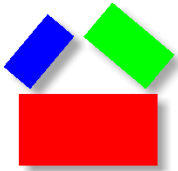






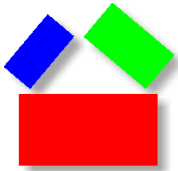
IMPLEMENTATION

- You can use the *M* Language now!
- We are refining the Dictionary, Browser, and Rules
- Distributed dictionary approach
- Controlled “wiki” process
- Industry leaders of the MIT Data Center Program drive use and control future direction



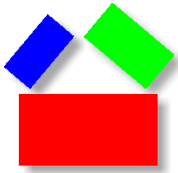
M Language – Manufacturing and SCM

1. Building an intelligent network that links **models to data** (Alternative to ERP)
2. Translating data at the **edge** of computing systems (Data integration in supply chains)
3. Internet Search tool that uses the **definition** of the word (common understanding within MFG. organizations)
4. Various forms of **visualization** of data through a tangible user interface



M Language – Application Goals (continued)

5. A Standard for **Spatial** Data (impact of weather on logistical systems)
6. **Data Aggregation** (tech. manuals, maint. records)
7. **Human** Language Translation (SCM documents)
8. A standard for **sensors** (capital equipment)
9. A standard for **location** (general supply chain)
10. Improve data **quality** (general supply chain)



www.mitdatacenter.org

