



Building IP in **VERTICAL MARKETS**

Tech Data has been working to bring specialist resellers and ISVs and start-ups together in the healthcare market, with a strong focus on AI and analytics. It is now looking to emulate the success it is having in that market in other sectors and with other technologies – we spoke to Neil Cornish, Business Development Manager, Industry Ecosystems at Tech Data – and some of the partners who have got involved so far – about the plans and how partners can get involved and benefit.

Developing a vertical market focus is a classic way for a reseller to differentiate its business. However, it is fairly uncommon for any business to have both the in-depth understanding of a sector, the insight and skills to develop solutions that can meet its needs, and the resources and capability to access a market and address its needs.

This is even more true at a time when new emerging technologies, such as analytics and AI, and IoT, and the cloud are bringing the potential for things to be done in a very different way in industries such as healthcare, manufacturing, retail and financial services.

There are of course, companies with the right skills and knowledge of these markets out there – and resellers who have the capability to deliver new and innovative solutions that can make a real difference in vertical sectors. If these companies could be brought together, they should be able to deliver new kinds of solutions to customers with specialist needs and drive significant new business opportunities for themselves.

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Stirring-up activity

That is the core reasoning behind Tech Data's Industry Solutions Agitator programme. An initiative with a name – and an aim – like no other we have yet seen in the channel. Ian Jeffs, Business Unit Director – Datacentre at Tech Data UK, explained the company's thinking. 'The channel is continually evolving and adapting to customer requirements. Today's thirst for digital transformation is opening up many new revenue streams and to take advantage, partners are looking to proactively build out their ecosystems. To accelerate that process, Tech Data is taking a structured approach, bringing together ISVs, CSPs, SIs and VARs to share capabilities and industry insights along with demand generation opportunities.'

This long-term programme aims to draw together all the expertise and capability needed to create, market and sell innovative solutions that will deliver significant benefits for customers in key verticals and significant business for the partners involved.

'The purpose and vision of Tech Data today is all about connecting the world with the power of technology. We're very focused on cloud, analytics, IoT, security and services, and we believe that those are the growth areas for the future. Added to that we need to find partners who want to create new solutions and markets that might bring any or all of those elements together,' Neil Cornish, Business Development Manager, Industry Ecosystems at Tech Data told Newsflash.

The reasoning is that there will be established players in vertical

'We are trying to put together companies who either need something else to sell - or need a route to the customer.'

Neil Cornish

Business Development Manager,
Industry Ecosystems at Tech Data



Jigsaw puzzle

Tech Data is bringing these disparate parties together. Through Meet-Ups, workshops and events. Cornish and the team he's assembled are looking to build entire ecosystems of partners that are focused on delivering solutions to a specific vertical market. They have already created one for healthcare and life sciences that is reaping very positive results and, as this article is published, they will be in the throes of creating one for manufacturing. Others will follow, creating a whole network of relationships under the umbrella of what Tech Data is calling its Industry Solutions Agitator programme.

Neil Cornish said: 'It's about pulling the different parts of the jigsaw puzzle together into an ecosystem where the customer can see the complete solution picture not just the pieces. The customer sees an integrated healthcare solution or an 'Industry 4.0' (a reference to the concept of the 'Fourth Industrial Revolution') implementation – it all works together.'

The healthcare ecosystem has already seen over 100 companies attending various workshops and meetings. The most recent Meet-Up at IBM's offices in London was attended by more than 60 delegates with a mix of resellers, ISVs and end-user customers. Tech Data also had a



huge presence at the Global Innovation and New Technology (GIANT) Health event in October, at Chelsea FC in London, giving partners a platform to demonstrate their solutions. This was a big success and numerous leads were picked up by partners at the event.

IBM has been a key vendor and supporter of the healthcare programme. Thomas Hill, UK&I Systems AI Leader at IBM, said: 'We cannot be the best at everything and look to partner, through ecosystems such as Tech Data's, to deliver real business value and outcomes. It provides an environment in which customers, partners, IBM and Tech Data, can openly collaborate and work together to drive advancements and innovation within a particular field or vertical and enable new partnerships, business opportunities, and routes to market.'

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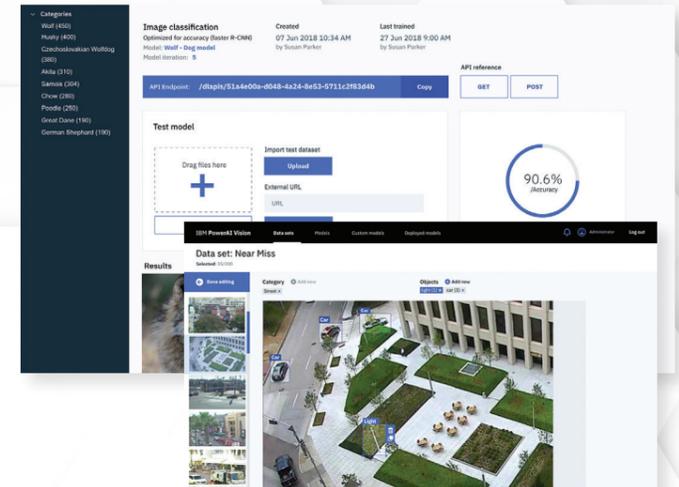
Business Development Manager,
Industry Ecosystems at Tech Data

Powerful alliances

Alliances have been formed with the parties involved developing joint plans to build and take solutions to market. A solution from Oxford Cancer Biomarkers for cellular identification and genetics profiling, using IBM's PowerAI Vision platform, is already being promoted through the vendor's own healthcare marketing along with that of Tech Data partner, Meridian IT. There has also been collaboration between various parties on the development, by Velindre, of a virtual response solution running on IBM Watson Administrative Assistant, that will provide answers to the specific questions that cancer patients might ask about their condition, 24-hours a day. (See pages 36–37 for details of these solutions).

The value Tech Data adds to the equation is, first of all, to provide the reach and visibility that perhaps no-one else in the channel can. There will be all kinds of organisations, from very large systems integrators to tiny ISVs in Tech Data's customer base. Secondly it is in enabling partnerships and filling any skills gaps where they exist, but only where it is necessary, Neil Cornish notes.

The real reward for Tech Data, Neil Cornish believes, will come through the partners using Tech Data as their primary source of the core products, solutions and services that are needed to make-up the end solution. If this sounds to some extent, like an act of faith, he makes no apology for that. 'With the partner ecosystem, if we help them find other people to work with and then create routes to market for them –



A solution from Oxford Bio for cellular identification and genetics profiling, using IBM's PowerAI Vision platform.

by doing things like taking giant stands at events and inviting them to come with us and talk to real customers – we build a relationship and, we hope, a long-lasting partnership that engenders a degree of loyalty and mutual support.

Moving on

Having scored a resounding success with healthcare, it is now moving on to industrial and manufacturing and was kick-starting the programme by running an Industry Meet-Up and having a presence at the Smart Factories event that is taking place as part of Digital Manufacturing Week in Liverpool this month. This event will be filled with developers and innovators, some of whom Tech Data hopes will want to get involved and help it build the ecosystem.

Other events, Meet-Ups and workshops, social media activity and the development of a Trusted Advisor site, will follow. IBM will be supporting this initiative whole-heartedly, said Thomas Hill.

'We now have an opportunity to build on the momentum and replicate the success in other verticals. AI-based visual inspection through Industry 4.0 represents a huge opportunity for us to help manufacturers reduce costs and improve quality – McKinsey believes that manufacturers could see a 10–20% improvement in cost quality through Industry 4.0 vs traditional visual inspection. Applying the same ecosystem philosophy to Manufacturing and Industrial will bring together the specialist partners, solution providers, and domain experts, needed to help our clients realise these new opportunities.'

After the manufacturing programme has got fully underway, Tech Data will move on to cover another vertical. Financial services and retail are in the pipeline and will probably be enough to keep Neil Cornish and his team quite busy into the middle of 2020. But the programme certainly won't stop there – it will spread to perhaps eight or ten markets, he thinks.



Taking new solutions to market in new ways



How partners are already reaping the rewards of the Tech Data ecosystem.

For vendors, ISVs, partners and customers, the healthcare and life sciences programme has already delivered positive results.

The Vendor

Lowering the entry barrier to AI opportunities.

IBM has supported the development of Tech Data's healthcare and life sciences ecosystem from the outset and sees multiple benefits – for itself, partners and end-user customers.

Tech Data has already established a thriving ecosystem and community of partners in healthcare and life sciences, and it's fair to say that some of our most widely-known and talked-about success stories, particularly on the PowerAI platform have come from this eco-system', Thomas Hill, UK&I Systems AI Leader at IBM told *Newsflash*.

'By bringing customers into the ecosystem, we listen to their needs and better understand their biggest challenges and pain points. We can thus ensure we are collaborating and bringing to market the technologies and solutions needed to better serve those customers.'

'It also provides our customers with an environment in which they can actively feedback to us and our partners on what they need and, in some cases, actively participate in the design of future technology releases.'

'One of the real challenges, particularly when it comes to AI, machine learning, and deep learning,' he added, 'is overcoming the skills gap. The ecosystem goes a long way to helping with this, by bringing in experts from Tech Data and IBM, to help bridge this gap and really lower the barrier to entry to AI for partners.'

The Partner

Complementary propositions that address complex challenges.

Earlier this year, leading infrastructure solutions provider and MSP, Transputec, set up its own AI division, headed by Nikhil Sehgal. That developed quickly, and specific opportunities opened up in healthcare. This has since led to the formation of a spin-off business, called Vastmindz, that is entirely focused on delivering AI solutions for healthcare, and in the interim, Nikhil Sehgal and his team became involved in the Tech Data ecosystem.

'Through various conversations we learned that Tech Data was focusing on AI and healthcare, as we were, so we started to get involved at that point. A lot has happened in those six months and we have now spun off into VastMindz, and partnered with an Israeli company called Binah to bring a video-based diagnostics tool to market that enables medical practitioners to get information about a patient's pulse, oxygen levels, blood pressure, body temperature and other vital signs, remotely using the camera on the patient's own smartphone, tablet or laptop. We are also working on a number of other products in the predictive diagnostics domain that we aiming to go to market with in 2020.

It's working with other partners on collaborations to develop more diagnostics solutions. Nikhil Sehgal said that being part of the Tech Data healthcare and life sciences ecosystem helps in a number of ways. 'We're already having discussions with various hospitals. We've had some great discussions with various individuals from IBM and other partners in the healthcare ecosystem about delivering our diagnostics solutions in collaboration with what they are offering. A lot of solutions (in the ecosystem) are complementary, which means we can address complex challenges in areas such as interoperability that we could not overcome on our own. That's one of the main benefits.'



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Nikhil Sehgal

AI & Machine Learning specialist,
AI Division, Transputec Ltd

The ISV

Accelerating the benefits of digital pathology through AI.

The use of traditional glass microscope slides to diagnose cancer from sections of tumours has been largely unchanged for almost a century. However, with the development of digital microscopy scanners and AI engines the whole field of pathology is being transformed. Crucially the repetitive tasks associated with identification and counting of cells can be automated: freeing up pathologists' time for more skilled tasks and patient care.

Oxford Cancer Biomarkers (OCB) is focussed on developing accurate methods for predicting the likely course of colorectal cancer (CRC) to enable better chemotherapy targeting. Since July 2018, working with Meridian IT, OCB has been using IBM's PowerAI Vision® toolset to develop a deep learning-based specialist image analysis tool for CRC. Using a training set of clinically-labelled images, the PowerAI Vision® tool rapidly learned how to greatly accelerate the analysis, whilst providing more accurate results than even experienced pathologists could achieve.

OCB is now in the process of incorporating this innovation, driven by IBM PowerAI Vision®, into a scalable product platform. This will accelerate and improve the analysis of CRC to the benefit of patients worldwide.

Having participated in a range of marketing events and being featured on an IBM video, OCB is now actively supporting the Tech Data healthcare ecosystem through presentations and demonstrations at various exhibitions, such as the recent GIANT Health show, and meet-ups around the country, helping explain the possibilities and opportunities that working with IBM AI solutions and the Tech Data ecosystem offers.

Building trust

Tech Data is clearly investing a lot in developing these ecosystems, and the initial successes it is having suggests it is going to work. But can Tech Data rely purely on the loyalty and trust it builds with these ecosystems to get a return on its investment?

That's the plan for now, said Neil Cornish, although this does not rule out some kind of programme at some point, where companies can put more in if they wish to get more out. But that's for the future.

For now, Tech Data is investing in steadily forging new partnerships and a portfolio of solutions that make use of the very latest technologies and are relevant and usable in a specific vertical market. It's a very different and innovative approach – and one that moves Tech Data quite a distance from the traditional role of a distributor in the IT channel.

Neil Cornish said: 'We are moving from being product suppliers and specialists, to helping partners make a market within a particular industry. It's a very different kind of relationship and partnership but one that can add tremendous value.'

The End User

A social route to solving problems.

The Velindre Cancer Centre in Cardiff is one of the largest cancer centres in the UK, providing specialist services to over 1.5 million people in south-east Wales. A division of Velindre NHS Trust, it employs over 670 staff and has an annual budget of over £79 million.

Velindre had been exploring ways in which AI might be used in cancer care and working – with Pfizer and IBM – on an AI-driven virtual assistant, called RiTTA (Real-time, Information Technology Towards Activation), that will provide meaningful answers to the many non-clinical questions that patients have about issues, such as the impact of their condition on their personal lives, relationships and work.

It heard about the Tech Data healthcare and life sciences ecosystem through existing contacts at IBM partner, Meridian IT, and started to get involved and attend meetings earlier this year. Philip Webb, Velindre Planning and Performance Director, said that it's been extremely valuable. 'It's a very social way of meeting people who may have a bigger part to play in what we are trying to do. The ecosystem allows an interplay between organisations at different entry points. We've been involved in a number of events with Tech Data and IBM and found that it's a useful way to open up the discussion about some of the problems we encounter.'

RiTTA has been developed on the IBM Watson platform and was due to enter a 12-month pilot phase this month (November). Velindre has designed and built the application and has received support from IBM's global team and locally through Meridian IT.

You can watch a YouTube video about the RiTTA project at uk.techdata.com/ritta.

Ian Jeffs added: 'I believe this is an exciting approach. It adds to our trusted advisor programme helping partners to build out complex solutions into new opportunities. Tech Data have taken an exciting lead on this and we look forward to creating more Industry teams moving forward.'

Where that takes Tech Data and how big a role the Industry Solutions Agitator programme plays in its business in the future remains to be seen. But the early signs are very good – especially for the partners who are already benefiting by being a part of its new ecosystems.

The next Meetup event is due to be held on 3rd December at IBM Southbank, if you are interested in attending or would like any further information about the Industry Solutions Agitator programme, please contact:

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