

The Time for Digitalisation is Now: Innovative Technology Consolidation in the Architecture, Engineering, and Construction Industry

The Construction industry is being transformed via technological innovations including 3D printing, modularisation and robotics. More and more project sites are integrating drones, barcodes, sensors, RFID, wearables, etc in order to increase efficiency, control quality, and reduce costs. Commercial Real-Estate owners are eyeing their rising operations costs and are turning towards more advanced Building Management Systems that leverage the power of digital twins, AI, IoT, analytics and supply chain optimisation.

According to a McKinsey report, Venture Capital in construction has outpaced overall VC by 15X in the 2009 - 2019 time frame. Investment in Electronic Product Code technology increased from \$8 billion in 2014 to \$25 billion in 2019 - of which \$17 billion went into either Mergers & Acquisitions, or Private Equity.

These trends show that the big players in the AEC industry are consolidating. A once highly complex, fragmented and project-based industry is becoming more standardised and integrated. The expectation from clients is that their vendors will offer a more comprehensive final product, with an increased focus on product usage and life-cycle.

In order to remain competitive, larger companies are going to have to absorb specialty 'point solutions' so that they can offer fully integrated systems that comply with higher stakeholder expectations regarding function, sustainability, resilience and other ESG related goals. Smaller specialty entities can offer the tech-physical connections that lead to enhanced analytics and insights that leverage the growing pool of inter and intra company data (thereby supporting specifications, warranties, competitive insights, future innovation).

SMT is a specialty 'point solutions' boutique that offers proprietary enhancements in moisture detection, displacement measurement, and building envelope monitoring. As the market is heading towards boutique providers of 'point /specialty solutions to integrate into larger workable platforms, SMT aspires to capitalise on its technological edge and international patents to move into these larger platforms on a global scale.

Soprema would be an ideal partner, perfectly positioned to benefit directly from SMT's proprietary technology which supports Soprema's stated ESG, sustainability and visionary goals. Key synergies include:

- Information from disparate facilities can be gathered and analysed in real time from a central 'cockpit'
- clients could be invited to witness the extended warranty and support
- contractor partners can be monitored
- maintenance undertaken proactively.
- All easily compatible with major BMS platforms.
- The ability to gather information pertaining to the performance of other competitive and /or complementary materials and processes.