

CDO SPOTLIGHT

Caterpillar's Ogi Redzic: A Technology Disrupter



Since 2018, Ogi Redzic has been chief digital officer and vice president of Caterpillar Inc. with responsibility for Cat Digital. His portfolio includes managing key components of the company's digital strategy including connectivity, data, e-commerce channels, the digital platform, analytics, applications, digital marketing and lead management. Prior to joining Caterpillar, he spent 20 years working in the automotive and technology industries, most recently leading connected cars and driverless mobility at Renault-Nissan Alliance.

Caterpillar highlighted its mining offerings at CES® 2021 for the first time. A global leader in manufacturing heavy equipment for the mining industry, Caterpillar also develops the tech inside these mammoth machines. The Cat® MineStar™ technology solutions include fleets of machines, like mining trucks and underground loaders, that are delivering impressive results. Many are using this tech to work autonomously without an operator onboard. Workers are safer, machines move more efficiently, operations are more consistent and productive, equipment lasts longer and mines are more profitable. Redzic talked with *i3* about the company's digital strategy.

Q. What is Caterpillar's digital strategy?

A. We've set a clear enterprise strategy: digital is an enabler to growth for Caterpillar's entire business, not a business in itself, with a particular focus on services growth. We define services at Caterpillar as the value we provide our customers after they buy our equipment. Our digital solutions play a critical part in this by turning data into useful information for our customers, both on and off equipment. We want our customers to be more successful using our products and services than our competitors'. We're innovating not for innovation's sake but to deliver the best outcomes for our customers, dealers and Caterpillar. And we're succeeding in that goal...our digital solutions provide value at every stage of the relationship — purchase, own and support. Our strategy grounds us and keeps us focused on what is really going to make a difference in the lives of our customers.

Q. What are some of your biggest accomplishments?

A. We met our target of connecting one million assets. We've made it much easier to do business with Caterpillar and its dealers online. We have streamlined and moved our data infrastructure to cloud and have built a number of common services to accelerate new application development. We've pushed the limits of machine learning to help customers predict issues before they occur. But none of this could have happened without the right people. I'm most proud of building our impressive digital team with a strong tech culture. Over the past few years, we've hired

hundreds of digital and tech experts to tackle many complex challenges in the industries we serve and retained critical, existing talent that understood our physical product and our business well. Only when successfully combining new digital skills and existing core product experience could we make big leaps forward. I believe we've found the right balance.

Q. How does digital innovation support Caterpillar's growth strategy?

A. We always have a pulse on what is important to our customers and want to create digital solutions to make their lives easier and improve their business. They care about keeping their machines and engines running safely and efficiently, while reducing their operating cost. Let me give you a few examples of Caterpillar products that support this. Caterpillar's condition monitoring solution uses predictive analytics that enable proactive scheduling

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-Ogi Redzic



of maintenance, extend maintenance intervals on equipment and reduce maintenance costs. With our mining autonomy offering, haul trucks can navigate on their own with little to no human assistance, improving safety, reducing variability and increasing productivity. Our suite of fleet management tools gives customers a full view of their fleet at the tip of

their fingers, including tracking equipment location and hours, monitoring machine use and health, and taking action to keep their operations running. Online channels like Parts.Cat.com help customers find and order parts. And for some of our bigger customers, we



fully integrate their operational tools, making it easier to keep their fleets at top performance levels. This is an indicator that we're going in the right direction of where our customers need us digitally.

Q. How has Caterpillar's autonomous technology improved safety and increased productivity for customers?

A. Autonomous mining is more than simply unmanned machines; it's a system of machines, technologies, communication networks, safety systems and software working together seamlessly. The mining industry is very safety-conscious, and customers report they've seen a step change in safety when we introduce automation. Mine sites can be located in the most rugged and extreme conditions and run 24/7. Removing operators from the trucks reduces opportunity for injury. To date, there have been zero lost-time injuries related to autonomy. Additionally, some customers have experienced up to 30% improvement in productivity with our autonomous solutions. Autonomy is about automating every movement, pulling out waste, making it more repeatable, like a factory. Autonomy provides 100% process conformance, resulting in increases in productivity.

Q. How does Caterpillar differentiate itself from its competitors in the tech industry?

A. Everybody knows Cat iron. But now, we are being recognized for our intelligent,

connected iron. Our brand is a differentiator in itself, but now our challenge is to establish Caterpillar as a digital leader — and we're making that happen. Nobody knows Caterpillar products like we do — we design them, build them, maintain them, improve them — which means no one can make better digital solutions to help our customers. You always think of disruption as an external force, but when we can harness the power of our domain expertise and couple it with technology, Caterpillar becomes the technology disrupter in our space. We believe we are setting the industry pace for innovation. Our world class customer experience leverages the latest technology and the strength of our global dealer network, 161 independent dealers serving 192 countries. We have decades of experience designing, manufacturing, servicing and innovating. We have the ability to pool all that knowledge to provide customers with the best solution at the best time, which is a tremendous advantage. More than any of our competitors, we work with our dealer network on new digital solutions. Being able to leverage this network gives us the upper hand, because when we can work with those selling and servicing our equipment day in and day out, it helps us create extremely impactful solutions.

Q. What types of opportunities are available at Caterpillar for tech professionals?

A. Instead of talking about specific opportunities, I'd love to speak about the

interesting work our people are doing. Caterpillar digital teams offer a unique opportunity for tech talent to grow their careers using the latest technology to do work that really matters. If you're all about cloud, at scale services, data storage and processing, we have a place for you. If your background is communications and your interests lie in 4G, 5G or satellite, we have a place for you. Or maybe you're all about the user experience, creating the way customers should engage with a company and its products. We have a place for you, too. And this only continues to grow. Machine learning, AI — we have some fun challenges for you to solve. These are important areas for our customers and the interest in the industry is growing. Caterpillar wants people who want to stretch their skills to make a big difference — to keep mission-critical equipment working their best in the hottest and coldest places on earth.

Q. What does the digital future look like for Caterpillar?

A. This space is moving very fast, so the future is hard to predict. Caterpillar has always been synonymous with the best iron in the world and we are now also making the most intelligent iron in the world. What really matters is that we are well prepared for whatever comes next because we have built this strong digital muscle for Caterpillar. Bring the future on! ■