

Digital Supply Chain Is The Next Big Breakthrough In Trucking Productivity, Says Navistar's Persio Lisboa

ATLANTA, Sept. 27, 2017 [/PRNewswire/](#) -- Navistar International Corporation's (NYSE: NAV) Executive Vice President and Chief Operating Officer, Persio Lisboa, today shared his view that data and analytics will drive advances in trucking industry productivity while imposing increasingly stringent design requirements for truck and component reliability.

Lisboa was the keynote speaker at the 26th annual Heavy Duty Manufacturers Association Breakfast and Briefing, held during the new North American Commercial Vehicle Show in Atlanta. The annual event brought together suppliers and manufacturers serving the heavy-duty truck industry, with a focus on the role of advanced technologies in improving future freight efficiency.

"The transformation to a more productive transportation model is already under way," Lisboa said. "A fully integrated digital supply chain could remove close to \$160 billion of inefficiencies."

Lisboa also noted that electric and autonomous advances could generate an additional \$79 billion in efficiency improvements.

"When we add together the impact of these three megatrends – electric, autonomous and digital supply chain – the industry has the opportunity, over the next few years alone, to capture a 30 percent improvement in efficiency, and consequently lower operating costs," Lisboa said.

A major driver will be the network of connected vehicles and the information gathered from them, Lisboa said. The world of connected vehicles offers greatly increased availability of data, which can enable digital load matching, as well as a much more accurate level of prognostics for truck maintenance issues.

As an example, he cited Navistar's use of data from its OnCommand® Connection remote diagnostics system to provide detailed guidance on maintenance and truck specifications to all customers, even those purchasing just a single truck.

Analysis of big data from connected vehicles can tell truck makers almost precisely what to expect from a certain component or group of components, and can even point toward specific vehicles in the population that may be exposed to a certain issue, with a high degree of confidence.

"The companies who supply the network of connected vehicles and take advantage of the big data generated by them, will be one step ahead of the others," Lisboa said.

Navistar announced on September 25 the availability of On Command Connection Live Action Plans in 2018, which will provide customers the ability to predict when a part is going to fail before it actually does, by using a prognostic model developed using both field service intelligence and algorithms based in big data analytics. The company expects to pilot it over the next three months, with an official launch in 2018.

"One day, when the supply chain system is fully integrated, breakdowns and unplanned service events will be remembered only as something in the past," Lisboa said.

Navistar's industry-leading, open-architecture remote diagnostics system OnCommand Connection is already driving improved uptime for more than 325,000 vehicles, regardless of make or brand.

About Navistar

Navistar International Corporation (NYSE: NAV) is a holding company whose subsidiaries and affiliates produce International® brand commercial and military trucks, proprietary diesel engines, and IC Bus® brand school and commercial buses. An affiliate also provides truck and diesel engine service parts. Another affiliate offers financing services. Additional information is available at www.Navistar.com.

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