Emily Malin started transcription

Emily Malin 0:03
to get everybody in here and then we'll get started. So thanks everybody for hopping on. Should be a good one.
Brough.

Jasen Riley 1:10
Hello!

Emily Malin 1:18
Whoever that is, you should not be able to talk, but I'm going to mute you, so I apologize. Hello. I don't know how you're the only one that got around it. Interesting. Can everybody else unmute themselves on this one?

Jasen Riley 1:22
By the cookie, I was just saying, hi, hi.

Josh Cobain 1:33
Yes, we can.

Robert Hemmerdinger 1:33
I think I can.

Emily Malin 1:35
Thank you.

Adam Honaker 1:35
Hello.

Ed Desousa 1:36
Yeah, we can, yeah.

JT

Jason Terry 1:37
Hello.

EM

Emily Malin 1:37
Ohh, ohh, I'm gonna fix that. You all better get your talking in.
You want to say something?

JT

Jason Terry 1:44
Hello?

AH

Adam Honaker 1:47
Hello!

EM

Emily Malin 1:47
One guy. All right, that's it.
Right, now they all shouldn't be able to talk.

ED

Ed Desousa 1:58
We should be still unmuting ourselves, but we can.

T

Tim 1:59
Yeah.

EM

Emily Malin 1:59
Just...

Robert Hemmerdinger 2:03
You sure?

EM

Emily Malin 2:03
What?

JB

Jeff Boston 2:06
Ditto.

T

Tim 2:07
Hello.

AP

Amaan Peshimam 2:07
We can definitely still talk.

EM

Emily Malin 2:11
Okay, all right. Well, for those of you who have been on the webinars, this has not happened in the past, so...
That's so interesting. I don't know why.
Well, we might just have to operate on a good faith here.
Dave, when you go into the meeting options.
Can you see that it says allow Mike for attendees?

DS

Dave Stephen 2:44
Is that in the?

EM

Emily Malin 2:47
If you just go to controls, go to controls, view more options.

DS

Dave Stephen 2:57
Yeah, I don't see anything. Oh, wait, here's some audio settings.

EM

Emily Malin 3:00
If you scroll all the way down to participation, it says allow Mike for attendees. I don't know why.
Might just be operating on a good faith here, and I'm just gonna have to...
Mute people if they start talking to us.
Trey this one more time.
Well, we gave it our best shot, so we'll see. Ed, can you still unmute yourself?

ED

Ed Desousa 3:31
I can.

EM

Emily Malin 3:33
What in the world?
Oh no, I'm aware how to do it. It's just not doing it.
It is anarchy, you're correct.
Oh goodness. Now I've turned off Dave's camera.

DS

Dave Stephen 4:21
There we go.

EM

Emily Malin 4:21
Okay, well you got your camera back on. I still think people are allowed to...
unmute themselves. So we're just, we're going to be operating on the good faith that nobody is going to unmute themselves during here. So we'll just, I'll just make that a note a couple of different times.
Steele.
Okay, well, we're just going to have to get started and hopefully people just know to mute yourselves. I think all of you at least do show up muted. So that's a good thing. Hi, hello, everyone. Thank you all for joining. We have Dave Stephen here with the Future of Building. So this is kind of just a webinar around our greater strategy.
He'll be going over some things around AI in operations, our strategy, like I said, some on the building canvas, and then we will have time for a live Q&A afterwards. I'm Emily Malin, the Product Marketing Specialist for Delta IBT. I host all of these webinars for everybody.
See.

TB

Timothy Buckner 5:18
The one.
Okay.
I think so.

EM

Emily Malin 5:29
And now there's already somebody who's not muted. Oh, oh, this is gonna, this is not good.

Not good at all, Dave. If everybody can remember to mute yourselves, I don't know why, but for some reason, the mute button is not working in here. A couple other quick housekeeping items. All of these sessions are recorded.

TB

Timothy Buckner 5:30
They already somebody did not.
Brough.

DS

Dave Stephen 5:39
Yeah.

EM

Emily Malin 5:50
So we will be sending out the recording as well as the transcript, the presentation, and the Q&A afterwards. It'll take about a week, and then you will get a short survey email with all of that bundled up. In the chat, you'll also see there our next two webinars have already been scheduled. The first one will be July 30th at 9 A.m. Pacific time, and that is the practical and theoretical what is happening with AI. So kind of a build on to this with our data scientist, Jason Bursell. And then the next one after that will be on embedded graphics. And that'll be with Andy Beaveridge and Zach Stevens on August 27th, around that same, I believe that one is at 10 A.m. Pacific time.
And we'll just keep you guys updated with those as we go. So without further ado, here we go. Dave, get after it, buddy.

DS

Dave Stephen 6:40
All right, thanks, Emily. Yeah, my name is Dave Stephen. I've worked at Delta Controls and now Delta IBT for quite a long time. I'm sure I know many of you on this call very well. And what I do now, essentially, I work in the Strategy Department.
For most of my career, I worked in product management, but now I work in strategy.
And so what I help Delta do, DIBT do, is come up with five and 10 year plans, roadmaps, product commercialization, and strategy in general, along with the rest of our team.
So today what I'm going to talk about is what is our strategy going forward? We just went through a round of building our 10-year strategic plan and presenting it to Delta Electronics in Taiwan. John Nicholls did that. So I'm going to update the team on that.
And I'm also going to talk about where the industry is going. That's a big part of our strategy, obviously. AI.

EM

Emily Malin 7:57

Sorry, hang on, Dave. For some reason, you just muted. Can you unmute yourself?
Oh my goodness. I sincerely apologize everybody. Now I don't know why Dave is muted. So is everybody. One second. One moment, Dave.
Ohh gosh, our attendees just just kicked in, so now nobody can talk except me. One minute.
Shoot.
Oh my goodness.

DS

Dave Stephen 8:33

Okay, I think I'm good now.

EM

Emily Malin 8:33

Okay, you're good. We got him. Okay.
Thanks, Dave. Continue.

DS

Dave Stephen 8:38

No problem. Where did I leave off?

EM

Emily Malin 8:42

Right in your 10 years strategy going through and that was your job, your role.

DS

Dave Stephen 8:48

Okay, gotcha. Yeah, so helping to develop strategy. And yeah, today we're going to take a look at what that strategy is that we presented in Taiwan and actually our our global sales meeting that we had just a couple of weeks ago. I'm going to talk about AI and autonomous building operations.
and then building Canvas. Just keep in mind that this presentation is not really a product demo or what is available today. Other webinars cover those things. I'm going to talk a little bit more about, again, strategy and the long-term planning of Delta. So
Hopefully, you all enjoy that.
All right. First of all, we will start with our strategy. So we do have a very long vision. I'm not going to bother reading that. But really what it says is we're going to make lots of really good controls that, you know, do really good for our company and the world.

So just a little reminder about what Delta DIBT actually is. Delta controls is within the smart building solutions line of business in intelligent building technologies. And then of course, we also have smart lighting solutions, which is Amrolux and
Delta Electronics, and Smart Security with Viva Tech in March. And then we also have a few other sort of side things on the side there as well that cover different aspects of the market.
So in terms of, you know, what Delta is now, you know, we have joined with Loy Tech, a company, a building automation company out of Vienna, Austria. As you probably know, Hans George, former president of Loy Tech, is now president of
the SBS, so Delta and Loy Tech. And so that's one of the big reasons we had to come up with a new strategic plan, because we have big goals of, you know, you know, essentially 5xing our company over the next 10 years and some pretty aggressive growth goals, but we also have a lot more capacity now.
and an integration plan between our companies, that's going to enable us to do that.
So the industry trends, I'm just going to cover that a little bit because that's kind of what informs the strategy a bit, but I won't dwell on it too much. The market is growing, but it is uneven. So, you know, the Americas, we're growing at a steady sort of 6% rate. India, Southeast Asia, those kinds of places are growing much faster.
but they're starting from a much lower base as well. So the actual numbers that are put into those regions are smaller.
Building stock is getting older, but requirements for energy efficiency is going up. So that gives us an opportunity for retrofits. So a lot of what we're going to be doing going forward and things that you've already seen, like
T1L are aimed at the retrofit market. So that's really important to us going forward, upgrading buildings that are already in place.
Labor shortages, that's another one that I'm sure you're all experiencing. You know, with the baby boomers retiring, you know, and another 20 to 30 percent expected to retire over the next decade. You know, construction productivity goes down. It's harder to get those skilled workers.
I've had many partners tell me that the thing that's constraining their growth is not opportunities for jobs, but actually the ability to execute those jobs, because they can't find enough people, whether it's electricians to install, engineers to design, or techs to commission.
So just like with virtually every industry.
I can be a tool to help us bridge that gap and to help us make the people we have more efficient and to do workflows for us that would have been manual otherwise. And there's a lot of potential out there. So of course, it's mostly in sort of the knowledge thing.
AI is not so good at turning wrenches and things like that, or wiring things together, but it is a real help, as I'm sure many of you know, with things like programming, engineering, and

operations. And I'll give you some examples of that as we go forward.
Another big thing is that there's a large difference between the developed markets, the Americas, and Europe, Western Europe especially, and the rest of the world. So we have very high labor costs. Our customers demand very advanced functionality and integration.
And they care about the running costs of their buildings with higher energy prices and high wages. It's a bit different, of course, in developing markets. They have much lower labor costs, so they don't need to have everything sort of set up for them and plug and play.
But they have a high price sensitivity on products and not as many functional requirements as well. So as Delta IBT grows, we want to grow into some of these markets. And so we need a way to get into those markets. We've been trying for decades with
Our North American product and have had limited success.
And that's essentially what I was just saying. We've got a great product for North America, but to get into some of these other markets, we're going to need a different type of solution.
And so, some of our responses to these trends really are, you know, transforming from, you know, just a hardware-driven, project-based delivery as our business model to something that's more platform-enabled, something that has recurring revenue in it, more intelligence built into the system,
scalable, repeatable workflows rather than sort of handcrafted automation, reducing the product engineering costs by making it more automated, repeatable, standardized, and you know, like it says there, design once and scale it many times.
Location.
Another thing is sort of our multi-brand portfolio. So now we have two brands under DIBT, and so that gives us some opportunities to move into some different regions. But we also recognize that we're going to need probably another product line to address these cost-sensitive markets.
But the nice, the nice thing is, is our engineering staff is essentially doubled with joining with LoytecSupport, so we've got a lot more bench strength now.
And the other part of it is just the operating model. So fulfilling orders, customer experience, as we grow, we're going to have to scale up all of these sort of admin functions and other things as well that support the business.
Right. So one of the things that we think we can really bring is a competitive advantage in workflow. We really want to reduce the cost of doing business with Delta by making it easy to use our products. And Canvas is going to be one of the ways that we do that. And inside Canvas, of course.
course is AI. We'll talk about that more later.
We have a roadmap combined for the SBS. A big part of it is Canvas and building out a new sort of tier 2 lower cost platform. But we'll also be, of course, investing in our tier 1 North

American platform.
and making that better, adding products to what we have. And, you know, at some point in the future, creating another even better line. So our commitment really is always going to be first to North America, our home market, but we do need to grow internationally.
All right, so getting more into the future of buildings here.
So this is kind of a bit of a provocative statement on purpose. We think that by 2030, it will be inconceivable to operate a portfolio of buildings that doesn't operate itself. We think that's inevitable. We think it's going to happen. It's already happening with cars.
And our window is essentially now to start investing in fully autonomous buildings, which is where we think the market is going.
And it's not really a featured. We can't think of autonomous buildings being like a feature that you turn on. It's really more of a category change. Same as, you know, driving cars. Fully self-driving cars are in a completely different category than traditional cars.
So going from, you know, predetermined schedules and rule-based controls, set point changes, responding to alarms, things like that. It's all reliable, of course. As you know, buildings work great by just programming them the way you do today.
But they could be better. And so we think with autonomous operations, where the building is operating itself, it's going to be able to perceive its own state, learn from its own history, and act on its operating goals, not just a very constrained set of programming parameters.
And so, there's some architectural shifts enabling that, and they're converging now. So, going from sort of rules-based systems to neural networks is a big is a big one there. That's essentially, you know, part of AI. Silos to a unified platform, so bringing together all of the different disciplines from lighting, security,
access, and energy into one platform. That's going to be important for autonomous buildings. Going from ship and walk away products to systems that improve themselves rather than just supply recommendations or alarms.
And going from, you know, scripted manual interactions to agents that can act on your intent, that know what you want to do and figure out ways to do that within the building.
And, you know, cars did just teach us that. The auto industry is already sort of split into some different winners and losers when it comes to fully self-driving cars. And
The top companies, of course, your Teslas and your Rivians and things like that, they sort of rethought the way that they were doing cars. You know, they rebuilt the architecture inside, made it a software-defined platform, built these data flywheels so that every mile improves the vehicle.
and where updates are actually making your building smarter or your car smarter and better as you go forward. And so we think that buildings are in much the same state as cars were just a few years ago. We're lagging a little bit.
But there really are a lot of similarities between self-driving cars and autonomous buildings.

I think a great way to think about it is that an autonomous car moves through the environment, whereas with an autonomous building, the environment moves through the building.
But it relies on a lot of the same technology foundations underneath. Data-driven decision making, sensor fusion, AI machine learning, real-time adaptive control, and redundancy and optimization. A lot of the sensors are really the same, but the environment is different.
The AI is very much the same, but there's a few different tweaks to it. And essentially the goals are different. The goals with cars are safety, efficiency, and getting people from point to point. Whereas in an autonomous building, it's probably sustainability, efficiency, occupant comfort. And there's an aspect of occupant safety as well, but it's not from, not the same kind of threats as with cars, of course.
You know, a lot of the market is growing in terms of commercial real estate, but it's really more along the data center side and the Class A office space. Older Class B&C properties with no
sort of smarts in them, the rents on those are dwindling. They're becoming less valuable to owners. So they're really looking towards upgrading their systems, retrofitting their buildings. And I think that autonomous buildings and the future that that will bring is something that we can start selling now and positioning building owners now so that they'll be ready when these technologies fully arrive.
It's of course, you know, autonomous buildings are applicable probably to every type of building, but of course, the buildings that stand to gain the most or have the most risk in them are the ones that are going to adopt first. So when you think about airports and infrastructure or healthcare,
These are probably the buildings and building owners that will adopt the technology first, because they already have massively complex systems that are essentially are too complex for humans to really operate them efficiently. And so they were the first adopters in analytics and things like that to help them with their operations.
And I believe they'll be the first adopters of autonomous buildings as well.
And really what that is worth, you know, what, why, why, why autonomy? Energy and carbon, you know, reducing those things, reducing, you know, ensuring that the building owners get a return on investment on their building, that they're meeting compliance regulations and their corporate ESG goals is important.
We already talked a little bit about the skilled trades workforce aging out. So being able to sort of augment them with autonomous buildings so they don't need quite as large of a staff as before is helpful. And of course, there is the asset value. So autonomous operations, you know, leading to premium rents,
And de-risked, you know, capital plans for companies that operate a lot of buildings.
So, Delta is really built for this, we believe. We already control the sensing layer of the

building, so we have everything from smart lighting fixtures to cameras under our umbrella, and of course the sensors that we all know and love in terms of temperature, occupancy. the O3, all of these types of things. So we have that layer already. We already have the control layer and our modern, you know, Red 5 controllers and other controllers that we can put in a building that are ready for all of this. You've already seen how they can, you know, put in technologies like
like Node-RED and Python, and those things are going to be critical towards moving us towards an autonomous building. And so what we're going to be adding to that, of course, is building Canvas, something that builds a digital twin that hosts.
artificial intelligence and helps you compound learning across deployments.
And we also have a lot of different verticals under our belts across, like I said, the BMS, security, energy. So all of these different things are available under Delta IVT to help you make a fully autonomous building rather than just
a fully autonomous HVAC system.
All right, just a just a quick preview of you know what Building Canvas is, if you're not familiar with it. It's right now, it's an engineering platform and it's sort of at the heart of the so-called data flywheel that that ingests data and improves things as we as we go along. But I'll talk more about Canvas in some later slides here.
But what it really means is, you know, every layer of the value chain changing. So for systems integrators, our partners, going from configuring the systems point by point to programming it with GCL to a specific sequence,
That's going to be moving with AI to more specifying the intent. I need to do room control. I need to create, I need to control this VAV box. I need to be more efficient. I need to save this much carbon. So that's sort of what we mean by specifying intent.
And that's something that's going to be a really interesting change over the next coming years as we roll out Canvas.
But that being said, with autonomous buildings, we don't think that buildings, all buildings will run completely autonomously. Some buildings certainly will be able to. Obviously, we have tons of buildings out there that just run on, you know, thermostat control that don't have operators or BMSs.
We can help those buildings by making them fully autonomous and actually more efficient without needing the operators. But in those complex buildings that have operators, they're just going to be moving up the value chain, like we said.
and managing by exception as opposed to essentially manually operating a building. And there's different stages of autonomy, of course, as well. There's supervised, conditional, and then essentially fully autonomous operations. And so that'll happen over time.
different buildings will adopt at different times. But the point is we need to be prepared for it and building that system now.

All right. So we're in a good position. You know, we do believe that by 2030, buildings will be operating themselves. And we believe that, you know, Delta IVT is the company that will be able to enable that and you'll be able to sell our system as an autonomous system at some point in the future.
by 2030, let's say.
All right, so I just wanted to dive into one use case for autonomous buildings to kind of make it a little bit more clear what we're talking about. So I'm going to talk about hospitals. They really are too complex to operate with static controls and the alarm queues.
today. It's mission critical. It's operating 24-7, 365. They have a huge energy footprint, massive carbon emissions and concerns, and, you know, staffing as well is a huge issue. Labor being scarce.
Patient safety is important, infection control. So these are all, you know, things that could drive a hospital to adopt an autonomous autonomous system.
And, you know, another way to think about it is you have to protect care while improving the operations of a building. So no matter what, HVAC is part of the clinical system within a hospital and needs to be thought of that way. But the sort of
disproportionate energy intensity that hospitals have means there's a desire to change how they operate to constantly improve them. And so those things are all sort of converging into leading into an autonomous system.
All right, so...
Unlike today's automated buildings, which rely on pre-programmed sequences and require ongoing human tuning, autonomous buildings are intent-driven, self-optimizing systems that continuously learn, adapt, and coordinate the behavior to achieve desired outcomes. So one of the things
you know, it can be difficult to distinguish between, you know, advanced automation and autonomy. So what are some of the things that actually mean autonomy? One is being intent aware. The building understands why it operates a certain way.
with, you know, comfort targets, energy budgets, emission schools, things like that, not just set points and static sequences. They're model-driven.
So decisions can be made in a model in the digital twin and tested there before they're deployed on site. They're self-optimizing. So rather than just surfacing alarms or insights, they can take those, generate those themselves and act
on them themselves. And that kind of goes into sort of the self-healing and self-diagnosing as well. And another thing is they become sort of more human-governed rather than human-dependent. So the operators will set goals and constraints and policies, and the building executes them.
as opposed to the operator having to understand how to change the building themselves or hire somebody to make those changes.

And this is kind of what we mean by the data flywheel here that I referenced earlier. You know, sensing the environment, understanding it via the semantic data model and digital twins, being able to predict changes, make decisions itself, acting on them, and improving performance over time.
So that's sort of the closed loop way of operating an autonomous building, and that's going to be a big change going forward.
All right. So going back to the hospital analogy, you know, what would happen at 2 A.m. if a pressure event showed up, the operators are home at night, what's going to happen? So in a traditional system, when the alarm goes off,
It appears in the operator's alarm queue. The operator has to investigate it manually, maybe sifting through different systems, through different software. Then he would potentially call an operator or technician to provide a manual override to the system.
Maybe he leaves a note or maybe he doesn't. There might not be any record of that change. And there's no improvement. The building actually degrades as it goes into more of manual operations. But with, you know, with an autonomous building, it would actually detect that drift.
detect the damper positions, detect the door events, and understand what's going on with the system and that a fault is about to appear.
So it would identify, you know, those likely root causes with confidence level, make some recommendations, maybe even act if it's within approved guardrails. It would create a log of what it did, a compliance record, and potentially send a report into a CMMS system.
And importantly, upgrading or updating the digital twin and improving it going forward. So those are all, you know, different ways that an autonomous building can impact a hospital.
So another way of sort of saying that is, you know, today's controllers execute fixed sequences. In the future, there'll be adaptive policies. Today, we have point-level logic. In the future, it'll be a model-aware control situation. Typically, buildings are only commissioned once these days. In the future, continuously tuned.
reactive to predictive, local devices to edge intelligence. So those are all different ways that, you know, a hospital can improve and what the difference is between an autonomous controller and today's typical controllers are.
I'm just trying to decide what I want to say in here. I think I'll move on a little bit beyond this and talk about some other things. The facility teams, you know, again, moving from alarm response to outcome supervision and having greater confidence in the building and being able to manage a complex building.
not just running around putting out fires all day long. That's a huge advantage of autonomous buildings.
And some of the use cases that it could be applied to is, you know, operating rooms, maintaining pressurization, patient rooms, chiller plant optimization, reducing alarm noise,

so going from, you know, an unacknowledged list of 1000 alarms to actually surfacing the ones that matter and reacting to them.
and predicting faults. So they're all, they can be applied all around the hospital.
And so in an autonomous building, our architecture is pretty simple. It's canvas, it's controllers, it's sensors, and the digital twin. So, you know, the AI layer capturing intent being maintained in the digital twin, and then executing.
the commands or the policies down at the edge layer at the controllers and allowing the humans to govern the system effectively.
So a hospital should get smarter every year it operates.
And it is really a bigger story. It's not so much a feature. It's really a change in the way we think about building systems. And it affects all of these different things, energy bills, equipment uptime, compliance reporting, tenant comfort and safety.
CapEx, all of these things are about the sort of infrastructure and how it can be approved with autonomous buildings and our systems.
All right.
So let's get into building Canvas now.
So kind of getting back to strategy and Delta Intelligent Building Technologies, we're a big company now. We're getting to the level of where we're more like, at least in terms of the product breadth that we have, like the top tier, the top four big companies, right?
But right now, we're kind of more of just a sales organization. We have a bunch of products that we can sell you, but they're hard to acquire. They don't connect to each other very easily. So there's not a ton of advantages to buying, say, a VivoTech camera or a LoytecSupport controller.
or an Amir Lux light to buying anything else that could be on the market. So we need to change that. We need to make sure that DIBT offers more value, a sort of 1 + 1 = 3 type of scenario, so that you choose to
to buy from us because it's just a better experience, better products, and easier to use.
And there is a lot of stuff. You know, these are just some of the things that DIBT can offer beyond just HVAC. There's lighting, of course, energy management, security systems, EV charging, energy storage, all these things that could be sold into the building.
but it's just a little bit too hard right now. So we need to make that easier.
And there's really sort of two parts of our strategy to making it easier. One is the delivery system. So just acquiring these parts and pieces, these products from us, it's difficult today. Some of it's available through Equip, some of it's not. Some of it's
you know, just long lead times and things like that that we have to deal with. So we need to improve that. And so over the coming years, you'll see us deploying new e-commerce product or really a portal that will make it easier to buy different products and to acquire them and

know when they're going to be delivered and all of those things.
So that's sort of the physical delivery solution. And then we view Canvas as being the digital solution delivery component. So now that you've got those products in hand, what can you do with them? It would be really helpful if you didn't have to learn six different pieces of software to interact with our system.
And so building Canvas can help with that to make it easier from a workflow standpoint, both with just Delta products by themselves, Delta Controls products, or Delta plus LoytecSupport, or any of the above. It's going to help with all of that.
So our vision really is to create a common digital solution delivery platform for DIBT, enabling us to scale. And that's what Canvas is. It's A unified AI-powered platform that digitizes and automates the entire lifecycle of intelligent building systems.
providing a common data platform and programming A workflow foundation for BAS, lighting, security, and IoT. And so here's this is sort of our strategic framework for Canvas that we're using right now. There's things that we have to achieve, our goals. So
Being able to help you become full sort of DIBT integrators is one of our goals. Reducing your engineering training and adoption costs, unifying the delivery experience across brands and systems, helping you scale up so that you can execute more projects.
bridging that engineering adoption gap, so making the most out of the teams that you have. And of course, sustaining your relationships with your customers. So being able to layer on value-added services throughout the life cycle of the product. And so how we do that,
Artificial intelligence, of course, being across the entire delivery chain, that's hugely important. Digital twins being sort of the anchoring point and the source of knowledge and truth for everything that happens in the various systems in the building.
Creating a unified platform for all brands, reducing those barriers to adoption, so making it easier, making you want to use our products because it's just easier and more profitable.
And again, adding different features and services onto the system.
for more things to add value to the building.
And Canvas really is more of a business advantage. It's not just a feature list. It's not just a new way to program our controllers. It's to help you scale your business, to help you achieve better
project profitability, to make it easier to execute projects, standardizing things, making it easier. We hear from a lot of our newer systems integrators that those are a couple of the really sticky points when adopting a new system is onboarding new people, onboarding your teams, and standardizing the delivery.
delivery. So Canvas is going to help with that.
It'll help leverage the talent you do have, making senior techs work on the hard stuff, not the easy stuff. The AI can do the easy stuff. So that helps you scale up. And then of course,

delivering the autonomous building of the future. And so kind of summing all that up.
is really going from field-crafted automation to AI-driven delivery.
Canvas is about a lot more than just engineering and design, of course. That's just where we're starting. And the reason we're starting there is because we believe that the foundation of everything is in the design and engineering stage. That's when you're going to start building out.
your semantic data model, your digital twin, adding knowledge to the system, the control system, and that will flow through the rest of this. So that when you actually do, you know, deploy the system, commission it, and then start operations of the building and optimizing it in lifecycle,
That digital twin, that AI has the knowledge of the original design intent, the original engineering, the original commissioning, and it's all part of the knowledge of that system. And so we see Canvas kind of having potentially all of these different functions within it. Overtime, it'll it'll take a few years to get there.
But of course, an autonomous building isn't just about canvas. That's not the only thing that would be required to enable it. We also need to have controllers that can understand and work with these models and work with different agents that will be deployed. And so we see our controllers getting
smarter over time as we introduce edge agents into them, things that can kind of run around and perceive the environment, talk to different controllers, understand the intent, make adjustments, and adapting it.
within certain constraints. And of course, one of the reasons for this is we need low latency and a lot of control applications. Everything can't be decided up in the supervisory software or the cloud.
The other thing about Canvas is I've talked a lot about sort of the intent, engineering intent, and the autonomous building, understanding your intent. And so I think one way of sort of showing how that'll be different going forward is with the occupant experience.
rather than painstakingly going through every single system and trying to make rules for air quality, lighting, acoustics, and stuff to say get to understand a well sensor, to get a well certificate.
The, the for, for, you know, healthy buildings.
That's really hard today. But what if you could just put in the parameters that are expected for a healthy building and it understood how to program that? What if the building knew who you were from the moment you arrived and could apply your comfort settings as you walked around the building?
as opposed to just programming a zone to maintain a specific set point. You know, walking through to your office and everything, you know, the lights coming on at the right time, your pre-cooling or pre-heating coming on at the right time.

Those are all things that you could potentially just ask a chat bot to do for you or to design for you. And in the end, you know, we sort of see it as, you know, the building reacts to the occupant as opposed to the occupant just passively experienced the building as it was set up.
Five or 10 years ago.
That goes to building owner outcomes as well. They're going to have different intents. They're going to want energy and decarbonization, ESG and compliance, you know, operational improvements, all of these things. And so being able to describe what the owner wants and having the system adjust to that
rather than having to, in your head, figure out how to program the system to accomplish that, is going to be enormously helpful and a big advantage of these types of autonomous buildings and leveraging AI within a system.
And the same goes for operators, of course. They just have a different set of things that they're going to care about, you know, portfolio level operations, asset and equipment, security, safety, comfort of the occupants, all of those things.
again, are something that are outcomes that we can shape with AI much more easily than would be to program it today.
And so, yeah, I just wanted to leave you with one final thought on that. We, you know, we don't want to be a company that just sells boxes. We want to sell the smartest system, the best system available that interacts with itself and makes the autonomous building. So we were investing hugely into workflow.
to make it easy to build these types of buildings, you know, making you more profitable. We figure that if you're more profitable with our systems than you are with somebody else's, you're probably going to choose to buy a DIBT system as often as you can. So just a way of serving you better, essentially, as a business.
And of course, making a platform that enables all 5 brands to be sold, engineered, and everything.
And so...
Yeah, the last thing I just wanted to say was, you know, we have sort of an organizational slogan. We help you grow your organizations and the people within them. That goes for the products we make too. Canvas is designed to help you grow your organization and make your workforce more effective and
and easier to onboard and maintain.
And I think that is it.

EM

Emily Malin 51:16
Wonderful. Thanks, Dave. I think we really only had one question come in through the chat, and Jason and I were actually talking about it offline. So what I'm going to do is I'm going

to attempt to unmute Jason here. So we'll see. We'll see if that happens. Maybe I'll just unmute you all and we'll just have a free for all. But it was around Jeff Boston asked, Train purchased Brain Box AI in 2025 previous.

DJ

Darshan Jain 51:38
Moscow.

EM

Emily Malin 51:41
Yep, see, now there it is. Now everybody mute yourselves. I trusted you guys and look at what you've done to me. I'm kidding. Okay, so Train purchased Brain Box AI in 2025. Previous investigation of Brain Box prior to the acquisition appeared to be all smoke and mirrors. Train is now pushing their AI hard in their 2026 Aria.
Is there any insights sort of how Delta will be superior?

JB

Jayson Bursill 52:07
Yeah, I guess I can hop in here if people hear me. So yeah, first of all, I didn't know I was going to get a question today. So heads up about that. But yeah, we're taking a bit of a different approach here to start out with. And this sort of stems from a lot of the problem that we see with rapid deployment of kind of anything that sits on top of other systems, think even in the analytics space.

EM

Emily Malin 52:07
Ohh.
Yeah.

DS

Dave Stephen 52:17
Thank you, Jayson.

EM

Emily Malin 52:19
I.

JB

Jayson Bursill 52:30
Ultimately, from my understanding of what Brain Box does, it ends up looking a lot more like analytics and kind of a managed service type thing a lot of the time, where they do

some other stuff with it, but there's still a managed service. But the pain point there is actually configuring these systems rapidly.

EM

Emily Malin 52:31
Yeah.

JB

Jayson Bursill 52:48
and kind of getting the bang for your buck on the money you put into them. They can save time while operating, but of course, getting it set up and doing that is the hard part.
And that's where with Canvas, we've kind of attacked it first from the semantic data layer.
And this kind of ties into what Daryl was saying as well, where there was a lot of interest at the data point abstraction layer, we call sometimes the data layer.
And that's where we're starting.

EM

Emily Malin 52:49
Okay.
It's not.
Okay.

JB

Jayson Bursill 53:11
is getting that firmed up as an even deployment path. And then you can start to do stuff on top. And maybe even you guys could build your own thing. It'll be so easy to do. Right.

EM

Emily Malin 53:21
Perfect. Yeah, and that's a good plug too, just to say that everybody should go up in the chat and register for Jason's webinar if you're interested in the AI larger conversation, because we'll be doing that next month. Dave, a couple more questions came in here. Why can't we get a PID loop?
tuner now. I'm not sure that's a question for you, but maybe.

DS

Dave Stephen 53:46
Um, yeah, no, that that that that's a good one. We've been trying to, uh, you know, we've been asked for that for for a lot of years, um.
I think that'll be part of it as we go forward. It can't not be, if you've got a, if you've got a system that is as smart as I'm talking about,

the, we, you know, it will adjust the PID loops for you, or maybe not even use PID loops. Maybe we'll go beyond those. I don't know if you have any thoughts on that, Jason. I'm sure you've looked into PID loops A lot.

EM

Emily Malin 54:15
Yeah.
Oh.

JB

Jayson Bursill 54:20
Yeah, we have some guys in the research team working on this, right? I mean, again, the big issue is kind of deploying this thing at scale, right? The PID loop, it's just kind of putting in an object. I'm of the same thought process that it's going to be less of a problem once everything else is rapidly connected, right? But yeah, we have been looking at it, but I hasn't made it to product yet.

EM

Emily Malin 54:21
As long.
Okay. Next one, Tim asked, as a partner, how should we be selling the company now? Is it Delta Controls or DIBT? Excellent question.

DS

Dave Stephen 54:55
Yeah, so the company is DIBT, but the product is still Delta Controls. So you can still sell Delta Controls, you can still specify Delta Controls, because that's what the product is. But the company is Delta IBT.

EM

Emily Malin 55:15
Yep. Yeah, and we will be putting out some collateral on that in the next coming weeks, just to kind of reiterate where we are at after the merger and some things like that. So do be looking for that in your emails, I think probably towards the end of the month on that. From a market perspective, traditional BAS systems are frequently being boxed out of the data center projects as they often specify PLCs.
recently heard that Distech is actually creating a PLC line to combat that or their thoughts. Seems like a Hail Mary as most specs do reference Allan Bradley, Rockwell PLCs.
Good question as well.

DS

Dave Stephen 55:52
Yeah, that is a good question. I've heard that from Distech as well. We do have some good successes in data centers, of course. It's a big part of our growth last year and this year. So it's not all about PLCs. You can get DPC controllers in there.
And I've also heard the same sentiments regarding PLCs. And.
We've been debating that actually for the last year or two now, because PLCs do seem to be coming into our space more and more often, especially in like plant control and critical control situations. So we definitely are thinking about, you know, can the next generation of E-Bus controller be a PLC?

EM

Emily Malin 56:37
Okay.

DS

Dave Stephen 56:44
And we might go down that route. But we have also, and we're cognizant of the fact that to a lot of the industry, a PLC does mean like an Allan Bradley product or one of those, you know, major brands that everybody knows Rockwell or whatever.
Um...

EM

Emily Malin 57:04
Yeah.

DS

Dave Stephen 57:05
Oh.
One thing that'll be nice about this little experiment that that Distag is doing is we will get some insight into how successful they are if they come out with this before, you know, in sort of the short term.

EM

Emily Malin 57:08
Okay.
I.

DS

Dave Stephen 57:21
So we'll learn from them a little bit, I think. We do have one nice advantage in that at least

our products look very, our E-Bus product looks very industrial, it looks very PLC-ish. So you could potentially position it that way as a central plant controller or critical controller.

EM

Emily Malin 57:33
Okay.
Okay.
Okay.
Perfect. And just on that note too, we are coming out with the same sort of solutions packs that we've done before for like a toolkit. So you guys can be selling Delta IBT, Delta Controls when it comes to the different vertical industries. And we did just release our one on data centers. So it's up on the source right now. We will be again sending out an email to you guys next week. So that way maybe that will help just in the interim of bridging that gap of when to use DDC and how we are currently doing that in data centers as well. Next question, when is Canvas going to be a live product and out of beta? Another good question.

DS

Dave Stephen 58:21
I believe, I'm looking for that information right now. I should have come with it. But I believe that's going to be in this fall. If there's anyone online that knows the exact date, please, please jump in. But we've been keeping it in preview.
a slash beta for a while because
We want to make sure that the expectation.
is set correctly, that we're not saying that this thing is, you know, 100% finished. We want it to give a sense of reality that you're probably going to have to play with the system a bit, get to learn a little bit, still use a few other tools while you're working in conjunction with it.

EM

Emily Malin 59:04
Okay.
So.
Cool. Question here, how will this enhance eCloud?

DS

Dave Stephen 59:20
When we get into the operations side of things, that will probably replace eCloud at some point in the future. Where it would be better is eCloud is not really architected as a multi-tenant system or, you know, because it's based on...

on Eweb. So there'll be better ways to sort of slice and dice the features, how it connects, all kinds of different things to operate a building.

EM

Emily Malin 59:53

Okay. The final one that's on here is just where's the sales collateral for eCloud? Not sure exactly what you would be needing. Most of that is going to reside on Passport or the source for what we have. We are working right now on another one of those sales toolkits that will encompass all of IntelliCloud.
and IntelliSketch, the whole Intelli family really, but that is not out yet. If you need something specific, Robert, feel free. My email's in the chat there and you can let me know on that unless Dave, you have some hidden eCloud collateral that you want to share.

DS

Dave Stephen 1:00:27

Nope, everything, everything that we have should be on the sources that you said.

EM

Emily Malin 1:00:31

Perfect. Final, just it's a comment. I don't know if maybe we want to talk on it. I've never heard of this, but it says not a fan of Canvas. CE4 is much better. I don't know what CE4 is.

DS

Dave Stephen 1:00:43

So CE4 is our cloud engineering product. So that's where we emulate our controllers there. And so Canvas also emulates our controllers. Scott, reach out to me. Send me an email, please. I'd love to hear your thoughts on what we could do to improve it. My goal is to

EM

Emily Malin 1:00:47

Oh, that makes sense.
Yep.

DS

Dave Stephen 1:01:04

Reverse that statement as in as soon as in a short amount of time as possible.
Thank you, Scott. Much appreciated.

EM

Emily Malin 1:01:14

Perfect. That was all the questions that were in here. Is there any last minute additions? We are running right up on time, so this is actually perfect.

Anything else?
Sorry about all the technical difficulties. I did put the webinar chat in there one more time. Scott, could you please copy me in the email? Oh, yes, Scott copy that on the email here. Maybe if you could put your email in there, Hanbo, that would be great. But yes, so sorry. So,

DS

Dave Stephen 1:01:43
I, yeah.

EM

Emily Malin 1:01:45
Yep, go ahead.

DS

Dave Stephen 1:01:46
I'm just going to say, I'll email you, Scott and Hanbo, and get that started so we don't have to worry about figuring out different emails and stuff.

EM

Emily Malin 1:01:57
Perfect. Perfect. Okay, I think that's it. We're going to wrap it up again. I did put the webinar for AI in the chat there, so everybody should be able to access it. Go ahead and, you know, get registered for that one. And we will see you all next month. We really appreciate you guys joining. I know that this is, there was a couple of
technical difficulties, which I apologize. Next time, we'll get them going. Really appreciate it, Dave.

DS

Dave Stephen 1:02:22
Thanks, everyone. It was really fun. I hope you enjoyed it. It was a bit of a different type of a webinar than normal.

EM

Emily Malin 1:02:28
Yeah. Cool. Thanks, everyone.

DS

Dave Stephen 1:02:28
Alright, bye, Eva.

EM

Emily Malin 1:02:33
Yes.
Okay, I'm going to end the meeting. Bye, Dave.

Emily Malin stopped transcription

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