News release

Date: 9th May 2016

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**Global market for commercial applications of drone technology**

**valued at over $127 bn**

**Warsaw, 9th May 2016. –** The drone revolution is disrupting industries ranging from agriculture to filmmaking. According to a new study by PwC on the commercial applications of drone technology, the emerging global market for business services using drones is valued at over $127 bn.

With drones poised to have an impact on business operations of companies in a broad range of industry sectors, PwC has also established in Poland a global centre of excellence that uses drones and data analytics to help clients solve their business challenges.

Olga Grygier-Siddons, Chief Executive of PwC in Central and Eastern Europe, says:

“I am very proud that we have developed a global centre of excellence right here in Central and Eastern Europe that uses drones and geospatial data analytics to help clients. This is the first PwC team of its kind anywhere in the world. If you ask me, it’s no surprise that this team was formed right here in our region. We see real change happening in the business culture of CEE.

“For a long time, business success in our region has been based on cost competitiveness, but now there is a real desire on the part of our clients and colleagues to compete instead on value, created through innovation.”

The application of drone technologies in existing business processes is allowing companies from those industries to create new business and operating models. Each industry has diverse needs, and as a consequence requires different types of drone-powered solutions and various drone functionalities. Some of them value flight speed and payload capacity, while others wish to concentrate on solutions delivering high-quality, real-time data in a cost-effective way.

Michal Mazur, partner and head of Drone Powered Solutions at PwC for Central and Eastern Europe, adds:

“We are currently in discussion with several major companies from a wide range of industries about how they can use drones to improve their business processes. This got us thinking about the potential value of the global drone-powered solutions market. With an estimated market value of over $127 bn in commercial applications, drones are making the transition from novelty item to indispensable business tool.”

***Clarity from above***

According to the PwC report *Clarity from above*, the addressable market value of drone powered solutions is over $127 bn. This is the value of current business services and labour that are likely to be replaced in the very near future by drone powered solutions, according to PwC predictions. The industry with the best prospects for drone applications is infrastructure, with total addressable market value of approx. $45.2 bn.

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| --- | --- |
| *Predicted value of drone powered solutions in key industries – global view (*$ bn*)* | |
| Infrastructure | 45.2 |
| Agriculture | 32.4 |
| Transport | 13 |
| Security | 10 |
| Media & Entertainment | 8.8 |
| Insurance | 6.8 |
| Telecommunication | 6.3 |
| Mining | 4.4 |
| Total | 127.3 |

Worldwide, drones equipped with cameras and sensors provide companies with more comprehensive data. They are also are involved in the transport and precise operational activities, exerting an increasing influence on business strategies of enterprises.

Drone-powered solutions are best suited to sectors that require both mobility and a high quality of data. Specifically, businesses that manage assets dispersed over large areas have a long history of issues that new drone powered solutions can address. Large-scale capital projects, infrastructure maintenance and agriculture can all benefit greatly from the integration of drones into day-to-day business. Insurance and mining will find potential process improvements as they gain new levels of data quality and accessibility. And the entire transport industry will surely change its concept of last-mile delivery.

One of the primary usage of drones is to supervise the ongoing investments and maintenance of existing infrastructure. Drones are also used in transport, for last mile services, as well as in agriculture, not only gathering and quickly analyzing data on land and crops, but also doing precise spraying of plants.

Piotr Romanowski, Business Advisory Leader at PwC in Central and Eastern Europe, concludes:

“At PwC, we are expanding our business advisory capabilities to help clients across the full life cycle of their business projects, from strategy through execution. The implementation of business projects now involves a strong technology component. That is why we are investing in becoming more technology enabled, through acquisitions of specialised technology companies such as Outbox and through the development of our own technology services, such as our Drone Powered Solutions team.”

**PwC centre of excellence**

Drone Powered Solutions is the name of a newly established PwC global centre of excellence focusing on the use of drone technology and data analytics in business. It was established in Poland – a country which in 2013 became the first in the world to introduce a complete legal framework and institutions regulating the commercial use of drones. The team has carried out a number of commercial projects for clients in Poland. While they sub-contract the actual piloting of the drones themselves, all the other drone powered technologies have been developed within PwC, such as a geospatial data imaging app that allows the team to present clients with data gathered by drones in a simple and intuitive way on mobile devices.

The full report Clarity from above can be found at: [*www.pwc.pl/clarityfromabove*](http://www.pwc.pl/clarityfromabove)

**About PwC**

At PwC, our purpose is to build trust in society and solve important problems. We’re a network of firms in 157 countries with more than 208,000 people who are committed to delivering quality in assurance, advisory and tax services.

PwC has been active in Central and Eastern Europe for the past 25 years. PwC Central and Eastern Europe (PwC CEE) is a network of firms, consisting of separate legal entities in accordance with applicable local laws and regulations. We work to help our clients in local markets become more successful and globally competitive. Today we have more than 8,800 people, including 260 partners, working in 55 offices across 29 countries\* in the region.

“PwC” refers to the network of member firms of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity. Please see www.pwc.com/structure for further details.

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