

# ARTIFICIAL INTELLIGENCE for the ROBOTIC RECYCLING REVOLUTION

# I. Market need (I). Cutting human sorters costs

- Waste sorting plants are using machinery, but in every plant there are several (up to tens) human sorters doing some operations that current machines can not do in a cost-efficient way.
- Our system can substitute their work (cost-efficiently).
- This is a dirty, dull, dangerous and non-cost efficient task → perfect to be substituted by a robot.
- The waste industry is targeting a challenging goal:

0 workers in Waste Treatment Plants





IF ROBOTS ARE GOING TO REPLACE WORKERS, THE FIRST ONES SHOULD BE HUMAN SORTERS, WHO ARE DOING A DIRTY, DULL AND DANGEROUS WORK.









## 2. Market need (II). Improving valuable material recovery rates

- Millions of tons of valuable materials (plastic, cans, cartons, etc) are buried or burned yearly.
- On average, only 20%\* of world valuable materials present in waste are recycled or recovered.
- Why? → present practices don't allow to go further in a cost-effective way.

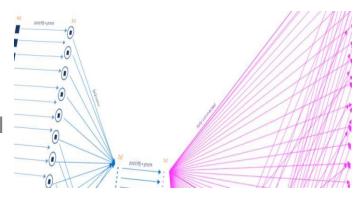




"For us is very important to maximize recovery of materials and energy from waste in the concept of waste as a resource in a circular economy. We know there are some materials that could be recovered (as plastics, paper, cartons, etc.) that we are not being able to recover with the current plant configuration. For this reason, initiatives technologically so innovative as the one from Sadako Technologies have been very interesting for us from the beginning and for that reason we have helped them in order to test their prototypes in a real-scale waste plant as ours."

# 3. Our key competence competitive advantage: artificial intelligence

- Actually, the waste industry sorting standard for material detection is based in expensive specific cameras/sensors.
- Sadako's detection (Artificial Intelligence based) costs a fraction due to:
- i. We use state of the art multilayer convolutional neural networks (also known as *deep learning*) artificial intelligence techniques so our system can recognize valuable materials from a standard single visual (rgb) camera.



ii. In situ execution is done by very simple, nearly off-the shelf computer.



- Deep learning techniques need both a very high quantity of images (big data) and huge computing power to train models. Once the models have been trained, computer-systems to perform detection can be simple (and cheap).
- We train using cloud-based computing (soft-layer by IBM) with a proprietary database of millions of labeled images.
- At plant, our Wall-B only needs a cheap standard-performance PC

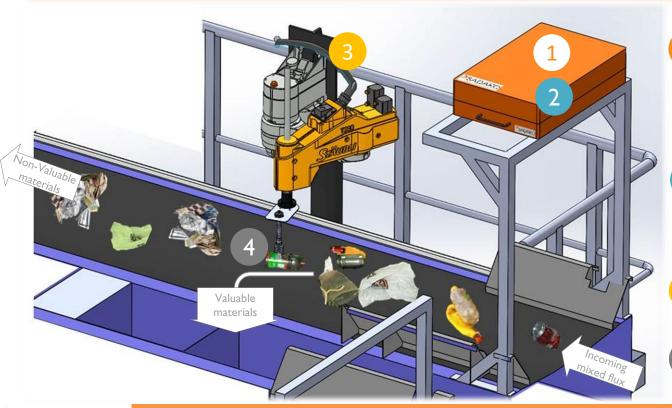


# 4. Our 1<sup>st</sup> disruptive product: Wall-B

- Can sort valuable materials (plastics, cans and cartons) from urban waste streams with two main competitive advantages.
- Up to I Ton of recovery/day. Similar performance as a human sorter.

- . low-cost: using artificial intelligence for material detection.
- . non-intrusive & flexible (easy to install in an operating plant): using robotics for material collection
- . continuous working, no social security, no work absences, not lack of motivation, etc.

# Wall-B will be a game changer within the global waste industry.



CAMERA BOX 2D & 3D cameras + Illumination

CONTROL SYSTEM:
COMPUTER ARTIFICIAL
INTELLIGENCE
To make everything work
(not seen in the diagram)

3 ROBOT

4 Grasping tool: SUCKER



# 5. Wall-B applications

Several Wall-B can be installed in each plant (up to tens Wall-B / plant) → Substituting people

∠ Cutting costs

→ Recovering extra valuable materials Increasing revenues

# Several Wall-B can be installed in each plant





\*SADA

#### KEY PARTNERS

Waste recovery and recycling

schemes management companies

Public and private bodies devoted

Regulators - Bodies responsible

governments agencies, European

of recycling and circular

economy: Waste agencies,

to waste recovery and

environment

Press / Media

agencies.



#### **KEY ACTIVITIES**

Research and development

Closing and maintenance of

Sales (equipment without



#### VALUE PROPOSITION

New incomes (new plants):

redesign (retrofit) already

. Sales increases (plants in

our equipment alone or in

constructed ones

equipment

Having our product in exclusivity

new waste treatment plants or to

operation): Both for new sales of

conjunction with their current

allows them to win contests for



# CUSTOMER RELATIONSHIPS



# .Waste treatment plant equipment producers (Multinationals):

**CUSTOMER SEGMENTS** 



STADLER® STEINERT

Waste treatment plant dealers / owners . Europe: ~30 main operators managing ~1000 waste treatment plants.

. USA: 10 main operators



Waste recovery and recycling schemes management companies

ECOVIDEIO







- . Continuous performance
  . Maintenance
- . Tradeshows, congresses, direct visits

# CHANNELS



#### DIRECT:

- . Personal visits
- . Sectorial associations
- . Tradeshows / congresses / technical semminars



. Magazines and specialized webs



RESOURCE RECYCLING

#### KEY

robotics)

licenses



Technical staff: Artificial intelligence and advanced robotics

Computers

GPU's: Graphical Processing Units

Skills and financial resources to search and negotiation with partners

Operation cost cuts: workers substitution:

- . Lower operation cost
- . Improve in production: no absenteeism

Increase of incomes: Material recovery improvement.

Savings:
. General plant efficiency

- improvement.

  Real time data allows better
- . Real time data allows better performance / forecast

Improve metrics: Better recovery rates (main KPI)

Savings coming from improves in efficiency.

#### COST STRUCTURE

Human resources: R+D

Human resources: Management

Materials & equipment R+D

General expenses

Legal expenses: financing and contracting

Installation and hardware maintenance subcontracting



#### INCOMES

Licensees (to be used with robotics). 10%

Equipment sales (no robotics). 60.0K - 100K | System updates: 5K - 10K

Maintenance (no robotics) → Monthly subscription: 500 ~ 1000 € / plant

Project sales~ 30K - 100K





## 7. Waste treatment plant operators: Customers & market

This is a worldwide market, with an expected accumulated market growth in the following years of 8%\*



- ✓ In Europe & USA most of the plants are already constructed, but need to improve their performance or a complete retrofitting (updating equipment).
- ✓ In under development countries plants are still to be built (and equipment to be installed).



≈ 30 operators managing≈ 1000 waste treatment plants

























Bigger operators





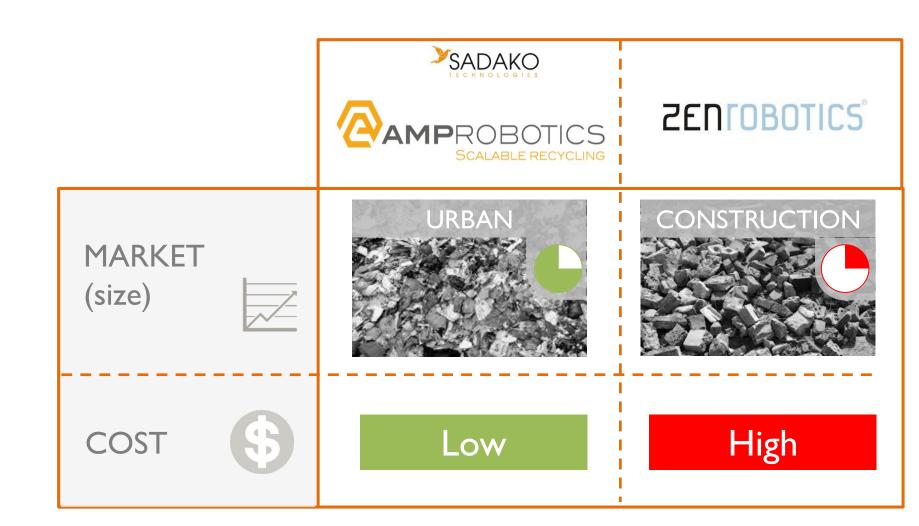






- · Regulation trends will increase market needs in the near future
- According to this directive, by 2020, 50% of valuable materials in the European Union should be recuperated.

# 8. Competition





#### 9. About SADAKO TECHNOLOGIES

- founded in July 2012
- 1.250K€ invested: founders (200.000€) + entiremental loans) + industrial partner

KIC InnoEnergy

+ private / public

- Main goal: Increase recycling rates from urban waste in a cost efficient way through the use of robotics and artificial intelligence
- Team of 13 people working (mainly informatics & industrial engineers)
- founders



EUGENIO GARNICA ceo and cto

- engineer
- formerly internationals project manager in Iberdrola (IBE:Soc.Bol SIBE) engineering
- formerly, project management university teacher



JAVIER DE LA OSSA business dev

- engineer, eMBA (IESE)
- formerly CaixaCapital Risk VC,
- formerly founder of Business Booster accelerator



BELEN GARNICA cfo and market

- business administration, master in finances
- formerly ceo of a family business in plastic sector
- formerly consultant (finance) of startup echosystem

## 10. Recent Awards & acknowledgements

#### ARTIFICIAL INTELLIGENCE

April 2016 Winners in the Nvidia emerging companies contest within the GPU technology conference, San Jose, California







#### **ROBOTICS**

Sep 2015. Selected to present in San Jose Robobusiness startup pitchfire





#### **WASTE**

Oct 2015. "R" Award to Best Innovation / Entrepreneurship project





#### **ENTREPRENEURSHIP**

July 2015. Award to Best Startup
- Venture Networking
Competition







Jan 2016. Global Robot Expo Best Robotics Startup









#### II. Recent Press Room (International)



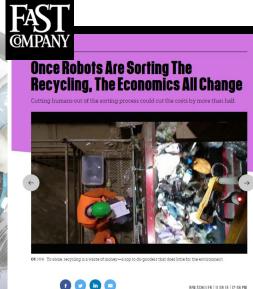
What will this mean for the human workers? Does it mean the start of robot revolution? How accurate is the technology?

16.02.2016 13:06, By Matt Clay









To some, recycling is a waste of money-a bow to do-gooders that does little for the environment. But that's not how it looks to Eugenio Garnica. For

BEN SCHILLER | 11.09.15 | 12:08 PM









## 12. Recent Press Room (Spain)





habló sobre la excelente salud de la que goza el sector de la robótica. No iban a

decir lo contrario. Lógico. En el contexto de la feria se habló sobre el impacto

económico que la robótica genera en la sociedad y se cifró en 20.000 millones.

Una de las triunfadoras en *Global Robot Expo* fue la *startup* catalana <u>Sadako</u>



#### Este robot sabe reciclar la basura con sólo mirarla

Por Redacción Mas artículos de este autor Jueves 28 de enero del 2016, 11:08h

Me gusta Compartir 19 GH 0 Tattear

Una empresa española logra crear la primera máquina capaz de reconocer y recoger plásticos, latas y briks entre los residuos urbanos para su posterior reciclaje

Wall-B es el nombre de de un nuevo robot diseñado por la firma catalana Sadako Technologies. La empresa, con sede en Barcelona, ha sido premiada en la <u>Global Robot</u> ≡ ara.cat

#### emprenem

#### Belén Garnica: "El robot serà una eina de productivitat per al treballador, igual que l'ordinador"

**7**1 ⊠ €

Cofundadora de Sadako Technologies, empresa de robòtica

-PAULA SOLANAS ACTUALITZADA EL 21/02/2016 0



Has decidit emprendre amb et teu germà bessõ Eugenio. Com va això de barrejar negocis amb la familia? Em sento còmoda amb et concepte de start-up familiar, encara que diviament finha moments per a tot. Hem tingut camirs professionas diferents, perè ens hem tomat a reunir amb Sadako Technologies. Abans d'engegair-ho p em decidents, perà ens hem tomat a reunir amb Sadako Technologies. Abans d'engegair-ho p em decidents per l'appension de l'appens



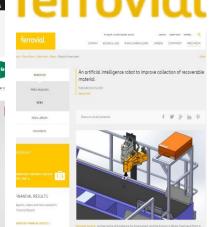


La agencia de Ana Bru no solo ofrece experiencias exclusivas, sino

estratosfera. Ella será la primera mujer española que viajará al

que muy pronto podría organizarte un viaje más allá de la

espacio gracias a Virgin Galactic. Se define a sí misma como





#### Sadako Tech: "La IA se utiliza pero no de manera eficiente"

VÍCTOR AYORA el 2 febrero, 2016 a la 14/80



startup catalana Sadako Tech, ha utilizado la inteligencia artificial para crear un robot que realice esta función dentro de la economía circular. Una tarea que acaba siendo pesada para el ser humano y para que la robótica ha demostrado su utilidad.

En una conversación mantenida por Baquiz con uno de sus socios fundadores, Javier de la Ossa. In startup cuenta cómo nació la idea para crear Wall-B, el uso de la inteligencia artificial en el campo de la robótica y el futuro que le espera a la empresa, dias después de salir galardonada de la primera edición de la Global Robot Expo que se celebró en Madro.



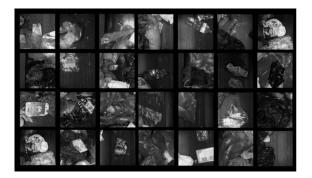
# 13. Development strategy



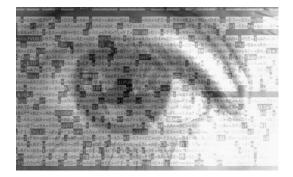
Under negotiation with one of the most relevant players worldwide in the waste industry.

#### New products pipeline

- New products to be developed, mostly under licensee agreement (adding additional incomes).
- Some examples
- Online plant monitoring system
- Recovered materials bales tracking system
- Characterization system
- Bulky sorter.







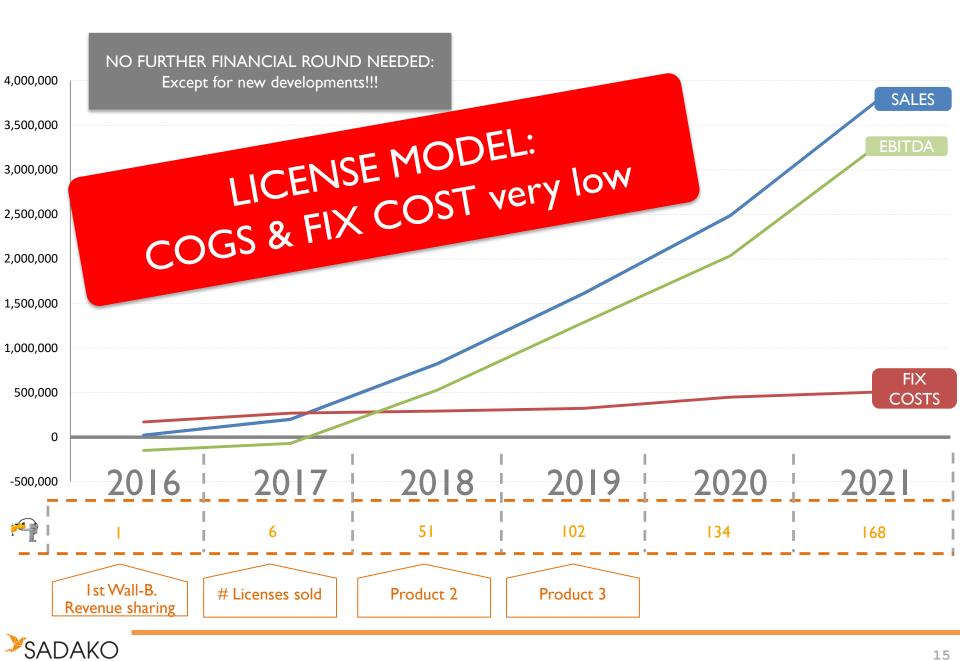
We are adding to robots the ability to understand the environment and take decisions.

Technology can be used in hundreds of applications:

- In the same field: waste.
- Other fields



#### 14. Financials



#### 15. Investment round

- Amount and company value to be adjusted.
  - Amount: 500.000€.
  - Premoney: 3.500.000€
- To be used in:
  - Improve performance Wall-B
  - Development of new products within the waste sector





## 16. Final statements regarding current financial round

- I. Waste treatment is and mandatory expense for any household.
- 2. Waste is a growing market.
- 3. We have a disruptive technology for this market (which will quickly become a standard).
- 4. Teaming with one of the global market leaders we are unleashing and impressive market potential.
- 5. With the necessary funding can have fast & explosive growth.

#### **I.VISION**

Given the customer reactions we envision a massive substitution of manual sorters by robots. Being convinced that this will happen, it implies several things:

- 1. Soon all plants will have not one but several robots, and robots will be a standard in waste treatment plants as other equipment is now.
- 2. Sadako has the knowledge and the product to make it happen.
- 3. Others may develop that technology. The most immediate might be thinking in the current manufacturers of equipment for waste treatment plants, but they are unlikely, because their skills are another: they master more traditional technologies: hardware, service, maintenance, etc.
- 4. Our license agreement allows a fast commercial worldwide deployment.







www.sadako.es



More videos: <a href="https://www.youtube.com/user/sadakotechnologies">www.sadako.es</a> & <a href="https://www.youtube.com/user/sadakotechnologies">https://www.youtube.com/user/sadakotechnologies</a>