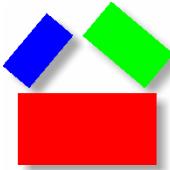


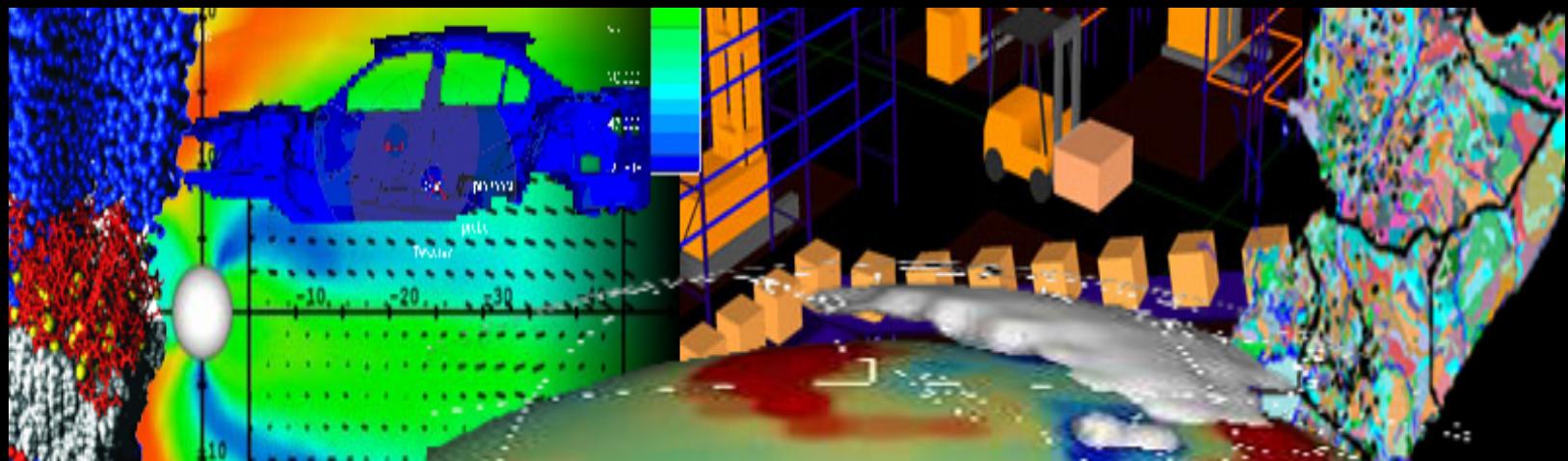
A photograph of the Great Dome at the Massachusetts Institute of Technology. The building is a large, white, neoclassical structure featuring a prominent dome at the top. Below the dome, the words "MASSACHUSETTS INSTITUTE OF TECHNOLOGY" are inscribed in a decorative font. The facade is supported by a series of tall, fluted columns. In the foreground, there is a green lawn and a large, dark tree trunk on the left. The sky is overcast.

MASSACHUSETTS INSTITUTE OF TECHNOLOGY

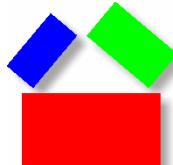


# *The Data-Driven Economy*

## **Applications of the M Language in Agriculture**

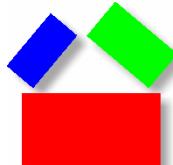


Edmund W. Schuster and Stuart J. Allen  
The Data Center Program  
Laboratory for Manufacturing and Productivity  
Massachusetts Institute of Technology



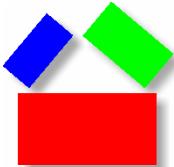
## WHAT WE WILL DISCUSS TODAY

1. A brief **case study** of quantitative risk modeling in agriculture
2. A list of **applications** and projects programmed for the future
3. The **M Language** and **Web Machines**
4. Questions



# THE MIT DATA CENTER WEB SITE

[datacenter.mit.edu](http://datacenter.mit.edu)



## CASE STUDY - THE GRAPE HARVEST AT WELCH'S

Allen, S.J. and E.W. Schuster, "Controlling the Risk for an Agricultural Harvest," *Manufacturing & Service Operations Management* 6:3 (2004): pp 225 – 236.

Allen, S.J. and E.W. Schuster, "Managing the Risk for the Grape Harvest at Welch's," *Production and Inventory Management Journal* 41:3. (2000): pp 31 – 36.

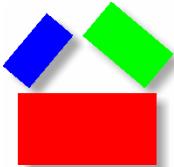
Schuster, E.W. and S.J. Allen, "Raw Material Management at Welch's," *Interfaces* 28:5 (1998): pp. 13 - 24.





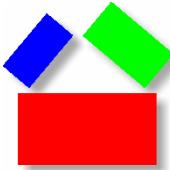






## PURPOSE OF THE “HARVEST MODEL”

- Balance the growers desire to harvest all grapes before a hard frost verses capital expenditures required for maximum through-put rate.
- Historically, Welch's used a fixed-length of harvest to plan the though-put rate.
- The fixed-length of harvest method did not consider the risk of a hard freeze or uncertain start dates



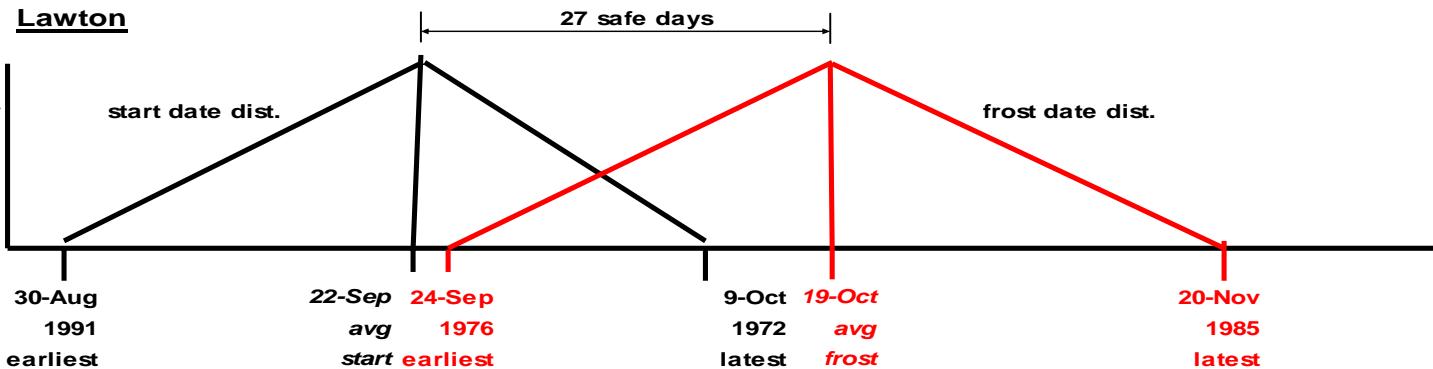
## DEFINITION OF “POLICY”

- Take 100% of the crop, 85% of the time
- Implies a harvest rate ( $R$ ) required to meet the policy
- By defining a “statistical” policy for receiving grapes we can make trade-offs between harvest capacity and investment in equipment
- We calculated a “loss function” and found the 85% policy to be optimal

# Qualitative Comparison of Start Dates and First 28 Degree Day With Estimated Triangular Distributions

## Lawton

Probability



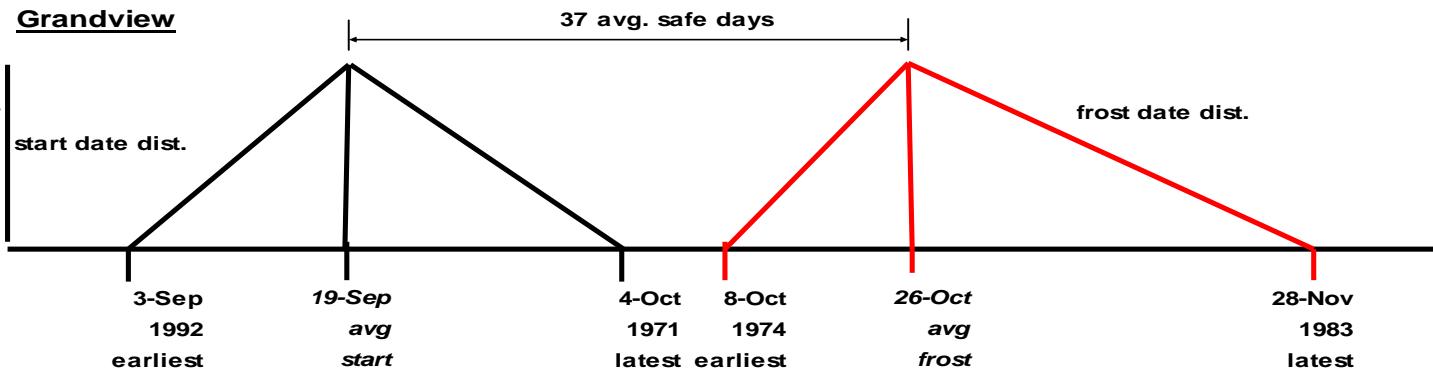
Comments (a)

Lawton has  
occurred

Six times du  
Lawton ha

## Grandview

Probability



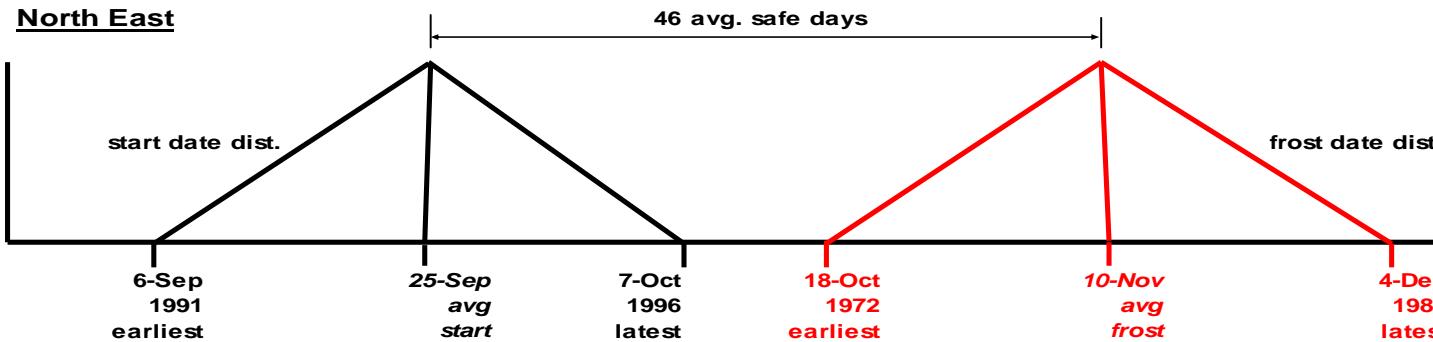
Comments (a)

The West ha  
occurred

Over a 50%  
in October

## North East

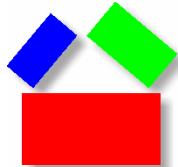
Probability



Comments (a)

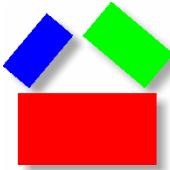
North East ha  
in October

Largest am



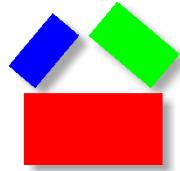
## DATA REQUIRED FOR THE HARVEST MODEL

- Harvest Size - we use the average of the LRP for Concord, for each growing area
- Historical analysis shows the harvest size to be normally distributed



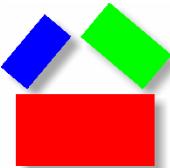
## DATA (continued)

- We use the “start date” and “end date” provided by National Co-op to calculate the length of season,  $L$
- We assume the distribution of the season length to be normal (based on observations of histograms)
- $L$  is not correlated with harvest size,  $H$ .
  - .14 correlation with significance of 53%.
- ONLY DATA AVAILABLE – POINT ESTIMATE OF TEMPERATURE
- TEMPERATURE SENSORS



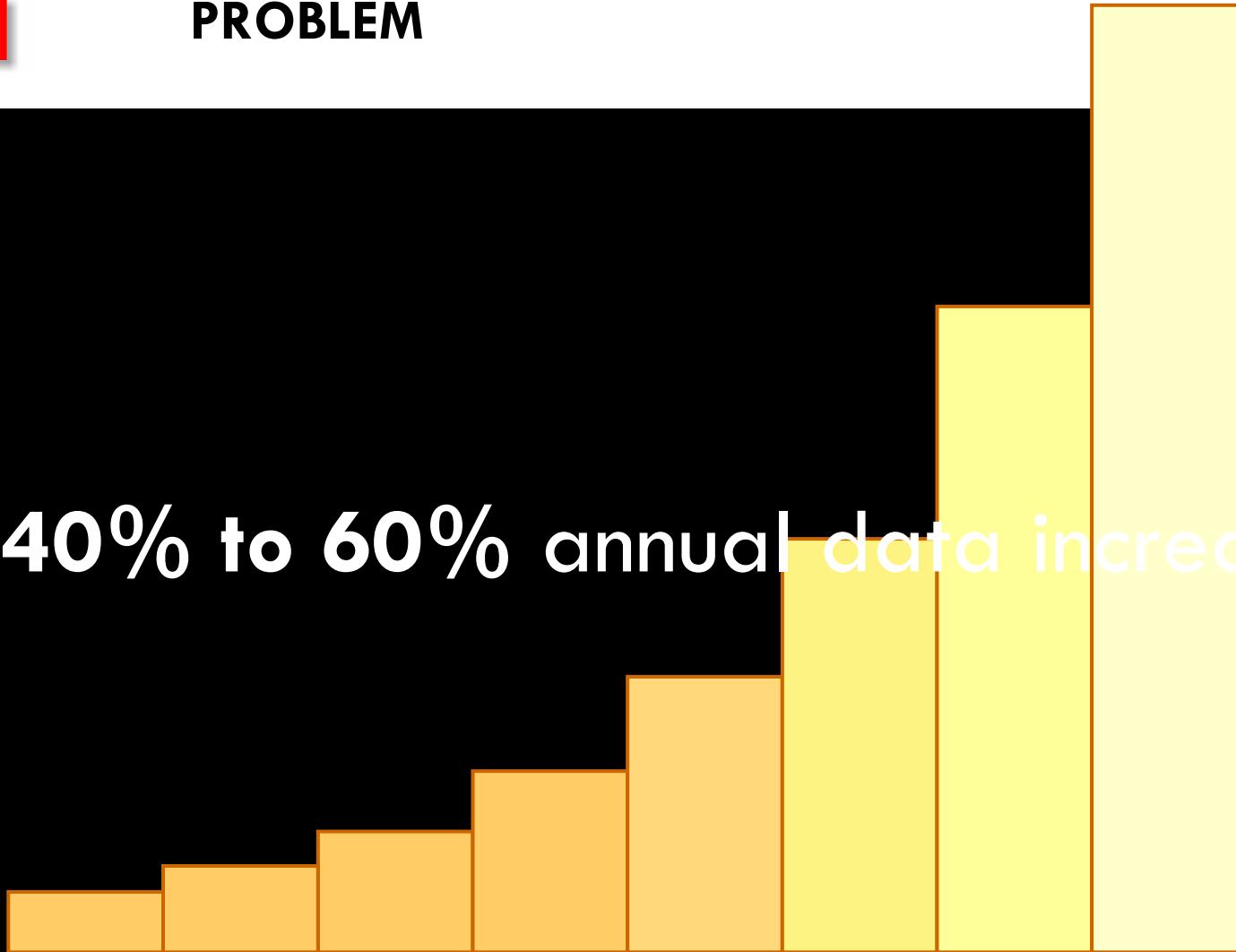
There are only several certainties in the world,  
“death, taxes, and integration.”

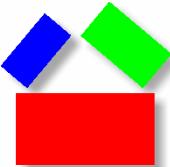
Professor Grosof  
MIT Sloan School of Management



## PROBLEM

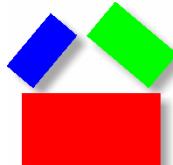
40% to 60% annual data increase





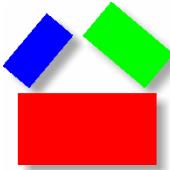
## PROBLEM

What are you going to do  
with all your  
Data?



## BREAK-THROUGH

- “**An Introduction to Semantic Modeling for Logistical Systems,**” D.L. Brock, E.W. Schuster, S.J. Allen and P. Kar, *J. of Business Logistics* (2004).
- Winner of the 2004 **E. Grosvenor Plowman Award** given by the Council of Logistics Management for best contribution to the study of logistics.



## M – THE BIG PICTURE

- Sensors

“the number of deployed sensors will dwarf the number of personal computers by a thousand fold in 2010”

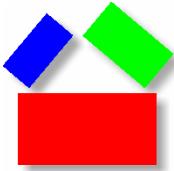
Ferguson, Glover, Sanjay Mathur and Baiju Shah (2005), “Evolving From Information to Insight,” *Sloan Management Review* 46:2, p. 52.

- Interoperable Data

- Something like Adobe Acrobat

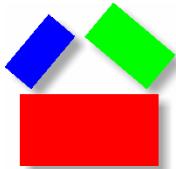
- A Network of Models

- Capture 50 years of modeling, link everything together
  - Something like eBay
  - The future of ERP...Packaged Software?
  - SAP and DEC, **Analog Devices**

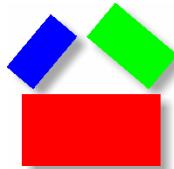


## M – THE BIG PICTURE (COMPUTER SCIENCE)

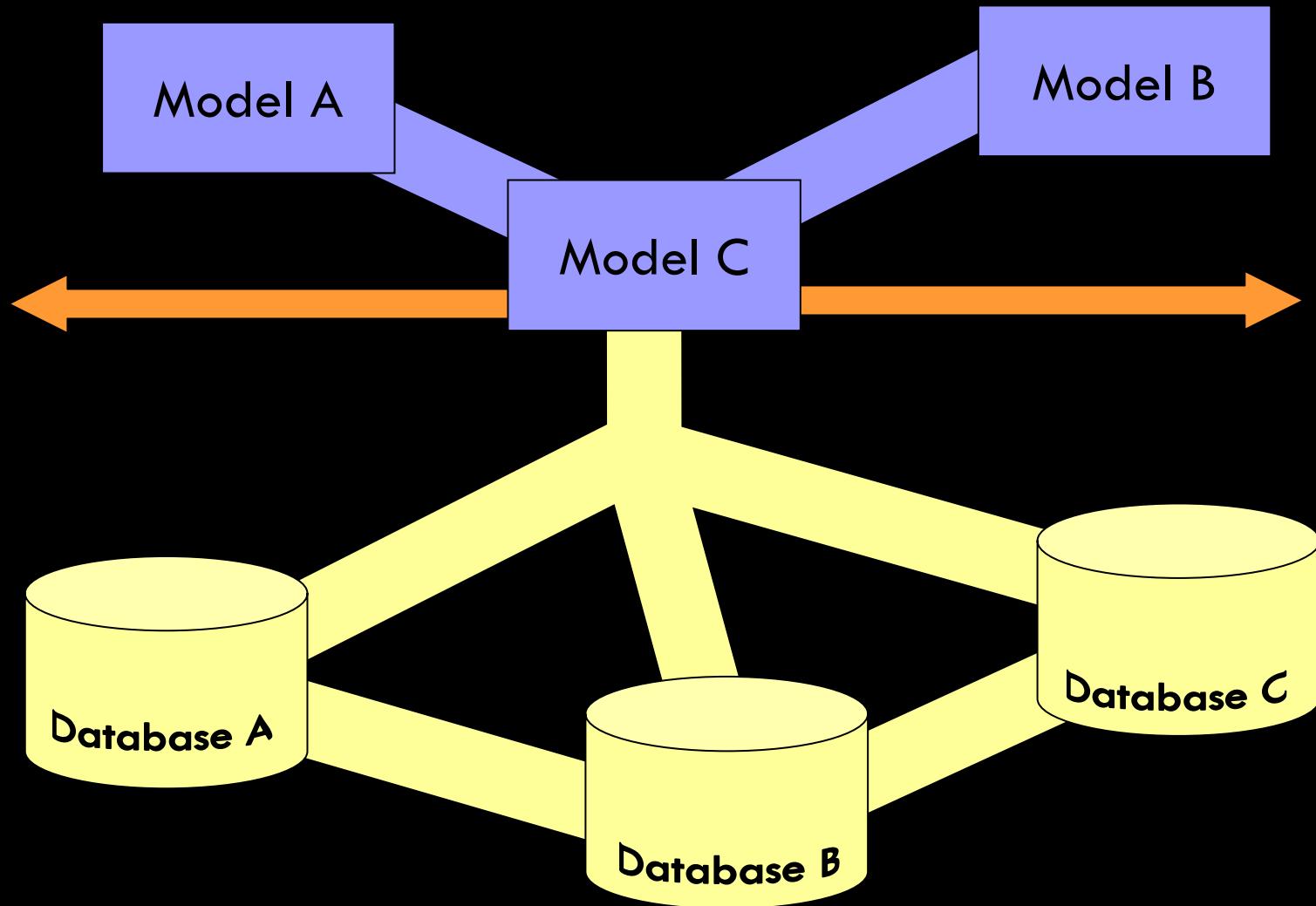
- An open system
- M works with existing data
- The language is designed to be used with existing standards, including the W3C
- Achieve communication when target is un-known
- Address the “many-to-many” problem
- A way to deal with semantics that is different from previous Artificial Intelligence approaches

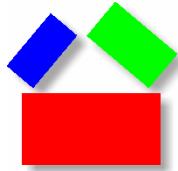


We want to become the “Henry Ford of Math Modeling”



VISION

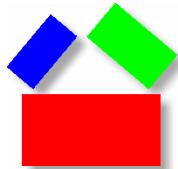




## SOLUTION

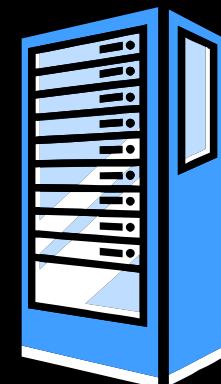
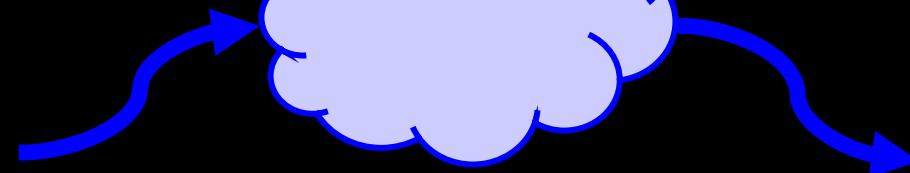
# XML

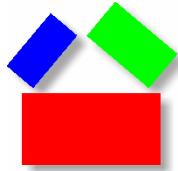
Must agree on vocabulary and syntax



# XML

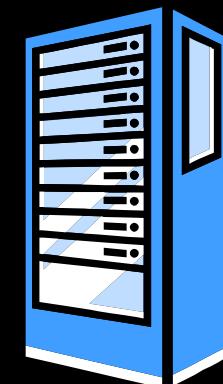
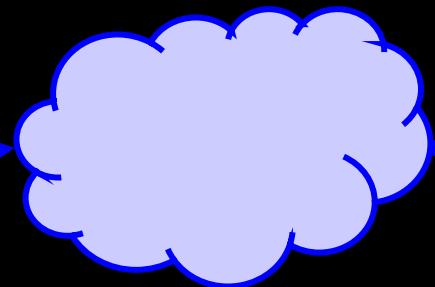
XML is like a form.

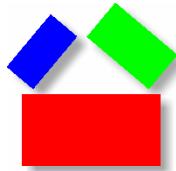




# PROBLEM

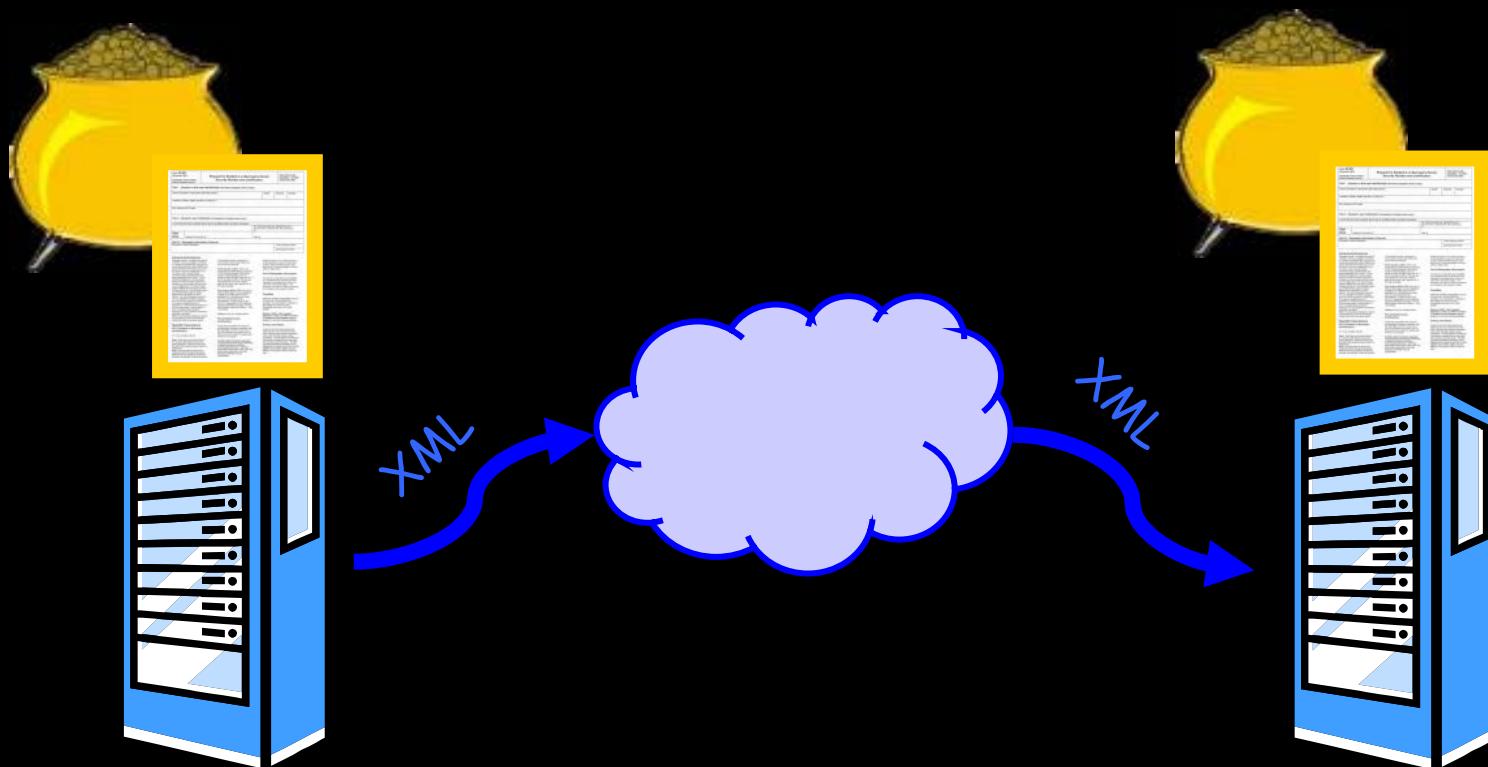
Different forms ?

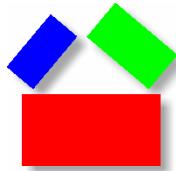




## STANDARD

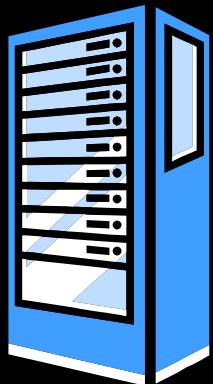
Can't we just agree on one form?



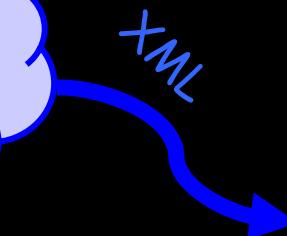


# STANDARD?

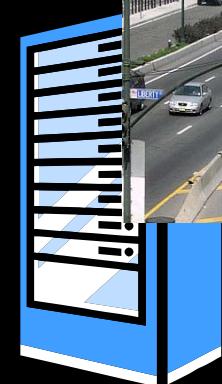
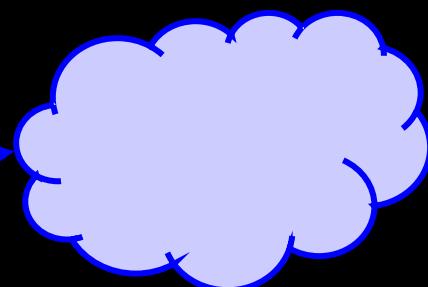
Whose form?

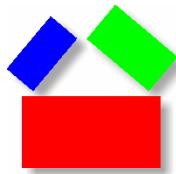


XML



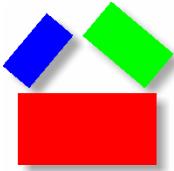
XML





# STANDARDS?

4ML	ARML	BiblioML	CIDX	eBIS-XML	HTTP-DRP	MatML	ODRL	PrintTalk	SHOE	UML	XML F
AML	ARML	BCXML	xCIL	ECML	HumanML	MathML	OeBPS	ProductionML	SIF	UBL	XML Key
AML	ASML	BEEP	CLT	eCo	HyTime	MBAM	OFX	PSL	SMML	UCLP	XMLife
AML	ASML	BGML	CNRP	EcoKnow	IML	MISML	OIL	PSI	SMBXML	UDDI	XML MP
AML	ASTM	BHTML	ComicsML	edaXML	ICML	MCF	OIM	QML	SMDL	UDEF	XML News
AML	ATML	BIBLIOML	Covad xLink	EMSA	IDE	MDDL	OLife	QAML	SDML	UIML	XML RPC
AML	ATML	BIOML	CPL	eosML	IDML	MDSI-XML	OML	QuickData	SMIL	ULF	XML Schema
ABML	ATML	BIPS	CP eXchange	ESML	IDWG	Metarule	ONIX DTD	RBAC	SOAP	UMLS	XML Sign
ABML	ATML	BizCodes	CSS	ETD-ML	IEEE DTD	MFDX	OOPML	RDDI	SODL	UPnP	XML Query
ACML	AWML	BLM XML	CVML	FieldML	IFX	MIX	OPML	RDF	SOX	URI/URL	XML P7C
ACML	AXML	BPML	CWMI	FINML	IMPP	MMML	OpenMath	RDL	SPML	UXF	XML TP
ACAP	AXML	BRML	CycML	FITS	IMS Global	MML	Office XML	RecipeML	SpeechML	VML	XMLVoc
ACS X12	AXML	BSML	DML	FIXML	InTML	MML	OPML	RELAX	SSML	vCalendar	XML XCI
ADML	AXML	CML	DAML	FLBC	IOTP	MML	OPX	RELAX NG	STML	vCard	XAML
AECM	BML	xCML	DaliML	FLOWML	IRML	MoDL	OSD	REXML	STEP	VCML	XACML
AFML	BML	CaXML	DaqXML	FPML	IXML	MOS	OTA	REPML	STEPML	VHG	XBL
AGML	BML	CaseXML	DAS	FSML	IXRetail	MPML	PML	ResumeXML	SVG	VIML	XSBEL
AHML	BML	xCBL	DASL	GML	JabberXML	MPXML	PML	REXML	SWAP	VISA XML	XBN
AIML	BML	CBML	DCMI	GML	JDF	MRML	PML	RFML	SWMS	VMML	XBRL
AIML	BML	CDA	DOI	GML	JDox	MSAML	PML	RightsLang	SyncML	VocML	XCFF
AI	BannerML	CDF	DeltaV	GXML	JECMM	MTML	PML	RIXML	TML	VoiceXML	XCES
AL3	BCXML	CDISC	DIG35	GAME	JLife	MTML	PML	RoadmOPS	TML	VRML	Xchart
ANML	BEEP	CELLML	DLML	GBXML	JSML	MusicXML	PML	RosettaNet PI	TML	WAP	Xdelta
ANNOTE	ABGML	ChessGML	DMML	GDML	JSML	NAML	PML	RSS	TalkML	WDDX	XDF
ANATML	BHTML	ChordML	DocBook	GEML	JScoreML	xNAL	P3P	RuleML	TaxML	WebML	XForms
APML	BIBLIOML	ChordQL	DocScope	GEDML	KBML	NAA Ads	PDML	SML	TDL	WebDAV	XGF
APPML	BIOML	CIM	DoD XML	GEN	LACITO	Navy DTD	PDX	SML	TDML	WellML	XGL
AQL	BIPS	CIML	DPRL	GeoLang	LandXML	NewsML	PEF XML	SML	TEI	WeldingXML	GML
APPEL	BizCodes	CIDS	DRI	GIML	LEDES	NML	PetroML	SML	ThML	Wf-XML	XHTML
ARML	BLM XML	CIDX	DSML	GXD	LegalXML	NISO DTB	PGML	SAML	TIM	WIDL	XIOP
ARML	BPML	xCIL	DSD	GXL	Life Data	NITF	PhysicsML	SABLE	TIM	WITSML	XLF
ASML	BRML	CLT	DXS	Hy XM	LitML	NLMXML	PICS	SAE J2008	TMML	WorldOS	XLIFF
ASML	BSML	CNRP	EMIL	HITIS	LMML	NVML	PMML	SBML	TMX	WSML	XLink
ASTM	BCXML	ComicsML	EMIL	HR-XML	LogML	OAGIS	PNML	Schemtron	TP	WSIA	XMI
ARML	BEEP	CIM	DML	HRMML	LogML	OBI	PNML	SDML	TPAML	XML	XMSG
ARML	BGML	CIML	EAD	HTML	LTSC XML	OCF	PNG	SearchDM-XM	TREX	XML Court	XMTP
ASML	BHTML	CIDS	ebXML	HTTPML	MAML	ODF	PrintML	SGML	TxLife	XML EDI	XNS



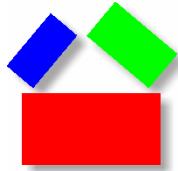
## The Future...

The integration of marketing science, engineering technology, and supply chain management.

Supply chains that sense and respond to the physical world.

This requires an **Intelligent Infrastructure** for management, control, automation and interaction.

The **M Language** is an open system that will form the base.

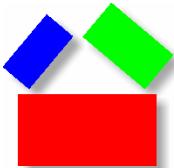


## OBJECTIVE

Develop new ways of influencing customer decision-making at the point of sale

Interactive Marketing

Use the M Language as the data aggregator between vendors and retailers

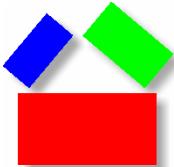


## In-Store Informational Kiosk

Self-service, interactive,  
networked terminals in the aisles  
for:

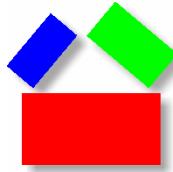
- *Product information*
- *Comparisons*
- *Targeted marketing*
- *Promotions*



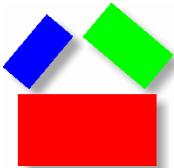


## Agricultural Projects

- Integration of weather and pest data
- Managing Risk In Premium Fruit And Vegetable Supply Chains
- The M Language and Agricultural Sensors
- Agricultural Planning Under Demand, Yield, and Harvest Uncertainty: An Application in Tomato Farming
- Risk in Agriculture - A Study of Crop Yield Distributions and Crop Insurance
- The “Three Risk” Model – optimal size of a cooperative
- Application of the Boeing TR System to Agricultural Machinery



[datacenter.mit.edu](http://datacenter.mit.edu)



## An Overview of the M Language

<http://mitdatacenter.org/MIT-DATACENTER-WH-009.pdf>

## Capacitated Materials Requirements Planning and its Application in the Process Industries

<http://mitdatacenter.org/JBL98v6%20-%201.5%20spacing.pdf>

## Master Production Schedule Stability Under Conditions of Finite Capacity

<http://mitdatacenter.org/LEC20054-14-05R1.pdf>

## Improved New Product Forecasting through Visualization of Spatial Diffusion

[MIT-DATACENTER-WH-006](#)

## Practical Production Scheduling with Capacity Constraints and Dynamic Demand: Family Planning and Disaggregation

<http://datacenter.mit.edu/P&IMJ%201994%20SJA%20EWS.pdf>

## A Simple Method for the Multi-item, Single-level, Capacitated Scheduling Problem with Set-up Times

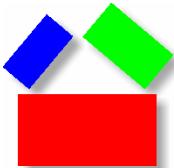
<http://datacenter.mit.edu/P&IMJ%201997%20SJA%20JM%20EWS.pdf>

## Capacitated Scheduling of Multiple Products on a Single Processor with Sequence Dependencies

[http://datacenter.mit.edu/ditri\[1\].pdf](http://datacenter.mit.edu/ditri[1].pdf)

## A Deterministic Spreadsheet Simulation Model for Production Scheduling in a Lumpy Demand Environment

<http://datacenter.mit.edu/P&IMJ%201990%20EWS%20BJF.pdf>



## **GLOBAL RFID**

The Value of the EPCglobal Network for Supply Chain Management

<http://www.mitdatacenter.org/DATACENTERglobalrfid.htm>

*Published by Springer Verlag*

### **Controlling the Risk for an Agricultural Harvest**

<http://mitdatacenter.org/1526-5498-2004-6-3-0225.pdf>

### **Managing the Risk for the Grape Harvest at Welch's**

<http://datacenter.mit.edu/P&IMJ%202000%20SJA%20EWS.pdf>

### **Raw Material Management at Welch's**

<http://datacenter.mit.edu/Schuster-Allen%201998.pdf>

### **The Impact of e-Commerce on the Japanese Raw Fish Supply Chain**

[http://datacenter.mit.edu/Watanabe%20-%20Schuster,%20eCommerce,%203-22-03%20\(final%20draft\).pdf](http://datacenter.mit.edu/Watanabe%20-%20Schuster,%20eCommerce,%203-22-03%20(final%20draft).pdf)

### **The Impact of e-Commerce on the Japanese Raw Fish Supply Chain (presentation)**

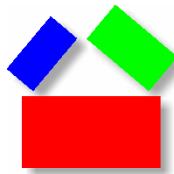
<http://datacenter.mit.edu/LEC%202003.pdf>

### **Understanding the Organic Foods Supply Chain: Challenges and Opportunities from Farm Gate to End Consumer**

<http://datacenter.mit.edu/Agribusiness.%206-7-02.pdf>

### **An Introduction to Semantic Modeling for Logistical Systems**

<http://www.mitdatacenter.org/BrockSchusterAllenKar.pdf>



EDMUND W. SCHUSTER  
STUART J. ALLEN  
DAVID L. BROCK

# Global RFID

The Value of the EPCglobal Network™  
for Supply Chain Management

