Response to the changing environment in Europe,  
the perspective of the German Weather Service  

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Like many other meteorological services in Europe Deutscher Wetterdienst works as the national service provider for aviation. DWD has a legal mandate to supply the aviation industry.  

Rapidly changing services as well as changing international standards and recommendations and the rapid development of a market for specialized aeronautical services lead to increased innovation pressure and competitive pressure on the Weather Services.  

The entire aviation industry is under cost pressure. New technologies promise more economic structures with a strong connection to the digital economy and a widening meteorological industry. The meteorological service providers can be found right in between.  

The formerly nationally oriented meteorological services will become part of this global digital economy and a global network of a variety of suppliers and customers.  

Sooner or later state-backed monopolies of the national weather service lose their basis not because of the SES 2+ initiative of the European Commission but because of the fact that industrial enterprises enter in the meteorological service provisions of our tendered customers.  

For the MET service provider adaptations of their operational infrastructure and service provisions cannot be avoided if they want to remain active as service provider. SESAR deployment and ICAO system block upgrade force us to adapt, too.  

But are these operational adaptations sufficient to maintain the status? - Is it not true that competitive pressure, loss of revenue, digital economy force us to do more? Even on national level? Would it not also time to check the traditional practice of doing business in house? Isn’t it time to check for the international relations, too?  

I assume that in many of the European weather services the directors and analyst currently reflect on their strategies for dealing with the new environmental conditions.
Today I would like to introduce to you what is happening in this respect in the Deutscher Wetterdienst.

But before moving on in our analysis of today, we should have clarified a fundamental question for the national case: Will your organization continue to act as aeronautical meteorological service provider?

Yes indeed, you can call this into question. You and your organization should be always clear about the question whether your Weather Service will continue its role as ANSP for aviation weather in future.

Within a National Weather Service like DWD for example, there are a variety of business interests and views on what priorities a National Meteorological Service should take in the future. Limitations of infrastructure, human resources and finance in your service may lead to conflicts, if the services for aviation will have to be intensified because of the growing demands of aviation. For some of you aviation weather service may be a labor of love. Nevertheless, for other areas of your organization, it isn’t.

Now let us assume in the further analysis that aviation weather services persist in DWD. Then the next question might be: How many services are actually required in order to survive as aeronautical meteorological service in the future?

In order to secure the future of the aviation weather service, DWD, as any other national MET service, must meet the international obligations based on ICAO regulated services and additional national obligations – in ICAO wording called local agreement.

And furthermore DWD, as many other national MET services, typically also has great interest to provide specialized services for aviation. Why? First, DWD sees himself committed to act as the reference for meteorological service at national level. Secondly, DWD wants to play a leading role in Europe as one of the great weather services. Consequently, we have to deal with a wide spectrum of customer needs in order to stay in business and to fulfill the role, industry, society and politics expects of us.

What will make these specialized services successful? This is quickly identified but difficult to do. Specialized services have to reach a very high quality of service, or they will not compete. I speak here of technical and operational qualities in terms of accuracy, availability and reliability of warnings and forecasts.

But that is not enough. To be attractive, these special services secondly have to promise the customer profit and thirdly have to be offered for a marketable price.
Which prices can we achieve? Here two aspects are unfavorable affecting the price level. Because of the liberalization of weather and other geo data, competitors for specialized aeronautical services can obtain weather information as basis for their production and refinement process at lower prices than the cost recovery regulations for aviation allows it for the MET ANSPs.

The second adverse effect is that due to increasing standardization of these specialized services, the service provider can be exchanged more easily. Thereby a market develops in which the buyer can dictate the price and will consequently push the price down.

In other words, it is not easy for meteorological services providers to enter new sources of revenue through the sale of specialized services. The terms and conditions of this new market are not favorable. And a MET service provider will have to demonstrate a high degree of innovative ability and flexibility to participate in the market. That's why the next question you and your organization should clarify is: Do you want to participate in this growing and rapidly changing market?

If not, if you do not want to participate in the market, then it has to be clarified which aeronautical services will be delivered under what conditions on the market and which will remain within the competence of the national MET service.

If your organization will be in favor to participate in the market, then it is to clarify how the organization can be prepared for the competition. What will be the best business model for you to have a chance in the market?

What will be the best business model for DWD to have a chance in the market? Frankly the DWD has not yet decided on this issue. However, our management decided that the DWD will do everything possible to be prepared for competition in the area of aviation weather service. When appropriate, in a new business model compared to today. How this business model will look like is not decided yet.

This is an important decision for our house, having in mind that Deutscher Wetterdienst as National Meteorological Service derives its mandate largely of national laws and international agreements. In future the activities of DWD acting alike a company will be expanded.

I am satisfied that a commercial approach has been addressed now. This approach of DWD to supply both regulated services and commercial services for aviation allow us to fully support all kind of customers and offers us better opportunities to keep our status as a National Meteorological Service in Central Europe in future.
I assume that we will work more closely together in future under the umbrella of the Single European Sky. If we want to enter into a stable and successful cooperation it will be important to make sure that our business models fit together. The business models we are living individually need not necessarily be identical but they should be complementary. We have to focus our business relationships on shared values and goals to create an arrangement that is beneficial to each.

What is or will be your favorite business model? How does your weather service or aviation weather service adapts to the economic development and reacts on the institutional framework? I am happy to assist WMO and to discuss this issue at this meeting with you.

Thank you for listening and thinking ahead!