



November 30 2007

# ECOM News

No.32

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Chairman

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### **Battle of Ideas in the Service Era**

With the progress of global competition, it is not too much to say that those who win in services will win in the world economy. In developed countries, the service sector not only occupies a large share in the economic sector, but also significantly affects the productivity performances of all industries including the manufacturing sector. Since it was pointed out that adequate research had not been conducted considering the importance of the service sector in *Innovate America: Thriving in a World of Challenges and Change* (the so-called Palmisano Report), which was released in 2005 by the Council on Competitiveness, policy efforts to promote “service innovations” have been stimulated not only in the U.S.A. but also in Japan and Europe.

For example, European countries are making efforts to analyze U.S. companies that are remarkably advanced in service innovations and to domestically introduce similar services. What is more important is that they are seriously studying how to create new service, that is, the environment and culture for the creation of “service innovations,” such as a scheme to generate ideas, the process of constructing business models for converting ideas into practical goods and a scheme to introduce such goods into the market. In Japan, the Ministry of Economy, Trade and Industry has established the “Council on Services.” A battle of ideas in the service era has finally started in Japan, the U.S.A. and Europe, with no time to waste.

### **Keep the Change**

The U.S. is advanced in service innovations and is especially strong in financial services including banking, securities and insurance. A huge hit has recently appeared on the financial service market, for the first time in many years since the birth of online banking, according to what people say: linkage service between checking accounts and savings accounts, called “Keep the Change,” which has been provided since October 2005 by Bank of America (BAC), the second largest retail bank in the United States. The “change” in “Keep the Change” literally means the change from a transaction. It is a very high-spirited service.

“Keep the Change” is a service based on the use of debit cards, through which money is automatically drawn from checking accounts when we shop. If we shop using a BAC debit card, amounts rounded up to the nearest dollar are drawn from the customer’s checking account, and the difference is not only automatically paid into the customer’s savings account, but is also matched by BAC up to \$250 per year. For example, if a customer makes a purchase and pays \$6.25, \$7 is drawn from his checking account and the “change” of 75 cents is transferred to his savings account. At the same time, BAC matches this difference of 75 cents under this scheme. In other words, the customer can save \$1.50 in his savings account by making use of a debit card of BAC.

“Keep the Change” has been much more popular than expected. It is said that approximately 2.5 million customers have already subscribed to the service since it started. In addition, 0.8 million new customers have opened checking accounts and more than 3 million customers have opened savings accounts. As is shown by the retention ratio of new customers, which is 99%, loyalty of customers is extremely high. The number of subscription offers is still increasing because “Keep the Change” is the most straightforward way to save money if we have a checking account, a debit card and a savings account. “Keep the Change” earned the Best Innovation Company Award, which is awarded by the Product Development and Management Association every year. This was quite a feat because it was the first time that a service earned the award, which had been given only to products. It also means that services are no longer just accessories to products but have moved to the center stage.

## Praxeology Research

“Keep the Change” was not stumbled on by chance. It was developed as a result of careful, reiterated and elaborate preparations based on efforts by a new service team. Concentrated efforts to make a unique product to surprise people bore fruit after a process of systematically producing innovations. The background for this innovation was that BAC absolutely needed a hit to attract new customers due to regulations surrounding U.S. banks. In the U.S., there is a rule under which the market share of a retail bank can not exceed 10% when its business size expands due to M&A. The market share of BAC increased to 9% overnight when it purchased Fleet Boston Financial in 2004. After that, BAC was unable to use M&A for further growth and had no option but to seek new customers by making self-supporting efforts to grow further.

BAC started to develop this attractive new product by conducting research on the behavioral patterns of women aged 45 or older with children, who had not been brought to attention but who constituted an important market segment. The new product development team of BAC started to implement low-profile fieldwork. They thoroughly followed up the lives of 12 families from wake-up to bedtime for two months. They monitored every part of their lives: how they conducted financial transactions, how they did shopping, and how they made payments. As a result of this field survey, they found out that many families recognized the flow of payment not in cents but in dollars and that they were struggling to save money. Based on the results of the monitoring, an in-house team (consisting of persons in charge of product development, IT software, finance, general affairs, etc.) had more than 20 brainstorming meetings and produced 80 ideas. As a result of narrowing down the results as much as possible, this unique idea of rounding up customers' shopping payment amounts to the next dollar and paying the difference into their savings account was left at the end, and “Keep the Change” was born.

## From Guesswork and Experience to a Systematic Approach

“Keep the Change” is not a product of guesswork and experience, which is more often the case with innovations in the service sector, but has been nurtured in the process of systematic research and development. This means that scientific thinking and engineering methods are also necessary for service innovations and that, just like R&D has a very important role in the manufacturing sector, it is necessary to promote approaches that can lead to success, by verifying research and development cases, also in the service sector. The following five tricks to create a scheme to generate services can be drawn as a result of analyzing the success story of “Keep the Change.” (Please refer to Chart 1.)

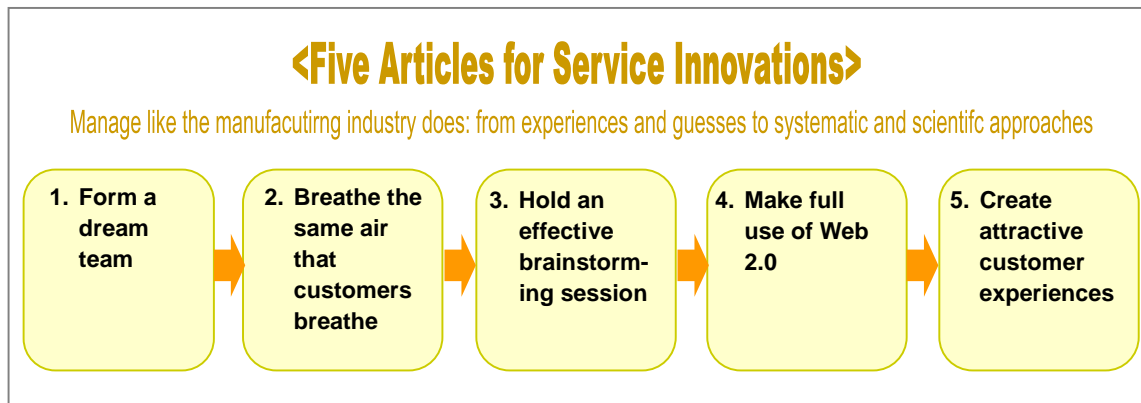


Chart 1 Five Principles for Service Innovations

### (1) Form a dream team

A “dream team” should be formed as a new product development team. Representatives or experts of individual divisions of a bank, such as strategies, finance, IT, general affairs and marketing, should be invited to form a team. Based on all kinds of values and priorities owing to in-house cross-industrial get-together, not only are new ideas generated from different opinions, but also team members serve as billboards for products in their home divisions when the ideas are commercialized.

### (2) Breathe the same air that customers breathe

Behavioral patterns, preferences and lifestyles of customers should be thoroughly studied. According to a new product designer of Hewlett-Packard, “We must live with consumers and breathe the same air.” By conducting field research to monitor the lives of consumers, it is possible to understand their preferences and behavioral patterns that they do not voice in focus groups and/or questionnaires. Hewlett-Packard has recently monitored 28 families around the world and has become keenly aware of needs for saving

contemporary consumers who are overwhelmed in the information society. Hewlett-Packard is planning to start new services such as photo arrangement and distribution, as Apple did in the music industry.

### **(3) Hold effective brainstorming sessions**

Brainstorming (hot debate over all kinds of ideas brought up by members) has been used in business since a long time ago as a method to generate new ideas, and research studies are being conducted on how to do effective brainstorming. For example, it is said that the number of ideas is larger when individual members submit ideas before they participate in brainstorming and then join a meeting than when they start to talk offhanded. The reason is said to be that the “free rider” phenomenon as a result of not assuming the responsibility for talking because other people talk and the “blocking (inhibition of opinions)” phenomenon as a result of being afraid that feedback for their own ideas from other people may not be good and consciousness of other people’s views occur in discussions among all members. Mr. Tom Kelly of IDEO, the most watched design firm in the world for its product designs such as the mouse for Apple, the palm for “Palm” and other similar products as well as organizational reform consulting, has asserted that “Effective brainstorming is IDEO’s culture.”

### **(4) Make full use of Web 2.0**

Once a concept is established, a prototype of the actual service should be made and put into trials (market tests). There are various ways to check if the prototype can really be sold on the market. In recent years, Web 2.0-based trials have been playing an outstanding role in service innovations. This is a mechanism under which a prototype is created by making full use of Web 2.0, widely and swiftly absorbing feedback from customers on the Web and interactively communicating. When BAC asked 1,600 consumers for their opinions on the new service, “Keep the Change,” visualized using cartoons on the Web, they answered that they were very satisfied with its uniqueness. One of the comment was, “It is difficult for us to save money, and I have truly learned that you thought out this product from our standpoint. I can really see that you are trying to be our partner.”

Especially in the world of service innovations, the problem is how to shorten the time from the generation of new service ideas to introduction into the market. Consumers accepted “Keep the Change” at a blistering speed, but the development process was implemented as swiftly as that. It took only 15 months from the creation of the concept to launch on the market: 6 months for the creation of the concept, and 9 months for service development, market tests and rollout. As the background of this success, it is pointed out that BAC has a systematic process for new product development and that the full use of cutting-edge information technologies has enabled effective communications, data confirmation and operation. As a technique for speedily and effectively establishing new businesses, including incorporating feedback from general users into prototypes and working out final services, the use of the power of Web 2.0 for service innovations will affect corporate advantage.

### **(5) Create attractive customer experiences**

One of the important factors holding the key to service innovations is to create simple and attractive customer experiences. As for “Keep the Change,” a successful outcome has been achieved not only by the appeal of the straightforward service mechanism, under which people can subscribe with a click and money is automatically saved every time they use their debit card but also by marketing with the aim of appealing to customers based on household tools, such as money boxes and sofas. Americans often save loose change in glass jars for jam and candies. Ads based on this image have tickled the minds of consumers who are not good at saving money but want to save some money even if it’s only a little.

For the ad campaign to announce the service, a big bright red sofa was prepared and the scene of loose change found under the sofa cushions was comically portrayed. The campaign tour covered large cities including Boston, Dallas, Los Angeles and Miami. In service innovations, it is indispensable to put customers through simple and attractive experiences. A new service manager of Google considers that “All he has to do is to care about simple and popular services.” and that “money follows.” In the service era, the importance of customer experiences is increasing more and more. Now that it is quite difficult to differentiate some products from others in product performances and service contents, consumers show more-than-expected loyalty to companies that put them through the best experiences. Spotlighted are not only online companies such as Google, but also top-brand stores in service innovations, such as Starbucks and Whole Foods Market (a supermarket featuring organic products), which provide the most straightforward and best customer experiences.

## **Manage Like the Manufacturing Sector Does**

From the example of “Keep the Change,” the importance of scientific management with a focus on research and development can be recognized as the most important point in service innovation. It seems that service development has nothing to do with R&D, but it is required to adopt scientific and engineering approaches in the whole lifecycle from idea generation to product manufacturing, verification, trials, marketing and launch on the market. It is often said that a business can be launched with little ingenuity in the service sector, unlike in the manufacturing sector, in which companies cannot survive without research and development for which strict control is required. But, it is in this service sector where the process of organizationally deepening research studies and producing innovations instead of depending on the guesswork and experience of individuals is needed.

BAC has concentrated more than 20 branches in the area of Atlanta into a “huge research and development zone.” For example, at one branch, a person is standing at the entrance just to greet customers and a hotel concierge desk is placed. I have heard that the bank has adopted hints for customer service from Wal-Mart. At a specified branch, BAC has also conducted an experiment on the so-called “investment bar,” a system under which customers can enjoy investment trusts by watching news and stock prices on TV with a sense of being in a wine bar. At branches in the area of Atlanta, which are classified into “express-service branches,” “full-service branches,” “kiosk-service branches,” and other similar categories, all kinds of trials are being continued. These schemes are all operated based on scientific data provided by the Innovation Development Division of BAC.

Members of the division are absorbed in discovering new service ideas. They not only bombard customers with annoyingly many questionnaire surveys but also ask them to give advice whenever they have contact with the bank, by conducting online and telephone surveys as well as actually visiting branch establishments. The division members are continuously seeking problems, room for service improvement and customers’ requests for new services, 24 hours a day, every day. They store new ideas in a spreadsheet called an “idea portfolio” and classify them into three categories with low priority, middle priority and high priority by checking up previous data, such as customer satisfaction surveys, and new experimental data. They are trying to discover hits in a step-by-step manner by narrowing down several hundred ideas and conducting dozens of experiments per year. Google is also seeking for thorough scientific demonstration in the service sector. It is familiarizing employees with the importance of science by making them submit new product ideas based on data verification instead of personal impressions and opinions.

What is important in service innovations is how to find “white spaces (blank spaces where solutions for needs have not been provided yet)” ahead of competitors and how to dig into the needs, deepen understanding, create new products to fill the spaces and establish businesses. The era in which we depended on the ingenuity, guesswork and past experiences of individuals has already passed. In my opinion, the future issue for Japan, which is a world leader in the manufacturing sector, is to make use of knowledge, control and methods in the manufacturing sector for the service sector and increase international competitiveness in the service sector with high added values.

## —Electronic Signature Dissemination WG— Participation Report in ETSI/ESI #18

Yoji Maeda, Research Director of Electronic Signature Dissemination WG, EC Safety & Security Group, ECOM, reports on the 18<sup>th</sup> regular conference of the Technical Committee of Electronic Signatures & Infrastructures (TC ESI) of the European Telecommunications Standards Institute (ETSI), which was held on November 6 and 7, 2007, at Bull SAS in Paris, France.

### 1. Background

ECOM has been conducting survey research on technologies for long-term signatures since 2000. In 2006, it prepared JIS drafts for the “CAAdES Long-term Signature Profile” and the “XAdES Long-term Signature Profile” based on TS 101 733 (CMS Advanced Electronic Signatures: CAAdES) and TS 101 903 (XML Advanced Electronic Signatures: XAdES) provided by the European Telecommunications Standards Institute (ETSI). This year, ECOM conducted a plug test together with 18 domestic companies based on the JIS drafts, and the results will be available within the year.

Since March 2007, as an official and registered “associate member” of ETSI, ECOM has been making efforts to coordinate the long-term signature format profiles and test methods with ETSI and has been advancing a project to conduct a plug test for European companies participating through ETSI and Japanese companies.

### 2. Brief Summary of the Conference

In addition to Chairman Riccardo Genghini, 24 people participated in the conference. Four people joined it from ECOM: Mr. Michihiro Kimura (NEC), project general manager of the Electronic Signature Dissemination WG, Mr. Kenji Urushima (Entrust Japan), project leader for the long-term signature interoperability test, Mr. Masashi Sato (SECOM), leader of the website construction TF and ECOM Research Director Maeda. At the previous conference, ECOM was requested to provide the JIS drafts and the plug test specifications in English. ECOM constructed an English website in October and released information on the site (<http://www.ecom.jp/LongTermStorage/en/index.html>)

This time, we made a presentation on the following three points.

- (1) Introduction of the JIS drafts for the long-term signature format profiles
- (2) Method for applying long-term signatures to PDF
- (3) Introduction of the English website on the plug test by ECOM

The website on the plug test has been constructed as a portal for field trials, from which visitors can download the JIS drafts, field trial test specifications, and test data on the long-term format profiles. We made a presentation by actually presenting this website, and showed the list of participants in the plug test, the outline of the test and the outline of test cases. We had inquiries about how to contact to participate in the international experiment and had a favorable reception for the English website.



Photo of the Conference

With regard to our presentation, many questions were asked and answered on the definition of long-term signatures, reasons for limiting the scope of the JIS drafts to ES-T and ES-A, etc. Questions will be continuously made and answered on the Internet.

Mr. Carlos of the Technical University of Catalonia, reported on the ETSI plug test project as follows.

- ESI is making proposals to ETSI and the European Commission.
- With regard to proposals to the European Commission, it will take some more time.
- Replies from ETSI will be available by the end of November. The ETSI plug test will be conducted next February or March if all goes smoothly. (The test will be conducted from March 3 through 8, 2008, and experts in field trials are now being recruited.)

### 3. Future Schedule

The next conference will be held in Barcelona, Spain, on March 11 and 12, 2008.

—JIPDEC/ECPC STEP Group—  
*Report on the 53<sup>rd</sup> ISO TC184/SC4 Dallas Conference*

ISO TC184/SC4 is engaged in developing specifications to represent all kinds of data that are processed in the overall product lifecycle, by using standard data models based on computer processing. SC4 holds three international conferences a year with its all umbrella groups. From October 28 through November 2, the third conference for 2007 was held in Irving, near Dallas, Texas in the U.S., in which approximately 90 experts from 14 countries including Japan participated. Masaru Suzuki, Research Director of the Japan Information Processing Development Corporation / Electronic Commerce Promotion Center (JIPDEC/ECPC), reports in summary on the international conference in which he participated.

\*This is a report on the STEP-related activity, implemented by ECOM to the end of 2004 and by JIPDEC/ECPC since 2005.

\*This activity has been partially subsidized by the bicycle race business (*keirin*).

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This conference is held three times a year in rotation by member countries. This July, it was held in Ibusuki, Kagoshima Prefecture, Japan, and had a good reception. This conference was held in the United States following the Hershey conference in Pennsylvania last October. For more than 20 years, ISO TC184/SC4 has been conducting standardization activities for industrial data. At first, it was mainly engaged in setting standards for the representation of design and production preparation data in the development stage of industrial products. However, since problems of this area were settled, the emphasis of its activities has been transferred to setting standards for data representation concerning electronic product brochures and supply chains, and the maintenance of large quantities of specifications issued has become a big problem. When countries other than the U.S. hold conferences, they make all kinds of efforts to organize them by making use of their own characteristics. But, in recent years, the U.S. is too used to holding conferences to give such consideration. Therefore, participants had a insipid impression.

I would like to report on the topics of this conference below. Also, I would like to add that the specification for a standard for product shape data quality (ISO 10303-59: Quality of product shape data), which was proposed and is being developed by Japan, was not deliberated at this conference because it is in the DIS (Draft for International Standard) voting period of five months from September.

### **1. Collaborative Development of a New Specification for Civil Engineering by Japan and Korea**

TC184/SC4 is engaged in developing specifications for the construction area and putting them to practical use. From Japan, the Japan Construction Information Center (JACIC), which is an external body of the Ministry of Land, Infrastructure and Transport and is promoting the electronic delivery of drawings of infrastructures as a result of public works projects of the national and local governments, has been a main contact point. As part of its activities, JACIC has decided to jointly develop the contents of ISO 10303-241 (Generic model for lifecycle support of AEC facilities), a data model for lifecycle management from development to operation in the area of civil engineering (roads, bridges, tunnels, etc.), which was proposed by Korea and has been already approved. JACIC has also invited China to join and has decided to examine the contents as a collaborative project among Japan, Korea and China.

### **2. Examination on the Activity Policy of WG13 (Industrial Data Quality)**

A proposal for 10303-59 from Japan has set the stage to establish ISO 8000 series as the specifications covering problems with the quality of all data that are handled under the specifications of TC184/SC4. WG13 was newly established last year to be in charge of the specification development, but its activity policy was not adequately defined. Therefore, full consideration was given at this conference, and Mr. Akihiko Otaka from Nihon Unisys, Ltd., head of the Japanese delegation (and also a project editor of 10303-59) played a significant role in determining the overall direction.

### **3. Examination on Responses to the Issuance of a Patent Based on an ISO Specification**

With regard to the implementation method of ISO 14649 (Data model for computerized numerical controllers), which has been developed based on cooperation between TC184/SC1 and TC184/SC4, a problem came up to the surface that one of the development members of SC1 and his parent organization had applied for a patent in the United States without the consent of other members and had obtained an approval. It is a problem that the patent based on the contents of the specification, which should be public knowledge, was approved. According to ISO policies, in case of a patent related to the contents of a specification, a patentee is required to announce conditions for the license (free, free with conditions for research and development and other similar purposes, or for-profit), but details have not been determined

in this case. Therefore, SC4, which will be affected in this case, adopted a resolution to request SC1 to do what was most advisable and to determine its own responses according to the results.

## *Participation Report in the 9th GBDe Annual Summit —Web Commerce 2.0—*

On November 9, 2007, the 9th GBDe Annual Summit (the 9th GBDe General Meeting) was held in Tokyo. Ryoji Yamada, Research Director of ECOM, reports on the outline.

\*For details of GBDe (Global Business Dialogue on Electronic Commerce), please refer to the special report in ECOM News No.30 ("My Thoughts on Web Commerce 2.0" by Mr. Toshiro Kawamura, Executive Advisor, NEC Corporation).

### **1. Outline**

GBDe activities, which started in 1999, have entered their 9th year in 2007. General meetings have been held every year in rotation by member countries. One of the general meetings in the past was held in Tokyo on September 14, 2001, but it was a pity that many overseas cabinet-level people were unable to participate due to the 9/11 attacks that occurred shortly before. What strikes me is that President Arroyo joined the meeting in spite of such circumstances. This Tokyo Summit was held on November 9, 2007, with Mr. Toshiro Kawamura, Executive Advisor of NEC Corporation, as Overall Chair. Following a greeting speech by Mr. Masuda, Minister of Internal Affairs and Communications, Mr. Colin Heselstine of APEC presented some of its initiatives to make use of the potential of e-commerce and Mr. Pier Padoan of OECD gave a lecture on the future of the Internet economy. From Japan, Mr. Heizo Takenaka made a keynote speech (as described below). In the session 1 as the main issue, Mr. Shyue-Ching Lu of Chunghwa Telecom Co., Ltd. served as chairman and discussions started under the theme of "Web Commerce 2.0."

The afternoon session started with a special speech by Mr. Amari, Minister of Economy, Trade and Industry, and Commissioner Harbour of the American Federal Trade Commission (FTC) gave a lecture on APEC activities on cross-border privacy rules and the relations of the US Safe Web Act in approaches in the United States. Deputy Director-General Peltomaki of the European Commission pointed out that Web 2.0 has brought about the following challenges in relation to regulations.

- Intellectual property rights, copyrights and responsibilities of platform owners
- Privacy
- Responses in the telecommunications industry to a request for wider network bandwidth
- Protection of minorities (and vulnerable people)
- Necessity of eGovernment 2.0
- Public security

He also stated that he expected that GBDe would play a role in relation to eGovernment 2.0.

In the afternoon session 2, under the theme of "confidence and governance," Mr. Takao Shiino of Nomura Research Institute served as chairman. Reports were made by individual countries and organizations, and opinions were exchanged.

Materials including proposals at this GBDe General Meeting have been updated on the following website. Please refer to it.

Website of GBDe: <http://www.gbd-e.org/>



Hall for the GBDe General Meeting

### **2. Outlook for Net Society and Issues**

I would like to introduce the contents of the keynote speech in the morning session by Dr. Heizo Takenaka, Director of the Global Security Research Institute, Keio University (former Minister of Internal Affairs and Communications), under the theme of "Outlook for Net Society and Issues."

When we consider the economic contribution of IT in Japan, we can say that the growth rate of labor productivity is 2% in this country, 1% of which is total factor productivity (TFP), while the growth rate of labor productivity is 3% and the growth rate of TFP is 2% in the United States. Low TFP in Japan is due to low TFP growth in the tertiary industry (service sector). Please let me refer to the Solow Paradox in the United States. It is a phenomenon that productivity does not increase in spite of diffusion of computers. The paradox has been reconciled in the United States, but not yet in Japan.

Now in Japan, approximately 70% of the population makes use of the Internet, but what kind of changes will the diffusion bring about? There are several problems. For example, infrastructures are not

appropriately used because people are not prepared to do so. For example, information disclosure by the government has advanced in these five years, but there is no system that is engaged in thoroughly reading and analyzing the minutes of governmental meetings (there are no policy watchers). In addition, there are institutional defects. Broadcasting and communications are being fused together, but are not appropriately utilized. 1-n communication can be realized on IP infrastructures, but the reality of regulations is different. Because there are as many as nine laws regarding cable broadcasting alone, the contents of NHK cannot be used on IP infrastructures. Another problem is that copyrights are treated differently between broadcasting and IP.

A breakthrough period in Japan will come soon. In all areas, broadband connection will be available in three years and terrestrial digital broadcasting will be realized in four years. In other words, digitalization will be completed ahead of the rest of the world. Japan will have a cutting-edge opportunity. On the other hand, new problems will occur, such as problems with the Internet and elections. A new settlement problem will also occur.

Finally, I would like to say that, even with the evolution and spread of technologies, the last power to create our own future is human power, that is, the power of human resources. It is important to understand technologies, but at the same time, it is also important to be sensitive. For example, picture images must look beautiful. In other words, both technologies and sensitivity are needed. In parallel with the development of frontier technologies, it is indispensable to organize institutions, and management policies for coordination are important. Put it all together: technologies, sensitivity and management are all important to develop the future IT society.

### **3. Impression after Participation in the GBDe General Meeting**

GBDe has been providing opportunities for private companies around the world to gather and has been producing results in the form of policy proposals, guidelines, etc., as a result of examinations and discussions on business opportunities and problems in relation to electronic commerce. This time, under the concept of "Web Commerce 2.0," discussions were made on business areas including service development toward the future and discussion and examinations were made on the area of consumer confidence, which is a basic theme for the diffusion of electronic commerce, at a GBDe meeting on the level of a private company. I think that such activities have a great influence to realize a safe and secure environment. In particular, such an international activity framework like this organization is of particular value to address cross-border problems.

## *Letter from the Secretary-General*

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▼From November 28 (Wednesday) through 30 (Friday), ECOM and the Korea e-business Association (KOEB) jointly served as Secretariat for the Japan-Korea EC Promotion Council, which was held in Miyazaki, and the following meetings were held: the 5<sup>th</sup> Japan-Korea RFID/Traceability Information Exchange Meeting at the private-sector level by ECOM and KOEB, the 9<sup>th</sup> EC Legal Professional Round Table between Japan and Korea and the 10<sup>th</sup> Japan-Korea EC Policy Dialogue by the two governments (Ministry of Economy, Trade and Industry, Japan, and Ministry of Commerce, Industry and Energy, Korea). ▼At a summary of the Policy Dialogue, both countries highly evaluated the progress of the exchange of opinions and cooperation in all kinds of areas by the two governments and by the private sector, and agreed that they would cooperate in regularly exchanging opinions and that they would expand the scope of discussions to overall IT problems. Details will be released in the next ECOM News. ▼As of the end of November, Mr. Toshiyuki Shirabe, Research Director, returned to Hitachi, his original company. Mr. Shirabe provided cooperation in activities by ECOM and JIPDEC-ECPC with a focus on survey study in the areas of CALS, STEP and inter-company collaborative engineering. I would like to take this opportunity to thank him again. ▼Discussions on the post-ECOM are still being made by the Planning Committee. (Kataoka)