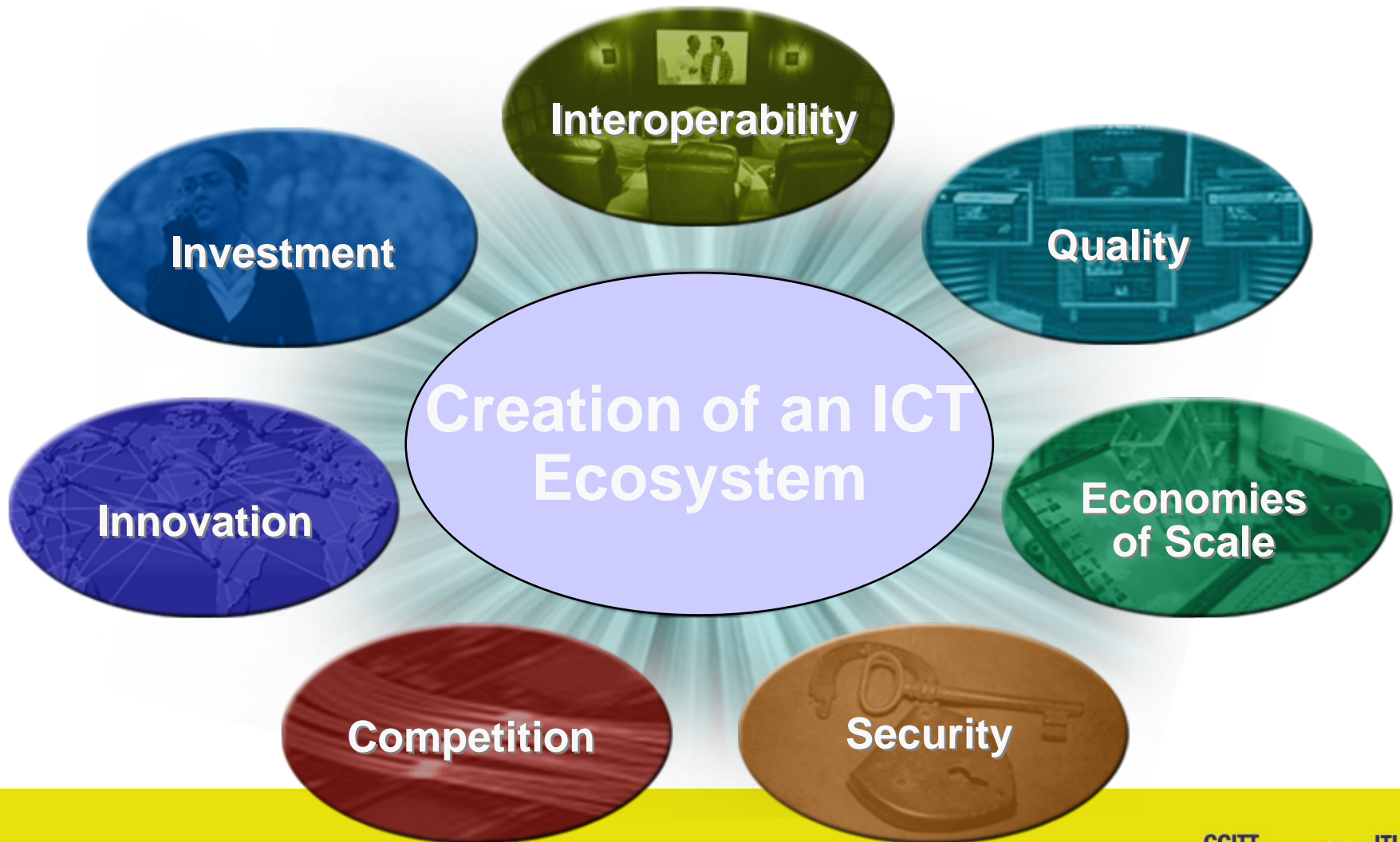


Key Drivers/Trends and their Implications

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The Value of Industry-led ICT Standards



Industry Drivers

1 CONVERGENCE AND IP-BASED NETWORKS

Internet Protocol-Based Platform; Multiple Access Networks; Security



2 TECHNOLOGY AND APPLICATION INNOVATION

R&D, Miniaturization, Greater Spectrum Efficiency, Applications (Home, Office, Mobile)



3 GLOBALIZATION

Competition, Supply Chain Management, Global Markets



Device Functionality is Blurring...

For Consumers and Businesses: Any Service, Any Device



Key Trends

People and Markets

Maximizing Value:

People/Markets, Technology, and Process

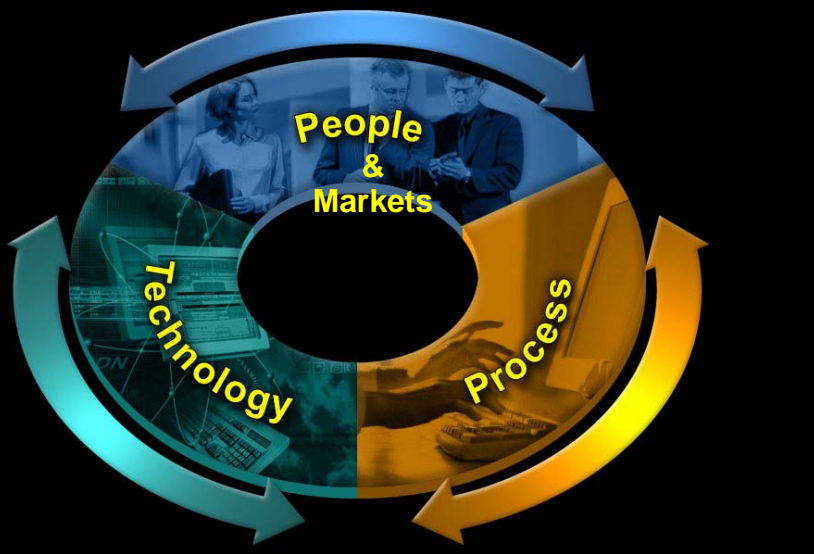
- More User-oriented
- Reduced time to market
- More Competitive, Global markets

Technology

- Convergence; wireless/mobility; distributed processing; nanotech
- Need for the best, implementable, end-to-end solutions from multiple providers – sustainable innovations (intellectual property)

Process

- Increased cooperation, collaboration and communications among standards groups and industry consortia; good standards policies



Back-ups



World Summit on the Information Society (WSIS)

- Standardization is one of the essential building blocks of the Information Society
- There should be particular emphasis on the development of international standards
- The development and use of open, interoperable, non-discriminatory and demand-driven standards that take into account the needs of users and consumers is a basic element for the development and greater diffusion of ICTs and more affordable access to them, particularly in developing countries
- International standards aim to create an environment where consumers can access services worldwide regardless of underlying technology



Declaration of Principles -
Paragraph 42

December 2003 WSIS

Implications of Key Trends

- Increased sensitivity to user needs (need to be “close to consumer”) to attract private investment
- Innovation (World-class research) needed to achieve the best, cost- effective, global solutions; respect intellectual property
- Reduced cycle-time for applications and new features or capabilities to meet market windows (applications and products need to be user-friendly even if technically-sophisticated)
- Strategic alliances and partnerships between companies and cooperation/collaboration between standards bodies and forums/consortia to produce complete solutions and acceptance
- Economies of scale in global markets will be important to support the research (innovation; intellectual property creation) required in the competitive, global market
- Holders of intellectual property will need to ask for reasonable terms and conditions so that they will not price the solution that uses their intellectual property out of the market

Consequences

To address user and industry needs in a competitive, dynamic and global market, technical standards and their processes, will have to:

- Be voluntary, consensus-based, and global
- Open and driven by the private sector who can work closely with individual customers to adapt to their needs and feedback
- Recognize and incorporate by reference standards work and implementation support, where appropriate, by other standards bodies and consortia to deliver implementable, interoperable, end-to-end solutions with quality and security
- Respect the importance of innovation and research and the resulting intellectual property in order to enable new solutions and capabilities