

3rd Study Group Meeting on the Comprehensive Law System
for Communication and Broadcasting
Summary of Minutes

- 1 Date and time: October 27 (Fri), 2006 18:00 to 20:10
- 2 Location: Special Conference Room No.1, 8F Ministry of Internal Affairs and Communications
- 3 Attendees: Horibe (Chairman), Tagaya, Nakamura, Hasebe, Funada, Murakami

Norio Murakami (CEO, Google Inc.), Kenji Kasahara (CEO, mixi Inc.), Aritomi (Vice-Minister for Policy Coordination), Suzuki (Director-General of the Information and Communications Policy Bureau), Mori (Director-General of the Telecommunications Bureau), Nakada (Acting Director-General of Minister's Secretariat), Kawauchi (Director-General of the Radio Department), Sakamoto (Director of the General Policy Division), Sato (Director of the Information Policy Division), Tominaga (Director of the Radio Policy Division), Naito (Chief of the Communication and Broadcasting Legislation Planning Office), Fujino (Promoting Officer of the Advanced Road Transportation System)

4 Summary of proceedings

- (1) Hearing on the amalgamation of and cooperation between communication and broadcasting (Market phase)

Member Murakami explained the points on the entire future perspective of information and communication business. Then CEO Norio Murakami of Google Inc. and CEO Kenji Kasahara of mixi Inc. explained the current status and perspective of businesses regarding searching and SNS, respectively, as case studies of the latest trends in contents on the open Internet. Questions and answers followed.

A. Member Murakami

Explanation was made based on Document 2.

B. Norio Murakami, CEO, Google Inc.

(a) Outline of explanation

- Google neither owns nor possesses contents. Its role is to direct users where the required information exists on the Internet.
- “AdWords” is the main advertisement mechanism that posts advertisements relating to the search word and a fee is charged when the advertisement is clicked. “AdSense” is also available, which automatically delivers highly relevant advertisements. AdSense for videos is now under consideration.
- Google is developing Google Video, which enables users to locate all animations on the Internet. Contents include those users upload, DVDs, and tie-up with TV broadcast services.

(b) Questions and answers

- Question: “What do you think about making an index of all books in the world?” The CEO answered, “We are operating a book search service in a style in which we become win-win with contents owners for books in libraries whose copyrights have expired and those sent by publishers.”
- Question: “If Google, which owns no contents, works together with YouTube, who feels responsible for contents, and deletes problematic contents, what will be the distance from the contents?” The CEO answered, “We are firmly resolved to respect and protect the rights of content owners.”

C. Kenji Kasahara, CEO, mixi Inc.

(a) Outline of explanation

- The Social Networking Service (SNS) is a huge space where you can communicate in a form closer to actual society by bringing real human relationships and reality to a virtual world. Such a space will be extremely important in the future in the maturing net world.
- Animation is a means for communication among close people and people with the same hobbies. Its mutual dependence with television is expanding.
- It is the same in that the advertising value where many people gather is higher but the difference between the advertising model of terrestrial broadcasting and the SNS model is that the latter has the advantage that it can collect exact attributes.
- What is important for the amalgamation of communication and broadcasting is to send out contents while being aware of the needs of receivers. It must be noted that televisions and animations are “leaning backward” while personal computers are “leaning forward.”

(b) Questions and answers

- Question: “What do you mean by saying that personal computers are ‘leaning forward’ while televisions are ‘leaning backward?’” The CEO answered, “Watching and listening are made in different styles; many people enjoy television simply to relax.”
- Question: “Do you have any problems in relation to privacy or security?” The CEO answered, “I have never had the impression that the percentage of problems has increased with the increase in the number of users, but I think that reviews are required from time to time—including the aspect of rules.”

(2) The status of studies on the legislation for radio waves

Member Tagaya and the Secretariat explained the “Points of contentions on the legislation for radio waves toward smooth realization of new services” (Document 3). A member presented an opinion that we should actively address these points of contentions in the Study Group from now on, since each of them is very important. It was determined that Member Ando and Member Tagaya would further study the issue and give a report on the materials to be concluded in the next meeting.

(3) Others

- It was determined to make an inspection visit by members to facilities relating to communication and broadcasting as an input to our discussions in the future.

(4) Next meeting

- The next meeting is scheduled to be held from 17:00 on November 21 (Tues). The agenda will be “Hearing on the amalgamation of and cooperation between communication and broadcasting (technical aspect).”

End