

Study Group on Intelligent Home Appliance Networking  
Summary of Second Meeting Proceedings

1. Date and Time: June 2, 2005 (Thur) 10:00-12:00
2. Location: Magnolia Room, Toranomom Pastoral Hotel
3. Attendees (Honorifics omitted): Chairman Ishii, Vice-chairman Murakami, Okinaka, Koriyama (proxy for Yoshimoto), Seki, Takebayashi, Chiba (proxy for Ueda), Tsuga, Nohara, Hashimoto, Fujimoto (proxy for Katsumata), Furukawa, Fuwa, Muraki
4. Agenda: Issues and Initiatives for Promoting Diffusion of Intelligent Home Appliance Network
5. Proceedings:
  - (1) Chairman Ishii made opening remarks.
  - (2) Furukawa, Hashimoto, Takebayashi and the Secretariat described the above agenda based on the references:
    - ① Current intelligent home appliance network status and issues:  
“Towards useful and connected networks” (Furukawa)
    - ② Connection between intelligent home appliances and networks (Hashimoto)
    - ③ Considerations on intelligent home appliance networking (Takebayashi)
    - ④ Issues in promoting diffusion of intelligent home appliances and proposed initiatives (Secretariat)
  - (3) The members voiced the following opinions:
    - Our company has launched a home automation service called Remote Plus, which connects gas water heaters and telephone lines at this moment. We will enhance the service with remote control functions for heat source equipment and home security in the future. We are hopeful of this study group in light of life solution services. Meanwhile, CO2 reduction measures for the home are also important. We have started a fuel cell initiative, with plans to launch a full-fledged service by around 2008. However, as users may not find it worth paying for only for energy-saving services, we are thinking of adding value to the service by combining the service with home security or content for audio-visual devices.
    - The problem is that no business model or killer application has been identified. It is important to advance discussions by positioning existing devices, services and issues in one picture.

Meanwhile, if you connect various devices on a network, you may be able to find new services. The diagram on page 2 of the reference provided by the Secretariat does not include mobile terminals. Mobile phones and mobile audio players are indispensable elements to solution services for in-home networks.
    - Some suggest that the mobile phone scheme should be used as a model, but it would not serve as a good model for intelligent home appliances. The mobile phone scheme, which

is a vertical integration, is different from the scheme of intelligent home appliances.

Discussing how to boost Japanese industry is also important. It is desirable that intelligent home appliances in Japan become global standards. Japanese mobile phones are not global standards because the vertical integration system is not used in any country other than Japan. On the other hand, as intelligent home appliances are not vertically integrated, they can become global standards.

- The reference provided by the Secretariat makes a point, in dividing inside home and outside home, that encompasses both inside and outside home. Additionally, as I mentioned last time, unclear definition of intelligent home appliances is an issue. The usage and role of mobile phones differ from those of TV sets. Mobile phones have a certain level of authentication functionality that could play a significant role in intelligent home appliance networking. Giving mobile phones some new roles may be needed.
- Information platform candidates may be limited to three: mobile phones, TV sets, and security or energy-saving devices. Therefore, it is desirable that we provide a big product package with these elements at the core to appeal to users.
- It is important to separate initial costs and running costs by taking into account how much customers would be willing to pay. Customers are likely to have no idea why they have to pay the running costs for intelligent home appliances. Therefore, which player will collect the running costs is one of the key points.  
Meanwhile, there is a strong hope of making this intelligent home appliance network a global standard. It is desirable that we use an open platform so that we can make what Japan is good at a global standard and revitalize Japanese industry.
- Almost all existing intelligent home appliance network issues were covered by the four presenters. It is apparent that the different industries have the same ideas as to the basic architecture and what they should do. However, the relevant parties have not started discussions about responsibilities. I understand that this study group is an opportunity to initiate discussions.  
Positioning the elements in one picture is very important. The diagrams are based on the division between outside home and inside home and identify the key elements; i.e., community for the outside and content for the inside. It is desirable to have one picture that puts together these two images.  
Unlike mobile phones, there is no platform for intelligent home appliances. A home network or home server that connects various in-home functions would break through the current situation that lacks a business model.
- On page 2 of the reference provided by the Secretariat, a home server is placed in the middle of the diagram. We are studying in-home content distribution over IP. It is likely that we can standardize server-based broadcasting later this year. We are considering what broadcasting can achieve with the in-home network.  
As for Internet broadcasting, rights handling should be comprehensively facilitated in order to broadcast various programs.
- Desirable positioning of the home gateway should be discussed as well. Since PLC is also useful, in-home use of PLC must be discussed.

We need a picture that integrates intelligent home appliances at home, in which a mobile phone may serve as a crucial tool.

- Regarding mobile phones, the platform is insufficient, in terms of making terminals, because there is a big problem of software development. To first establish a platform for terminals to some extent and then proceed on to verification is required. In that case, at least charge, authentication and rights handling must be confirmed, and later taken into account upon development of a platform on an open basis. The resulting platform can be disseminated to the world.

- Mobile phone users are describing what they do with the name of the service. They say they “call,” “mail” or “see the web,” but they never say they “use a mobile phone.” As for TV sets, people just say they “watch TV.” We must change this situation so that they say they “do shopping (on TV).”

It would also be appreciated if future discussions would identify top-down applications and bottom-up technologies.

- Intelligent home appliances have great potential to become a global industry like the auto industry. Daring demonstration experiments should be conducted to yield considerable clues for future initiatives. After that, the private sector could take the lead.

- (4) The secretariat explained the schedule of the third meeting, to be held from 15pm to 17pm on Friday, June 24.