



Global Competitive Challenges and Opportunities

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Challenges & Opportunities

- Global leadership.
- Value of global standards.
- Potential effects of global standardization.
- Costs of global standardization.
- Global standardization procedures.
- Access to global standardization.
- Transparency of global standardization.
- Global standards development organizations.
- Strategic education programs.
- Survival of diversity.

Standards are a Bridge

Needs:
consumers,
companies,
industries,
government
s, testing &
certification



Technology:
creative ideas,
concepts, values,
perspectives,
methods,
products
& services

Standards are a bridge between technology and needs of users. Whoever controls the bridge controls markets for products and services.

Global Leadership & Future Industrial Development

- The technology standard has become the source of core competitive edge for the industrial development. To some extent, technology standard is a kind of development order and rule. Whoever controls the power of standard making and has its technology as the leading standard, commands the initiative of the market. Technology standard has become an important means of global economic competition, directly influencing the competitiveness of an industry, a region or a country. For Chinese enterprises, possessing the successful [technology] standard is a strategic choice to seize leadership of future industrial development. (See Program, International Conference on Information Technology Standards (Beijing, China May 2005) (emphasis added))

The Value of Standards

- Standards influence everything we do. (UK National Standards Policy) [Note: 2004 world income was approximately \$40 trillion (US) for all goods and services (World Bank)].
- Standards control markets. (Germany National Standards Policy (2004))
- “If you control an industry’s standards, you control that industry lock, stock and ledger.” (Dr. Edwards Deming (US))
- Standards directly affect more than 80% of the \$7 trillion (US) market for global trade. (US Congress)

Potential effects of Global Standardization

- It is of critical importance that the United States standardization system identify and respond effectively to all global standardization issues that directly impact the economy of the United States.
- There is no aspect of the current United States standardization system which is immune from dynamic changes taking place within global standardization systems.

Global Standardization Costs

- IEEE estimates the current global standardization system costs \$1.5 billion annually to maintain a global standards infrastructure of 500,000 standards.
- Does your corporation have an accurate understanding of what it costs to participate in development of global standards? How about future costs?
- What if management suddenly directed the corporate standards management group to reduce its participation costs by 1/3?

Global Standardization Procedures

- What global standardization methods are currently used by your company to develop the global standards necessary to bring products and services to market? Does your company have a balance among available global standardization methods?
- Is your company's standards program at risk because it is too dependent on a particular global standardization method?
- Can your company easily and quickly change to new global standardization methods?

Access to Global Standardization

- For several years, many third world countries and developing nations have not had meaningful access to global standardization programs. It is expensive and beyond the means of many third world nations to actively participate in global standardization programs.
- What if the best available internet and communications technology was used to facilitate the involvement of third world countries in global standardization?
- Is your company prepared to support the involvement of third world nations in global standardization programs by providing meaningful access?

Transparency of Global Standardization

- Is global standardization a transparent process?
- One of the major characteristics of globalization is a requirement for transparency.
- What level of transparency is your company prepared to accept?

Global Standards Development Organizations

- In recent years, competition has increased among global standards development organizations (SDOs) to expand their respective market share of global standardization programs and activities. SDOs are not immune from significant changes in the global standardization system.
- In the future, unless global SDOs constantly review and reengineer their cost structure and performance, as necessary, some SDOs may decline in significance.
- Do the global SDOs of which your company is a member constantly review their costs and performance?

Strategic Education Programs Are A Competitive Factor

- If the global marketplace is going to be dynamically transformed during the next several years, which nations do you think will be better prepared to negotiate complex technology global standards which are the foundation of the marketplace? Nations which invest in standards education initiatives, or nations which do not?

Can diversity in the US standardization system survive Global Standardization?

- The key characteristic of the current United States standardization system is diversity.
- Can the United States current standardization system survive global standardization?
- Will it become necessary for the United States government to rescue the current United States standardization system, or will the private sector be able to carry the necessary financial load and accept the risks associated with global standardization for the foreseeable future?

Contact Information

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