## Foreword

## Developing Standards That Becomes De Facto Standards



Koichi Nozawa, President

Innovations in automotive electronic technology in the 1990s, drawing on different industries, such as information processing, communications, and electric appliances, have been profound. Furthermore, the appearance of products with the latest technology has only increased the pace of technological development. Fujitsu Ten has been an active participant in this environment, and it continues to develop and apply new technology. I would like to give you an idea of Fujitsu Ten's activity from the point of view of its patent applications.

In 1997, Fujitsu Ten submitted about 3,000 patent applications to the Patent Agency, about six times as many as 10 years ago. The number of patent applications submitted per engineer is also up fourfold. These figures indicate how quickly technology has been growing as well as demonstrates an increased interest in obtaining patents. In response to the prevalence of software in our lives, software patent applications represent 80% of the total of all applications submitted to the Patent Agency. We anticipated that software patent applications will shift from the current firmware filings to applications and content filings.

In 1997, Fujitsu Ten's patent applications for navigation and digital broadcasting reception systems increased to 680 applications. This large number indicates that our development focus has switched to these fields. Our primary policy is to improve the environment for developing software with content that can be shared and distributed. And we are confident that our content will be a force in the market.

Fujitsu Ten has always pursued a goal of cars that can be driven safely and comfortably. In practical terms, we applied for 620 patents in 1997. Many of these patents are related to the development of techniques for millimeter waves and cruise control-techniques that might be called the eyes and brains of automobiles. We expect that the demand for these highly advanced functions will increase significantly. We also believe that the accumulated basic

technology of millimeter waves, which we have been studying for 25 years, will soon find practical applications.

In media devices, Fujitsu Ten has been switching its production from analog cassette tape recorders to digital CDs and MDs. In 1997, our engineers filed 150 patent applications for its work on downsizing change mechanism.

Presently, the world has entered a new, aggressive age of megacompetition. One of its features will be the rise of de facto standards, which, in the absence of formally agreed upon standards, are standards that become global standards through widespread acceptance. Companies around the world are struggling to gain leadership in various fields so that their standards will become de facto standards. It would be a mistake if Fujitsu Ten did not participate in this competition. Companies that have the advantage of creating de facto standards will be the ones that survive and the ones that obtain a major share of the global market.

Fujitsu Ten is thus faced with the critical problem of developing worldwide technological standards that can be accepted as de facto standards. We have confidence in our leading multimedia, software, millimeter wave, and CD changer technologies and will seek ways of converting these to de facto standards.

The following are the basic requirements for achieving our goal:

- Outstanding cutting-edge technology to generate new demand
- 2. Universal, cross-industry technology
- 3. Open interfaces

These are the minimum requirements. Engineers must have sufficient foresight to meet them. Engineers are expected to preserve our global leadership in developing systems, but they are also expected to be broad-minded enough to accept ideas put forth by our competitors.

It has been Fujitsu Ten's policy to be a global company by producing the world's best products. We will now extend our effort to de facto standard product technologies.

Koichi Nozawa

Koichi Nozawa

President

**FUJITSU TEN LIMITED**