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STANDARDS AS TRADE BARRIERS

Editorial: **Standards and National Competitiveness**

Universally adopted standards help turn global markets into level playing fields, while country-specific standards and unreasonable compliance requirements can erect effective trade barriers. When the barriers go up, international competitiveness goes down. In the long run, we all win when global standards win.

Feature Article: **Department Of Commerce Delivers a Major Standards Report**

The federal government in the United States doesn't become activist in the standards area often. But when trade barriers begin to block U.S. goods, the Department of Commerce can swing into action.

Trends: **Breaking Down Trade Barriers: Avoiding The China Syndrome**

When China and the United States stared across the negotiation table over a wireless security standard, China blinked. Or did it?

Standards Blog: **RMBS And (Another) Dark Side Of The Internet**

What do you get when you file a pro bono "friend of the court" brief in favor of honesty in standard setting? Why abuse, of course, from the loonies at the message boards. The Web allows everyone to share knowledge -- as well as prejudice, profanity and conspiracy theories.

News Shorts: USDA Funds Rural "BroadBandification," Rambus Updates; Everybody Wants to Take Atom In; Electronic Frontier Foundation Forms Posse; Homeland Security Standards Continue to Proliferate; Convergence Standards Converge; and much more

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EDITORIAL:

STANDARDS AND NATURAL COMPETITIVENESS

Andrew Updegrove

Government and standard setting coexist in the United States in a uniquely American way. Contrary to the practice in most countries, the development of standards in the U.S. is almost entirely a matter of private, rather than public, action. Even the American National Standards Institute (ANSI), which accredits American standards development organizations (SDOs) and represents the United States in ISO, the global standards body, is a non-governmental entity.

While this reality is wholly consistent with the American ethos of private enterprise, it also creates a need for close cooperation and effective communication between standard setting organizations (or SSOs, meaning both SDOs and consortia) and government. Why? Because there are some things that only governments can do, such as negotiating trade treaties with the governments of other sovereign states. As a result, SSOs sometimes need to recruit federal clout in support of commercial interests. And from government's perspective, standards have become so vital to global trade that government cannot secure some advantages for Americans without the active assistance of SSOs.

The importance of standards and the need for effective cooperation between the private standard setting sector and government is highlighted by two events that occurred in recent weeks. The first was the resolution of a much-watched standards face-off between China and U.S. chip manufacturers. (See our ***Trends*** article for this month: ***Breaking Down Trade Barriers: Avoiding the China Syndrome***). A compromise was reached between the two countries at the eleventh hour through intervention at the highest levels of government. The second was the release of a major report by the U.S. Department of Commerce (DOC), entitled "Standards and Competitiveness – Coordinating for Results." (See our ***Feature Article*** this month, ***U.S. Department of Commerce Releases a Major Standards Report***.)

In the case of the China standoff, Intel and other companies had announced their decision to discontinue shipments to China rather than comply with a Chinese government edict that would require all wireless-enabled products to meet its own home-grown wireless standard, beginning June 1. The edict went far beyond merely mandating a local standard over the globally popular IEEE 802.11 (Wi-Fi) standard, however. It also provided that a limited number of Chinese manufacturers would be licensed to build and certify to the Chinese standard. Hence, any foreign manufacturer would not only need to comply with the new standard, but partner with a Chinese company as well.

Following lobbying by American industry representatives, a letter was sent to Chinese Vice Premiers Wu Yi and Zeng Peiyan that was co-signed not only by U.S. Secretary of Commerce Donald Evans and U.S. Trade representative Robert Zoellick, but by Secretary of State Colin Powell as well, for added emphasis. At a meeting held on April 21st, the Chinese finally agreed to indefinitely postpone the imposition of their standard, and to cooperate in the further development of a global standard.

The narrow avoidance of a standards trade war with China provided an appropriate backdrop for the release of the DOC report, which had been in the works since an initiative to counter trade barriers was announced by the DOC in March of 2003. Not surprisingly, the report is subtitled, "Removing Standards-Related Trade Barriers Through Effective Collaboration."

The findings and recommendations of the report are in large part the product of 13 wide-ranging round table discussions hosted by the DOC with representatives of over 200 industry associations and SSOs from diverse industries. During those round tables, it was made clear that industry understandably looks to government to intervene to eliminate standards-based trade barriers. The report also found that, while many effective systems and interconnections between the federal government and SSOs are already in place, there are many ways in which the situation could be improved to national advantage.

Why would the support of standard setting by government be in need of a tune up? Perhaps it is that the vibrancy of voluntary, consensus standard setting in this country has made it easy for close cooperation

between SSOs and government to be neglected. The federal government, after all, has enough to occupy its attention, while U.S. industry is always happier to self regulate than to be regulated. As a result of this dynamic, the two forces are more likely to effectively unite in a defensive posture when a threat arises, rather than to collaborate on an ongoing basis as part of a comprehensive program to optimize the competitiveness of U.S industry abroad. This can leave the U.S. at a disadvantage, when faced with the closely coordinated public/private programs that are active in countries such as China, and within alliances such as the European Union.

The results of the relatively tenuous connection between government and the standard setting infrastructure in the United States may not be all bad. Recently, U.S. manufacturers of water heaters found themselves in a no-win situation when a Department of Energy efficiency rule became effective, but the DOE had not yet created the mandatory test called for by the new rule to prove compliance. Only by applying for a compliance waiver for their products could the manufacturers continue to sell their wares. As of this writing, the DOE is still spending its time processing requests for waivers rather than completing the test. In the meantime, the efficiency standard languishes.

And in any event, standards should first and foremost be about ensuring qualities like utility, interoperability, safety and efficiency, and not about securing offensive or defensive advantages for national industries. In the best of all worlds (as compared to the one we actually inhabit), standards would exclusively be developed to create level playing fields, provide the best solutions for consumers, and to advance similarly laudable goals. And, in truth, the new Department of Commerce report focuses more on creating level playing fields than on substituting U.S.-advantaged standards in place of their foreign analogs.

We believe that the United States -- as well as every other country -- has far more to gain by promoting the adoption of the best standards and the breaking down of trade barriers than by playing standards games intended to favor domestic industry. Governments already have ample tools at their disposal to advance national trade interests besides proprietary standards and unreasonable conformance assessment practices. The over arching problem, of course, is that it is just as easy to counter one trade barrier with another. Soon standards can become solely tools to defeat competition, rather than to create intrinsic value. Ultimately, universally adopted standards not only guarantee better products, but make every nation's goods and services more suitable and attractive in a global market as well.

As observed in the opening line of Secretary of Commerce Evans' introduction to the DOC report, "The international language of commerce is standards." When individual countries lose sight of the accuracy of that proposition, there is a risk to us all that efficient global trade may disintegrate under the imposition of a Babel of local standards.

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FEATURE ARTICLE:

U.S DEPARTMENT OF COMMERCE DELIVERS A MAJOR STANDARDS REPORT

Andrew Updegrove

"The international language of commerce is standards. Adherence to agreed upon product or service specifications underpins international commerce, enabling trillions of dollars of goods to flow across borders, regardless of the spoken language of any business parties. The common acceptance of standards is fundamental to the success of robust, fair, and free trade." - U.S. Secretary of Commerce Donald L. Evans.

Introduction: It is not often that a press conference on standards draws a standing room only crowd in the nation's capitol. But on May 18, I watched as the custodial staff of the Department of Commerce (DOC) carried chair after chair into the Main Lobby of the Department of Commerce when just that occurred. Well over 100 press and industry representatives had gathered to hear Secretary of Commerce Donald L. Evans issue a report outlining the DOC's plan to defend U.S. trade by more aggressively supporting the U.S. voluntary standards process. Evans was joined on the dais by an appropriate supporting cast of prominent representatives of industry, standard setting organizations and government agencies.

The title of the DOC report: "Standards and Competitiveness – Coordinating for Results" was in some ways less informative than its subtitle: "Removing Standards-Related Trade Barriers Through Effective Collaboration." That subtitle was aligned with the March 19, 2003 DOC press release in which the initiative leading to the release of the report was announced. The lead quote attributed to Evans in that press release reads in part as follows:

"The Bush Administration remains committed to promoting competition and opening new markets for U.S. goods. Standards and testing are key to our international competitiveness. But more and more we are hearing that foreign standards and testing requirements are keeping our products out of foreign markets. This is the wrong approach that reduces efficiencies, limits competition and increases prices for the consumer goods."

The impetus for launching the initiative was an accumulation of events, from minor actions by individual countries to the broad-based integration of standards into commercial policy by the European Union. But the degree of attention that the release of the report commanded was likely augmented by the long buildup and timely resolution in late April of a well-publicized standards battle between China and the United States (see the following article, **Breaking Down Trade Barriers: Avoiding the China Syndrome**). And certainly, the issue of global competitiveness is particularly relevant in an election year where employment growth and the preservation of manufacturing jobs are key factors.

What the Report Is: The 31 page report (with appendices) has five substantive parts:

- A review of the eight-point charter of the initiative that led to the report. The points include five specific deliverables:
 - Commerce Standards Activity Assessment
 - Training and Outreach Program
 - "Best Practices" Database
 - Expanding the "Early Warning System" of trade barriers
 - Appointment of a Standards Liaison within the International Trade Administration
- As well as three more generalized goals:
- Reinforcing Expertise in Key Markets
 - Partnering with the President's Export Council on Standards Leadership
 - Reaching out to U.S. Industry

- A well-written overview of the “highly decentralized... U.S. standards system.” The overview summarizes both the constituent parts of that system (e.g., ANSI and various government agencies), as well as the way in which these bodies interact both domestically as well as with their counterparts internationally.
- An overview of current DOC standards-related activities, organized by the several DOC bureaus through which those activities are carried out, including the International Trade Administration (ITA); the National Institute of Standards and Technology (NIST); and the National Telecommunications and Information Administration (NTIA), among others.
- A summary of issues identified through industry input, principally gathered through 13 roundtable discussions held with a wide array of private-sector representatives, and from the formal responses to the notices posted by the DOC in the *Federal Register*. The issues are categorized under eight headings
 - Standards Issues
 - Conformity Assessment Issues
 - Regulatory Issues
 - ISO/IEC Concerns
 - Funding Issues
 - Trade Policy Issues
 - Training and Technical Assistance
 - Collaboration
- Over 50 discrete recommendations, grouped under 11 major headings, as discussed in greater detail below.

What the Report is Not: While the compilation of issues in the report is convincingly comprehensive and the recommendations are thoughtful, the report does not provide any surprising revelations, or propose any bold new initiatives. Rather, it offers a mix of thematic suggestions as well as specific actions that are intended to tune up and optimize the existing trade support system. Many of the recommendations focus on increasing coordination and communication within what it rightly refers to as the “highly decentralized” U.S. standards system. Other recommendations are externally directed, and intended (for example) to permit U.S. government and industry to identify foreign trade barriers more quickly, and confront them more effectively.

Principal Issues: A wide diversity of issues were identified during the information gathering phase of the DOC initiative. One way to group them, with some added observations, is as follows:

- **Non-Proprietary Systemic Issues:** An “overriding” concern identified by many participants was “the presence of multiple standards or standards differing from international norms in other countries.” It is important to note that there are many reasons for this reality. While it is true that some countries set standards as deliberate barriers, others set standards (at least in part) for genuine local or regional perceived needs. Similarly, global standards are set through a consensual process, which by its nature is not as efficient or as coordinated as an enforceable process might be. Finally, proprietary forces at the corporate level are rife in the standard setting process, which often leads to the launching of competing standards based on purely commercial, as compared to national, agendas. Solutions – and the appropriateness of government to provide them – that are intended to limit the existence of competing standards will be very different when the causality is nationally based than when it arises from the ambitions of a group of multinational companies.
- **Proprietary Systemic Issues:** International standards bodies are inherently based on the concept of one vote per country. But with the increasing incorporation of standards into European Union policy, and the expansion of the Union itself, some round table participants objected to the increasing power of bloc voting in the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC). Any modification to such rules is arguably more properly the province for debate within ISO than the DOC.

- **Mechanical Barriers:** Not only standards, but conformity assessment can be the source of abuses. Many participants highlighted the insistence of some countries not only on testing, but on testing within their own borders, even where a product may have previously been certified as compliant to a standard at another location. In contrast to the previous category, this type of barrier seems uniquely suited for government, as compared to SDO, action.
- **Standards of Objectivity:** Some participants believed that certain regulations have no objective basis, and had not been determined in a transparent fashion. Of course, the objective basis for a standard or regulation is in the eye of the beholder, and some regulations (such as a number of European regulations with ecological dimensions) that seem either protectionist or baseless to some Americans appear eminently reasonable to the generally greener consciousness of "Old Europe." Progress in this category again seems properly the province of government -- but the current administration has not assiduously cultivated the type of cooperative treaty relationships with Europe that would facilitate progress on this front.
- **Lack of Government Funding Support:** Standard setting in the United States by SDOs is inherently a low budget proposition relative to its importance, due to the lack of direct government support for that process. The ANSI accredited standards development organizations (SDOs) are feeling particularly at economic risk, given the recent holding of a federal court in *Southern Building Code Congress International v. Veeck*. The court in that case granted a builder the right of free access to a copyrighted standard referenced in a building code, raising the prospect that federal courts nationwide might mandate free access to some percentage of the thousands of standards currently being sold to underwrite the operations of SDOs. Certainly, what would be a modest infusion of cash by government standards would be an enormous influx of capital in the primarily virtual world of standards development.
- **Lack of Government International Support:** Some participants believed that the federal government could be more forceful in supporting standards at the treaty level, and, in particular, should seek to hold foreign nations more closely to U.S. interpretations of the requirements of the World Trade Organization's Technical Barriers to Trade Agreement (WTO TBT). Other suggested actions included augmenting DOC outreach to foreign officials in an effort to educate them to treaty obligations. While government efforts could certainly be effective in this area, there should also be opportunities for direct action by American SDOs as well.

The Recommendations: The actions proposed in the report are the work of DOC staff members in consultation with DOC bureaus, based upon their own observations, the roundtable input, and formal submissions. The Recommendations themselves are a potpourri of activities large and small, ranging from "Promote World Standards Week more visibly" at the low end to the creation of a Standards Liaison post within the ITA at the more substantive end of the spectrum (the first Standards Liaison, Heidi Hijikata, has already been appointed).

A large number of recommendations involve improvement of domestic communication and coordination at specific points of contact, as well as particular types of information that should pass between stated committees, bureaus, SDOs and industry participants. Other communication recommendations are more generalized (e.g., "Develop and promote consistent messages within DOC and the U.S., Government on key standards issues..."). This is hardly surprising, and no doubt necessary in so decentralized a system.

Another large number of recommendations do not propose any new specific actions at all, and instead simply urging "expanding," "building upon" and "continuing" existing programs. And the language used in certain specific recommendations indicates a degree of ambivalence that undercuts hopes for prompt action.

Some of the more interesting recommendations include the following:

- "Explore opportunities" to create a public/private task force to augment a DOC effort to identify and resolve standards-related barriers to trade as quickly as possible. Such an effort would "include extensive collaboration with other agencies, such as the U.S. Trade Representative."

The tentative language of this recommendation, however, raises questions over the DOC's commitment towards effective implementation. (Recommendation V.1.a)

- "Organize a high-level Standards Trade Mission...probably to China or Europe, focusing on Promotion of U.S. Approach to standards and strengths of U.S. system for a specific sector." Such a mission would include representatives of SDOs as well as industry. The use of the words "probably/or" rather than "and" (without the "probably") again indicates tentativeness. (Recommendation V.1.e)
- "Provide basic training on standards and conformity assessment, including testing, labeling, accreditation, and related issues..." to a wide variety of domestic and overseas trade staff. To the credit of the DOC, Evans announced at the press conference that this effort is already well under way. (Recommendation V.3.a)
- Intriguingly: "Formalize training on standards development, conformity assessment, relevant trade agreements, and interagency process to DOC staff (specifically NIST, NTIA and ITA)." Given that these are the agencies that are most concerned with standards, such training would seem overdue – but better late than never. (Recommendation V.3.b)
- By seeking collaboration and funding opportunities with a diversity of other agencies and programs, including the Commercial Law Development Program (CDLP), the Middle East Partnership Initiative (MEPI)(State Department) grants, the Trade Development Agency (TDA), the United States Agency for International Development (USAID), and private-sector sources. (Recommendation V.4.b)
- "Collaborate with ANSI on the revision of the National Standards Strategy" (the NSS was originally created by ANSI in 2000). (Recommendation V.4.d)
- "Evaluate early warning systems used by other U.S. Government agencies, specifically USDA's tiered early warning system." (Recommendation 5.c)
- "Improve Interactions with China." Given that one out of five people alive today lives in China and the fact that China has been increasingly focusing on domestic standards in preference to international standards, it may not be surprising that China rates an entire category of the report to itself, with nine different recommendations. Most of the recommendations, however, are general rather than specific, and begin with words such as "Support," "Continue to monitor" and "Explore." The closest that any of the nine recommendations comes to launching a specific new activity is the last: "Periodically assess how Chinese standards development and new standards affect U.S. exports and market access to key industry sectors." (Recommendation V.7.i)

Conclusions: The DOC report is hardly a bold, visionary document. No significant new programs are proposed, and many of the recommendations relate to existing programs. But on the other hand, the DOC has already begun to actively implement the plan, with several of the more important recommendations already completed (e.g., the appointment of the first Standards Liaison) or well underway (such as the training of its overseas personnel on standards matters). And, in fact, there is little apparent need for the type of dramatic new initiatives that might play well in an election year but would have little practical purpose.

Instead, the report focuses on the very significant forces already in place within the DOC and elsewhere inside the government. If this vast infrastructure is truly trained, optimized and deployed in support of a coherent standards policy, then the effects could be significant indeed. We have just seen the Bush administration engage with China at a high diplomatic level to break down an imminent standards barrier, so clearly the government is already aware of the stakes at issue when standards are used to close markets. And Phil Bond, the Under Secretary for Technology in the DOC, is not only clearly knowledgeable and engaged when it comes to standards, but also willing to project an active presence in SDO and consortium venues as proof that he recognizes the importance of standards to the national interest.

At the same time, it does not appear that there will be any fundamental shift in the relationship between the voluntary standard setting process in the United States and government. No mention is made of any direct funding for standard setting. Nor is there any proposal for any more formal structural change in the way that SSOs and government interact. Such a proposal might, for example, have involved holding an annual "summit" between representatives of SSOs and of the appropriate agencies and bureaus of government. Granting standards such a level of respect and attention might help preserve the degree of attention that they are enjoying under the report.

Whether the absence of structural change is for the better or worse in other respects, it does mean that the new commitment of government to support standard setting is more likely to wane rather than wax, once the threat of foreign, standards-based trade barriers eventually abates. For that reason, at least, its disappointing that the report did not take a bolder course.

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Relevant links:

March 19, 2003 press release announcing "Plan to Reduce Barriers to Trade"
http://www.commerce.gov/opa/press/2003_Releases/March/19_Evans_Standards_release.htm

May 18, 2004 press release of DOC Report:
http://www.technology.gov/PRe/p_pr040518.htm

PDF version of DOC Report: http://www.technology.gov/reports/NIST/2004/trade_barriers.pdf

TRENDS

BREAKING DOWN TRADE BARRIERS: AVOIDING THE CHINA SYNDROME

Andrew Updegrove

Background: One of the less stressful tasks that United States Secretary of State Colin Powell performed this March was to co-sign a letter addressed to Chinese Vice Premiers Wu Yi and Zeng Peiyan, protesting the imminent effectiveness of a Chinese technology standard. That standard would have prevented non-Chinese manufacturers from selling wireless-enabled devices in China unless they could secure the assistance of one of 24 Chinese companies that were licensed to utilize the new standard.

It's not often these days that Colin Powell takes time off from America's current international troubles to take an active part in a trade matter. But in this case, the potential stakes were huge, extending far beyond the commercial fortunes of U.S. chip vendors. Over 1.2 billion people live in China, and allowing the governmental gatekeepers of so vast a market to successfully erect a standards barrier would bode ill for U.S. trade not only during election year, but for long thereafter.

Moreover, China's action on the standard in question did not represent an isolated incident. Significantly, a 2004 General Accounting Office survey of U.S. companies with a presence in China ranked "standards and certification" as the most serious issue on an extensive list of World Trade Organization (WTO) commitment areas, ranking above even "tariffs," and "intellectual property rights" -- despite extortionate

value added taxes on some goods and the rampant piracy of intellectual property in China that together result in the payment and loss of billions of dollars a year. Equally significant, standards and certification issues had ranked number 20 in a similar survey conducted only two years before. Clearly, there had been a policy shift in Beijing that required responsive action.

The standard at issue is known as WLAN Authentication and Privacy Infrastructure, or WAPI, which is analogous in purpose to the IEEE 802.11 Wireless Fidelity (or Wi-Fi) standard. China's public objection to the IEEE offering involves the Wired Equivalent Privacy (WEP) security component of Wi-Fi, which China's Ministry of Information Industries pronounced last November to be inadequate. Due to this failing, only WAPI, a new standard approved by the Chinese Standardization Administration of China (SAC) was deemed to be adequate to enable wireless capability in products sold in China. WAPI was declared to be effective on December 1 of 2003, but the deadline for mandatory compliance was deferred to June 1, 2004.

If China was simply concerned about the adequacy of WEP, international businesses immediately pointed out, it could have addressed its concerns in a variety of traditional ways. Already, efforts at IEEE were at work to bolster Wi-Fi security, and China could have participated in those efforts. Or, it could have proposed its own standard for international adoption and use, or at least made it generally available for implementation. Instead, China not only mandated compliance with its domestic standard, but also refused to license the underlying technology to anyone but a select group of domestic companies. Foreign manufacturers could seek, but would not be guaranteed, a partner for purposes of offering their products to the Chinese marketplace. Moreover, western semiconductor manufacturers were concerned over the need to share their most valued design information with commercial partners in a nation renowned for loose respect for intellectual property rights, and non-existent government enforcement of those same rights.

In the months between the announcement of the WAPI standard and the letter signed by Secretary Powell (as well as by Secretary of Commerce Donald Evans and U.S. Trade Representative Robert Zoellick), opposition on the part of U.S. companies mounted dramatically. Notably, Intel, Texas Instruments and Broadcom each announced that it would not sell affected products in China after May 31. Intel CEO Craig Barrett visited Beijing in early April as part of a continuing dialogue with Chinese trade officials in an effort to resolve the standoff.

The Stakes: After decades of comparative second tier status, the Chinese economy is now assuming enormous trade power, not only as an exporter, but as a potential importer as well. It is now the third largest trade partner for the United States, and its economy is growing at a far greater pace than that of any western nation. At the same time, it has an extremely cheap work force, a historically inward looking world view, and the type of state control that permits tight control of imports, if it chooses to exercise it. Finally, China now permits a sufficient degree of freedom to individuals to inspire the type of entrepreneurship that enables quick response to commercial opportunities as they arise.

There is great temptation for the government of China to exercise its central control by erecting a variety of trade barriers. Already, China imposes a punitive 17% value added tax on imported semiconductors – but rebates all but 3% of that tax when it is paid by a domestic manufacturer. In 2003, China imported over \$2 billion in semiconductors, resulting in payments by U.S. manufacturers of \$344 million in VAT charges. In March of this year, the United States filed its first fair-treatment complaint against China with the World Trade Organization (WTO) over the VAT issue. A hearing date on the complaint has not yet been announced.

The U.S. is ill-positioned to see trade shift further to the benefit of China. Already, the U.S. is running trade deficits at an all time high level (\$124 billion of which was attributable to China alone in 2003), and manufacturing jobs continue to be siphoned off to low-wage markets in Asia. At the same time, China lacks an extensive network of land lines, and is the fastest-growing wireless market in the world. Until now, however, it has imported 85% of the semiconductors that it uses to enable wireless devices.

Thus, the wireless market represents, on the one hand, an opportunity to narrow the trade deficit between the U.S. and China. And on the other hand, it represents the potential for another dramatic loss of U.S. jobs, if China uses protective measures to help its domestic companies acquire the potential to compete both at home and abroad. The possibility of the latter alternative coming true, with or without protective

measures, is real: Taiwanese companies, which already are heavily involved in setting up manufacturing facilities in China, grew their own semiconductor sales from \$440 million in 1990 to \$16 billion only ten years later, according to figures compiled by McKinsey.

The WAPI standoff was thus one that the U.S. could ill-afford to ignore.

The Resolution: At the same time, any single issue that is addressed between the governments of two countries can only be addressed in the context of all other current and long-term issues that concern those governments. In the case of global powers like the U.S. and mainland China, those issues include a complex web of ideological, human rights and geo-political topics, in addition to a host of trade matters. And dynamically, any negotiation involves not only the issue at hand, but also the avoidance of looking weak. Still, once the lines were drawn and the two parties were staring at each other across the conference room table, either China or the U.S. needed to blink in order for the issue to be resolved.

Fortunately for the United States, it was China that blinked.

The setting was the 15th session of the China-US Joint Commission on Commerce and Trade, an annual event held this year in Washington, D.C. Vice Premier Wu Yi led a 17 member delegation to that meeting, and announced China's decision on April 21 to back down after a day of intense negotiations. He also announced a willingness to crack down on intellectual property piracy. Specifically, China agreed to indefinitely postpone required compliance with WAPI, and announced its willingness to work with international standard setting organizations in an effort to agree upon a global 3G wireless standard.

As part of the accord announced, the Standards Administration of China will now work with the IEEE on further development of broadband standards, as well as continue to advance the WAPI standard. The IEEE, which is already seeking to beef up the security features of the Wi-Fi standard through inclusion of the 128-bit Advanced Encryption Standard in the 802.11i version of Wi-Fi, for its part has agreed to hold a meeting of its wireless working group in China.

But did China, in fact, blink in response to U.S. governmental pressure?

In the case of the accord reached in April, it is important to note not only what was agreed to, but what was left in dispute, and what may have transpired between closed doors that was not publicly disclosed. True, the WAPI standard was indefinitely shelved by China, but the VAT tax remains in place. The U.S., of course, will have a second chance to make progress on that score when the WTO schedules a hearing on that issue. In the meantime, of course, China's nascent semiconductor business will enjoy a pronounced price advantage, and U.S. semiconductor companies will continue to line the coffers of the Chinese government.

It is also worth noting that China itself was not in good field position to stick to its own deadline, if Intel and other manufacturers were indeed determined to stick by their guns. China has a true need and commitment to wireless deployment, and it already has a significant installed base of Intel Centrino-based equipment – all using the Wi-Fi standard if they have wireless capability. With its own deadline only six weeks away, China may have come to view the biggest potential loser of its own policy (at least in the near term) as itself. Ultimately, it may have been the U.S. semiconductor vendors that asserted the most persuasive pressure.

Conclusions: From the standards perspective, the most significant aspect of the Wi-Fi/WAPI affair is that a "standards war" was averted. There are already sufficient barriers to trade, and indeed, enough standards-based impediments in place already, without providing the basis for escalation.

When a situation as closely followed as this is resolved in favor of seeking a single global standard, the international standards infrastructure becomes stronger. Had the standoff ended with China sticking by its guns after the United States had engaged at the highest diplomatic levels, there would have been the potential for the U.S. to respond in like kind, or for other nations to more seriously consider erecting similar protective measures, given the failure of the U.S. to turn China's flank.

It is to be hoped that the WAPI episode will mark the beginning of a retreat from using standards as barriers to trade, rather than an augury of similar actions to come by China or other nations or alliances.

In the end, the best hope for businesses and consumers everywhere lies in the realization by those setting trade policy that all have more to gain than to lose by supporting strong, universally adopted standards.

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From the Standards Blog:

□ □ □ May 17, 2004

16 RMBS and (Another) Dark Side of the Internet Not long ago, I looked in on a few of the many right-wing conspiracy sites on the Web - the kind maintained by folks that are convinced that the government is hiding under the bed and lurking behind every street corner. My visit was occasioned by the announcement at some of these sites that the government had supposedly contaminated the money supply with RFID tags, the better to track us by.

Today I invite you to journey with me into another dark corner of the Web - the Yahoo!/Finance message board where certain committed Rambus stockholders meet. Rambus, as regular visitors to this site are aware, is the company that has been accused of "gaming" the JEDEC standard setting process in order to extract billions of dollars of royalties from the semiconductor industry.

One would expect that those that gather at the Yahoo! Rambus message board would visit to offer information and opinions on where Rambus stock prices may head next. The following recent post provides a sample of the type of erudite financial analysis exchanged at this venue:

DID JERRY THE FRUITCAKE FIGURE OUT WHO BONED HIM WITH THE FBI YET?

Indeed. Regrettably, we do not learn who it was that boned Jerry the Fruitcake, but presumably the deed must have had a significant impact on the quarterly earnings of Rambus to warrant mention.

At this point, you will be wondering why I am writing about Rambus message boards (or, more precisely, RMBS boards - RMBS being the company's trading symbol). The reason is that those who hang out on the RMBS boards regularly send me their thoughts on an unsolicited basis. Given their generosity in this regard, I thought that I should return the favor by sharing their wisdom with a wider audience.

I first learned that I was acquiring a loyal following at the Yahoo! (and other) Rambus boards after I had the temerity to file our first pro bono brief in the case of Rambus v. Infineon, the case among several involving Rambus that is the farthest advanced in the courts. "Pro bono," of course, means that we filed the brief without charge to anyone, and paid all of the filing and printing costs as well. Our brief urged that the Federal Circuit Court, to which Rambus had appealed its case after losing in a trial court, should reconsider its decision not to sanction Rambus for its bad behavior in the JEDEC standard setting process.

In the trial court proceeding, it had been established that Rambus had destroyed evidence, and discovery also showed that Rambus had sought to covertly violate the JEDEC disclosure rules. A judge and jury agreed and severely sanctioned Rambus, but two out of three judges on a Federal Circuit Court panel later disregarded many of the jury's findings of fact, and imposed a patent analysis that many believe is wholly inappropriate to standard setting. The third judge on the panel roundly condemned Rambus for its conduct, and stated that the patent analysis used by the court was flawed and impractical as applied to the standard setting process.

One would assume that filing a brief protesting the failure of the Federal Circuit to punish deliberate bad behavior in standard setting would be a pretty wholesome, "motherhood, America and apple pie" type of activity. However, in the eyes of certain individuals who spend their lives banging the message boards, one would assume wrong. Immediately upon filing the brief, I began receiving email with messages such as this:

Please quit writing LIES! IF you stick to the FACTS RMBS is the one who got screwed here, not the other way around. JEDEC DID NOT INVENT ANYTHING! THEY STOLE RMBS IP AND CALLED IT SDRAM. END OF STORY!!! THE 703 disclosed most of the working elements of SDRAM and DDR. Please name ONE thing that JEDEC ever invented?

Indeed, it is true. JEDEC has never invented anything, nor was it formed to do so. It sets standards, based upon the contributions of its members. But if one uses enough capital letters, things surely must become correct (even if they still make no sense).

A recurring theme of my faithful correspondents is their conviction that no one ever does anything, except for personal gain. For example, this especially articulate RMBS stockholder knows, as almost all of my friends at the RMBS boards do, that I am obviously lying when I state that our three briefs (Federal Circuit, Supreme Court and FTC) were filed on a pro bono basis:

You on the take like Judge Payne I take it .Probably got a lot of "free" money for working out this article. Nobody works for free. ALJ Maguire seen through it, the circuit court seen through it and now we all see through it....I will pass on your name to be investigated for receiving funds from the 8,600 companies for fraudulently misrepresenting this article being written for no fee!

Others, of course, are more brief and to the point, offering only a single sentence email in order to launch a mature debate on the issues:

Lying asshole, put down the crack pipe my son.

I'm told that there is much hilarity at the boards over the fact that Rambus has been doing rather well in the courts of late. Recently, I received a T shirt from my friends at the RMBS boards, inscribed "Can you even Read ?" The question is curious, given that if its underlying premise is true, then there is no point in asking. The label on the envelope in which the T shirt arrived includes the slogan "All Roads lead to Rambus!," which is also curious, given that this opinion is shared by the Complaint Counsel at the FTC, as well as the judge and the jury in the District Court, which heard the most exhaustive testimony in the case, and handed RMBS its figurative head.

My pen pals also delight in posting their emails to me at the RMBS boards, to show each other how very witty they are.

At the same time, the RMBS crew can't stay away from the ConsortiumInfo.org site. Why? Because they live for information about the stock, and know that sometimes they can learn things first at ConsortiumInfo.org. A very sad quandary for a poor day trader to find herself in, having to visit the devil to get her fix. But hey, thanks for the site traffic!

So where does all this lead? To the observation that while there are many investors who use message boards for completely legitimate purposes, there are others who gather there to yammer and trade profanity over, essentially, nothing. The same thing occurs in countless boards, on countless subjects -- political, social, and so on -- all over the Internet. It's sad that a technology that can share so much knowledge is also so often used to help pools of dysfunctional people clump together to ignore any information that doesn't match their financial self-interest, to abuse anyone who may disagree with their views, to assume that no one acts except for personal gain, and to stoke each other's prejudices.

Clearly, there is a need on the Internet for more types of standards (the old-fashioned types, like decency and respect) than just technical ones. But, after all, there is a recognized need today for adult daycare, and it may well be safer to have the crazies tied to their computers than loose on the streets.

But enough of this - *I've got mail!*

Comments? updegrove@consortiuminfo.org

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Useful Links and Information:

Visit the Yahoo! RMBS boards and see for yourself (not for the squeamish; you may wish to consider activating the profanity filter): [Yahoo! RMBS](#)

For the history of the Rambus v. Infineon case to date, see:

Description of cases and links to opinions: see section 5.7.1- 3 at: [Laws, Cases, & Regulations](#)

Rambus - Hard Cases make Bad Law: [Consortium Standards Bulletin February 2003](#)

Rambus Update: It may not be Over Yet: [Consortium Standards Bulletin March 2003](#)

States, SDOs, Consortia all Unite to Support Infineon: [Consortium Standards Bulletin AUGUST 2003](#)

Supreme Court says "No Dice" to Infineon: [Consortium Standards Bulletin September 2003](#)

For the history of the Federal Trade Commission action against Rambus to date, see:

Update: The Stage Shifts to the FTC: [Consortium Standards Bulletin April 2003](#)

FTC Loses First Round to Rambus: [Consortium Standards Bulletin March 2004](#)

FTC Appeals Rambus (with a Little Help from its Friends): [Consortium Standards Bulletin April 2004](#)

To visit another "dark side" of the Internet, see item #14 below:

Dan Mullen, Andrew Jackson and the Dark Side of the Internet: [Consortium Standards Bulletin March 2004](#)

Postings are made to the Standards Blog on a regular basis. Bookmark:

<http://www.consortiuminfo.org/blog/>

THE REST OF THE NEWS

Every day, we scan the web for all of the news and press releases that relate to standards, and aggregate that content at the [News Section](#) of ConsortiumInfo.org. For up to date information, bookmark our News page, or take advantage of our RSS feed: <http://www.consortiuminfo.org/news/rss/>. Updates are usually posted on Mondays and Wednesdays.

The following are just a few of the many stories from the past month that you can find digested at ConsortiumInfo.org.

What's Old is New

This month, we lead off The Rest of the News section with several items relating to New ICT Economy standards upgrading Old Economy areas of society. The following stories highlight the fact that there are few facets of modern life that cannot benefit from up-to-date technology – if the standards are there to bridge the gap.

Web Services gets down to nuts and bolts: *While we are more likely to think of modern IT applications when we think of web services, this new approach is also applicable to the management of much more down to earth technical affairs. Thus it is that OASIS has just launched a new technical committee, formed to address emerging management needs relating to the everyday world of building-based mechanical and electrical systems. It may be a mundane standards job, but its still important, and someone's got to do it.*

OASIS Forms Open Building Information Exchange (oBIX) Technical

The Cover Pages, May 11, 2004 -- An Open Building Information Exchange (oBIX) TC has been formed at OASIS to define a standard web services protocol to enable communications between building mechanical and electrical systems and enterprise applications. The oBIX web services interface will support the transfer of data in a simple and secure manner from HVAC, access control, utilities, and other building automation systems, enhancing enterprise facility and operations management....[Full Story](#)



Standards Convergence: *Often, we think of "traditional" standards, like building codes and construction standards, as being a world apart from modern ICT standards. But there is convergence everywhere, including in the home, as our individual demands for ever more sophisticated domestic electronics, computer resources and broadband communications continue to increase. In the following press release, TIA reports on its effort to keep up with the burgeoning data demands of consumers.*

TIA PUBLISHES NEW STANDARD TIA-570-B

TIA Press Release, Arlington, VA, May 5, 2004 -- The Telecommunications Industry Association (TIA) has published a new standard, 'Residential Telecommunications -- Infrastructure Standard,' TIA-570-B. The document is a revision of TIA/EIA-570-A. The purpose of TIA-570-B is to standardize requirements for residential telecommunications infrastructure. The requirements are based on the facilities that are necessary for existing and emerging telecommunications services. In this standard, voice, data and video services are correlated to grades of cabling for single-dwelling residences. The cabling infrastructure specifications in this standard are intended to include support for voice, data, video, home automation systems, environmental control, security, audio, television, sensors, alarms and intercom. This document is intended for implementation of new construction, additions, and remodeled single-and multi-dwelling residential buildings. ...[Full Story](#)



Rural BroadBandification: *In the early part of the 20th century, government played a key economic role in the United States in bringing electrical and telephone services to rural Americans. Absent efforts such as the Rural Electrification Program, it would have been many decades before farmers on the prairie enjoyed many of the creature comforts of modern society. In a modern analog to those efforts of the last century, the USDA is now helping those farmers still hanging on in the prairie states to have equal access to this century's communications services.*

TIA ENCOURAGED BY USDA APPROVAL OF RURAL BROADBAND AND TELECOMMUNICATIONS LOANS

TIA Press Release, Arlington, VA, May 5, 2004 -- The Telecommunications Industry Association (TIA) applauds the United States Department of Agriculture's (USDA) effort to expand the availability of broadband technology in rural areas. USDA announced yesterday the approval of 20 rural broadband and telecommunications loans totaling \$190 million to expand access to advanced technology in 19 states. Of the \$190 million announced yesterday, \$150 million resulted from funding available through the 2002 Farm Bill. The remaining \$40 million in loans came from Rural Development's traditional program under which borrowers are required to ensure that all infrastructure built include broadband capability. The announcement supports President Bush's recent commitment to promoting innovation and economic security through broadband deployment. In two speeches, March 26 and April 26, Bush outlined a foundation for a national broadband strategy and ensured that every household in America will have access to broadband by the year 2007. ...[Full Story](#)



Story Updates

When is a standard not a standard? *The press is becoming sadly cavalier in its use of the word "standard," to the point where it is questionable whether the word will soon have any real meaning at all. While one might argue (and many do) over what the "essential elements" of a standard may be, all would agree that, at minimum, a standard is formed by an open process, may be implemented by anyone desiring to do so, and has an institution standing behind it that will maintain the standard for as long as it remains useful. With the explosion of privately conceived and promoted "standards" in areas such as web services (see, "A Retreat from Process Quality" <<http://www.consortiuminfo.org/bulletins/mar04.php#feature>>), the press is too-often succumbing to the temptation to use the word as individual companies would wish them to, rather than as readers should be entitled to expect.*

Yahoo sets up standard to combat spam

CNET News.com, May 18, 2004 -- The technique, if widely adopted, could help Internet providers more easily block the unwanted bulk messages that currently account for up to two-thirds of all e-mail traffic. Yahoo's proposed standard, known as DomainKeys, would embed outgoing messages with an encrypted digital signature matched to a signature on the server computer that sends the message. Internet providers could check the signatures on incoming messages and block those that do not match up. ...[Full Story](#)



The (Rambus) road goes ever on and on: *Two new developments this month: In the first, Rambus has recycled its conspiracy theory-based defense in the FTC action against it into its own antitrust suit against the four hold-outs in its licensing campaign. In the second, the FTC has scheduled oral arguments in the appeal of the initial ALJ decision in favor of Rambus.*

Oral Arguments Scheduled in FTC/Rambus Action

ConsortiumInfo.org, May 13, 2004 -- The Commissioners of the Federal Trade Commission (FTC) have issued an order accepting the four amicus curiae briefs filed in the Matter of Rambus, Incorporated, and have scheduled a time and date for oral arguments: 10:00 AM, on Tuesday, September 21, 2004. The order notes that the five month time period between the filing of the brief of Complaint Counsel and the Amicus Briefs reflects the extremely voluminous record of the case, which (to date) includes:

- more than 1,900 exhibits
- over 11,800 pages of trial transcript
- more than 3,000 pages of proposed findings of fact and reply findings of fact, submitted by the parties
- almost 450 pages of post-trial briefs and reply briefs
- the 334 page Initial Decision of the Administrative Law Judge (ALJ)
- more than 1,650 findings of fact by the ALJ
- hundreds of additional pages of appellate and Amici briefs

As noted in our most recent update in the **Consortium Standards Bulletin** (see the April Issue), the Commissioners have a lot to read. [Full FTC order](#)

Rambus files antitrust suit

By: Stefanie Olsen

CNET News.com, May 5, 2004 -- The Los Altos, Calif., company filed an antitrust lawsuit in the Superior Court of California on Wednesday. The suit, which names Siemens, Micron Technology, Hynix Semiconductor and Infineon Technologies, alleges that the four companies together stifled competition in the computer memory chip market. "From substantial written evidence already in the public record, we believe that these memory manufacturers colluded illegally, thereby limiting consumer choice and depriving our RDRAM products of the opportunity to compete fairly in the marketplace," Rambus general counsel John Danforth said in a statement. ...[Full Story](#)



Misery loves company: *Wi-Fi (see this month's <Trends> article about China, WAPI and Wi-Fi) is apparently not the only wireless standard being dissed for security deficiencies. According to this article in CNET, Bluetooth is having a bad month as well in the security area. The second article describes progress being made by the Wi-Fi working group on securities issues.*

Expert: Gaps still pain Bluetooth security

By: Robert Lemos

CNET News.com, Vancouver, B.C., May 9, 2004 -- The latest specification of Bluetooth, a popular short-range wireless technology, has left serious security issues unfixed, according to a wireless researcher. The glitch in the Bluetooth 1.2 technology is related to how it deals with the personal identification number (PIN) that's used to protect data, Ollie Whitehouse, a researcher for digital security firm @Stake, said at the CanSecWest security conference here on Wednesday. ...[Full Story](#)

Wi-Fi security standard to require new hardware

By: Ephraim Schwartz

InfoWorld, May 7, 2004 -- In June the IEEE is expected to finally ratify the 802.11i security standard that uses for the first time AES (Advanced Encryption Standard) technology, a powerful 128-bit encryption technology. While AES, a standard currently approved for government use, FIPS 140-2, (Federal Information Processing) will give the enterprise the kind of strong encryption and sophisticated ciphers it has been asking for, it will also require new access cards and in many cases new APs (access points), according to Frank Hanzlik, managing director of the Wi-Fi Alliance. ...[Full Story](#)



Quick - how many Web Services specifications has Microsoft and its varied array of partners privately offered to the industry in the past 18 months? Don't worry, we've lost track as well, but in any event -- here's another. This one is intended to augment the plug and play capabilities of devices and networks.

Web Services Find Way to Devices

By: Joris Evers

InfoWorld, May 05, 2004 -- Microsoft Corp., Intel Corp., Lexmark International Inc. and Ricoh Co. Ltd. on Tuesday detailed new Web services technology designed to make it easier for users to connect devices such as printers, digital cameras and digital music players over a network. The companies at Microsoft's Windows Hardware Engineering Conference (WinHEC) officially announced a Devices Profile for Web services, which describes how devices should use Web services protocols. The announcement builds on WS-Discovery, a Web services specification that Microsoft, Intel, Canon Inc. and BEA Systems Inc. introduced in February. WS-Discovery describes a way for devices to find and connect to Web services. ...[Full Story](#)



Who's Doing What to Whom

After you, Gaston: Too often lately, standards bodies have been dueling for particular initiatives, or have felt snubbed when a given effort has been offered to another standards organization. In contrast (at least according to this article in eWeek), the sometimes contentious rivalry between blog syndication standards RSS and Atom has given way to a decorous waltz that could end with either the W3C or the IETF becoming the home for a formal standard setting effort centered on Atom.

XML Syndication Supporters Mulling W3C Move

By: Matt Hicks

eWeek, May 14, 2004 -- The effort among Atom supporters to create a standard XML syndication format took a new turn this week as the Web's leading standards body suggested a new route. The World Wide Web Consortium invited the Atom community to form a working group under its auspices, rather than within the Internet Engineering Task Force (IETF). Atom proponents since have been pursuing the formation of a working group in the IETF, a first step toward creating a formal standard. Following the W3C proposal, the IETF's Internet Engineering Steering Committee on Thursday delayed voting on the Atom working group proposal that was before it, said Tim Bray, a contributor to Atom who is director of Web technologies at Sun Microsystems Inc. ...[Full Story](#)



Intellectual Property Rights

The European patent pendulum swings back: In the United States, many have already forgotten that software was deemed ineligible for patent protection not so very long ago. Last year Europe debated whether or not to follow the U.S. lead and permit software to become eligible patentable. Initially, the answer was largely "no." But now the European Parliament has voted to take a more liberal approach.

EU approves software patent changes

By: Munir Kotadia

ZDNET, May 18, 2004 -- According to a spokesman at the United Kingdom's Department of Trade and Industry, which backed the changes, the vote removes many of the changes introduced last year by the European Parliament that would have limited the degree to which software programs could be patented. "The text that was approved is very close to the original (European) Commission proposal," said a DTI

spokesman, though he said the DTI had not yet seen the final amendments. The directive will now be sent back to the European Parliament for another vote there in the autumn as the different bodies of the EU engage in a game of legislative ping-pong. ...[Full Story](#)



That old Frontier spirit: In the old west, Washington was far away and not much help with issues of coping and survival. When danger threatened, you defended yourself. Perhaps it is no surprise, then, that the Electronic Frontier Foundation has decided not to wait for Washington to adopt any of the patent reforms that have recently been proposed (see: *Patents: Too Easy to Get, Too Hard to Challenge?* in our November, 2003 issue <<http://www.consortiuminfo.org/bulletins/nov03.php#newscluster>>). Yee-ha!

The Patent Busting Project: An EFF Initiative to Protect Innovation

Electronic Frontier Foundation, May 3, 2004 -- Every year numerous illegitimate patent applications make their way through the United States patent examination process without adequate review. The problem is particularly acute in the software and Internet fields where the history of prior inventions (often called 'prior art') is widely distributed and poorly documented. As a result, we have seen patents asserted on simple technologies... The harm these patents cause the public is profound. Both the Federal Trade Commission and National Academy of Sciences have issued a series of recommendations for reforming the patent system, each of which provide a useful start. However, there is no guarantee that these reforms will be adopted or that they will be considered on any specific timeline. To help fill this gap, EFF is launching a Patent Busting Project to take on illegitimate patents that suppress non-commercial and small business innovation or limit free expression online. The Project has two components: (1) documenting the damage; (2) challenging the patents. ...[Full Story](#)



Standards and Society

Drip, Drip, Drip: While the Western press has ignored the story, the ITU has released press release after press release detailing the ongoing progress of the World Summit on the Information Society (WSIS), a major UN-sponsored initiative directed at bringing the benefits of information and communications technology to all people everywhere. We support this initiative, and apparently the vast majority of those answering a recent ITU survey on the topic do, too. It will be interesting to see whether the U.S. pays more attention to specific calls for concrete action that are apt to result from the culmination of the process next year.

'Global' Support for Information Society Targets Cyberspace seen as a Shared Resource for the Global Public Good

ITU Press Release, Geneva, 17 May 2004 -- Targets set for improving access and connectivity to information and communication technologies (ICT) by 2015 at the first phase of the World Summit on the Information Society (WSIS) have received strong support in a global ITU survey. The Summit approved a Declaration of Principles and Plan of Action that set forth a roadmap to bring the benefits of ICT to underdeveloped economies. The Summit was organized by ITU under the patronage of UN Secretary-General Kofi Annan to ensure that social and economic development, which is increasingly driven by ICTs, will result in a more just, prosperous and equitable world. The survey shows overwhelming support for the belief that if the information society is to be one in which all citizens throughout the world can equally access and use information resources for sustainable economic and social development, that cyberspace should be declared a resource to be shared by all for the global public good. ...[Full Story](#)



Security Standards + n: *A seemingly unending supply of Homeland Security standards continues to issue from consortia and SDOs. These standards have had a meaningful impact in improving emergency response capabilities, as acknowledged by Homeland Security Secretary Tom Ridge, in the first story below. The latest in this stream of work product comes from OASIS (which has already issued many other standards for similar purposes), and addresses the need for emergency information to be issued and usable across all devices everywhere.*

9-11 Commission Hearing Calls for Standards in Areas of Emergency

ANSI.org, New York, NY, May 19, 2004 -- Homeland Security Secretary Tom Ridge emphasized the importance of standards in his testimony to the 9-11 Commission during its eleventh public hearing held in New York City today. The two-day hearing, which included testimony from various civic and federal leaders including former New York Mayor Rudolph Giuliani, former New York Police Commissioner Bernard B. Kerik, and former New York Fire Commissioner Thomas Van Essen, addressed emergency preparedness and crisis response in the context of the terrorist attacks on September 11, 2001. "The American National Standards Institute and the National Fire Protection Association have developed national emergency preparedness standards that the Department of Homeland Security encourages businesses and organizations to adopt," said Ridge. ...[Full Story](#)

CAP Ratified as OASIS Standard

Oasis-open.org, Boston, MA, 5 May 2004 -- The OASIS standards consortium today announced that its members have approved the Common Alerting Protocol (CAP) version 1.0 as an OASIS Standard, a status that signifies the highest level of ratification. CAP enables the exchange of emergency alert and public warning information over data networks and computer-controlled warning systems. By limiting transport-specific nomenclature, CAP remains fully compatible with existing public warning systems, including those designed for multilingual and special-needs populations, as well as with XML applications such as Web services. ...[Full Story](#)



Regulation, Legislation and Advocacy

Is this is, or is this ain't a trade barrier? *As earlier noted in this issue, what Americans sometimes choose to regard as a trade barrier is another country's greater commitment to responsible standard setting. Is the following story an example of European social responsibility in standard setting, or an effort to disadvantage U.S. trade? Or is the true answer perhaps somewhere in between?*

U.S. Industry Alerted to European Union Framework for the Setting of Eco-design requirements for Energy Using Products

ANSI News and Publications, Washington, D.C., May 17, 2004 -- The European Union Framework for the setting of Eco-design requirements for Energy Using Products (EuP) will soon be law. Moving rapidly through the legislative process and wider in scope than any related existing Community legislation, this Directive has the potential to create burdensome requirements for manufacturers of products selected by its "implementing measures" to prove their designs are environmentally efficient. However, if U.S. industry sectors can coordinate with their European counterparts to generate voluntary agreements, they will likely be able to keep from being named as a target of the Directive's implementing measures. The European Commission published its Proposal for a Directive of the European Parliament and of the Council on establishing a Framework for the Setting of Eco-design Requirements for Energy-Using Products and amending Council Directive 92/42/EEC in August last year, and it may become law at the end of this year or early next year. ...[Full Story](#)



Miscellaneous

Why can't we be friends: *While more ink is spilled in the press on conflict than accord in any category of news, the fact is that Europe and America sometimes do get along, especially when there is something that both sides can agree on, and from which all can derive a benefit. The following press release announces the renewal of a durable example of cooperation across the water.*

United States and Europe working together on telecoms standards

ETSI.org, Sophia-Antipolis, France, 13 May 2004 -- Today the ink is drying on a renewal of the commitment by the European and the U.S.A. standards bodies to the principles of cooperation and partnership. The Telecommunications Industry Association (TIA) of the United States and the European Telecommunications Standards Institute (ETSI) used the occasion of their participation in the Global Standards Collaboration (GSC-9), meeting this week in Seoul - Korea, to renew the TIA/ETSI cooperation agreement for another three years. The agreement was last renewed at the GSC meeting in Sydney Australia in 2001. Both organizations were created in 1988 and there has been ETSI/TIA cooperation since 1990. This renewal will allow for further cooperation at the committee level. More than 60 Working Groups have been identified as having areas of mutual interest. ...[Full Story](#)



Even different types of convergence are converging: *While you may not stay awake at night worrying about why you can't crunch spread sheets on your cell phone, it would appear that there may be some who do. The following press release tracks another step along the road to that nerd heaven of everything working on anything, and being able to trade files, pictures, video, and Pokemon cards with everything else. As convergence continues to converge, however, some activities seem to have little attraction on some devices. The purchase of ringtones, for example, is still the only significant financial transaction being negotiated over handheld, wireless devices.*

The WiMedia Alliance Announces Support for the MultiBand OFDM Alliance UWB Specifications

WiMedia Press Release, San Ramon, CA, May 5, 2004 -- The WiMedia Alliance today announced its endorsement of the MultiBand OFDM Alliance (MBOA) ultrawideband specifications for use with the WiMedia Convergence Platform. This will pave the way for wireless Connectivity between electronics products in consumer electronics, PC, and mobile segments. The endorsement pairs the MBOA's (www.multibandofdm.org) efforts to deliver a high data-rate, short-range wireless UWB radio with the convergence architecture being developed by the WiMedia Alliance. The endorsement pairs the MBOA's (www.multibandofdm.org) efforts to deliver a high data-rate, short-range wireless UWB radio with the convergence architecture being developed by the WiMedia Alliance. ...[Full Story](#)