ETSII Workshop for SMEs

Understanding the Direct Participation Model

Angel Bóveda, ETSI board member

Madrid, 11/04/2012
The direct participation has been the European ICT standardization model (ETSI and 3GPP)

- In short: the model, where applied, has succeeded
- GSM and 3GPP
  - European industry dominates the cellular business (at least in the infrastructure side)
- DECT and TETRA
  - DECT is sold in the US and will be introduced in Japan
- The contra-examples are areas where European standardization did not enter or the model was not consistently applied
  - WIFI and WIMAX, many computer industry fields, etc.
The ETSI (and 3GPP) model

1) Formal standard organization (ETSI) with political support from EU authorities

2) Formal Technical Bodies with regular meetings and long-term vision (at least in major technologies)

3) Extended world-wide via partnership projects (3GPP), but without losing original approach.

4) Direct participation of companies in Technical Bodies
   • National delegations and SOs has part in the process, but do not drive it.

5) Complemented with political and economic support from EC authorities
The Direct Participation model

Companies participate directly, sending technical people, to technical bodies.

- TBs and WGs are, in general, dominated by technical debates.
- Most decisions are taken by consensus or by huge majority
- Weighted votes in TBs and WGs are infrequent (sometime happens)
- Negative votes at National approval processes (EN) have been very infrequent

Mechanism is more agile than any indirect participation model

- Time to market
- Fact and direct relationship industry (R&D) <> standards
- Capacity to process a huge amount of technical work

Personal view: the complexity of modern ICT technologies (i.e. GSM and 3PPP) cannot be handled with any other approach
The Direct Participation model

With the Direct Participation Model, technical bodies become de-facto industry discussion fora where the different players meet together

- In a technical body you will meet:
  - Your competitors
  - Your customers
  - Your suppliers

Most decisions are taken by consensus or high majority

- In ETSI is very usual that companies with 1 vote introduce significant ideas into an standard

Creation of new Work items easy and simple

- It is very easy to create a new WI in an existing TB
- There are many TB covering many areas
The Direct Participation model

The influence capacity ("power") in technical bodies depends on:

- Of course, the "voting power" of your organization but also:
- Working capacity: companies more active has more "power"
- Background / technical kills of the delegates:
  - Better delegates = more "power"
  - Authority experts in any field are well respected
- Position in elected seats (but this can be seen as a consequence of...)
- Specific skills for the job
  - Diplomatic and communication skills
  - Negotiation capabilities
- Many times there are compromises and "transactions"
  - If you approve my idea, I will approve yours
- Of course, there are sometimes real "political" decisions
  - But only a few decisions are taken by vote.
The Direct Participation model

Level of participation of a SME in standard bodies

- Standards’ user level
  - You only read and use the standards made by others when published

- Follow-up level
  - Your company sends a delegate to the TB (or follows the contributions) but without active role

- Active role level
  - Your company actively contributes to the TB standards
The Direct Participation model

Level of participation of a SME in standard bodies

- **Un-aware level**
  - You are not aware that there are standards in your business area. Your company makes products based on your own approach.

- **Standards’ user level**
  - You only read and use the standards made by others when published

- **Follow-up level**
  - Your company sends a delegate to the TB (or follows the contributions) but without active role

- **Active role level**
  - Your company actively contributes to the TB standards

- **Master level**
  - Your company contributes to the standard and knows how to get profit from it
The value of the standards

For SMEs, active participation in standardization means:

- Breaking scale barriers (scale economy)
- Breaking credibility barriers
- Getting feedback in advance from competitors and customers
- Involving suppliers and partners
- Promotion of your ideas to potential customers
- Creating an stable and “formal” documentation (the standard), that will simplify (saving costs) further commercial phases

In turn

- Competitors will have access to your ideas
  - However, they may be protected. Several mechanisms possible
The value of the standards

Value of the standards for SMEs

• Industrial and R&D value

• Marketing and promotion value (advertising tool)
  • Standards are a reputable and widely accepted “display”
  • The value of the standard as a promotion tool is not well understood by many SMEs. Standards are one of the most powerful and cheapest mechanisms for promoting an idea into the market.
  • In most cases, is the only economically feasible approach for an SME to make its products/ideas widely known worldwide.
Thank you for your attention!