

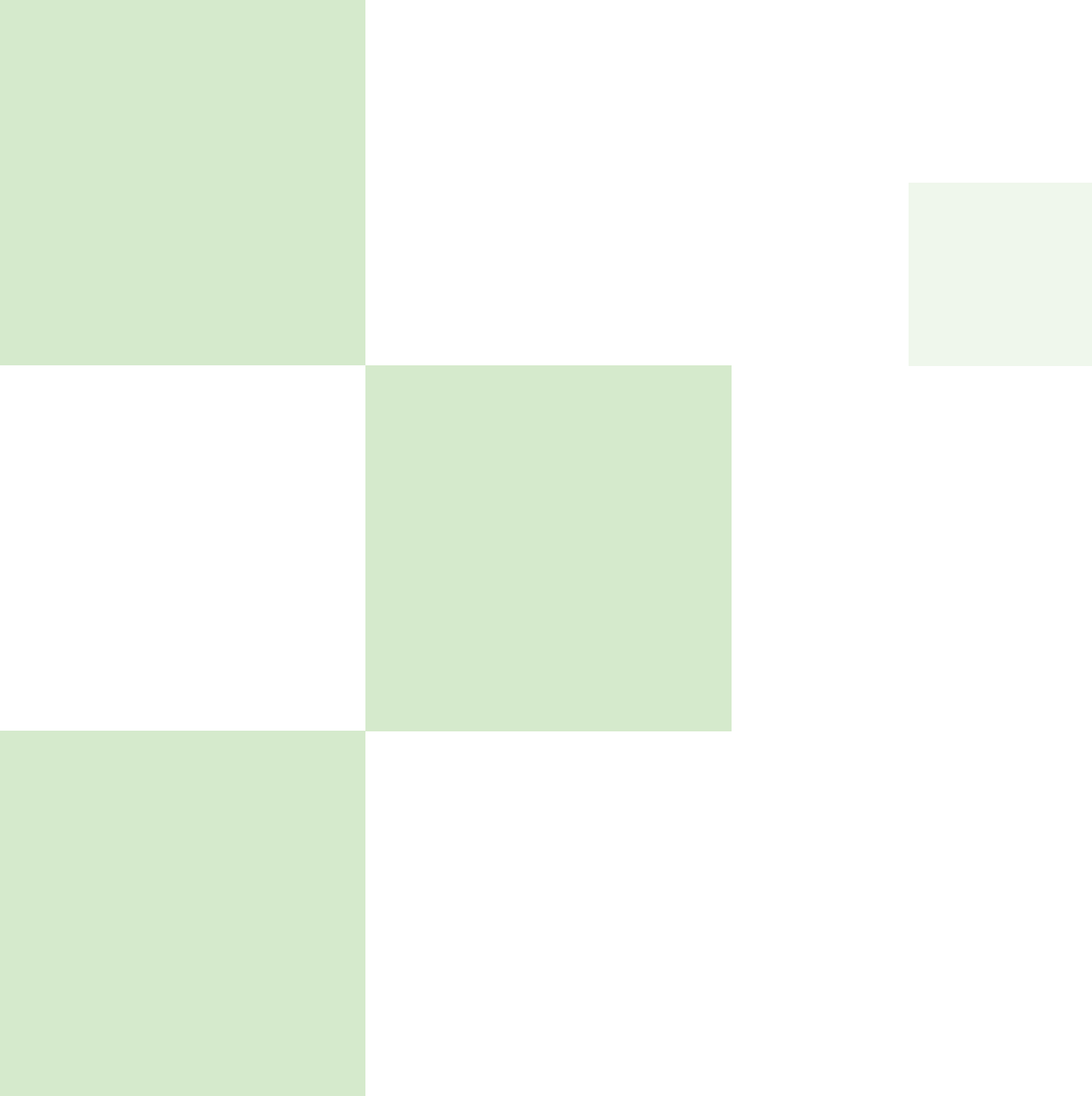


Japan

Annual Report 2007-2008

Microsoft
Innovation
Center





The titles of the representatives of Microsoft and partners herein are those at the time of their activities.

Welcome

*Greeting from President & CEO,
Microsoft Co. Ltd., Japan*

Japan is an important market for Microsoft's global business operation because not only is it the world's second largest market after the North American region, but it is also a stronghold of cutting edge consumer and commercial technologies.

We have opened 10 branches across the country and have been expanding our collaboration with local partner companies, local governments, educational institutions, and NPO's to establish a support system for small- and mid-sized businesses in the local regions. We have also been committed to minimizing the digital divide through our Corporate Citizenship program. In 2006, Microsoft established Microsoft Innovation Center to contribute to promoting innovations from



Japan. In 2007, Microsoft and our alliance organizations established Innovation Centers in Ogaki City in Gifu Prefecture and in the city of Sapporo in Hokkaido to contribute to training for and ensuring job security of IT engineers.

By utilizing Microsoft's various resources of technology and product development, Microsoft Innovation Center supports research and development, product development and verification in the domestic IT industry, to help to create new businesses and develop them in Japan and other countries. This report illustrates various activities that Microsoft Innovation Center is engaged in. I would be pleased if this report serves as your reference about Microsoft Innovation Center in the future when you use Microsoft Innovation Center.

Yasuyuki Higuchi
President & CEO, Microsoft Co. Ltd., Japan

A handwritten signature in black ink, appearing to read 'Y. Higuchi', written in a cursive style.



Microsoft Supports the Growth of IT and the Generation of Innovation

Microsoft Innovation Center aims at contributing to the IT software industry in Japan by supporting software/hardware development companies, system integrators, universities, entrepreneurs with innovative ideas, and individuals and organizations that plan to operate global businesses.

In addition, Microsoft Innovation Center will introduce innovative products and services by working together with Japanese companies with cutting-edge technologies and products to operate global business.

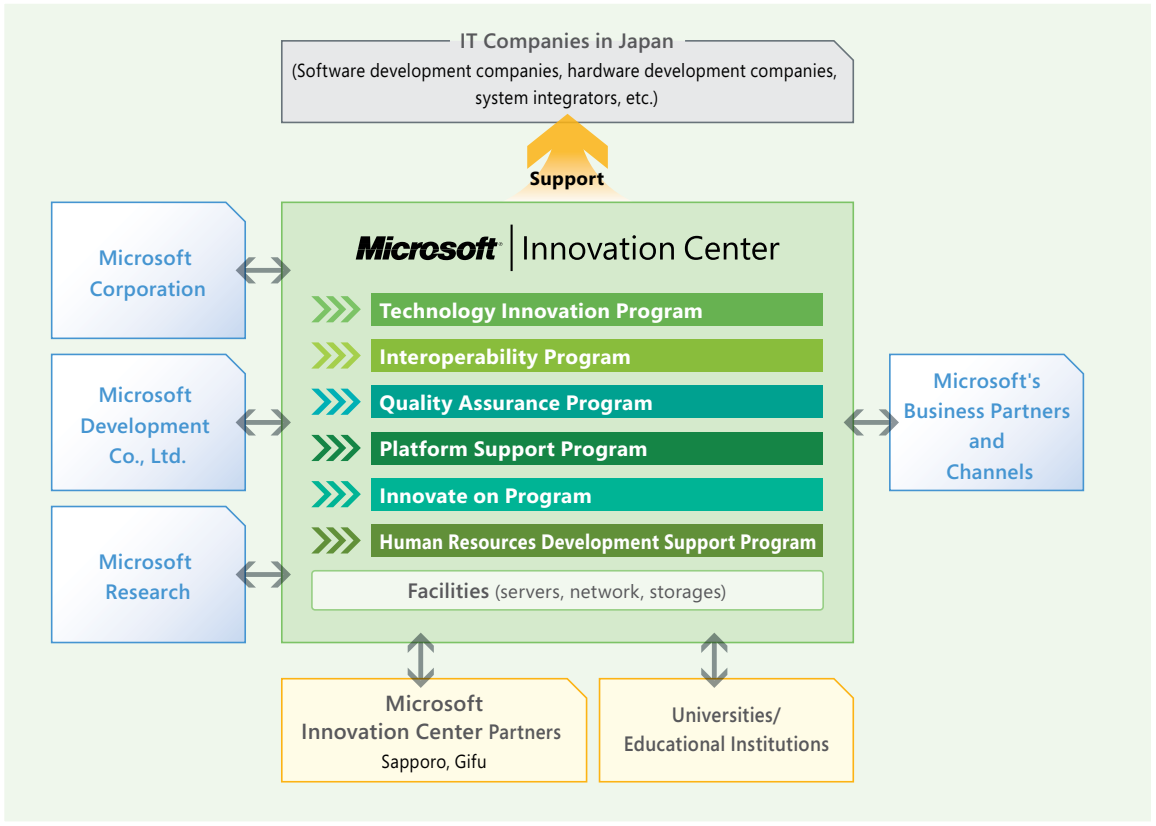
Through Microsoft Innovation Center, Microsoft will provide its resources to its partners in order to contribute to the software industry in Japan



The goal of Microsoft Innovation Center (MIC) is to contribute to the IT industry in Japan by supporting not only software and hardware development companies, system integrators, educational institutions, and entrepreneurs with innovative ideas, but also individuals and organizations looking for global business opportunities.

Programs Offered by Microsoft Innovation Center

By providing Microsoft's resources, Microsoft Innovation Center will support Microsoft partners.





1 Technology Innovation Program — The Technology Innovation Program offers technologies and verification facilities at Microsoft Research, Microsoft’s main R&D lab, as well as Microsoft’s global business partner channels. This program supports realizing technological elements and ideas in those fields such as HPC (High Performance Computing), data mining, and robotics, to business development in Japan and in the world market.

<p>Target</p> <ul style="list-style-type: none"> • Those who plan to develop new products • Those who want to utilize existing technologies and components • Those who want to introduce their products and services to the world market 	<p>Eligible Applicants</p> <ul style="list-style-type: none"> • Entrepreneurs • Independent software developers • Universities and research institutions
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2 Interoperability Program — The Interoperability Program offers licenses of various protocols and data formats used by Windows and other Microsoft products and applications to connect and communicate with each other, as well as environments required to verify connectivity and interoperability between such services and applications.

<p>Target</p> <ul style="list-style-type: none"> • Those who need to verify connectivity and interoperability between Microsoft products including Windows and other solution partners. • Those who plan to develop new products based on connectivity and interoperability. 	<p>Eligible Applicants</p> <ul style="list-style-type: none"> • Independent software developers • System integrators
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3 Quality Assurance Program — The Quality Assurance Program offers support from Product QA Management Team to verify the integrity and compatibility between the partners' application products and Microsoft's new products under development.

<p>Target</p> <ul style="list-style-type: none"> • Those who need support to verify the integrity and compatibility with Microsoft's enterprise products intended in this program. 	<p>Eligible Applicants</p> <ul style="list-style-type: none"> • Independent software developers
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4 Platform Support Program — The Platform Support Program offers software/hardware environments required to realize and verify the cutting-edge ideas in the fields of enterprise, mission-critical, and HPC for MIC affiliates and partners.

<p>Target</p> <ul style="list-style-type: none"> • Those who need advanced hardware environments for product development and verification. • Those who need Windows platforms and advanced hardware environments to run Windows platforms for scientific/technological calculations and research. 	<p>Eligible Applicants</p> <ul style="list-style-type: none"> • Entrepreneurs • Independent software developers • Universities, research institutions
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5 Innovate on Program — The Innovate on Program, designed for the package software developer partners, offers support to help their products comply with Microsoft's latest products, providing technical information, trainings, product evaluations, and marketing resources about the latest Microsoft products based on the application scenarios per product.

<p>Target</p> <ul style="list-style-type: none"> • Those who need support for migration to Microsoft platforms 	<p>Eligible Applicants</p> <ul style="list-style-type: none"> • Independent software developers
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6 Human Resources Development Support Program — The Human Resources Development Support Program, aiming to develop human resources in the IT industry, provides Microsoft Innovation Center's affiliate organizations with various contents to support human resources development and software business generation (technology, business operation, marketing, etc.). It also offers support to foster training instructors. In addition, with internships from Microsoft Innovation Center's affiliate organizations, participants can improve their skills in the practical production environment.

<p>Target</p> <ul style="list-style-type: none"> • Those who develop and maintain systems on Microsoft platforms 	<p>Eligible Applicants</p> <ul style="list-style-type: none"> • Entrepreneurs • Independent software developers • Universities, research institutions
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IP License Offerings

Microsoft actively makes its intellectual properties (IP) available to the public and offers related licenses. In addition to the use within the programs above, IP licenses alone can also be obtained. These technologies include various findings at Microsoft Research, protocol specifications developed by Microsoft product development teams and used in Microsoft products, and other libraries.

Technologies

Microsoft's research department has been conducting a number of research projects to contribute directly to current software and business solution development, as well as other research in cutting-edge technologies and innovations. By licensing its technologies, Microsoft helps to reduce costs and development cycles in realizing ideas and development of required technologies.

Protocols

Microsoft discloses technological specifications of various protocols used by Microsoft products, including Windows clients, servers, Exchange Servers, and offers licenses and technological support. Using these protocols enables interoperability with various services including authentication services, printer services, and directory services on Windows servers. For these licensed technologies, there is no limitation on the target platforms.

Innovations Enabled by using IP Licenses

Interoperability

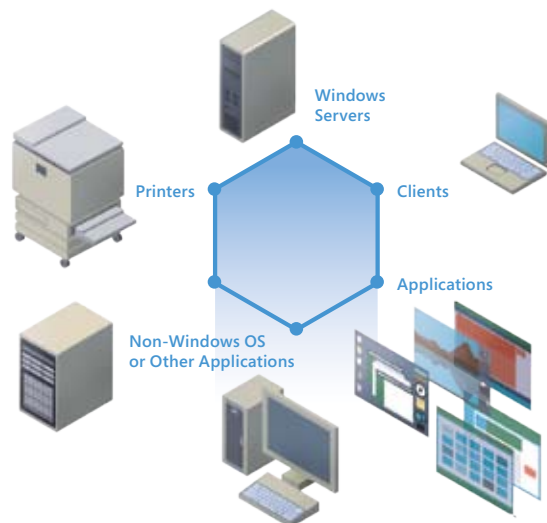
- Connectivity between users, data, applications, and systems
- Support for the standard
- Identify the needs of interoperability and build solutions

Product Improvement

- Compatibility with various platforms
- Enable seamless integration
- Complete solutions for customers

Business Development and Growth

- Capture new business opportunities
- Expand the target customer segments
- Enter into new markets



Microsoft Innovation Center will make this facility available for partners to support their wide range of verifications, and will offer a variety of programs for partners to utilize this facility.

Making the facility available for various demonstration experiments and verifications

Microsoft has been making efforts to improve the quality of product developments, deployment, and operation. In particular, Microsoft provides the Technical Adaptation Program (TAP) that helps the customer deploying Microsoft products verify the products before their shipment, the Center of Quality Innovation (CQI) that enables verifications by building the same environments based on the various customers' deployment and operation scenarios, and the Proof of Concept (POC) that verifies sizing and functionality before product deployments. Microsoft Development Department owns one of the largest development and verification facilities in Japan. This facility at Microsoft Chofu Technology Center (Chofu, Tokyo) satisfies the highly advanced hardware requirements including mission critical systems, HPC, and interoperability (This facility consists of over 100 servers like IA64 32-way and x64 8-way, over 300 x64 compatible client machines, a storage environment of over 300 TB capacity, a network environment that enables a WAN environment emulation, is maintained up-to-date with the latest equipment). Microsoft Innovation Center will make this facility available for partners to support their wide range of verifications, and will offer a variety of programs for partners to utilize this facility.



Interviews

Executive Interview vol.2

Microsoft's Position and Approach in Contribution to the IT Industries

in Japan



Yasutoshi Magara

Senior Managing Executive Officer, General Manager, J-Life, Microsoft Co. Ltd, Japan

You are in charge of promoting Digital Life Style. Can you describe what it is like?

Since this fiscal term, Microsoft began to take action in two specific areas: Digital Working Style and Digital Life Style. In Digital Working Style, we will make a proposal for a new working environment suitable to today's business by providing corporate customers with Microsoft products and services. Digital Life Style, on the other hand, targets individual customers and consumers, presenting a new life style with the latest Microsoft technology.

Microsoft itself has changed a lot in the last decade. After the release of Windows 95, we received a significant amount of positive feedback from individual customers and

consumers. Today, we are expanding our focus to corporate customers. In order to take positive actions in these two different areas, we have reorganized our internal organization to reflect the objectives of Digital Working Style and Digital Life Style. Under the direct supervision of Darren Huston (President & CEO, Microsoft Co. Ltd., Japan), I was assigned to Digital Life Style.

Digital Life Style includes operating systems and OEM application products, as well as MSN, Xbox, Mac products and other hardware products. The goal of Digital Life Style is to help individual users and consumers to have richer lives by using IT. I am also involved in the activities of Microsoft Innovation Center because, in addition to Digital Life Style, I am in charge of Microsoft Japan's Corporate Citizenship -- that is an important element to achieve this goal of Digital Life Style.

Please describe Microsoft Innovation Center's focus on the current situation and challenges that face today's IT industry in Japan.

There are a number of world-class brands among Japanese hardware products. In the Japanese software industry, on the other hand, the majority of the business targets the domestic market, and jobs tend to be concentrated in metropolitan areas. I think that this makes it difficult for local software industries to develop business opportunities even if they may have advanced technologies and skills.

One of the reasons that cause this situation is the lack of human resources in the field

of advanced information communication. A research study by the Ministry of Internal Affairs and Communications suggests there is a deficit of more than 350,000 workers in the field of advanced information communication. We have also heard customers in various regions in Japan saying “We need more project managers,” and “We are looking for IT architects.” The reason they have difficulty developing business opportunities despite having a good business plan is that they don’t have, for example, a project manager who can manage a project as a whole, or an architect who can design software with the software’s lifecycle in mind.

What Japan can boast to the rest of the world is its industries’ “approach towards manufacturing” and “outstanding technological skills”. If there were some structure that helped foster human resources in advanced information communication and provided some visual measure of their skills, I believe Japan’s software industry would be able to co-exist with the low-cost foreign companies and benefit from Japan’s brilliant tradition of manufacturing.

What is Microsoft’s role in the IT industry in Japan?

We believe Microsoft has long provided efficient and excellent development platforms. It is necessary for us to provide various forms of support to the industry so that they can utilize Microsoft’s development platform to expand Japanese industries’ tradition -- “approach towards manufacturing” and “outstanding

technological skills” – to produce high quality products.

In the 20th year of the history of Microsoft Co. Ltd., Japan, Darren Huston, President & CEO, announced a new business strategy called Plan-J, which states three commitments of Microsoft to all of our customers and partners: expanding our investments in Japan, establishing closer and definite partnerships with the government, educational institutions, and industries in Japan, and promoting innovations.

Targeting Japan’s IT industry, Microsoft Innovation Center takes a wide range of actions to realize these commitments. Located at Chofu, Tokyo, Microsoft Innovation Center’s activities include providing its verification facilities, a variety of technical support, marketing activities, human resources development, and so on.



What support does the IT industry in Japan need? What will Microsoft do for that?

As I said at the beginning, the biggest challenge of the IT industry in Japan is the business concentration into the metropolitan areas and



“Local regions in Japan expect their IT industry to be vitalized so that a new foundation for the next generation can be established.”

Yasutoshi Magara

Senior Managing Executive Officer, General Manager, J-Life, Microsoft Co. Ltd, Japan

the lack of human resources.

In order to resolve these chronic challenges, Microsoft Innovation Center collaborates with local governments and universities to take actions in different regions in Japan. In Sapporo, Hokkaido, for example, Microsoft Innovation Center, City of Sapporo, and Sapporo Electronics and Industries Cultivation Foundation established Sapporo Innovation Center (Atsubetsu Ward, Sapporo, Hokkaido) to support the local IT industries.

Also, a lot of venture companies in Japan have difficulty finding available verification facilities, conducting marketing activities, and acquiring new technologies. Microsoft Innovation Center helps them to overcome these difficulties by providing various programs so that our partner companies can bring their outstanding ideas into the market.

For those partner companies that utilize Microsoft technology, we provide a program in which Microsoft's existing intellectual properties (IP) are licensed for use. Such IP licenses would enable them to reuse Microsoft resources as components so that they can streamline their development process to a greater extent.



How do you think Microsoft Innovation Center will change the IT industry in Japan?

Essentially, no geological factors affect the IT industry. Like Microsoft HQ in Seattle, there are a number of IT companies around the world whose HQ's are not located in metropolitan areas. Sapporo Electronics Center, where Sapporo Innovation Center is located, is called "Sapporo Valley" after Silicon Valley. A good number of IT technicians have been working in Sapporo since the 1980s.

The City of Sapporo participated in "IT Architect Development PBL Materials Development Project", a Research and Development Operation on MIC (Ministry of Internal Affairs and Communications) Advanced Information Communication Human Resources Development Program with Microsoft, and has long actively promoted human resources development. The City of Sapporo is also making efforts to establish a visual measure for local IT companies. For example, it developed Sapporo Information Technology Skills Standard (STSS), which is available through Sapporo Corporate Information Center. These activities in Sapporo can lead to a new model case to energize local IT industries. I expect, in other regions of Japan, the local IT industry will be vitalized so that a new foundation for the next generation can be established.

Reports

Microsoft Innovation Center Report 2007-2008 vol. 1 The City of Sapporo, Sapporo Electronics and Industries Cultivation Foundation, and Microsoft Agreed to Establish the Sapporo Innovation Center to Support the Local IT Industries and Human Resources Development

June 12, 2007

City of Sapporo, Sapporo Electronics and Industries Cultivation Foundation, and Microsoft Co., Ltd. agreed to establish "Sapporo Innovation Center" in Sapporo Electronics Center (Atsubetsu Ward, Sapporo, Hokkaido) and to cooperate to support local industries and human resources development. The City of Sapporo and Microsoft Co., Ltd. are active participants in "IT Architect Development PBL Materials Development Project", a Research and Development Operation on MIC (Ministry of Internal Affairs and Communications) Advanced Information Communication Human Resources Development Program. Using the teaching materials developed in this program, the City of Sapporo will be the first local government to hold an IT architect development PBL seminar in Japan at Sapporo Innovation Center.

An interview with the Mayor (City of Sapporo)

In this interview, Fumio Ueda, Mayor, City of Sapporo spoke about the establishment of Sapporo Innovation Center. The City of Sapporo understands the current situation of the local IT industry and is operating various projects based on concrete plans for the future.

What is Sapporo Innovation Center?

Sapporo Innovation Center will open on July 2nd on the 1st floor of the Sapporo Electronics Center in Sapporo Techno Park (Atsubetsu Ward,

Sapporo, Hokkaido), operated and managed by Sapporo Electronics and Industries Cultivation Foundation. This facility has three major objectives: (1) to help foster advanced IT human resources, (2) to provide a lab for demonstration experiments and verification on new platforms and larger environments, and (3) to help to cultivate sales channels for products from IT companies in the City of Sapporo.

For the demonstration experiments and verification purpose, Sapporo Innovation Center has three booths (two booths in an open space, another booth in a closed space). Each terminal will be connected to Microsoft's Sapporo office and to Microsoft Innovation Center facilities in Chofu, Tokyo, via network so that software verification on the latest platform and on larger environments can be conducted.

For technical support, Sapporo Innovation Center will utilize Microsoft Innovation Center's knowledge and techniques. In addition, Sapporo Innovation Center will contribute to fostering engineers and to cultivate sales channels for products from companies in Sapporo.

There are many IT companies participating in corporate citizen activities. Why did you decide to cooperate with Microsoft?

The City of Sapporo has been conducting a variety of projects. With help from various companies and organizations, we've been moving our projects forward, from enlarging the number of IT engineers and improving their



“Sapporo Innovation Center will provide comprehensive support for areas from human resources development to marketing activities.”

Fumio Ueda
Mayor, City of Sapporo

skills, to bringing businesses to Sapporo, to providing business collaboration opportunities with companies in Asia and other parts of the world, to cultivating new markets including the digital contents market and markets overseas. These companies and organizations help us to improve the local IT industry based on the plans we make.

In the midst of this, Mr. Darren Huston, President & CEO of Microsoft visited Sapporo in July 2006 to explain his “Plan-J”, designed for local industries, and he offered a plan to energize IT companies in Sapporo with support from Microsoft Innovation Center. This plan, a customized version of the support measures for our local companies, will serve as a private-public relationship-based support measure utilizing the private sector’s abilities more effectively. Our economic situation is still tight, we want to keep expanding our effort to energize the local industries by sharing knowledge and costs with various private companies and organizations. We expect our

alliance with Microsoft would be a good case study of the public-private partnership-based support measure for local industries.

What is the situation of the IT industry in Sapporo, and what is the City of Sapporo doing to improve the industry?

The size of the IT industry in Sapporo is approx. 50 billion JPY (US\$410 million); 60% of the exiting IT companies get jobs from other larger companies, and 98% of them are small and mid-sized companies. We do not consider them getting jobs from other larger companies as a negative factor, but we do consider the structure of the industry that accelerates “multi-tiered subcontracting”.

In 2006, the City of Sapporo started a project to foster and utilize advanced IT human resources. It plans to foster advanced IT human resources, including project managers and IT architects, aiming to improve the technologies and skills among the local companies and to establish a structure to pipeline the local companies to the companies in the metropolitan area.

How did you come to participate in the MIC (Ministry of Internal Affairs and Communications) Advanced Information Communication Human Resources Development Program?

The City of Sapporo promotes a structure that allows advanced IT knowledge to circulate within the local area.

The reason we decided to participate in the MIC Advanced Information Communication Human Resources Development Program was because we can own advanced IT knowledge here by utilizing the PBL teaching materials developed in this program, and by offering lectures using these materials here in Sapporo first in the nation to verify its effectivity before.

Utilizing the teaching materials developed in this project, the participants in the demonstration experiment lectures will offer lectures, as lecturers, for Sapporo's advanced IT human resource development and utilization project. We want to expand this structure to establish a model to allow circulation and utilization of such advanced knowledge here.

What merits can the IT industry in Sapporo expect from Sapporo Innovation Center?

By utilizing Microsoft's knowledge and channels, Sapporo Innovation Center aims to achieve three goals: fostering advanced IT human resources, offering facilities for demonstration experiments and verification with new platforms and larger environments, and cultivating sales channels for products from IT companies in Sapporo.

A company would need enormous effort and incur a large cost if it were to build the required environment for demonstration experiments and verification with new platforms and large environments. By providing such facilities, for example, Sapporo Innovation

Center will help to reduce such burdens to quite some extent.

Also, as Microsoft owns many intellectual resources, it should be possible to develop products utilizing such resources. In addition, the newly developed products can be introduced to Microsoft's worldwide partner network. The IT companies in Sapporo can not only use the latest platform and large system environments, but also develop products using advanced technologies and knowledge of expanding markets. We expect many merits to come.

How do you think the IT industry in Sapporo will change in the future?

The City of Sapporo aims to expand the size of the IT and related industries to 1 trillion JPY (US\$8.2 billion) by 2015.

For that purpose, we need a radical structural reform to improve the companies and human resources, to get out the subcontracting structure, and to operate business high additional values locally.

In order for the market to grow to a 1 trillion JPY size, we need to cultivate new markets and we may have to join the markets overseas and of digital contents. Each is a fairly big objective and none can be achieved within a short period of time. The City of Sapporo has already started taking actions to achieve all of these objectives. I expect this effort will produce a product to diffuse the name of Sapporo as "The IT City" by the year 2015.



“The City of Sapporo aims to achieve 600 IT companies, 30,000 employees, and a 1 trillion market here.”

Keiki Honma
Manager, Industrial Policy planning Section, Industry Promotion Department, Economic Affairs Bureau, City of Sapporo

Press Round-Table: Announcing the Establishment of Sapporo Innovation Center and Utilization of IT Architect Development PBL Materials Development Project (Ministry of Internal Affairs and Communications)

On June 12, 2007, Microsoft agreed with the City of Sapporo and Sapporo Electronics and Industries Cultivation Foundation to establish and operate Sapporo Innovation Center, and a press conference was held.

Keiki Honma (Manager, Industrial Policy planning Section, Industry Promotion Department, Economic Affairs Bureau, City of Sapporo), Masaki Watanabe (Chief, Industrial Policy planning Section, Industry Promotion Department, Economic Affairs Bureau, City of Sapporo), Shunichi Kajisa (CEO, Microsoft Co., Ltd. Japan), and Nobuaki Nagai (Senior Manager, Business Incubation Promotion (LSE), Developer & Platform, Microsoft Co., Ltd. Japan) attended the press conference. In front of media representatives from over ten news agencies, they confirmed that each entity would participate with each other to support

the IT industry in Sapporo and to foster human resources.

On the same day, Yoshihisa Takada (Deputy Director, ICT Accessibility and Human Resources Development Division, Information and Communications Policy Bureau, Ministry of Internal Affairs and Communications), Eiichi Hanyuda (Board Chairperson, Mamezou Co., Ltd.), and Yukio Akabane (Operation Chief, IT Architect PBL Training Materials Development Committee; Senior Advisor, Sapporo Advanced ICT Human Resources Development and Promotion Operation) explained about MIC's IT Architect Development PBL Materials Development Project.

Private-Public Relationship Based Support Programs With Concrete Objectives

"I am happy," said Shunichi Kajisa, CTO, Microsoft Co., Ltd., "to have a relationship with a wonderful city with concrete objectives." The City of Sapporo has concrete objectives to achieve 600 IT companies, 30,000 employees, and a 1 trillion US\$8.2 billion market in the coming 10 years to support its IT industry.

"In order to achieve these objectives," said Keiki Honma (Manager, Industrial Policy planning Section, Industry Promotion Department, Economic Affairs Bureau, City of Sapporo), "an adaptable work force of advanced IT human resources is needed. The City of Sapporo plans to help foster 600 IT professionals including project managers and

“An additional 350,000 advanced IT professionals are needed. Supports for the advanced IT human resources development is considered at a national level.”

Yoshihisa Takada

Deputy Director, ICT Accessibility and Human Resources Development Division, Information and Communications Policy Bureau, Ministry of Internal Affairs and Communications

IT architects in the next three years. Also, some structure to pipeline Sapporo's IT companies to the metropolitan area is needed. Its Industry Information Center that will open this August will serve this purpose. Getting support from Microsoft by establishing Sapporo Innovation Center, we expect that Microsoft's world-wide partner network can be utilized.”

Masaki Watanabe (Chief, Industrial Policy planning Section, Industry Promotion Department, Economic Affairs Bureau, City of Sapporo) emphasized that Sapporo Innovation Center is one of the local sub-centers of Microsoft Innovation Center, as it allows the local IT industry to utilize advanced facilities connected to Microsoft Chofu Technology Center (Chofu, Tokyo) to conduct demonstration experiments and verification with the latest platforms and larger environment without having to make enormous investments. It will provide a comprehensive support from human resources development to marketing activities.

On the other hand, Microsoft announced its business strategy called “Plan-J” in 2005, promising expansion of investments in Japan, fostering closer partnerships with government and educational institutions, and driving innovation.

“Microsoft Innovation Center, established in November 2006, is a part of our Plan-J,” said Shunichi Kajisa, CTO, Microsoft Co., Ltd., “As the second partner entity, following IAMAS in Gifu Prefecture, we will offer our resources in cooperation with Sapporo Electronics and

Industries Cultivation Foundation to promote innovations among companies in Sapporo.”

First effort in Japan: IT Architect Fostering PBL Materials Developed and Deployed with the Local Resources.

With Sapporo Electronics and Industries Cultivation Foundation and Microsoft Co., Ltd., the City of Sapporo participates in the Advanced Information Communication Human Resources Development Program conducted by the Ministry of Internal Affairs and Communications (MIC). The City of Sapporo will be the first local government in Japan to adopt the PBL materials developed in this project to foster IT architects.

As Yoshihisa Takada (Deputy Director, ICT Accessibility and Human Resources Development Division, Information and Communications Policy Bureau, Ministry of Internal Affairs and Communications) suggests, an additional 350,000 advanced IT professionals are needed, this project supports advanced IT human resources development at a national level. In particular, MIC weighs on the importance of the IT architects and project managers when developing the PBL materials.

Eiichi Hanyuda, Board Chairperson, Mamezou Co., Ltd., who contributed to the development of this teaching material, says there still lacks understanding of the IT architect as a job and its required skills. Because of this, this project deployed the PBL (Project Based Learning) approach. “In the actual work of the IT architects,” Hanyuda says, “there arise a number



“The participants of the previous PBL lectures become the next lecturers. We would like to demonstrate “a circulation of knowledge” here in Sapporo.”

Yukio Akabane

Operation Chief, IT Architect PBL Training Materials Development Committee;
Senior Advisor, Sapporo Advanced ICT Human Resources Development and Promotion Operation

of issues, including the clients' requests, budget, and resources. Each time an issue arises, they would need a skill to choose the best solution from multiple options.”

A series of demonstration experiment lectures of the PBL materials for fostering IT architects was held in Sapporo in February 2006. Another series of lectures for project manager PBL materials developed by MIC was also welcomed by a number of participants in February.

“We asked Mamezou Co., Ltd in Tokyo to provide lecturers for our February lectures,” says Yukio Akabane (Operation Chief, IT Architect PBL Training Materials Development Committee; Senior Advisor, Sapporo Advanced ICT Human Resources Development and Promotion Operation), “The participants in the February lectures will be the lecturers in the subsequent lectures. We would like to demonstrate “a



circulation of knowledge” here in Sapporo.

These two PBL materials are customized with feedback from the participants and companies for improvement. The City of Sapporo is aiming to develop Sapporo-specific teaching materials.

Memorial Seminar of the Establishment of Sapporo Innovation Center

In the afternoon of June 12, at the Microsoft Sapporo Office, a memorial seminar for the establishment of Sapporo Innovation Center was held.

In the memorial panel discussion, Yoshihisa Takada (Deputy Director, ICT Accessibility and Human Resources Development Division, Information and Communications Policy Bureau, Ministry of Internal Affairs and Communications), Yukio Akabane (Operation Chief, IT Architect PBL Training Materials Development Committee; Senior Advisor, Sapporo Advanced ICT Human Resources Development and Promotion Operation), Eiichi Hanyuda (Board Chairperson, Mamezou Co., Ltd.), and Shunichi Kajisa (CTO, Microsoft Co., Ltd. Japan) attended as the panelists. As Nobuaki Nagai (Senior Manager, Business Incubation Promotion (LSE), Developer & Platform, Microsoft Co., Ltd. Japan) said, “Even if it were in the metropolitan area, it is quite a valuable meeting that these members attend altogether, the panel discussion was very interesting and valuable.



Comments from the Panelists

- “Our survey from companies indicates that there is a need for 350,000 advanced IT professionals. In this advanced information society, fostering advanced IT human resources is an urgent issue to resolve. As the case studies overseas illustrate, such issues require the cooperation of academics, industries, and the government. MIC conducts a Research and Development Operation on Advanced Information Communication Human Resources Development Program”
– *Yoshihisa Takada* (Deputy Director, ICT Accessibility and Human Resources Development Division, Information and Communications Policy Bureau, Ministry of Internal Affairs and Communications)
- “The advanced IT human resources including IT architects and project managers concentrates in the metropolitan areas. In the meantime, there are outstanding resources called Super SE who can handle project management, design, and programming. In order for a project to be successful, job titles according to their role in the project need to be defined. Also, to improve the “subcontracting” structure in the industry, IT architects who can communicate with the clients and design appropriate solutions are absolutely necessary.”
– *Yukio Akabane* (Operation Chief,

IT Architect PBL Training Materials Development Committee; Senior Advisor, Sapporo Advanced ICT Human Resources Development and Promotion Operation)

- “If a project manager is a field supervisor, the IT architect is an architect. Software design should be considered in the scope of the software’s lifecycle, including the case studies in the past and the deployment in the future. Not only knowledge but also additional skills to resolve various issues are required for such human resources. The IT architect fostering PBL material is a program in which the participants resolve various issues in an actual project.”
– *Eiichi Hanyuda* (Board Chairperson, Mamezou Co., Ltd.)

The seminar was so full of participants that some did not have a place to sit. It illustrates the high expectation for Sapporo Innovation Center and the high level of awareness among IT companies in Sapporo. After the panel discussion, Makoto Koyama (Director, Information industry promotion, Sapporo Electronics and Industries Cultivation Foundation) made a presentation about the facility of Sapporo Innovation Center and its programs, and Nobuaki Nagai (Senior Manager, Business Incubation Promotion (LSE), Developer & Platform, Microsoft Co., Ltd. Japan) made another presentation about the overview of Microsoft Innovation Center and the activities of the City of Sapporo.

Reports

Microsoft Innovation Center Report 2007-2008 vol. 2
Tech Ed 2007 with Microsoft Innovation Award 2007 Best Commercial Business Award Entry Solutions

August 21st – 24th,

Tech Ed 2007 Yokohama

Tech Ed 2007 Yokohama, the biggest technical conference for engineers in Japan presented by Microsoft, was held at Pacifico Yokohama from August 21st to 24th. Microsoft Innovation Award Showcase demonstrated the solutions from the best 10 nominees in Microsoft Innovation Award's 2007 Best Commercial Business Award. Darren Huston (President & CEO, Microsoft Co. Ltd., Japan) visited the Showcase, and the general public wondered which solution will win the award.

Showcase that Calls Attention to Innovative Ideas and Advanced Technologies

For Microsoft Innovation Award 2007 Best Commercial Business Award, ten companies with creative solutions were nominated, including venture companies that operate or plan to operate their businesses with their innovative software based on Microsoft technology.

In Tech Ed 2007, there was a dedicated booth for Innovation Award Showcase. During Tech Ed 2007, a large number of participants visited the Showcase and listened to the presentations of the nominated companies' solutions with enthusiasm.

Participants of Tech Ed also had opportunities to vote for the most innovative solution. Their votes will, in combination with the votes from all the employees of Microsoft, be tallied for the final decision. Knowing each

of their votes will be counted for the final selection of the best company, a large number of participants made their votes for the award.

The winner of the Best Commercial Business Award will be announced at a presentation ceremony on September 13th in a special lecture session for Innovation Japan 2007.

Creative Solutions That Grab Darren Huston's Attention

Darren Huston (President & CEO, Microsoft Co. Ltd., Japan) visited Tech Ed 2007 on the opening day. He visited each of the nominees' booths, listening to their presentations about their innovations.



"I want to bring more innovations to Japan," said Darren Huston in his Tech Ed 2007 keynote speech, "to provide innovative products and services that are 'Made in Japan'". Huston paid special attention to this Showcase. Since there were so many interesting displays, he asked many questions and made comments to the nominees, causing his visit to the Showcase to exceed the originally scheduled time.

A number of press staff accompanied Huston's visit, taking photos at the booths

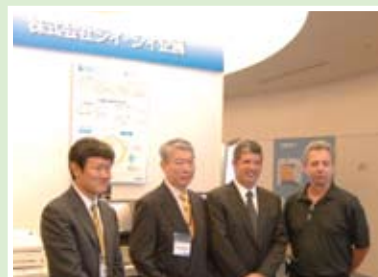
and recording Huston's conversations with the award nominees. "We expect a big marketing effect after our nomination to Microsoft Innovation Best Commercial Business Award", a representative of a nominee company said. This Showcase provided a good opportunity for each nominee company to demonstrate its solution to a good number of companies and IT professionals in Japan.

Ten Nominees for Best Commercial Business Award 2007

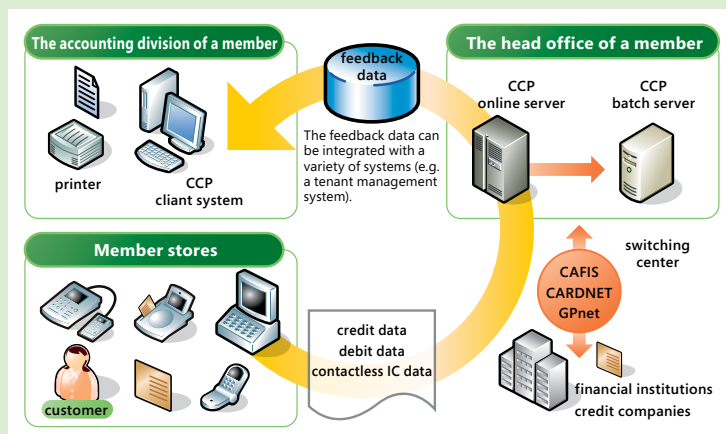
"The quality of product demands in Japan is the highest in the world," says Darren Huston (President & CEO, Microsoft Co. Ltd., Japan), therefore many high quality solutions are nominated in Microsoft Innovation Award 2007 Best Commercial Business Award. Each company's solution effectively utilizes Microsoft technology in order to realize its creative idea, and a Microsoft staff accompanying Huston highly praised each of the solutions.

Global Communication Planning Co., Ltd. – Contactless IC Card-Aware Settlement System CARD CREW

CARD CREW is a credit/debit card settlement system that fits companies' businesses, operations, and size with an optimized set of functionalities. Since its release, the solution has acquired a high reputation with its clients, and over 100 systems are now in operation. A new version supporting a contactless settlement process will be released this year.



CARD CREW PLUS system image



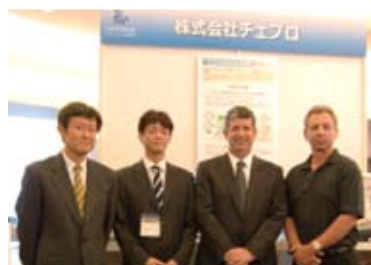
SoftAdvance, Inc. – 3D Multimedia Presentation Software prezvision

prezvision is presentation software that visualizes the *depth* and *timeline* that are difficult to represent in a traditional slide show. *prezvision* leverages 3D CG technology used only in professional CAD systems and video game software into the presentation software. It allows the user to create a business chart with 3D effects easily with the same experience as the traditional software.



Chepro Co. Ltd. – Integrated ERP System WAO

Integrated ERP system WAO integrates different systems, including sales, cost price, and construction management, to realize an internal control at a company by allowing the traceability management from the users' work management and proposals to the completion of construction and maintenance. Unlike the typical Web applications, it does not require downloading of either the form or data, but exchanges only data with the server, achieving as quick responses as a client/server system.

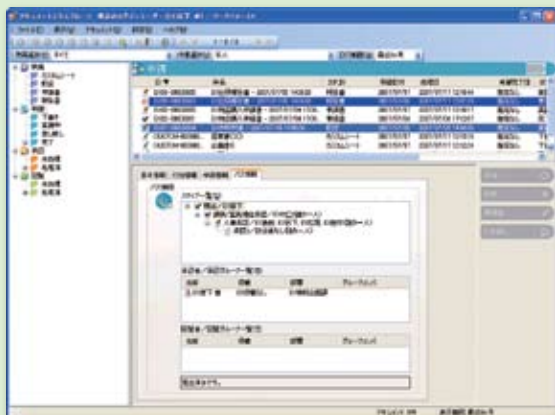
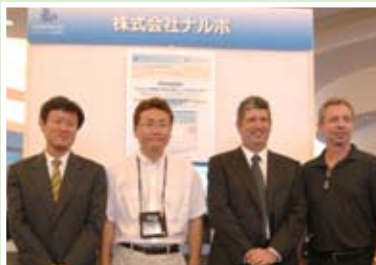


“The quality of product demands in Japan is the highest in the world.”

Darren Huston
President & CEO, Microsoft Co. Ltd., Japan

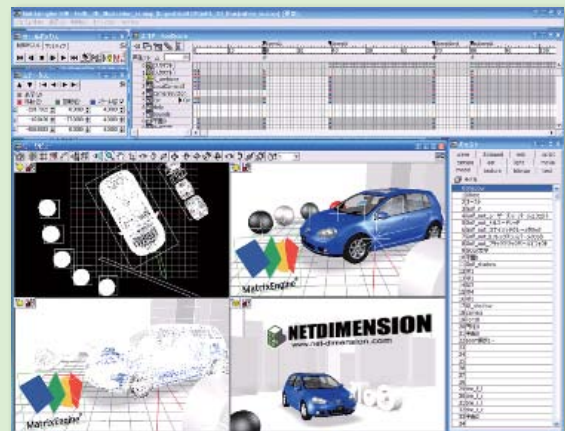
Knowlbo Corporation – Workflow EX: Approval Document System that Can Process Native Excel Books

Although it is known to be inefficient to exchange hard-copy approval documents, it requires both training and time to change the old-fashioned familiar processes. *Workflow EX* allows approval documents in Excel or Word format to be incorporated into a workflow. The application is not only easy to use, but allows complicated approval routes to be set easily. Enhanced security to encrypt communication is also implemented.



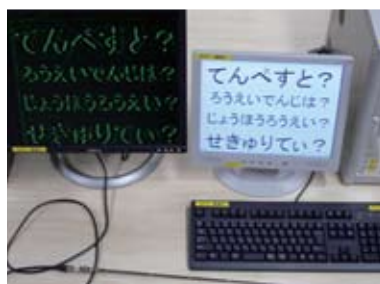
Netdimension Corporation – 3D Content Authoring Solution MatrixEngine

MatrixEngine is an authoring tool solution that provides designers with a light-weight, realtime 3D application development environment by storing a variety of multimedia elements including texts, pictures, audio, and images into a 3D space.



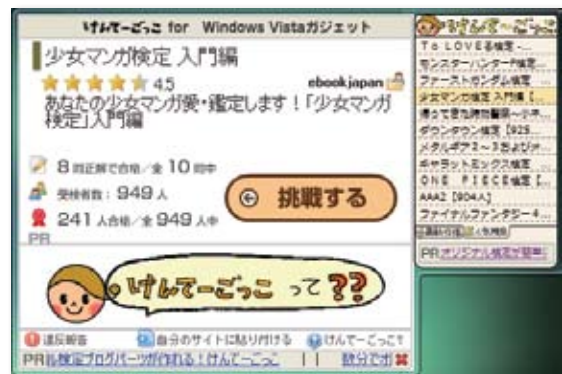
BeyondIT Co., Ltd. – Anti Electromagnetic Wave Information Protection Software *CrypType*

Recently, it has been pointed out that information displayed on the computer screen can be captured from the weak electromagnetic wave noise emitted from PCs and their connected cables. *CrypType*, developed with the National Institute of Information and Communications Technology (NICT), prevents information leak via such electromagnetic waves. *CrypType* is provided as an add-on to Office 2007 system desktop applications to protect important business documents from the risk of being captured via electromagnetic waves.



Manabing Co. Ltd. – Original Assessment Sharing Community *Kentei Gokko*

Kentei Gokko is the first quiz communication site service in Japan. This service, consisting of Web learning experience and online advertisement, allows the user to create a series of quizzes, or assessments, through easy steps. The created assessments can be linked to any site and the responses to the assessment can be aggregated. A variety of versions of this service are available in different media, including PC version, gadget version, Second Life version, multilingual version, mobile phone version, and printed version.



LoiLo Inc. – Non-rendering Movie Creating Software LoiLoScope

LoiLoScope allows the user to handle any kind of video content easily to create movies far more quickly even for those with no experience. It shortens the movie creation period by a fast video process engine that mitigates the rendering time during the edit work. *LoiLoScope* will help those who have never been interested in movie creation to handle video content, allowing anyone to communicate their original movies to the Internet.



Acknowledging Each Other's Achievements and the Next Step for Japanese Innovation

On the first day of the Innovation Award Showcase, the ten nominees were invited to a get-together banquet.

"Each of you, the nominees for the Best Commercial Business Award, are operating your commercial business with a unique vision," Shunichi Kajisa, CIO, Microsoft Co. Ltd., Japan, said, opening the banquet. "After visiting your presentations, Darren Huston (President & CEO, Microsoft Co. Ltd., Japan) was very delighted to see your great solutions. Microsoft was also a venture company when it was established. With this Innovation Award as an initial step, we are pleased to help you in every aspect so that you can grow in the field of software development as innovative IT venture companies."

At the banquet, Microsoft employees and participants from the nominee companies exchanged their opinions, acknowledging each other's works and a realization of Japanese innovation.



Reports

Microsoft Innovation Center Report 2007-2008 vol. 3
Collaboration between Two Innovation Centers: Aizu and Microsoft

August 23rd & 24th, *University-Business Innovation Center,* *The University of Aizu*

On August 23rd and 24th, 2007, The University of Aizu held Aizu IT Summer Forum, an event where local companies can experience cutting-edge IT technologies. Microsoft has offered the relevant programs since 2006 to contribute to the university's open lectures designed to foster .NET technicians, and Shunichi Kajisa (CIO of Microsoft Co, Ltd., Japan) and other Microsoft technicians offered some relevant programs in this forum. In addition to contributing to the events to energize the local economy, Microsoft agreed to work with the University of Aizu to continue to contribute to the university's .NET technology open lectures and support local IT venture companies.

University-Business Innovation Center at the University of Aizu, Aiming at Today's Nisshinkan specialized in IT

In the Edo era, the Aizu region came to be well known as a han (feudal clan) devoted to the education of children. This was characterized by the school of the Aizu clan with traditions that were called Nisshinkan. Specialists from more than ten countries around the world were invited to be professors and lecturers and in 1993, the University of Aizu was established as a 4-year prefectural university in Aizu-Wakamatsu, Fukushima Prefecture – today's Aizu region. In today's globalized and advanced information

society, the university provides education specialized in computer science, focusing on fostering human resources with global visions to carry the next generation IT for further development.



One of the most significant characteristics of the University of Aizu is its dedication first to computer science and research studies in Japan. A multi-media computer network runs across the campus, providing an environment where each student has access to his or her own computer. With a structured curriculum starting from the introduction of computer literacy, the university provides comprehensive education from Computer Science 101 to advanced research studies to foster state of the art software and hardware developers, IT researchers, and technicians.

The university's academic culture emphasizes its top-down education, where the student has access to the latest research studies (top) and thinks about what is needed to achieve the best result (down), which



“Thanks to Microsoft for helping us to present a more practical and better lecture.”

Zixue Cheng (Shigaku Tei)

Professor, Department of Computer Engineering and Science, the University of Aizu

encourages the students' academic curiosity. The professors and other instructors are familiar with the current IT environment.

“Our next focus will be software security and services,” says Zixue Cheng (Shigaku Tei), professor, Department of Computer Engineering and Science, the University of Aizu, “Our department is currently called Computer Engineering and Science, but I think it can be renamed Service Engineering and Science.”

The university continues its effort to provide education that meets the current demand, focusing on the general business trend.

In addition, the University of Aizu also has put its effort into the alliance of the university and business. In 2002, the University-Business Innovation Center at the University of Aizu was established, aiming at energizing the local IT industry in Fukushima and promoting practical research studies. Working with local companies, the Center is conducting a number of collaborative research studies.

.NET Open Lectures Praised as Practical

In September 2006, the University of Aizu and Microsoft Co. Ltd., Japan agreed to cooperate in Comprehensive Fundamental Agreement Concerning Fukushima Prefecture Regional



IT Industrial Business Activation. As part of this program, a 6-month course about basic programming using practical C# programming was held at the University-Business Innovation Center at the University of Aizu in October 2006.

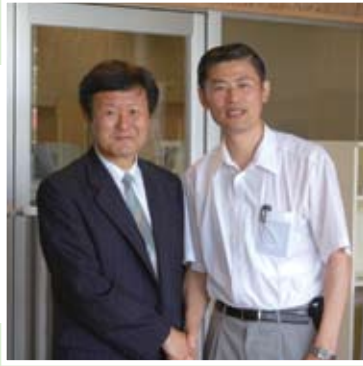
“I appreciate the resources provided by Microsoft,” Zixue Cheng (Shigaku Tei), Professor, Department of Computer Engineering and Science, the University of Aizu, expresses his appreciation, “some of my students attended the lecture, and the open lecture was more than successful! Thanks to Microsoft for helping us to present a more practical and better lecture.” As Professor Cheng says, the open lecture received a very good reputation. Although it was a 6-month course, all seats were full with participants from local companies.

Microsoft was also delighted with the success of the course, and promised to enhance its contribution in the future.

“At Microsoft, we are developing new technologies including Robotics and Silverlight™,” says Shunichi Kajisa (CIO, Microsoft Co. Ltd., Japan), “and we have a wide range of resources to offer. In addition to our contribution to the open lectures, we would consider offering our facilities and technicians for research studies at the University of Aizu.”

The University of Aizu Moving towards New Collaborative Research Studies

The University of Aizu plans to present a new collaborative research study program called Venture Experience Lab Aizu IT Nisshinkan



beginning next year. The university has actively promoted international collaboration and it plans a laboratory education, based on a circle activity in Harbin Institute of Technology, as a collaborative research study program that contributes to local companies.

"In this program, local companies and the university's lecturers cooperate to run the lab," says Mizuo Kansen (Assistant Professor, Department of Computer Engineering and Science, the University of Aizu), "With a combination of tours to venture companies and internships, we would conduct this collaborative study. Ultimately, we should establish an actual business plan, and have an assessment to evaluate what effect can be made to the market. While learning the venture spirit from the companies through our practical education, our objective is practical collaborative studies that can be applied to business right away."

Microsoft concurs with this new lab-based education, expecting new innovation from the lab organized by the cooperation of students and company researchers, where an alliance between academia and business can be achieved in a practical business environment.

"Microsoft presents our new technology and future business models in order for our partner companies, including IT venture companies, to make progress in development towards the same goal and to achieve mutual success," says Nobuaki Nagai (Senior Manager, Business Incubation Promotion, Developer & Platform Evangelism, Microsoft Co. Ltd., Japan), "We offer



“While learning the venture spirit from the companies through our practical education, our objective is practical collaborative studies that can be applied to business right away.”

Mizuo Kansen
Assistant Professor, Department of Computer Engineering and Science, the University of Aizu

the same resources to the University of Aizu and Aizu IT Nisshinkan. I expect we can offer more support when we conduct research studies under the same theme."

At the conference, representatives from the University of Aizu and Microsoft exchanged their opinions about each other's deployment models and future directions. "By cooperating in the same direction," said Shunichi Kajisa (CIO, Microsoft Co. Ltd., Japan) "we should promote innovation". The two Innovation Centers confirmed that they will enhance their cooperation to support the local IT venture companies and foster human resources.



Aizu IT Summer Forum

On August 23rd and 24th, 2007, the Aizu IT Summer Forum was held at the University of Aizu. This event presenting information about IT to participants from all over Japan was held for the first time in Aizu-Wakamatsu, Fukushima. About 300 participants from Fukushima and other parts of Japan attended.

In the special lecture on the first day, Shunichi Kajisa (CIO, Microsoft Co. Ltd., Japan) among other well-known lecturers, made a presentation about Microsoft's technology strategy. All the participants listened enthusiastically to his speech about Microsoft's future business model.



In the section meeting on the second day, Shotaro Suzuki (Evangelist, Microsoft Co. Ltd., Japan) participated as a lecturer from the leader company of Web technology. He gave a lecture about the next generation Web experiences including Silverlight.

Shigeki Tsunoyama, President of the University of Aizu, expects the future growth of Aizu in an advanced IT industry by fostering the new trend generated in this Aizu IT Summer Forum 2007.



Reports

*Microsoft Innovation Center Report 2007-2008 vol.4
Winners of Microsoft Innovation Award 2007 Announced
at Innovation Japan 2007*

*September 12st – 14th, 2007,
Tokyo International Forum*



On September 13th, 2007, the winners of Microsoft Innovation Award 2007 were announced at Innovation Japan 2007 at Tokyo International Forum.

Shunichi Kajisa (CIO, Microsoft Co. Ltd., Japan) and Kumi Fujisawa (Vice President, Thinktank SophiaBank) announced the award winners of Microsoft Innovation Award 2007. Anoop Gupta (Microsoft Corporate Vice President, Technology Policy and Strategy) honored the winners on behalf of the panel of judges.

Tight Partnership between Academia, Business, and Government is Important for Acceleration of Innovation

"Japan has not only a great history, but also a lot of great achievements in the field of innovation," said Anoop Gupta (Microsoft Corporate Vice President, Technology Policy and Strategy), "I am very pleased to attend Innovation Japan."

Before the announcement of the winners of Microsoft Innovation Award 2007, Anoop Gupta (Microsoft Corporate Vice President, Technology Policy and Strategy), gave a special lecture. He expressed his admiration of Japan's achievement in innovation, and emphasized the growing necessity to accelerate innovation in various fields including the IT industry. Gupta illustrated some on-going projects, and demonstrated that a number of research studies are being conducted in the field of healthcare, education, and the environment.

Besides his belief in the need to enhance Microsoft's partnership with Japanese researchers, another important element Gupta noted was the enhancement of the alliance between academia, business, and government. Gupta promised that Microsoft would continue to support activities for innovations in Japan by making investments through Microsoft Innovation Center and Microsoft Institute for Japanese Academic Research Collaboration (IJARC).

The Winners of Microsoft Innovation Award 2007

Following Gupta's special lecture, the winners of Microsoft Innovation Award 2007 were announced.

At the awards ceremony, Shunichi Kajisa (CIO, Microsoft Co. Ltd., Japan) and Kumi Fujisawa (Vice President, Thinktank SophiaBank), who is also familiar with the academia-business alliance and IT ventures, served as the masters of



“I would like to enhance our partnership with researchers in Japan who have a great history and achievements in innovation.”

Anoop Gupta
Microsoft Corporate Vice President,
Technology Policy and Strategy

ceremony. Among ten companies nominated for Best Commercial Business and six organizations for Best Academic Research, the winners were announced for each award.

Microsoft Innovation Award 2007
Best Commercial Business Award

Lunandscape Co., Ltd. – Laser Pointer Presentation Assist System Afterglow



In his honor speech, Hidekazu Kondo (President & CEO, Lunandscape Co., Ltd.) in his cool-biz fashion said, “I never imagined we would win the best award.” Anoop Gupta honored him with the award and a prize of one million yen (approx. US\$8,600).

Afterglow is a UI innovation tool using a

laser pointer. In a presentation using Afterglow, the presenter, using a laser pointer can, in addition to operating the PC, not only point at the screen, but also draw pictures and write text directly onto the presentation screen in the same fashion the mouse does.

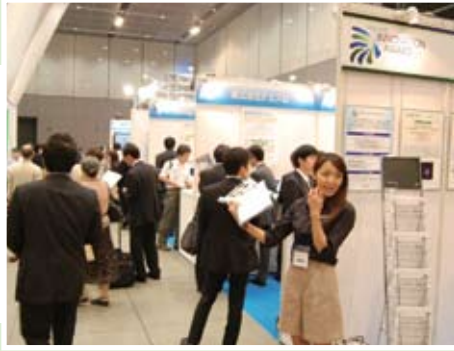
“We started our development with the belief to change Computer Science with Japanese technology,” said Hidekazu Kondo, President & CEO, Lunandscape Co., Ltd., “With this award, we would like to bring innovation to the field of presentation all over the world.”

Microsoft Innovation Award 2007
Best Academic Research Award

Takahiro Katagiri, Information Technology Center, The University of Tokyo: Auto-tuning of MS-MPI Implementation for Numerical Libraries on Windows Compute Cluster Server



Although surprised, Takahiro Katagiri (Information Technology Center, The University of Tokyo) said, “It is difficult to expect the



general public to understand our research study because our field is like 'air' to them". The panel of judges acknowledged his research in auto tuning would have great meaning in growing fields like grid computing.

"I am a student of computer science focusing on auto tuning software in parallel processing," the winner Katagiri said, "I would be glad if the importance of my research study is acknowledged by a wider audience".

"Each nominee had great features and it was a difficult task to make a final selection," Shunichi Kajisa (CIO, Microsoft Co. Ltd., Japan) summarized the result of Microsoft Innovation Award 2007. Ten final nominees for Best Commercial Business Award had been elected from a number of applicants. Because each one of them had the potential to be a great commercial business, it was very difficult to choose the single best winner. For Best Academic Research Award, it has been two years since the full-scale academia-business alliance project started. The researches of each nominee are essential for the future IT industry.

"Among a number of nominees for the Awards," Shunichi Kajisa (CIO, Microsoft Co. Ltd., Japan) continued, "we chose a solution and a research study with high potential for the future growth that we expect to be introduced to the world market. The mission of Microsoft is to support all businesses. We expect the award winning company and organization to be world-class solution providers, bringing innovations to



“With this Best Commercial Business Award, we would like to change the world of computer science with Japanese technology.”

Hidekazu Kondo
President & CEO, Lunascape Co., Ltd.

various businesses.”

Microsoft Booth that Called Attention to Innovative Ideas and Advanced Technologies

At Innovation Japan 2007, the companies and research institutions Microsoft supports had presentation booths. A lot of visitors stopped by at these booths, including those of Microsoft Innovation Award 2007 nominees, between lectures and at break time, listening to their presentations with high interest.

In the main theater, a demonstration was held of Microsoft Innovation Award 2007 Best Commercial Business Award. The ten nominee companies demonstrated their nominated solutions on a large screen in front of a large audience.



Demonstrating Microsoft's contribution to Innovation to 44,160 Visitors (Total Man-Days)

During the three days between September 12th and 14th, 44,160 visitors (total man-day) visited Innovation Japan 2007.

Participating as a sponsor company, Microsoft had a number of demonstration booths including those of Microsoft Innovation Center, Microsoft Research, Imagine Cup, and Microsoft Innovation Award 2007 nominee solutions, demonstrating Microsoft's contribution to innovation to these visitors. Over 1,600 responses were collected from the visitors for the survey Microsoft conducted. The demonstration of Microsoft Innovation Award 2007 Best Commercial Business Award attracted so much attention from the visitors that all the seats in the main theater were fully occupied and some audience members saw the demonstration standing up. The venture companies with the nominee solutions thanked the organizers for this opportunity to introduce their solutions to a large audience.

- "I exchanged business cards with 223 visitors during these three days. Many visitors praised our solutions as great or innovative, and we had a very successful experience. This experience will energize our marketing activities from now on. We are really thankful for this opportunity." (Microsoft Innovation Award 2007 Best Award Winner, Company A).
- "We appreciate this opportunity to demonstrate our solution to a lot of visitors during these three days at our booth, IT venture solution presentation, and the demonstration at the main theater. We had a business opportunity right away at the event, and it made us realize the effect of Microsoft's marketing support." (Microsoft Innovation Award 2007 Best Award Winner, Company B).

As part of Innovation Japan, a panel discussion titled "Equation to Turning a Venture into a Global Company" had a large audience. It focused on not only the effort for innovation, but also to venture companies' activities. A panel discussion was held by Kazuhisa Hirayama (Bureau Chief, ANIA: All Nippon Information Industry Association Federation), Kanetaka Maki (Manager, Keio SIV Entrepreneur Laboratory), Kenji Hiranabe (CEO, Change Vision, Inc.), Ikuyo Yoshida (Yoshida Ikuyo honpo), and Yasuyuki Suzuki (Department Chief, Industry and Labor Department, Saitama Prefectural Government), discussing the nature of venture business and how to open up the way to the world market.



Microsoft offered the following programs during the event.

Special Lecture

- *Challenge to Innovation: Academia-Business Alliance Accelerates IT*, Thursday, September 13th

Microsoft Innovation Showcase

- *Case Studies: Creation of Innovation and Research Studies*, Thursday, September 13th
- *Harnessing Young Energy in Research & Development through Internships*, Thursday, September 13th
- *Equation to Turning a Venture into a Global Company*, Thursday, September 13th
- *The Latest Derivative System and Super Computer: Challenge to Top 500*, Thursday, September 13th
- *Innovation at Microsoft Research: Report from Beijing*, Thursday, September 13th
- *Microsoft's Academia-Business Alliance and Innovation*, Friday, September 14th
- *IT Venture Solution Demonstration*, Wednesday, September 12th

Main Theater

- *Microsoft Innovation Center: Bayan Digital Archival Project*, Wednesday, September 12th
- *Imagine Cup: Student Technology Competition*, Wednesday, September 12th – Friday, September 14th
- *Microsoft Innovation Award 2007 Best Commercial Business Award Demonstration*, Thursday, September 13th
- *IP License Briefing Session*, Thursday, September 13th
- *Microsoft Special Session*, Friday, September 14th



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Microsoft Innovation Center Report 2007-2008 vol.5

Sapporo Innovation Day – Encouraging Local IT Companies to Join Sapporo Innovation Center & Demonstrating the latest Microsoft technology

October 22, 2007,

Sapporo Electronics Center

Working with Microsoft Co. Ltd., Japan, the City of Sapporo and Sapporo Electronics and Industries Cultivation Foundation established Sapporo Innovation Center in the Sapporo Electronics Center (Atsubetsu Ward, Sapporo, Hokkaido) in July 2007. The center is designed to provide local IT companies with training, technological information, and migration tools, as well as marketing support with a global viewpoint. Sapporo Innovation Day, an event to introduce the facility and promote its programs, was held on October 22, 2007.

At the event, Fumio Ueda (Mayor, City of Sapporo) and Darren Huston (President & CEO, Microsoft Co. Ltd., Japan) had a press open meeting. They evaluated each other's efforts to vitalize the local IT industry and talked about future opportunities.

A Press-Open Meeting of City of Sapporo and Microsoft Co. Ltd., Japan

It was the second occasion that Mayor Ueda and Darren Huston had a direct discussion since their first meeting in July, 2007. Tomokatsu Fukui (Director General, General Affairs Bureau, City of Sapporo) and Yasutoshi Magara (Senior Managing Executive Officer, General Manager, J-Life, Microsoft Co. Ltd., Japan) also joined this discussion session. Mayor Ueda and Darren Huston celebrated the opening of Sapporo

Innovation Center and reported their current activities to each other, and they talked about potential opportunities in the future.

Sapporo Innovation Day – Fruit of Each Other's Approaches to Support the IT Industry and Recent Activities

"I appreciate your cooperation in this event," said Mayor Ueda to start the discussion, "We are very pleased to have Microsoft Evangelists as lecturers in today's sessions, as well as other Microsoft representatives." Darren Huston replied "I am also very pleased to have been able to help you," the City of Sapporo and Microsoft have long recognized each other's activities and successfully established a strong relationship of mutual trust.

The previous meeting of Mayor Ueda and Darren Huston led to these two parties' cooperation to establish Sapporo Innovation Center.



"Since we learned about the concept of Microsoft Innovation Center in June last year," said Mayor Ueda, "We had a series of discussions

and announced the establishment of Sapporo Innovation Center in this Sapporo Electronics Center in June 2007. This Sapporo Innovation Day offers some workshops on a variety of themes, and all of them present valuable lectures closely related to the activities of the City of Sapporo.”

Microsoft established Microsoft Innovation Center in Chofu Technology Center in November 2006. Microsoft Innovation Center, targeting the IT industry and IT engineers in Japan, has been successful in achieving satisfactory results in supporting software product development and human resource development.

“We are very pleased to have a local alliance center in such a nice modern building like this to work with Microsoft Innovation Center in Chofu, and it was far earlier than we initially expected,” replied Darren Huston, “We thank the City of Sapporo and Sapporo Electronics and Industries Cultivation Foundation for all their hard work and effort.”

Foster Human Resources that Bring a Breakthrough to the Local IT industry

Both the City of Sapporo and Microsoft agreed it is very important to foster human resources in the IT industry. Because, as Mayor Ueda notes, “the IT industry is constantly looking for skilled workers. In Sapporo, too, the lack of such human resources was a serious issue.” The City of Sapporo has conducted its IT Human Resource Employment Program for three years with support from the Ministry of Health, Labour and



“In IT Human Resource Employment Program, we offered training sessions to a total of 284 participants in three months.”

Tomokatsu Fukui
Director General, General Affairs Bureau,
City of Sapporo

Welfare.

“Today, Sapporo Innovation Center offers advanced sessions such as embedded software development and security-related lectures, in addition to its primary programs with elementary-level training,” explained Tomokatsu Fukui (Director, Economic Affairs Bureau, City of Sapporo), “In the last three months, the center offered training sessions to a total of 284 participants.”

The representatives from Microsoft were surprised with the fact that the City of Sapporo offers training sessions to approximately 100 participants every month. The City of Sapporo’s IT Human Resource Employment Program targets not only IT professionals but also those without any experience in the IT industry. The program is designed to encourage employment by dispatching trainees through collective trainings.

“Microsoft has provided the City of Sapporo with support for Microsoft technology-related programs for three years,” said Yasutoshi Magara (Corporate Officer, Executive Managing Director, Microsoft Co. Ltd., Japan), “From the aspect that it reduces the cost of human resource development in the local IT industry,



we consider it is a very valuable program that impacts not only on training but also employment.

In the last two years, 120 engineers studied Microsoft technology in this IT Human Resource Employment Program. Out of these 120 engineers, 58 found jobs at local companies. In addition, 102 graduates obtained MCA (Microsoft Certified Associate) and 52 acquired MCP (Microsoft Certified Professional).

Providing local IT Companies with a Visual Measure for Their Technological Skills

As Darren Huston said "In order to improve the value of IT engineers, Microsoft has organized its certification program in a systematic way so that their value can be understood easily," the certificate program is a useful method to measure the value of IT engineers.

"The City of Sapporo also promotes visual measure of IT companies," commented Mayor Ueda, "We have Sapporo Corporate Information Center present a visual measure based on Sapporo Information Technology Skills Standard (STSS) to provide the companies with such information."

Sapporo Corporation Information Center offers a Web-based skill assessment for the IT engineers of registered member companies. The data about the skills of these workers at each member company is recorded in a database and disclosed to help vitalization of the local IT industry by providing the businesses not only in

the local area but also in metropolitan areas with a way to find and work with the IT companies in Sapporo.

"In the metropolitan areas, too, there is a lack of IT engineers who are familiar to .NET technology," noted Yasutoshi Magara (Corporate Officer, Executive Managing Director, Microsoft Co. Ltd., Japan), "If it is possible to find out how many engineers familiar to .NET technology are available and what skills they have, we think the opportunities will increase where companies in metropolitan areas recognize the IT companies in Sapporo as their new partners."

Mutual Cooperation of the City of Sapporo and Microsoft to Develop Many Possibilities

In May 2007, Microsoft Co. Ltd., Japan changed its "Microsoft Hokkaido Sales Office" to "Microsoft Hokkaido Branch", moving its location to a building right next to JR Sapporo Station. This Sapporo Branch Office serves as a business location for a number of activities in the Sapporo area. Sapporo Innovation Center works with Microsoft Sapporo Branch Office to present a human resource development program.

"Currently, the primary activities at Sapporo Innovation Center are human resource development and technological verification," said Mayor Ueda, "In the future, we expect to develop new opportunities by using various resources including Microsoft technology and its business network. The IT companies in Sapporo



will acquire Microsoft technology at Sapporo Innovation Center to develop new products. If excellent technology or products are created in the future, we expect they would be introduced to Microsoft partners all over the world. We hope to establish a new style of support model for the local industries, by expanding our human resources and technological verification programs to actual business opportunities.”

Microsoft honors venture companies with Microsoft technology-based creative solutions that bring innovations with Microsoft Innovation Award Commercial Business Award. As Microsoft will provide support in marketing for the award-winning solutions not only at various events in Japan but also to the world market, this award implies a potential world-wide business opportunity.

“We provide opportunities to recruit and honor outstanding IT venture companies from all over Japan,” says Darren Huston, “For those outstanding IT companies, we would provide business opportunities through our global network.”

Sapporo Innovation Day Appealed to Many Local IT Engineers

Sapporo Innovation Day was held at Sapporo Electronics Center.

“The City of Sapporo aims at achieving sales of one trillion Japanese Yen in the IT-related industries by 2015” said Mayor Ueda at his speech, “The name of Sapporo Valley is now widely known. I think it proves the local



“For those outstanding IT companies, we would provide business opportunities through our global network.”

Darren Huston
President & CEO, Microsoft Co. Ltd., Japan

government’s efforts and the local IT companies’ challenges to innovation.”

The conference started with Mayor Ueda’s opening speech. He promised the large audience from the local IT industry that the City of Sapporo will position Sapporo Innovation Center and Sapporo Corporate Information Center as the pivotal bases to promote the vitalization of the local IT industry. Ueda encouraged the audience to attend the workshop sessions on that day to learn about the latest IT technologies and how to apply them to future business operation.

From co-host Microsoft, Darren Huston also gave a greeting and a number of Evangelists from the industry’s front line presented a wide range of workshop sessions with demonstrations to introduce the latest Microsoft technology and discussed how to apply it to real-world scenarios.



Sapporo Innovation Day – Summary Report

Lecturers from Microsoft offered the following technical workshop sessions. A number of local IT engineers visited Sapporo Electronics Center to learn about the latest technologies and solutions.

Introduction to Microsoft Innovation Center and Its Case Studies

Lecturer: Nobuaki Nagai, Senior Manager, Business Incubation (LSE), Microsoft Co. Ltd., Japan

Session Description: This session introduced Microsoft Innovation Center, an alliance facility of Sapporo Innovation Center, and solutions from the Microsoft Innovation Award Best Award winning companies.

Employment Seminar: IT Industry Revisited

Lecturer: Tatsuhiko Tanaka, Manager, Academic Evangelist, Microsoft Co. Ltd., Japan

Session Description: This session discussed the latest technologies required to work in the IT industry, including cutting-edge technologies in the research labs. In this session, with the HR department staff from some companies in Sapporo, the audience learned about the skills the companies actually look for in employees.

Application Platform Program for Software Development Companies

Lecturer: Akiko Yamazaki, NEC Learning Ltd.

Session Description: This session discussed the latest Microsoft technology, including Windows Vista, SQL Server 2005, Visual Basic 2005, with demonstrations of migration points, tools, and techniques.



Microsoft Technology for Web Designers and Web Developers

Lecturer: Shinobu Takahashi, Developer Evangelist, Microsoft Co. Ltd., Japan and Osamu Monoe, Developer Evangelist, Microsoft Co. Ltd., Japan

Session Description: This session demonstrated the new technologies that brought innovations to the Web creation industry, including Microsoft Silverlight, Windows Presentation Foundation, and AJAX-enabled Web sites.

Information Infrastructure Building: Practical Program for IT Administrators

Lecturer: Osamu Takazoe, IT Pro Evangelist, Microsoft Co. Ltd., Japan

Session Description: Targeting those in charge of building corporate infrastructure for communication and information sharing, this session demonstrated a step-by-step procedure to build the latest Microsoft information infrastructure.

Program for Embedded Software Engineers

Lecturer: Hiroshi Ota, Embedded Developer Evangelist, Microsoft Co. Ltd., Japan

Session Description: This session discussed Microsoft development platform for embedded software, including Robotics Studio, Windows Embedded CE 6.0, and Software Factories Initiative for Embedded.



Reports

Microsoft Innovation Center Report 2007-2008 vol.6

*Developing Technological Seeds into Global Markets — wipse IT Venture
Community Promises to Support Technology-Oriented IT Ventures*

November 9, 2007,

Versar Jinbocho 3F Seminar Room

In November 2007, wipse (Windows + Services Consortium), aimed at the proliferation and promotion of the new generation of user experience where Windows platform and services integrate, established IT Venture Community to support technology-oriented IT venture companies.

23 companies joined IT Venture Community. To announce its establishment, a kick-off seminar was held. As a member of the wipse governing board, Microsoft Co., Ltd., Japan sent lecturers for two technical sessions. In addition to these lecturers, Nobuaki Nagai (Senior Manager, Business Incubation (LSE), Developer & Platform Evangelism, Microsoft Co., Ltd., Japan) has taken on the role of Community Lead for IT Venture Community.

wipse: New Consortium for the New Generation of Developers Integrating Windows Platform and Services

With almost all the seats filled (100 max) with participants, wipse Chairman Akira Matsukura (President, Tosho Computer Systems Co., Ltd.) made an opening speech to start IT Venture Community's kick-off seminar.

A series of consortium activities pertaining to the Windows platform has been actively conducted in Japan since 1990, the year when Windows 3.0 was released.

"Windows Consortium, the predecessor

of wipse, was established as an institution to promote Windows," said Matsukura, "by studying how to process the development tasks in those days' shift from MS-DOS to Windows.

After Windows Consortium closed its 12-year-activity, .NET Business Forum was established, with the introduction of .NET Framework, in order to operate businesses with partner collaboration as well as to promote product-basis development.

Succeeding these two historical assets, wipse (Windows + Services Consortium) started its activities this fall. As Chairman Matsukura says "The objective in the Community's activities is to operate es that enable collaboration across the fields of PC, Web and mobile phones," wipse is a community intended to proliferate and promote the new generation of user experience where the Windows platform and services integrate. It now has four internal committees: OpenXML, Windows Live API, Silverlight and WSSRA (Windows Server System Reference Architecture). These committees will serve to introduce new technologies, research and development and to perform various demonstration experiments.

"37 years ago, I myself was one of three young people to start a venture business," Matsukura welcomed the participants, "I recall those days as I see your faces and listen to your stories at this kick-off seminar, and meanwhile I feel a strong sense of responsibility to provide you with support."



Community Enabling Effective Communication and Collaboration among Members

Microsoft joins wipse as a member of the operation board. Microsoft has some chairpersons on the committees, and Nobuaki Nagai (Senior Manager, Business Incubation (LSE), Developer & Platform Evangelism, Microsoft Co., Ltd., Japan) is in charge of the role of Community Lead for IT Venture Community.

"As a part of its corporate citizenship program, Microsoft has an active program to support IT ventures," said Nagai. "Our objective is to provide support that leads to economic growth via the software industry. We would like to provide you with support while examining what support Microsoft can provide in order for you to develop new software and to introduce your software to the commercial businesses and subsequently to global markets."

Microsoft considers one of its roles is to grow the technological seeds IT ventures have into successful global businesses. Microsoft Innovation Center provides a variety of programs, as Microsoft is committed to supporting its partner companies that develop software based on Windows platform. In addition, Microsoft provides marketing support to the companies planning to expand their businesses to global markets by utilizing Microsoft's network.

Microsoft joined wipse because it expects to see improvements in user experience by not only introducing new Windows



"37 years ago, I was one of three young people starting a venture company. Your stories remind me of those days and make me want to actively support your efforts."

Akira Matsukura
Chairman, wipse; President,
Toshi Computer Systems Co., Ltd.

platform but also integrating services from the partner companies. Nagai, Community Lead, emphasized "effective communication and collaboration among the members" as an essential element for this Community to generate new businesses.

"IT Venture Community has a wide range of member companies," said Nagai, "they range from companies just established and trying to grow their brand new products into commercial businesses, to those attempting to expand their businesses to global markets. We would like to make this a Community where members with different backgrounds can actively communicate and effectively collaborate with each other."

wipse, a successor of Windows Consortium and .NET Business Forum, has a governing board consisting of a number of companies that participated in the predecessor organizations. Other press companies and venture capitals joined Community as observers to help create business opportunities.

Attractive Sessions Straight to Business

At the seminar, a special lecture was presented by Hiroya Tabuchi (President, D.C Group Ltd.;

“We will offer a wide variety of support in order to help develop your technological seeds into global markets.”

Nobuaki Nagai

Senior Manager, Business Incubation (LSE),
Developer & Platform Evangelism, Microsoft Co., Ltd., Japan



Director, Life on 3D Limited; Director, DDI Japan) who has authored a number of books. At his lecture, titled “Logics for Successful Venture Business”, Tabuchi, a Community lecturer for entrepreneur seminars, discussed the difference between successful and unsuccessful entrepreneurs.

After the lecture, the chiefs from four committees (OpenXML, Windows Live API,

Silverlight and WSSRA) introduced the latest Microsoft technologies and discussed the future direction of the Community. Windows Live API committee and Silverlight committee presented a set of sessions to discuss technologies in detail to apply them to real businesses.

The sessions below were held at IT Venture Community kick-off seminar:

wipse IT Venture Community kick-off seminar overview

Opening Speech

by Akira Matsukura (Chairman, wipse; President, Tosho Computer Systems Co., Ltd.)

Special Lecture: “Logics for Successful Venture Business – Develop Technological Seeds into Global Markets”

by Hiroya Tabuchi (Japan Branch President, DC Group, Inc.; Director, Life on 3d Limited.; Director, DDI Japan, Inc.)

Introduction to wipse IT Venture Community

by Nobuaki Nagai (Lead, wipse IT Venture Community)

Technical Session II: “Direction of Silverlight Technology and Business Opportunities

by Shotaro Suzuki (Lead, wipse Silverlight Committee)



Technical Session I: “Direction of Windows Live API Technology and Business Opportunities”

by Koji Ando (Lead, Windows Live API Committee)

Banquet

Demonstration by the winners of Microsoft Innovation Award

At the end of the meeting, a banquet for IT Venture Community members was held. Some Microsoft Innovation Award winner companies joined the Community and they demonstrated their award-winning products. With their enthusiastic demonstrations, those companies exchanged business cards with other members to expand new business opportunities.

Reports

Microsoft Innovation Center Report 2007-2008 vol.7

Microsoft Corporate Vice President Visits Lunascope Co., Ltd.

(Microsoft Innovation Award 2007 Best Commercial Business Award Winner),

Promising Support for Them to Enter Global Markets

November 9, 2007,

Lunascope Co., Ltd.



Sanjay Parthasarathy (Corporate Vice President, Developer & Platform Evangelism Group) visited Lunascope Co., Ltd. (Azabu, Minato Ward, Tokyo).

During Sanjay's visit, Hidekazu Kondo (President & CEO, Lunascope Co., Ltd) demonstrated their Microsoft Innovation Award (MIA) 2007 Best Commercial Business Award winning product Afterglow. Kondo made a variety of requests to Microsoft for its venture support programs, and discussed the possibility of collaboration with Microsoft in the future.

Afterglow: .NET-based Laser Drawing Tool to Change Presentations

Lunascope's Afterglow, MIA 2007 Best Commercial Award winning tool, is a laser drawing tool that allows users to use a laser pointer in the same way as a mouse or a pen during a projector-based presentation session.

"While projectors have undergone a technological evolution, the presenter is still

kept in front of the PC to control his/her presentation," explained Kondo. "Afterglow is an innovative presentation tool that brings a breakthrough to that type of situation. It enables the presenter to control the presentation or draw on the screen directly using a laser pointer."

Afterglow tracks the laser beam from the laser pointer with a CCD Web camera. Afterglow works with any off-the-shelf CCD Web cameras and projectors, and can track the laser beam over a screen of any size, no matter how large it may be.

As the laser pointer can be used as a pointing device, any mouse-like controls can be done with the laser pointer. Its pen functionality allows changing thickness and colors of characters, and an additional feature called the Samurai Pen enables calligraphy-brush drawings on the projector screen.

"Our objective with this tool is to demonstrate a presentation in a more effective and fun way," says Kondo. "Afterglow contains a technology that tracks the laser beam with high accuracy, so its response is really fast. Beyond the field of presentation, we expect it can be used in other fields, including the medical field in the future. I hope having won an MIA award will help us to introduce our technology to global markets."

Impressed with Innovative UI, Many Questions at the Meeting

Sanjay Parthasarathy (Corporate Vice President,



“The objective of this tool is to demonstrate a presentation in a more effective and fun way. We expect it can be used in other fields, including the medical field in the future.”

Hidekazu Kondo
President & CEO,
Lunascape Co., Ltd

Developer & Platform Evangelism Group) and other Microsoft staff were impressed with the innovative presentation with Afterglow. They asked a series of questions such as “Why does it use green laser (instead of red)?”, “Can it track the gestures and movements of a human?”, and “Can we use it to play games?”

Kondo answered each question, one by one.

For the laser beam, Kondo explained, Afterglow does work with a standard red laser beam. They recommend, however, green laser for use with Afterglow in order to prevent unexpected malfunction due to the usage of red laser beams by the large number of other people.

At the development stage, Afterglow had functionality to navigate the slides back and forth with a human gesture. Nevertheless, after Lunascape examined the behavior of first-time Afterglow users, they found that the users hardly used the gesture to control the presentation but tended to rely on the laser pointer functionality. Consequently, Lunascape decided to ship

Afterglow without the gesture functionality for the current release.

In addition, as Afterglow can perform any of the same controls that a mouse can, it can be used for game playing too. Kondo believes its performance is far higher than that of remote control devices of popular game machines.

“Such a game machine remote control has a 3-axis velocity sensor and a CMOS sensor (infrared rays),” Kondo continued. “Because the sensor bar captures the infrared ray with the CMOS sensor on the remote control, when you set the sensor bar at the back, it cannot recognize the front with satisfactory accuracy. Afterglow uses a high-definition CCD camera whose emission noise is lower than CMOS; it allows pointing and drawing operation with great accuracy. As long as you place the camera within a 45-degree angle, you can tune the camera with a single click, and it does not depend on the size of the screen.”

Active Discussion about Marketing Strategy

Currently, Afterglow is shipped with its own dedicated CCD Web camera. At an early development stage, Lunascape planned to provide software alone that would work with commercially available CCD Web cameras. They finally decided, however, to ship Afterglow with the CCD Web camera, because the hardware vendors shifted to CMOS sensors for their low production cost.

Sanjay agrees that Microsoft's USB Web cameras also have CMOS sensors in order to meet the market need for inexpensive Web cameras.

"Let's discuss what businesses we can do together," offered Sanjay "Microsoft has Microsoft Surface (commercially available in the US soon) and Xbox. Microsoft Surface has both a camera and a projector, and I see an opportunity for our collaboration. Also, a lot of vendors provide Bluetooth-compliance projectors. Implementing CCD Web cameras to those projectors should get the attention of many companies."

In addition to the CCD Web camera, Afterglow works with cameras for industrial use or other commercially available digital cameras. Acknowledging this fact, Sanjay went on to a market segmentation strategy. He suggested the marketing strategy based on the size of the target market segmentations: a set of Afterglow with a projector and an industrial camera targeting enterprises; a set with a CCD Web camera for small and mid-sized businesses; and software to work with digital cameras for consumer segments.

Promise to Introduce Lunascape to Partner Network for Global Businesses

When asked what kind of support their company was hoping for, Kondo, who is a member of the Virtual Silicon Valley committee, Ministry of Economy, Trade and Industry, explained the current situation of IT venture



"Let's discuss what businesses we can do together. We are happy to help you for our mutual success."

Sanjay Parthasarathy
Corporate Vice President, Developer & Platform Evangelism Group

companies in Japan. "It is difficult," Kondo continued, "for a venture company to operate its businesses on a global basis by itself, as its capital and human resources are quite limited." To that, Sanjay agreed to help Lunascape to establish a partner network.

"We are happy to help you," said Sanjay, "When you visit the US next spring, we will introduce you to our hardware division as well as to other divisions with good networks in the field of venture capital. In addition to our technological collaboration, I promise to support you to establish a global network of venture capital and other Microsoft partners."

Lunascape is planning to introduce its MIA 2007 Best Commercial Award winning Afterglow to the US market. Microsoft staff are excited to see, among other .NET technology-based products, what impact Afterglow will bring to the innovation of presentation UI.



Reports

Microsoft Innovation Center Report 2007-2008 vol.8

Microsoft Provided an Office Project 2007 Hands-On Program for Center for Corporate Research APITT (Advanced and Practical IT Training) at the University of the Ryukyus (Okinawa, Japan)

December 4th & 5th, 2007,

Center for Corporate Research,
University of the Ryukyus



At the University of the Ryukyus Center for Corporate Research, APITT (Advanced and Practical IT Training), that has long been participating in advanced IT human resources development, held an open lecture "Project Management Information System" as a part of its project management course. Despite weekday schedules, a large number of enthusiastic participants with their laptop PC's attended the Office Project 2007 Hands-On session provided by Microsoft in this open lecture.

APITT as an IT Training Center in Okinawa Prefecture

Center for Corporate Research at the University of the Ryukyus has coordinated a number of collaborative research studies among industry, academia, and the government since 1995. The center contributes to the local industry by serving as a hub combining the

university's knowledge and private companies' know-how, including collaborative research with local companies and rollouts of the professors' research studies. APITT (Advanced and Practical IT Training), one of its on-going collaborative programs with Naha City, Okinawa, is an advanced ICT (Information Communication Technology) human resources development curriculum that is a part of the Ministry of Education, Culture, Sports, Science and Technology.

"We have three courses: Software Development, Network Building, and Project Management (PM)," says Takeaki Toma (Researcher, APITT, Center for Corporate Research, University of the Ryukyus), "The inaugural 12 members completed the courses in 2006, and the second 10 members in 2007. Now we have 9 members who are in a 4-month curriculum. We plan to foster 90 IT technicians in these 5 years."

Using materials that are used for the PMP (Project Management Professional) certificate, those in the PM Course study the basics of project management. After the certificate exams, the students go into the practical sessions using PBL (project based learning) materials to learn how to solve on-site problems and how to use tools effectively. "Project Management Information System" offered by Microsoft was held as a practical project management course using actual software.

Innovative Changes of Okinawa Prefecture by Attracting and Supporting Information and Telecommunication Industry

"Since 1997, when Okinawa Prefecture announced its vision of Multimedia Island," said Osamu Tamaki (Associate Professor, Center for Corporative Research, University of the Ryukyus), "Okinawa has promoted the information and telecommunication industry, which has now grown to a 200 billion JPY industry with 20,000 workers." The demand for call centers and data centers is rising in Okinawa. A number of call centers including the telephone directory assistance service, support centers for PC vendors as well as help desks for in-house engineers of enterprises are now found in Okinawa.

Okinawa Prefecture has measures and policies for the software industry, and it plans to prepare for "Okinawa IT Shinryo Park Framework" (Shinryo means to bridge) from 2008 with support from the Cabinet Office. This Okinawa Shinryo Park Framework aims at promoting the information and telecommunication industry and creating jobs by attracting Japanese and foreign software development companies and BPO (Business Process Outsourcing) companies that handle the client companies' office administrative work such as general affairs and accounting, into Okinawa's designated special zone for free trade.

"We considered what our university can do in Okinawa Prefecture where the growth of the software industry was accelerated by



“We considered what our university could do in Okinawa Prefecture, where the growth of the software industry was accelerated, and we decided to start APITT”

Osamu Tamaki
Associate Professor, Center for Corporative Research,
University of the Ryukyus

attracting companies, and we decided to start APITT,” said Tamaki (Associate Professor, Center for Corporative Research, University of the Ryukyus), “We are working with a private sector group called Okinawa IT Human Resources Development Council to foster advanced IT human resources.”

Challenge of Okinawa's Information and Telecommunication Industry and Objectives of APITT

Center for Corporative Research at the University of the Ryukyus often has direct discussions with the representatives of the local information and telecommunication industry to exchange ideas.

“Every company needs more workers,” said Osamu Tamaki (Associate Professor, Center for Corporative Research, University of the Ryukyus), “In addition, they often have no extra money to invest in human resource development. Without fostering advanced IT human resources, it is impossible to establish a new business style including the offshore development that

“APITT has three objectives: to foster advanced IT human resources, to establish a regional framework for human resources development, and to establish a community for engineers.”

Osamu Tamaki

*Associate Professor, Center for Corporative Research,
University of the Ryukyus*

Okinawa Prefecture plans. In order to overcome these negative factors, it is necessary for business, academia, and the government to work together actively to establish an environment where human resources can be fostered.”

APITT has three objectives: to foster advanced IT human resources, to establish a regional framework for human resources development, and to establish a community for engineers.

“We expect that we will foster human resources with cutting-edge technology through APITT curricula,” explained Tamaki (Associate Professor, Center for Corporative Research, University of the Ryukyus), “then the graduates of APITT will teach their followers, and finally we would like to establish an engineer-centric community to improve their skills.”

A High-Demand Office Project 2007 Open Lecture

The Project Management Information System course was held not only as a part of APITT’s PM Course but also as an open lecture. As it is a good opportunity to learn the use of Office Project 2007 directly from Microsoft’s staff, a large number of participants from various companies joined the session with their laptop PC’s.

“In Okinawa Prefecture, there is a high demand for Office Project,” said Takeaki Toma (Researcher, APITT Center for Corporative Research, University of the Ryukyus), “and

a survey targeting the information and telecommunication industry showed 88% of the participants consider they need Office Project. We initially had 30 seats for this lecture, but we received far more applications in a 5-day application period.”

Office Project 2007 enables project management based on PMBOK (Project Management Body of Knowledge). At this point, Euro-American users are more aware of project management, and APITT, with its expectation to promote the awareness of project management better than other regions in Japan, accepted participants from a variety of fields including the information and telecommunication industry. Participants from a variety of industries, including information and telecommunications, education, finance, manufacturing, and utility work, attended the course.

“It is my first experience to hold such a large hands-on session,” recalls Koji Aiba (Executive Product Manager, IW Solution Marketing Group, Information Worker Business Group, Microsoft Co., Ltd., Japan), “Although some participants have never heard of terms such as PMBOK and WBS (Work Breakdown Structure), everyone eagerly listened to my explanation. I was glad to see that almost everyone could operate the product at the same level by the end of the session.”



Office Project 2007, an Ideal Tool to Acquire the Right Knowledge of Project Management

Takeaki Toma (Researcher, APITT, Center for Corporative Research, University of the Ryukyus) sees Office Project 2007 as the standard global tool for project management and as an ideal product for those who begin project management to acquire the right techniques. He explained the reason to employ Office Project 2007 as a tool for APITT's PM Course and open lectures:

"Some participants were new to terms such as WBS, but it is necessary to create a WBS for the first step to work with Office Project 2007. Also, it is troublesome to manually calculate critical paths and costs. Office Project 2007 is required to streamline the tasks of busy project managers."

Those who are new to project management can learn the right project management by using the tool, shifting from their traditional project management based on experience and guess work. On the other hand, the students in APITT PM Course with basic knowledge of project management attended the course for their PMP certificate examinations.

"For example, we often explain how to use Office Project 2007 for the customer with interests in EVM (earned value management)," noted Naoki Kato (Executive Advisor, Solution Sales Group, Business Productivity Solution Division, Project Team, Microsoft Co., Ltd., Japan), "But EVM is just one of the

measurements in project management. So, I think it is the most effective way to learn how to use Office Project 2007 after having become familiar with the basics of project management as APITT members did."

Accelerate Innovation with Microsoft Products

Center for Corporative Research at the University of the Ryukyus will continue to contribute to the local region actively through human resource development like APITT and other collaborative research between industry, academia, and the government.

Takeaki Toma (Researcher, APITT, Center for Corporative Research, University of the Ryukyus), who studied hereditary algorithm in his college days, explained the development merits in using Microsoft products, showing a Package software "@RISK" as an example for an Office Excel 2007 add-in that enables simulation calculation.

"Researchers are welcoming the applied value that Office Excel 2007 has" continues Toma, "It enables the cutting-edge algorithm to add-in Microsoft Office products that helps individuals to do advanced risk analysis or optimization of resource allocation. It used to be necessary to use a host computer and a troublesome programming to do them, but today, anyone can take advantage of these powerful yet easy-to-use solutions in workplace and home. Other ideas from companies participating at our university and Center for Corporative Research suggest the potential



acceleration of the development of the products by using the Microsoft platform.”

Center for Corporative Research at the University of the Ryukyus and Microsoft

confirmed their collaborative relationship. These entities will use Microsoft Innovation Center to support human resources development and community activities in Okinawa.

Overview of Open Lecture “Project Management Information System”

On December 4th and 5th, APITT offered a hands-on session to learn project management techniques using Office Project 2007 as a part of its open lecture series. Over 50 participants in Okinawa Prefecture attended the session. Using their own laptop PC, each participant learned how to use Office Project 2007 and the basics of project management.

- Lecture Title: Project Management Information System (Office Project 2007)
- Date: December 4th and 5th, 2007
- Location: Researcher Exchange Facility 50th Anniversary Facility 1st floor, University of the Ryukyus
- Lecturers: Naoki Kato (Executive Advisor, Solution Sales Group, Business Productivity Solution Division, Project Team, Microsoft Co., Ltd., Japan) and Koji Aiba (Executive Product Manager, IW Solution Marketing Group, Information Worker Business Group, Microsoft Co., Ltd., Japan)

Feedback from the Participants

- “I attended this open lecture because I was one of the inaugural students at APITT. After understanding the tasks of project managers and detailed management methods, I can now talk to our project managers on the same basis and I can manage my own tasks much more efficiently.” - Hideki Fukumoto (IT Service Group, Information Technology Division, OCC Corporation)
- “I am one of the third members of APITT. I’ve been interested in Office Project 2007. Our business includes areas from development to manufacturing, and I would like to use this tool for our in-house project management.” – Masato Takara (Sales Group, Okinawa Intermap Co., Ltd.)

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Microsoft Innovation Center Report 2007-2008 vol.9
Interoperability Seminar from the Interoperability Program

February 25th - 26th, 2008,
Microsoft Chofu Technology Center

As a new program, Microsoft Innovation Center began offering the Interoperability Program. A free seminar, Interoperability Seminar, was held, and a hands-on session was presented with the objectives of understanding Office Open XML format and acquiring programming techniques.

New Program from Microsoft Innovation Center, Focusing On Interoperability

Microsoft Innovation Center offers various programs, aiming at promoting technological innovation and contribution to the IT industry in Japan. Interoperability program, Microsoft Innovation Center's new program, provides a wide range of support to partners developing business solutions based on Microsoft Technology to enable interoperability among various data.

With different software and services connected to each other, it is important for data exchange and interoperability to have the specifications of protocols and data format published. The Interoperability Program from Microsoft Innovation Center provides not only licenses for various protocols and data formats used for connections and communications between Microsoft software and services, including Windows Operating System (OS) and Office applications, but also environments necessary to verify interconnectivity and interoperability.

The main focus of this Interoperability Seminar was the Office Open XML format which was the newly employed file format in the 2007 Office system. A hands-on session on the basics of the Office Open XML format and development techniques in .NET environment was presented to the companies and developers that plan to develop solutions based on the highly interoperative Office Open XML format.

Hands-On Session Focuses on Practicing Tasks such as Disassembling Files for Editing

In this seminar, the participants could learn the background knowledge of the Office Open XML format, as well as its characteristics and the related development techniques through a series of practical exercises.

"I am using not only Windows OS but also other development environments in my work," says Nobutaka Kato (Controller Software Development, Office Products Business Group, Fuji Xerox Co., Ltd.), "So, I am not very interested in a session that only explains the libraries and classes used on Windows OS. This hands-on session was, on the contrary, very helpful because I could learn how to disassemble the Office Open XML format files to make a direct edit on the XML and other data.

Unlike binary format files, in the Office Open XML format, XML data, schema, and image data are compressed with ZIP compression technology. Because it uses standard technologies such as XML and ZIP, the



“I believe the seamless integration between the highly interoperative documents and our products will open up new possibilities.”

Nobutaka Kato
*Controller Software Development,
Office Products Business Group,
Fuji Xerox Co., Ltd.*

Office Open XML format makes it possible to disassemble the files to edit XML data, as well as to create electronic documents interoperable among various programs and LOB (line-of-business) applications.

“Our products are some of the first products complied to XPS (XML Paper Specification) in the industry,” notes Kato, “And we are now interested in the high interoperability of the Office Open XML format. I believe the seamless integration between the highly interoperative documents and our products will open up new possibilities.”

Developers Eager to Discover New Possibilities

The Office Open XML format is an open specification standardized by ECMA International. As it is standardized, detailed specifications are available to the public. Because the specification is over 6,000 pages long, a number of participants attended the seminar to find out how other developers are adopting this new technology.

“We have provided tools that work with Excel since Office 95,” comments Mitsutaka Uomi (Director, Advance Software Co., Ltd.), “With the release of the 2007 Office system, our products now comply with the Office Open XML format. After I examined the great volume of specifications, I decided to take this seminar because I was interested in what techniques other developers took with this new technology.”

Advance Software’s products include ExcelCreator 2007, an Excel file generation tool, and VB-Report 2007, a report generation tool that uses Excel’s design functionality. These products made an early adaptation to the Office Open XML format, as reported on the Microsoft Office Homepage.

“The key features of our products are the fast processing ability and being compact,” says Uomi, “We want to actively adopt new technologies to improve our products. If there are several possible approaches when you employ a new technology, however, you need to look for the best practices and make a decision. This kind of seminar is very helpful because I can make better decisions about my approach, by listening to other developers’ opinions as well as examining the future direction that Microsoft is taking.”

“We want to actively adopt new technologies to improve our products.”

Mitsutaka Uomi

Director, Advance Software Co., Ltd.



High Expectations for Various Application Scenarios

Hiroyuki Mori (Microsoft MVP for Development Tools – Visual C#, Microsoft Co. Ltd., Japan), the lecturer at the Interoperability Seminar, sees the Office Open XML format as a file format with great utility value.

Because its license and specifications are published, Office Open XML is a file format that can be easily deployed to a wide range of solutions. Traditionally, PDF and XPS are used for electronic documents. The Office Open XML format widened the possibilities of electronic documents. The users also get merits from it, being able to reuse the data by migrating data

created and stored by Word and Excel.

With high interest in the possibilities of the Office Open XML format, all the participants completed the two-day seminar and learned the basic knowledge and development techniques necessary to make the best use of the Office Open XML specification.

“I expect many solutions will come out to realize a variety of application scenarios,” says Mori, “by importing data from some external data sources into an Office document to use it as an electronic document. I expect this seminar helped the participants recognize the wide possibilities of the Office Open XML format and gave them clues to achieve interesting application solutions.”

Overview of Interoperability Seminar, Part of Interoperability Program

- Seminar Title: Microsoft Innovation Center Interoperability Seminar
- Date: February 25th and 26th, 2008
- Location: Microsoft Chofu Technology Center
- Lecturer: Hiroyuki Mori, Microsoft MVP for Development Tools – Visual C#, Microsoft Co. Ltd., Japan



This free, two-day seminar introduced the Office Open XML format that was newly introduced in the 2007 Office system and demonstrated the related development techniques using Visual Studio 2008. The participants learned the data structure of the Office Open XML format and acquired the knowledge and skills required to read and write files through a series of hands-on sessions.

On the last day of the seminar, a fellowship banquet among the participants was held at Microsoft Chofu Technology Center. The lecturer, Microsoft Innovation Center staff, and the participants exchanged their opinions on various topics.

Reports

Microsoft Innovation Center Report 2007-2008 vol.10 Institute of Building SOA Components and Assembly in Distributed Development Environment (NPO) Established: Microsoft Innovation Center Offers Support for Human Resources Development

March 26th, 2008,

ANA Intercontinental Tokyo, Prism



On March 1st, 2008, the Institute of Building SOA Components and Assembly in Distributed Development Environment was established. On March 26th, a press conference was held to explain the objectives of the organization, details of its activities, and its future plans. From Microsoft, Nobuya Ichihashi (Director, Developer Business Division, Developer & Platform Evangelism, Microsoft Co. Ltd, Japan) attended the conference, confirming Microsoft would offer overall support through the Gifu Innovation Center, including support for human resources development and facility offering as well as marketing support.

Leveraging .NET Technology to Promote SOA Model-Based Software Development

The Institute of Building SOA Components and Assembly in Distributed Development Environment is a Non-Profit Organization (NPO), located at Softopia in Gifu Prefecture, whose

objective is to promote software development based on the SOA (Service Oriented Architecture) model utilizing .NET technology. The NPO announced that its activities will focus on three project divisions: human resources development, entrusted development, and research and development.

“In the manufacturing industry, for example,” notes Toshiaki Yokoyama (Head Commissioner, Institute of Building SOA Components and Assembly in Distributed Development Environment), “vendors who manufacture parts are recognized as ‘parts vendors’, and many of them have achieved high reputations. In the IT industry, however, the equivalent subcontract companies have been only providing human resources rather than producing actual products of their own. In addition, there is a serious lack of engineers specialized in the upper-stream process in local regions in Japan. In order to improve this situation, it is really important to establish new software production technologies.

The establishment of software production technologies, proposed by the Institute of Building SOA Components and Assembly in Distributed Development Environment, suggests the realization of the distributed development environment in Japan by adopting SOA model based software development. According to Head Commissioner Yokoyama, it is important in the distributed development environment to foster companies and software engineers capable of developing high-quality parts (components) in order for the local IT companies to receive as



“In order for IT companies to receive as high a reputation as the parts vendors in the manufacturing industry enjoy, it is really important to establish new software production technologies.”

Toshiaki Yokoyama
 Head Commissioner, Institute of Building SOA Components and Assembly in Distributed Development Environment

high a reputation as the parts vendors in the manufacturing industry enjoy.

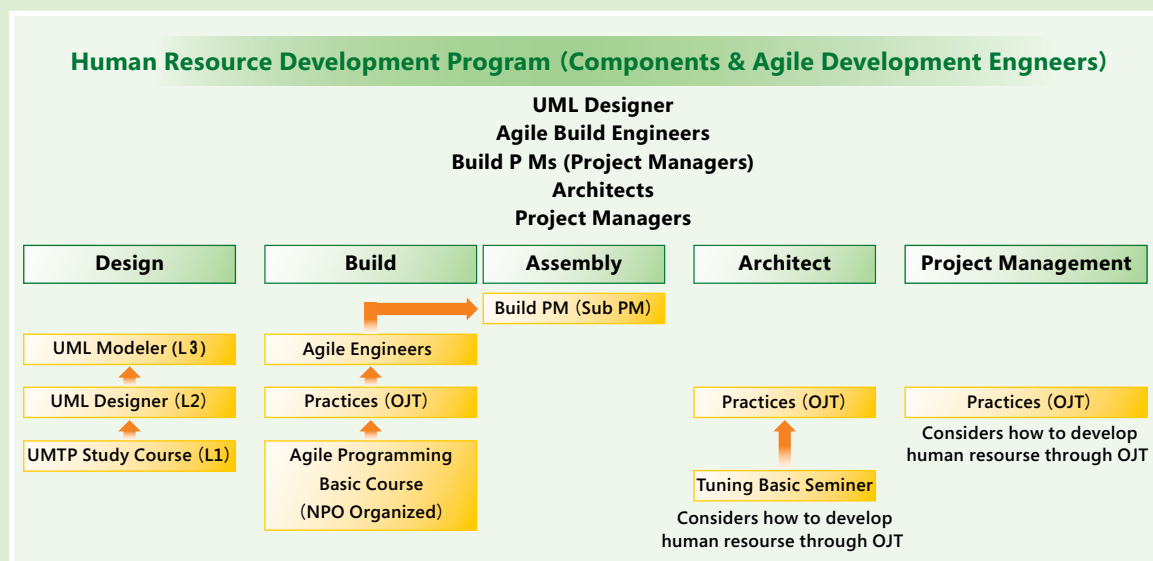
Unique Organization Structure Emphasizing Practice as a Virtual Company

“The reason we established this organization as an NPO rather than a commercial organization”, says Kouichirou Toda (Commissioner, Institute of Building SOA Components and Assembly in Distributed Development Environment), “was because it was the most flexible organization structure for fostering human resources emphasizing practices”

The NPO’s Human Resources Development division, whose aim is to foster software engineers capable of designing and developing SOA components as well as repetitive agile development, will start courses for UML

designers and agile build engineers in March. The organization plans to offer other courses based on OJT (On-the-Job-Training) for system architects and project managers.

“In OJT,” suggests Commissioner Toda, “the trainees will experience SOA model-based software development as a practical task. The knowledge they acquire through the task can





“The Institute of Building SOA Components and Assembly in Distributed Development Environment would be a key site of software production technologies.”

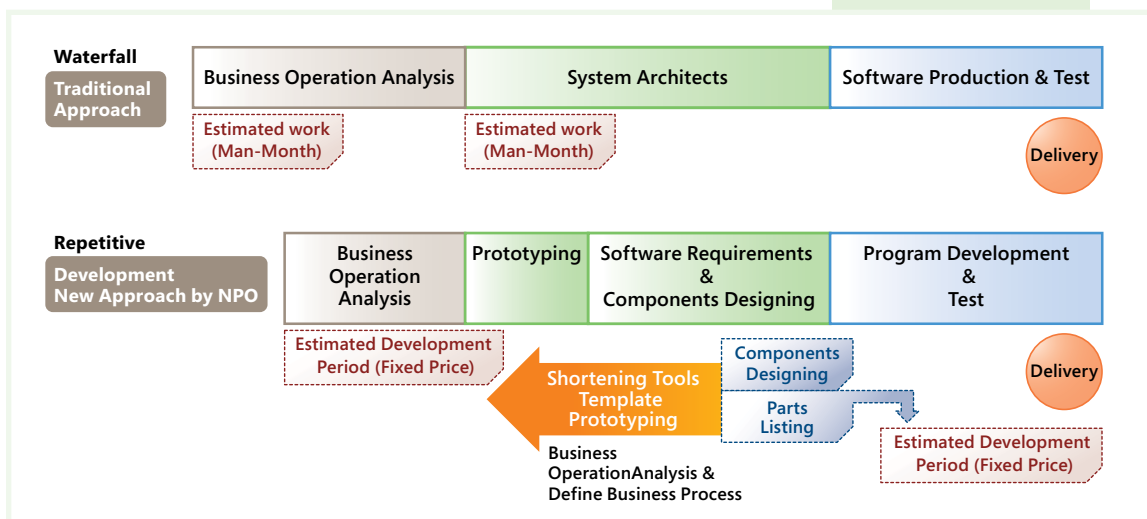
Kouichirou Toda
 Commissioner, Institute of Building SOA
 Components and Assembly in Distributed
 Development Environment

virtual company, and we have some personnel in the Entrusted Development division who negotiate with companies for entrusted contracts, and as a result, we have some jobs already in action. So, an NPO was an ideal structure to establish a flexible organization.”

Working Towards the Establishment of Software Production Technologies Based on Japan's Traditional Manufacturing Technologies

be used in their own jobs at their companies. Our Entrusted Development division will be entrusted with jobs as useful training materials for our OJT program. The Institute of Building SOA Components and Assembly in Distributed Development Environment can be considered a

In Gifu Prefecture, over 80% of the IT industry is shared by small- and mid-sized companies with capitals of less than 50 million JPY (approx. US\$500,000), and 80% of which are more or less subcontractors. In addition, the percentage of those employees who are system engineers is lower than the national



“We hope the trainees will make the best use of the knowledge they acquired through the practices in our OJT program in their own jobs.”

Kouichirou Toda
Commissioner,

Institute of Building SOA Components
and Assembly in Distributed Development Environment

average; many companies are subcontractors' of other subcontractors. In addition, some companies are sending jobs overseas for off-shore development. Commissioner Toda says "It reminds me of the manufacturing industry back in the late 1970's."

"In the manufacturing industry," continues Commissioner Toda, "while the volume of overseas production is increasing because of its lower cost, there are a good number of companies who have successfully established their status as parts vendors. The reason for such a high reputation was due to their technology and quality. In the IT industry, I think we should revisit these attitudes for manufacturing, or production."

The establishment of software production technologies, proposed by the Institute of Building SOA Components and Assembly in Distributed Development Environment, suggests the industry should fulfill the demands for lower cost and a shorter delivery period through repetitive and distributed development based on SOA components, rather than by lower wages and the sheer force of numbers. By utilizing .NET technology based components as parts, the NPO decreased the number of processes in their system development. With their Research and Development division, one of their three project pillars, the organization conducts a variety of research and development, including the templates for business operation

analysis, development assistance tools, and quality management guidelines.

"In an environment where software development based on the SOA model is established," concludes Commissioner Toda, "design and production are fully separated. As we have architects and builders in the construction industry, an IT company with system architects can be equivalent to an architectural design office. If we are successful in being the first organization to establish the SOA model development, Institute of Building SOA Components and Assembly in Distributed Development Environment would be a key site of software production technologies.

Microsoft, an Ally for the Promotion of the Status of Software Engineers

Gifu Prefecture has Gifu Innovation Center, an alliance organization of Microsoft Innovation Center, which provides support for human resources development and also provides various facilities. Microsoft Innovation Center will provide support to the Institute of Building SOA Components and Assembly in Distributed Development Environment through its alliance with Gifu Innovation Center.

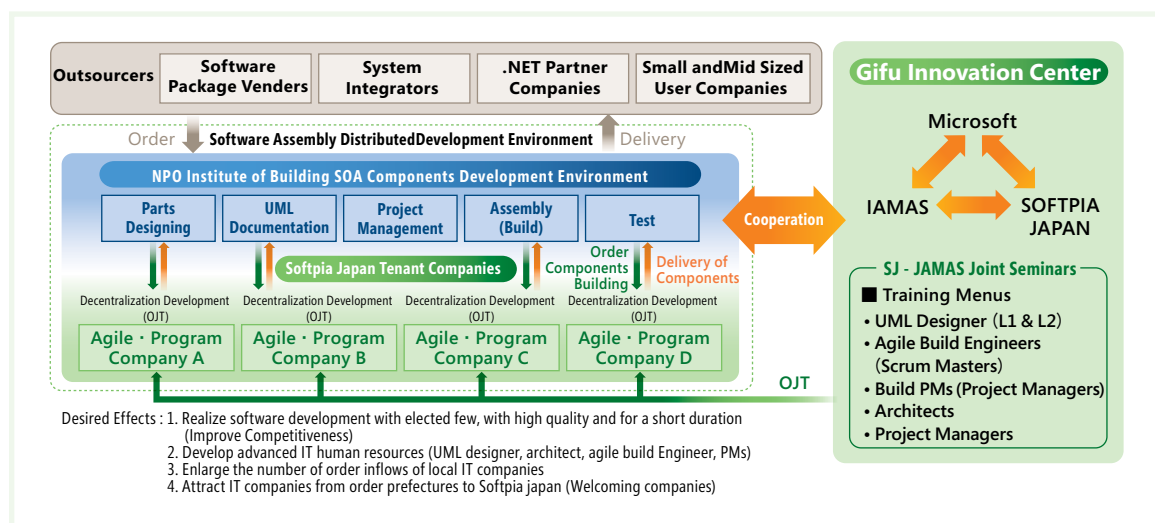
"As our 'Power to the Pro' suggests", says Ichihashi, "Microsoft is now enhancing its support for engineers engaged in software development, and we feel the same about the establishment of software production

technologies suggested by the Institute of Building SOA Components and Assembly in Distributed Development Environment. Microsoft will provide a variety of resources so that they can make the most of .NET technology for their SOA model based software development."

In particular, Microsoft will offer support in three areas: human resources development at Gifu Innovation Center, worldwide technical information, and marketing through expanding the .NET technology market. For the resources not yet available in Japanese, Microsoft is considering localizing them as needed.

"Institute of Building SOA Components

and Assembly in Distributed Development Environment aims to revolutionize the software development environment and promote the status of the engineers, not only in Gifu area but also nationwide," continues Ichihashi, "Microsoft has long provided support to software engineers through our tools and information, and we believe we can help revolutionize the production front through our alliance with Institute of Building SOA Components and Assembly in Distributed Development Environment."



Reports

Microsoft Innovation Center Report 2007-2008 vol.11 2008 Microsoft IT Venture Support Program and 2008 Microsoft Incubation Program Now in Action

March 26th, 2008

Microsoft Chofu Technology Center

In January, 2008, Microsoft IT Venture Support Program and 2008 Microsoft Incubation Program started. With cooperation from local governments and IT associations in various regions in Japan, Microsoft will offer technology and marketing support to the selected partner companies for a period of one year.

On March 26th, Partner Meeting 2008 was held for the selected partner companies. At the meeting, a presentation was given to explain the programs' details, introducing Microsoft Innovation Center and Microsoft Partner Programs, and the selected partner companies received their program certifications.



2008 Microsoft IT Venture Support Program and Microsoft Incubation Program Selected Partner Companies

The table below shows the list of the selected and semi selected partner companies of 2008 Microsoft IT Venture Support Program and 2008 Microsoft Incubation Program.

Microsoft IT Venture Support Program	
Prefecture	Company (President)
Selected Partners	
Fukui	• Kamata Co., Ltd. (Yoshihide Kamata) • Programming Fast Inc. (Akira Matsumoto)
Aichi	• Com Technology Institute (Eiji Ishikawa) • STEPWISE INC. (Makoto Hasegawa) • MAGICTUBE (Makoto Mukai)
Hiroshima	• NEXTVISION Co.,Ltd (Takeo Arima)
Kagawa	• ENOVATE INC. (Yoshiro Miyamoto) • ACESYSTEM Co.,Ltd. (Takeshi Kono)
Semi-Selected Partners	
Fukui	• infoNet inc. (Noboru Kishida) • SBsystem corporation (Kazuyoshi Isoda)
Aichi	• FORMSOFT (Kazuhiro Fujita)
Hiroshima	• RIMAC Co.,Ltd. (Nobuo Kawabuchi)
Kagawa	• M·E·TEC Co., Ltd. (Hirofumi Maeda)

Microsoft Incubation Program	
Prefecture	Company (President)
Selected Partners	
Hokkaido	• NextWave CO.,LTD (Katsuyoshi Kutsuzawa)
Saitama	• Open Community Co.,Ltd. (Hitoshi Oide) • NEWCOM CORPORATION (Yasushi Sakaguchi) • ManaBing Co., Ltd. (Tsuneharu Saito)
Chiba	• SystemExe Co.,Ltd. (Katsuyasu Sato) • Global Communication Planning Co.,Ltd. (Tetsuji Kaneko) • SOFTPLANNER.CO.,LTD. (Satoshi Ikeda) • Technical Brains Co.,LTD. (Kaoru Sugawara)
Kanagawa	• Mebius Corporation (Jun Sakamoto) • Minority Lab. Co.,Ltd. (Koichi Shinoda) • LoiLo Co., Ltd. (Koji Sugiyama)
Semi-Selected Partners	
Saitama	• Adisteria Co., Ltd. (Junko Kato) • ENEX Corp. (Yutaka Akagi) • MSK, Inc. (Misako Takatsuka) • Jesse Co., Ltd. (Masato Inoue) • media5 Corporation (Kentaro Kitahabatake) • Mobile 1 Technology Co., Ltd. (Shinichiro Fujii)

Continuous Support for Great Evolution

"These beautiful cherry blossoms seem to be celebrating you all," Shunichi Kajisa (CTO, Microsoft Co. Ltd., Japan), said to honor the representatives of the selected partner companies in Microsoft IT Venture Support Program and Microsoft Incubation Program.

Kajisa introduced his favorite poem line "Rather than flowers, the soil for the flowers, you should be". Microsoft is a company providing the platforms. He said Microsoft would like the selected partner companies in these programs to grow big flowers utilizing Microsoft products and technologies.

"Microsoft was a very small venture company when it was established in 1975," said Kajisa, "We were successful in growing our business, but we never forget our venture spirit. Without continual evolution, it is difficult to stay in business and impossible to grow in the IT industry. We would like to encourage you to keep your venture spirit and achieve great evolution."

What Microsoft Expects from the Selected Partner Companies

Following Kajisa, Nobuaki Nagai (Senior Manager, Business Incubation (LSE), Developer & Platform Evangelism, Microsoft Co. Ltd., Japan) explained the meaning of participating in the Microsoft IT Venture Program and the Incubation Program. Nagai is in charge of promoting the IT industry in Japan as part of Microsoft's corporate citizenship activity. He pointed out some common characteristics seen among the successful partner companies in the programs: having visible evaluation, like case studies; actively utilizing Microsoft partner programs; and efficiently taking advantages of Microsoft technologies. Nagai concluded that there are great possibilities by establishing strong and trusted partnerships, where 1+1 can become 3, 4, or even 5.

By developing products using Microsoft technologies, the selected partner companies can utilize development software, technical

support and various training programs that Microsoft offers other than just use the existing platform in their products as a business ecosystem. In addition, Microsoft offers marketing support, providing big potential business opportunities.

“Please make the best use of Microsoft,” encouraged Nagai, “I am sure we will eventually share some common direction once you actively gather information to confirm your direction to reflect your product development. Products based on Microsoft technologies will be actively introduced on a variety of occasions.”

96% of Microsoft’s business depends on its partners. The partners’ successes are an essential element for Microsoft. Providing continuous support to the partners will eventually help Microsoft grow.

At the presentation, wipse (Windows + Services Consortium) was introduced as well. wipse is an organization that aims to proliferate and promote the new generation of user experience where Windows platform and services integrate. In November, 2007, wipse established IT Venture Community to support technology-oriented IT venture companies. “You are all welcome to use this community,” Nagai continued, “as a place to experience new technologies and to exchange information among partner companies.”

Available Programs

In the partner meeting, Microsoft representatives demonstrated the details of the programs offered to the selected partner companies. The partners can receive more advanced support through Microsoft Innovation Center’s Application Platform Program and Microsoft Partner Program.



“We would like to encourage you to keep your venture spirit and achieve great evolution.”

Shunichi Kajisa
CTO, Microsoft Co. Ltd, Japan

Microsoft Partner Program

Microsoft Partner Program is designed to support the IT business partner companies that use Microsoft products or technology to provide high quality services to their corporate customers. After the completion of Microsoft Incubation Program, the partners can join this program to receive optimized support services to promote their business based on their focus areas and business scopes[iyn1] .

Microsoft Gold Certified Partner

- 120 Partner points
- More than one competencies
- Detailed profile

Microsoft
GOLD CERTIFIED
Partner

Microsoft Certified Partner

- 50 Partner points
- Detailed profile
- Admission fee
- More than two Microsoft Certified engineers or tested products

Microsoft
CERTIFIED
Partner

Registered Member

- 0 Partner point
- Basic profile
- Online registration /contract

Registered Member



Three program levels are available in Microsoft Partner Program based on the partners' business.

Three program levels	
Registered Member	Registered Members are organizations that provide evaluations of Microsoft products and advice for their customers. This is the entry level for the Microsoft Partner Program and registration is free.
Certified Partner	Certified Partners represent a high degree of competence and experience with Microsoft products. Certified Partners provide the most optimized solutions to different customers' needs through system integration, consultation, business application development, education, and technical support. Certified Partners have access to the dedicated business contacts to establish continuous communication for business collaboration with Microsoft.
Gold Certified Partner	Gold Certified Partners represent the highest level of competence and expertise in providing high quality solutions based on rich experiences. Microsoft recognizes Gold Certified Partners as the most valuable partners and promotes them to the market and customers.

Microsoft Partner Program defines the partners' expertise and focus areas based on their competencies. For example, Software development partners can acquire ISV/Software Solutions Competency not only to highlight their expertise but also to share business strategies Microsoft operates, and to cooperate with other Microsoft partners.

Microsoft Incubation Program and Microsoft IT Venture Support Program

Microsoft IT Venture Support Program is a new program started in 2007 as an extended version of Microsoft Incubation Program, aiming at promoting the local IT industry and vitalizing the economy through collaboration among the local government, All Nippon Information Industry Association Federation (ANIA), and Microsoft. Together with Microsoft Incubation Program selected partner companies, Microsoft offers the support below to the eight selected and five semi-selected partner companies in 2008 Microsoft IT Venture Support Program.

Various technical support and marketing support will be offered to these partner companies throughout a year. Some support will be offered to the selected companies only.

Started in 2003, Microsoft Incubation Program is a program designed to foster IT companies for the next generation through cooperation with various venture business incubation programs provided by the government, local governments, educational institutions, and charitable organizations in Japan. In 2008, eleven companies are selected in this program, and six other companies are also added to the list as semi-selected partners.

- Development software/tools
- Technical support
- Invitation to conferences and training
- Program logo usage
- Promotion in catalogs and on Microsoft sites
- Partner Meetings
- Training at Microsoft Redmond campus in the U.S.

Microsoft Innovation Center

The goal of Microsoft Innovation Center is to contribute to the IT industry in Japan by supporting individuals and organizations looking for global business opportunities other than just software and hardware development companies, system integrators, educational institutions, and entrepreneurs with innovative ideas. Participant companies in the Microsoft Incubation Program and Microsoft IT Venture Support Program can enroll in Microsoft Innovation Center programs. Through Microsoft Innovation Center programs, the partners can access a wide range of resources including Microsoft facilities and information resources.

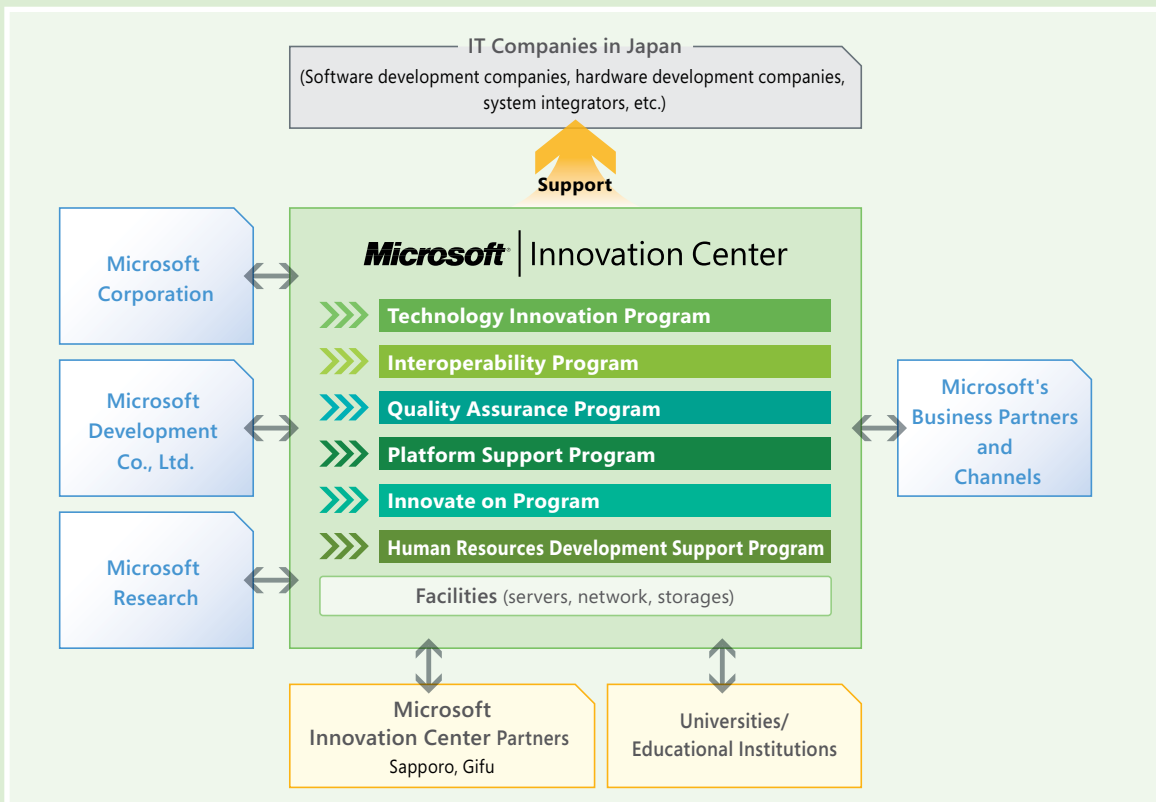
Microsoft Innovation Center currently offers six programs[iyn2] .

Facility Visit and Active Information Exchange

After the partner meeting, the participants visited Microsoft Innovation Center and a free discussion with refreshments was held.

All the participants visited Microsoft Innovation Center examined Microsoft Chofu Technology Center facilities that are available in the programs after the partner meeting. Some participants examined the advanced facility in close detail, and many partners seemed considering to utilize the available programs.

A fellowship banquet was held subsequently with the free discussion style. Participants exchanged information about their interests enthusiastically with other selected companies, and with Microsoft representatives.



The 2nd wipse IT Venture Community Seminar

On the following day of the partner meeting, wipse, aimed at the proliferation and promotion of the new generation of user experience where Windows platform and services integrate, presented The 2nd IT Venture Community Seminar. Microsoft Incubation Program and Microsoft selected and semi-selected partner companies attended the seminar to have a session on the latest technologies and a banquet.

- **Opening Greeting**

Nobuaki Nagai, wipse IT Venture Community Lead, Senior Manager, Business Incubation (LSE), Developer & Platform Evangelism, Microsoft Co. Ltd., Japan

- **Information on License that Venture Companies Should Know – Introduction to MSDN,**

ISV Royalty, and SPLANorikazu Yamada, ISV Solution Development, Partner Group, Microsoft Co. Ltd., Japan

- **How to Make the Best Use of Microsoft’s Development Support Programs – Introduction to Microsoft Partner Program and Innovate on Program**

Yoko Tahara, Marketing Specialist, Partner Marketing, Channel Development Group, Partner Group, Microsoft Co. Ltd., Japan



- **Topics on Engineers’ Community Activities and MVP Programs**

Masaki Matsumoto, MVP Lead, Community Support Services, Microsoft Co. Ltd, Japan



- **Lunch Cruise (Banquet)**

- **Human Resource Development Support from Microsoft Innovation Center**

- **Visual Studio 2008 Overview**

Akiko Yamazaki, "Manager, IT and NW Training Division, NEC Learning, Ltd."



- **Windows Server 2008 Overview**

- **SQL Server 2008 Overview**

Rika Ito, Microsoft Certified Trainer, NEC Learning, Ltd.

At the fellowship banquet lunch cruise, two outstanding students from Microsoft Innovation Center Korea’s internship program joined the party. They and Microsoft representatives exchanged information with other participants including and Nobuya Ichihashi (Director, Developer Business Division, Developer & Platform Evangelism, Microsoft Co. Ltd, Japan) exchanged information with other participants.

“Microsoft is enhancing its world wide support to those who are engaged in software development,” Ichihashi greeted the participants, “Our activities continue to help all of you here today enjoy your jobs - software development.”

Just the Facts (excerpt)

Programs Offered by Microsoft Innovation Center

- **Interoperability Program**

For partners developing business solutions that allow interoperability of various data using Microsoft technologies, including Windows, this program offers environments to verify interconnectivity and interoperability of services and applications. About 20 companies participated in this program through Microsoft Innovation Center last year.

- **Technical Innovation Program**

Targeting a large number of customers, Microsoft Innovation Center has provided support to migrate partners' solutions to Microsoft platforms. In other words, Microsoft Innovation Center has, through this program, promoted the partners' businesses to help them grow.

Education and Training Offered by Microsoft Innovation Center

- **Developer and IT Professional Training**

In the last year alone, over 1,400 software developers and IT professionals in Japan took Microsoft's training courses.

- **Employment**

Among 63 trainees last year, 40 successfully found employment.

Support for Domestic Software Development Companies Offered by Microsoft Innovation Center

- **Alliance with Domestic Software Development Companies and Entrepreneurs**

Microsoft Co. Ltd., Japan has established partnerships with approximately 270 software development companies (including 52 venture companies) in Japan, and provided them with various resources including technology, marketing, and business development.

Support for Universities and Educational Institutions Offered by Microsoft Innovation Center

- **Alliance with Universities and Educational Institutions**

Microsoft Co. Ltd., Japan has established partnerships with approximately 20 universities and educational institutions, and, through Technology Innovation Program and Platform Support Program, provided them with various resources from Microsoft Innovation Center.

Activities of Alliance Organizations/Innovation Centers

- **Sapporo Innovation Center**

Sapporo Innovation Center has held over 40 events and seminars including Sapporo Innovation Day. Over 1,200 people in total participated in these events and seminars, and 83 participants obtained MCP (Microsoft Certified Professional) certification. In addition, 33 participants were employed through IT Human Resources Employment Program.

- **Gifu Innovation Center**

Gifu Innovation Center has held over 40 seminars and lectures and over 900 people in total attended these seminars. Gifu Innovation Center also provides training for Institute of Building SOA Components and Assembly in Distributed Development Environment at Softopia, Gifu (NPO).



Offices in Japan

Microsoft Innovation Center

Microsoft Chofu Technology Center
18-1, Chofugaoka 1-chome, Chofu-shi, Tokyo 182-0021, Japan
<http://www.microsoft.com/japan/mic>

Regional Microsoft Innovation Center

IAMAS (Institute of Advanced Media Arts and Sciences / International Academy of Media Arts and Sciences)

3-95, Ryoke-cho, Ogaki City, Gifu 503-0014, Japan
http://www.iamas.ac.jp/index_E.html

Sapporo Electronics Center

1-10, Shimonoppo Technopark 1-chome, Atsubetsu-ku, Sapporo-shi, Hokkaido 004-0015, Japan
<http://www.sec.or.jp/electec/index.html>