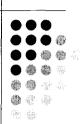


Powering e-Business with Artificial Intelligence

Past, Present and Future

삼성 **SDS** 대표이사 김홍기





Contents

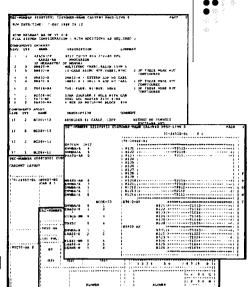


- Artificial Intelligence in Industries:
 - The old days (~ circa 1990)
 - Mainly rule-based expert systems.
 - LOTS of hype.
 - The present (1990~2002)
 - Recovering from the hype: HAL didn't become operational in 1997.
 - Rigorous analysis from the business point of view.
 - The road ahead
 - Web, Mobile, ...
 - Emerging standards and technologies outside AI.



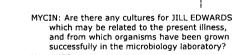
XCON (DEC)

- Expert system for hardware/software configuration.
- Validates technical correctness of customer orders.
- Guides actual assembly of customer orders.
- Over 10,000 rules and 30,000 parts.





MYCIN (Stanford)



treatment for certain
blood infections.

User: YES
MYCIN: From what site was the specimen for the culture taken?
User: CSF

 Outperformed Stanford medical school students.

Diagnoses and recommends

 Never used in practice: ethical and legal issues (whom do you sue?) MYCIN: Please give the date and time when the pending CSF culture was obtained.

User: 7-JULY-2001-7:00

MYCIN: Was a smear examined at the time the specimen was obtained?

User: YES

MYCIN: Were any cultures seen on the smear of the specimen?

User: YES

MYCIN: Have you been able to obtain.: positive microbiological information about infection of JILL EDWARDS?

User: YES

••••



Ground Processing Scheduling System (NASA)



- Scheduling resources for inspecting, repairing, testing space shuttle components.
- Ordered parts can arrive late, tools can break unexpectedly.
- Turnaround time reduced by 25%, (90+ days to 63 days)
- PeopleSoft bought Red Pepper at \$225M.







Authorizer Assistant (AMEX)

- Expert system providing the first line of service in credit authorization at a point of sale.
- When a possible fraud is detected, contacts human expert skilled in the particular type of the problem encountered.
- Tens of millions of dollars saved, replaced 700 employees.

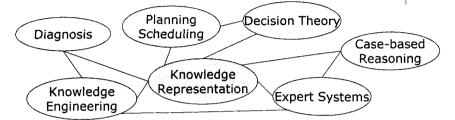












- Technologies overlap with another.
- These technologies are still core research areas in artificial intelligence.
- Human expert was major critical success factor.





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Why People Are Seeing Less Artificial Intelligence?



- Once we see an AI product working, we take it for granted:
 - Minolta Maxxum 7000: The first auto-focus camera using AI vision.
 - Tax preparation software (Quicken Turbo Tax): rule-based AI.
 - MS Office paperclip: Bayesian belief network.
 - MS Word spell/grammar checking: Natural language processing.

Other AI Technologies We take for Granted



- Amazon.com amazon.com.
 - Rule-based AI and collaborative filtering for personalized recommendations.
- Dell.com

 D≪LL*
 - Rule-based AI to configure PCs to meet customer's requirements.
 - Dynamic pricing.
 - Personalized support.
- Buy.com buy.com
 - Dynamic pricing to beat competitors.

Artificial Intelligence Powers Fortune 500



- ADP ADP
 - Tax rules/calculation engine for payroll.
- Visa VISA
 - Profile management system for processing credit card applications.
- AMEX
 - Authorizer Assistant.
- FirstData Derst
 - Rule-based engine for maximizing commission.

Artificial Intelligence Powers Fortune 500



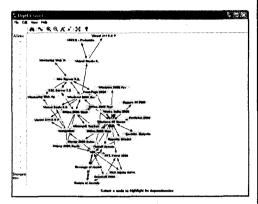
- Equifax **EQUIFAX**
 - Credit scoring business rule engine.
- Countrywide **Countrywide**
 - Loan approval engine.
- Orbitz.com
 - Intelligent flight & airfare search engine.
- American Airlines AA.com
 - 1-to-1 personalized frequent flyer program.
- Northwest Airlines (**)
 - Airport gate scheduling system.







- Business intelligence visualization tool.
- Uses Bayesian belief network.
 - Identifies statistical dependencies between entities.
- Included in SQL 2000 and Commerce 2000 servers.

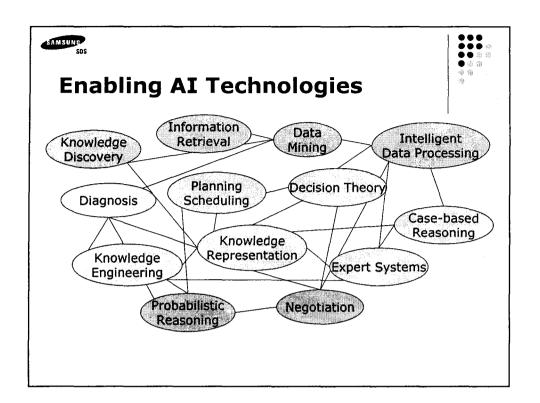




Common Trends So Far



- Business environment changes so fast.
- IT needs instant delivery.
- Still heavy use of rule-based AI : Business rules management
 - Storing business rules as data (vs. hard-code) for making systems smarter, easier to code, and easier to maintain.
- Other AI technologies have been deployed for complex and routine problem-solving tasks.

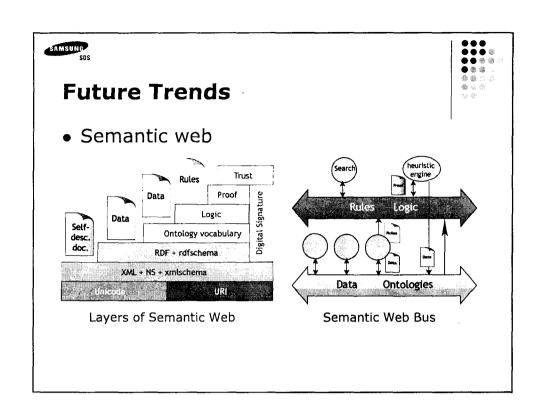


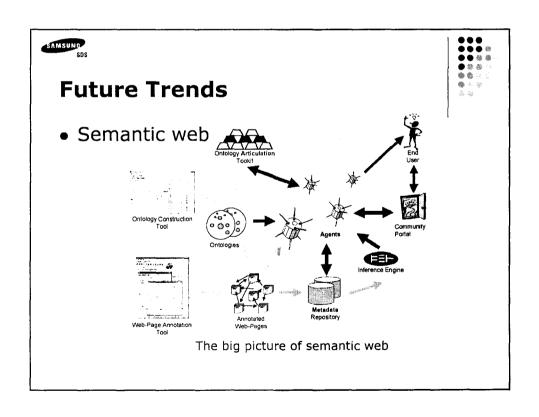


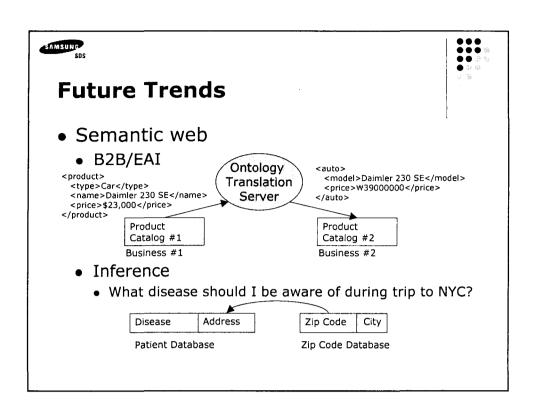


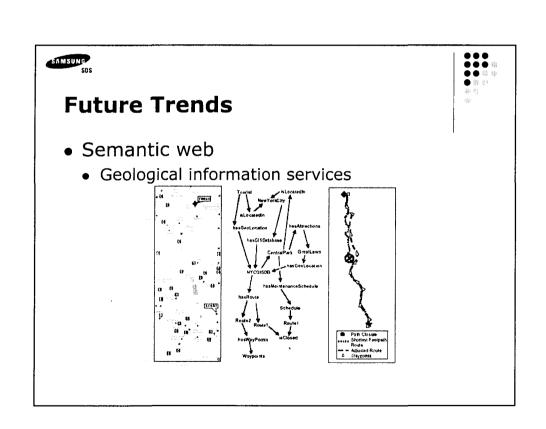


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Future Trends



- Adaptive Intelligent Systems (AIS)
 - Adaptive web sites



