



Standards Wars:
Myth or Reality?



**Consumer
Reports**[®]



User of Standards The Consumer Perspective

Don Mays
Senior Director,
Product Safety and Technical Policy
Consumers Union / *Consumer Reports*

Consumer Recognition of Standards

■ Consumer-recognized certification marks



■ Retailers require compliance with standards



CU's participation in standards development

■ ASTM consumer products committees

- Executive Committee
- Toys
- Juvenile products
- Furniture safety
- Helmets

■ UL Standards Technical Panels

- Consumer Advisory Council
- Audio / Video
- Cooking appliances

■ ANSI

- Board of Directors
- Consumer Interest Forum



Competing / Duplicative Standards

- Consumer differences
 - Cultural behavior
 - Sensitivity
 - Philosophical

- International differences
 - Toys (ASTM F963 vs. EN-71)

- Ineffective / inadequate standards
 - Football helmets (NOCSAE vs. ASTM)

- Widespread non-compliance with standards
 - Bunk beds (ASTM vs. Federal Regulations)



Standards vs. regulations

- ASTM toy safety standard
- ASTM juvenile products standards

Building consumer confidence
Consumer – Retailer – Government





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American National Standards Institute

Perspectives on Multiple Standards in the Information and Communications Technology (ICT) Sector

*Amy Marasco
Microsoft Corporation*

Competing/Duplicative Standards

- Should a second standard be developed in a technology area where a standard has already been established?
 - Isn't the whole point of a standard that it is **the** standard to which all should conform?
- Or is the answer to these questions dependent on the nature of the standard and the relevant industry/market that it serves?
 - Standards that differ only in essentially arbitrary ways may add little or no value (*e.g.*, different rail gauges for train tracks)
 - For the dynamic ICT industry, competing and alternative standards provide for timely and innovative responses to **rapidly evolving needs**, increased **choice**, and advancement through **competition**

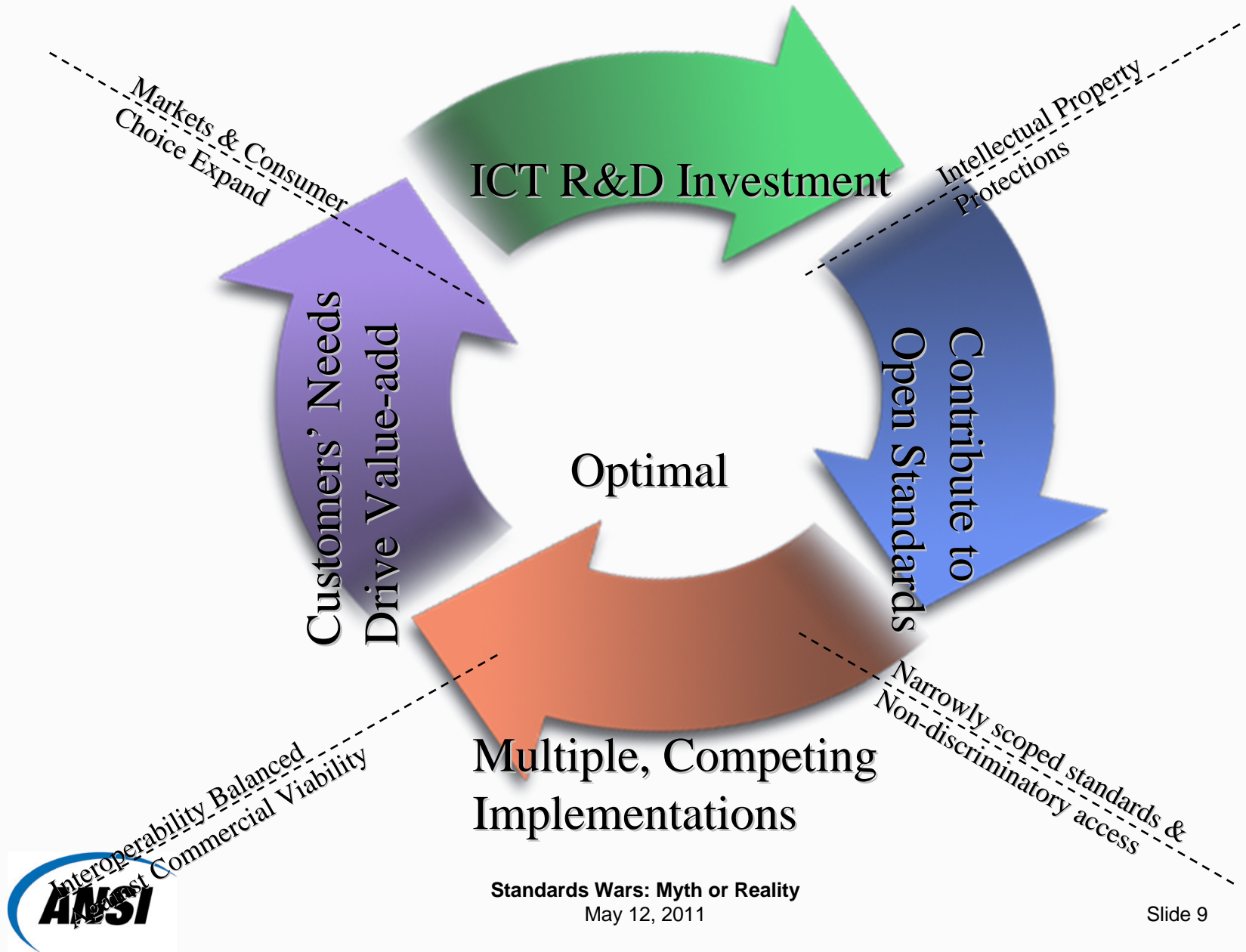


ICT Marketplace is Dynamic and Evolving

- By helping to enhance interoperability among products or services within a market, and being responsive to real marketplace needs, ICT standards can help promote innovation, fuel market growth, and protect investments in new technologies
 - Can catalyze innovation by encouraging companies to contribute their innovative technology to collaborative standards-setting activities and to share their intellectual property with others via the standardization process
 - Can enable new, “leapfrog” innovation serve as the basis for a new standard that can change industry direction
 - Can help create opportunity for further product differentiation and more choices for users and consumers
 - This in turn can motivate further innovation and competition among vendors



Healthy ICT Standardization Virtuous Cycle



Diverse ICT Requirements Helps Drive Need for Choice

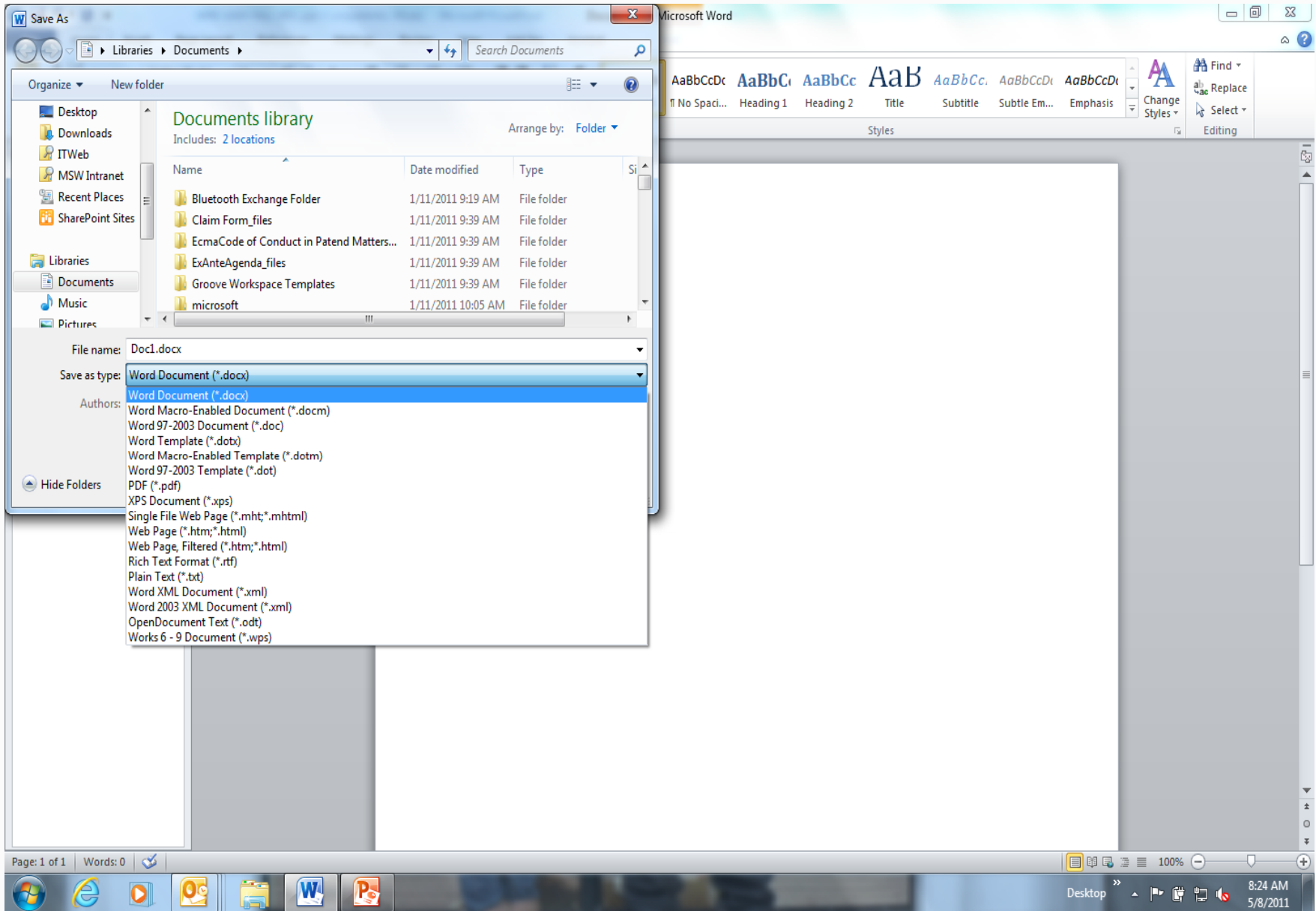
- Most ICT standards address complex technology needs, sometimes requiring hundreds or even thousands of pages to document the requirements of the standard
 - Engineering trade-offs are inevitably made in the process of establishing these requirements
 - Different trade-offs may be best for different customer segments
- Through competition to develop new technologies and subsequent consensus to standardize them, different standards may emerge over time to meet these different customer needs



Diverse ICT Requirements Helps Drive Need for Choice

- ICT landscape has thrived under a system where multiple standards are often available, competing for acceptance by firms and their customers
 - Key technology areas such as database access models, document formats, digital image formats, and audio and video formats all benefit from the availability of multiple standards to meet different needs
 - Example: Document Formats
 - Latest version of Microsoft Word supports saving work in any of about ten document formats, including formal industry standards Open XML, ODF, PDF, RTF, and HTML (the format of Web pages), facilitating interoperability with other programs that support these formats
 - It is possible to move/convert text from one file format to another





Competition Law Supports Competing Standards in the ICT Industry

- Importance of competition among standards and SSOs is reflected in the European Commission's DG Competition's *Horizontal Cooperation Agreement Guidelines*
 - Recognizes that such competition is widespread and desirable
 - Notes the existence of a “market for standard-setting”
 - Observes that “restrictive effects [associated with standardization agreements] are most unlikely in a situation where there is effective competition between a number of voluntary standards.” *See* HORIZONTAL GUIDELINES, ¶ 261
- Standards compete, allowing the marketplace to determine which standards best meet its needs



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ANSI

American National Standards Institute

■ Item	Gallons of Water
■ Pair of Blue Jeans	2044
■ Cotton Tee Shirt	2500-5000
■ Latte Coffee	15
■ Pound of Butter	1800
■ Pound of Beef	400
■ Pound of Lettuce	53



- Represent Food and Agricultural Sector – Represent Monsanto in ANSI
- Ag is foundational sector in most economies
- Highly regulated
- Food safety is critical
- Food security is a growing global concern
- Food availability, food cost and price fluctuations are significant issues
- Standards can contribute, must have strong scientific foundation, deal with key issues and contribute to substantive goals
- Duplicate and conflicting standards likely make matters worse for the supply chain and likely lead to stakeholders seeking government solutions or the proliferation of private standards





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NIST



Users of Standards – Government Purchaser Perspective

Mary Saunders

User Considerations - What and When

- Agencies have a commitment under law and policy to use nongovernment standards in purchasing actions, except where such use is inconsistent with law or otherwise impractical
- Opportunities to use nongovernment standards exist in the requirements, acquisition and maintenance processes



User Considerations – Why

- Potential benefits of using nongovernment standards in procurement:
 - Enhanced interoperability: promotes commonality of systems, components and architectures
 - Cost savings/cost avoidance: reduces total ownership costs through standardization of interfaces, architectures, processes and parts
 - Improved readiness, reliability, or sustainability of supply



User Considerations - How

- Depending on the application area, multiple standards solutions may exist
- Viable alternatives should be considered prior to making a final selection
- Criteria for selection should be transparent



User Considerations - How

- Illustrative considerations in selecting specific standards solutions:
 - Applicability
 - Availability
 - Completeness
 - Implementations
 - Maturity
 - Stability



Conflict/Duplication – An Issue?

- In deciding where and when to participate in a standards development process or processes
 - Can raise the cost of participation if necessary to track work in multiple venues
- In specifying a standard or standards
 - Where more than one solution is viable, having a choice may not be a problem
 - Need to be aware of the importance of simplifying decisions that procurement officials must make with respect to individual contracts





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Users of Standards

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Standards as a "Spaghetti Western":

- The Good: establishes "state of the art" defense; shows "due care"; rebuts punitive damages claim.
- The Bad: issuance of standards -- voluntary or mandatory -- may expose developer to "Good Samaritan" liability.
- The Ugly: Standards claims are "failure to warn" allegations; most states call these "the province of the jury." Agencies have a commitment under law and policy to use nongovernment standards in purchasing actions, except where such use is inconsistent with law or otherwise impractical

