Special Feature: SECOM's Growth Strategies

We are currently promoting initiatives in line with four core strategies—"ALL SECOM," "Collaboration," "Connection" and "Enhanced value"—with the aim of creating the *ANSHIN* Platform. This special feature looks at the progress of these initiatives.

"ALL SECOM" strategic initiatives

Guided by the "ALL SECOM" strategy, which focuses on reinforcing collaboration among various Group businesses, we are further maximizing synergies to advance the development of innovative services and systems. Examples of such distinctive offerings include SECOM 3D Security Planning, development of which was facilitated by the integration of SECOM Intelligent Systems Laboratory technologies and geospatial information service technologies belonging to subsidiary Pasco; and non-life insurance policies SECOM *Anshin* My Home and Security Discount Fire Policy—for residential and commercial customers, respectively—which offer discounts to subscribers who have installed on-line security systems, recognizing this as mitigating the risk of theft or fire.

Making use of AI

With SECOM on-line security systems, surveillance is conducted by equipment. Should an irregularity be detected, appropriate responses are made by skilled staff. In other words, our ability to combine the advantages of mechanical precision and human perception enables us to provide efficient services and systems and is a key competitive strength. With the goal of further enhancing the quality and efficiency of our services, we are making use of advanced AI and IoT technologies, drones and robots to optimize the use of equipment and human capabilities.

We are also taking steps to reduce the labor requirements and bolster the quality of services. In June 2017, we inaugurated a dedicated team that is charged with promoting the use of cutting-edge AI and IoT technologies and a team that provides technological support. In the area of BPO and ICT services, we offer the Real-Time Disaster Information Service, whereby subsidiary Secom Trust Systems provides highly accurate information in the event of a disaster. We have applied AI to the process of extracting information useful to subscribers from the vast amount of disaster information available from social network services. This has reduced the sifting of information by humans to approximately one-tenth the previous level, which has substantially improved efficiency. In the geographic information services business, subsidiary Pasco has developed an AI-based automatic identification technology for satellite images and has begun providing urban change analysis map and parked vehicle estimation map services.

In the provision of security for international marathons and other major events, we use an image recognition system that employs AI technologies to analyze images from surveillance cameras to effectively assess crowding and detect unauthorized individuals who try to enter the marathon course, thereby ensuring our ability to prevent disruptions and promptly detect irregularities.

Going forward, we will continue to apply AI and IoT technologies to reduce the labor requirements and improve operations under the ALL SECOM banner. At the same time, we will work to accumulate know-how and insights in both areas and embrace the challenge of transforming SECOM in preparation for the changes ahead.

Information for the Real-Time Disaster Information Service is collected and analyzed at the SECOM *Anshin* Information Center

"Collaboration" initiatives

To create the *ANSHIN* Platform, we are actively advancing a strategy of collaboration with various partners that share our mission to expedite the creation of services and systems that address the increasingly diverse needs of customers for peace of mind.

Reducing labor requirements, advancing automation and enhancing efficiency

Amidst expanding needs for the management of large-scale facilities, we recently partnered with a leading name in the provision of related services and have embarked on the creation of a new business model. We expect that building on our respective service bases, technologies and know-how will help reduce the labor requirements and advance the automation of large-scale facility management and administration. In Japan, we will work together to cultivate new markets, while overseas we will collaborate to introduce joint services in the fast-growing Chinese market.

On another front, we combined proprietary image processing technologies that help provide safety and peace of mind with advanced AI technologies from Japan's leading information and communications technology (ICT) firm to analyze data from surveillance cameras and sensors installed in stores to facilitate the provision of information services that support facility management, which we began offering on an experimental basis at one of Tokyo's international airports. Looking ahead, we will continue to promote the development of new services that support facility management and the movement of guests to enhance safety, peace of mind, convenience and comfort.

Market development

In the PRC, we have formed a strategic market development alliance with a leading local electric appliance manufacturer with the purpose of cultivating demand for home security services. We will continue to work with this company to leverage our accumulated expertise in the provision of security services to expand our selection of high-grade security services, as well as to promote joint product planning and development and the formulation of sales plans. With this alliance, we have gained a potent partner that will assist our market development efforts in the PRC to provide safety and peace of mind, as well as to make life more comfortable and convenient.

Signing ceremony for business alliance at the headquarters of a leading electric appliance manufacturer in the PRC

Leveraging technologies

We are also advancing collaborative efforts to make use of advanced robotics technologies. In March 2018, we completed development of the SECOM Robot X3 autonomous multifunctional robot, which integrates our distinctive robotics technologies with autonomous motion technology from a leading domestic research facility. This robot not only patrols facilities, but also features a face recognition function and AI-based image recognition technologies that enable it to perform duties that require communication, including providing directions and engaging in conversation.

SECOM Robot X3

With the aim of realizing ever-more sophisticated security services, we partnered with a leading telecommunications carrier in Japan to conduct demonstration tests for a security system that makes use of Japan's next-generation high-speed 5G telecommunications network. In the years ahead, both companies will further step up collaboration to realize increasingly innovative services that enhance our ability to help make society safer and more secure.

We are also working with a major mobile communications carrier to utilize low-power wide-area (LPWA) networks* to extend the SECOM AED On-line Management Service, a service that monitors the operational status of automated external defibrillators (AEDs). Use of LPWA networks facilitates the on-line management of AEDs in locations that do not offer easy access to an electric power source, thereby facilitating the use of AEDs whenever and wherever needed, which is seen as key to expanding the availability of these units.

* An LPWA network is a type of low-cost low-power wireless telecommunications wide-area network.

Free-standing unit used in verification testing for LPWA-linked AEDs

On another front, we continued to offer services that use the SECOM Drone, an autonomous small flying surveillance robot. Our know-how in this area is playing a role in the Project for Realization of Energy-Saving Society Using Robots and Drones, an initiative currently being promoted by Japan's New Energy and Industrial Technology Development Organization (NEDO). The area of the project we are involved is development of an unmanned traffic management function for the security services sector—facilitating the simultaneous remote control of multiple drones over wide areas—that is compliant with the 4G LTE network. Here, too, we are working with a leading telecommunications carrier and other firms. Potential applications include locating and calling attention to suspicious objects in large facilities, detecting fires of suspicious origin and nighttime security.

Ensuring a safe IoT platform

We are currently working with a leading semiconductor manufacturer to ensure the reliability of information exchanged among devices on the IoT. Our partner is contributing technologies for incorporating confidential information into the semiconductors mounted in devices, while we are providing digital certificate and other information security technologies, as well as know-how in the area of physical security. In response to rising demand for improved security of devices on the IoT, we will continue working to offer services that enhance comfort and convenience for users by ensuring a safe IoT platform.

Support for the acquisition of security certificates for supply chains

In recent years, the need for security measures to prevent the theft of cargo has become a key issue in the logistics and warehousing sectors. As a result of research conducted in partnership with the Japanese arm of the world's leading inspection, verification, testing and certification organization, in February 2018 we cooperated with the firm to establish the SGS Facility Security Evaluation Criteria as a new standard for supply chain security. By acquiring this certification, logistics and warehousing firms can verify the safety of assessed facilities. In June 2018, we launched SECOM Supply Chain Security Select, a service designed to support the efforts of companies to secure certification. As a result, we now provide comprehensive support for everything from assistance in strengthening physical security capabilities to obtaining certificates that represent an objective assessment of supply chain security.

Sticker indicating SGS Facility Security Evaluation registration (left)

"Connection" initiatives

Efforts to realize our Social System Industry vision have enabled us to build a relationship of trust with customers. Our on-line security systems continue to expand and gain popularity among customers as a familiar, ever-present component of the social infrastructure. Linking security products, including surveillance camera systems, access control systems, automatic fire extinguishing systems and external monitoring systems, to our on-line security systems further enhances our ability to provide customers with safety and peace of mind.

Technological advances, including the growing importance of the IoT, are driving the evolution of an increasingly connected society. In line with our "connection" strategy, we are promoting a strategy of connection, further strengthening our relationship with customers and society. Among new products and services developed under the umbrella of connection is SECOM Home Security NEO, a flexible home security system that can be linked with devices on the IoT to facilitate a variety of services that deliver safety and peace of mind, as well as make life more comfortable and convenient. The first of these is SECOM My Doctor Watch. Centered on a wearable wristband-style unit, SECOM My Doctor Watch combines health management functions, including pedometer, sleep tracking and calorie expenditure counter


SECOM My Doctor Watch

features, with an emergency alert service that detects falls and summons help. The second is SECOM *Anshin* Home Delivery Box, a secure delivery box that sends a notification to the recipient's phone when a package has been delivered and monitors to prevent unauthorized opening and emergency response services in the event of a break-in, making it possible for packages to be delivered securely regardless of where the recipient may be. With the increasing popularity of online shopping, the rising need for the redelivery of packages to recipients unable to take delivery the first time has become an issue in Japan. Going forward, we will continue to expand our portfolio of connected services that deliver safety and peace of mind, as well as make life more comfortable and convenient.


SECOM Home Security NEO


SECOM *Anshin* Home Delivery Box

"Enhanced value" initiatives

In Japan, work style reforms designed to both improve working environments and boost productivity are encouraging an increasing number of companies to consider the outsourcing of non-core operations. We have built up a solid track record and broad expertise as a provider of security outsourced by corporate customers since we launched operations. In October 2017, we acquired TMJ, which boasts extensive experience and know-how in the provision of high-grade contact center and other BPO services for leading financial institutions and other customers. Looking ahead, we will capitalize on our robust operating foundation, which reflects our experience and know-how in the provision of around-the-clock services, position as one of Japan's largest providers of data center services and capabilities in the strategic use of data, as well as to capitalize on TMJ's extensive experience and proficiency to extend efficient BPO services. With the market for BPO services expected to expand, we will also work to realize high-value-added services that respond to evolving market needs. We will also leverage advanced AI, IoT and other technologies to further enhance operating efficiency and improve service quality, thereby positioning ourselves to develop and provide BPO services that respond to an increasingly wide range of market needs, increase our competitiveness and contribute to increased social productivity.


A TMJ contact center