

# News Release

FOR IMMEDIATE RELEASE

## **Hitachi Systems Signs First Reseller Contract with SparkBeyond (Israel) in Japan for AI-Powered Problem-Solving Platform**

Effective support of corporate decision-making through new levels of awareness and problem-solving approaches beyond human capabilities

### **Overview**

**Tokyo, May 28, 2021** --- Hitachi Systems, Ltd. ("Hitachi Systems"), a wholly owned subsidiary of Hitachi, Ltd. (TSE: 6501), today announced that it has signed a reseller contract with SparkBeyond Inc., recognized as a global leader in the "Cognitive"<sup>\*1</sup> field and selected as one of the top 20 companies by CIO Review<sup>\*2</sup>, and Hitachi Systems will begin to provide SparkBeyond, an AI-powered problem-solving platform, licenses for the first time in Japan.

The SparkBeyond platform is connected to thousands of data points such as map and weather information, national censuses, and population statistics and is equipped with a high-speed analysis function that extracts millions of characteristics (factors) in only a few minutes. This platform can be operated by use of a simple GUI. Hitachi Systems will be providing SparkBeyond to companies considering use of AI so that they can reduce the time and man-hours required for corporate data analysis through use of functions, including new levels of awareness beyond human capabilities, that automatically derive solutions for their AI challenges, and thus effectively support corporate decision-making.

\*1 Cognitive: Systems that learn from data to support human decision-making.

\*2 Magazine that covers technology for corporate management in every country.

<https://cognitive.cioreview.com/vendors/top-cognitive-tech-companies-2017.html>

### **Background**

In recent years many companies have started to consider the use of AI in order to improve operational efficiency, reduce costs, create new value, and similar objectives, with its application attracting attention in a wide range of fields. Although it is essential to have data scientists with statistical and other high levels of specialized knowledge needed for using AI, training and securing such resources is not easy.

For this reason, it is necessary to resolve the issue that even if personnel lacking specialized knowledge are provided with various AI tools enabling the use of AI, the process for deriving correlations during data analysis is particularly difficult, resulting in the need to resolve this issue by time-consuming trial and error.

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## **Project Details**

It is against this background that Hitachi Systems has signed the first reseller contract in Japan for the SparkBeyond platform with excellent functions for extracting characteristics (factors) read from data and equipped with a complementary diagnostic function (insight).

<About SparkBeyond>

SparkBeyond is equipped with a diagnostic function (insight) capable of extracting characteristics (factors) read from data and a predictive function (modeling) for predicting any kind of occurrence from the diagnostic results to provide the following three strong points.

- (1) High-speed diagnostic function capable of extracting millions of characteristics (factors) in only a few minutes
- (2) Equipped with a function that automatically adds thousands of external data points such as map and weather information, as well as a standard feature allowing for use of 60 types of open data from all across the world such as national censuses and population statistics
- (3) GUI\*<sup>3</sup> supporting intuitive user operation

\*3 GUI (Graphical User Interface): Interface using numerous icons and images to allow operation by mouse or other input device.

The diagnostic function (insight) uses unique algorithms (research engines) to discover complex patterns and correlations that rely on time series and texts from various data. It also combines thousands of external data points such as map and weather information in order to automatically extract the characteristics (factors) needed for problem solving from massive amounts of input data. Moreover, the predictive function (modeling) improves accuracy by performing repetitive high-speed verification while linking with large amounts of data.

These features, including new levels of awareness beyond human capabilities, enable the platform to automatically derive problem-solving approaches, reduce the time and man-hours required for issue extraction and analysis, and accelerate decision-making.

By providing a GUI that supports intuitive user operation, SparkBeyond enables personnel without any special knowledge to perform data analysis with just some simple training. The platform has been introduced in numerous fields with excellent results. Some examples of its use outside of Japan include:

- Research at the University of Oxford to identify early indications of osteoporosis, hip fractures, and colorectal cancer

- Optimal location analysis for new store openings by linking sales history with external data for the distribution industry
- Analysis of fraudulent credit card use for the financial industry

Moving forward, Hitachi Systems is planning to provide support services including assistance in introducing service infrastructure, such as contact and data centers, as well as support for RPA<sup>\*4</sup> and API<sup>\*5</sup> linkage for linking with other systems, and we will combine the various Hitachi Systems' services such as networks and security with SparkBeyond to provide total support for everything from assistance in training corporate data analysis human resources to infrastructure development. Hitachi Systems has set a goal of one billion yen for cumulative sales of these business operations by the end of FY 2023.

We continue to strengthen customer AI analysis capabilities that support the improvement of their business operations by increasing AI tools used, such as the enterprise AI platforms of SparkBeyond and DataRobot as well as by developing human resources, including Hitachi Systems' data scientists. Additionally, linkage with the "Lumada Alliance Program"<sup>\*6</sup>, a system that provides reciprocal linkage with diverse partners across industries, and use of solutions linked with Microsoft Azure, such as the "Otegaru Cloud Starter Pack", will provide comprehensive support for the improvement of customer business operations.

\*4 RPA (Robotic Process Automation): Methodology for automating work processes using software robots.

\*5 API (Application Programming Interface): Specifications in order to call software functions and manage data from external programs for internal use.

\*6 Lumada Alliance Program: Please refer to the news release issued by Hitachi, Ltd. on November 4, 2020.

The "Lumada Alliance Program" has been started globally as a partner system to accelerate open innovation aimed at improving corporate, environmental, and economic values, as well as quality of life

<https://www.hitachi.com/New/cnews/month/2020/11/201104.html>

The following are comments from SparkBeyond Inc. in regard to the signing of this reseller contract.

We are delighted to partner with Hitachi Systems and jointly offer clients in Japan and globally a brand new approach to problem solving. SparkBeyond has been committed to Japan from an early stage and with our recent partnership with Hitachi Systems we are deepening our commitment.

SparkBeyond Inc. CEO, Sagie Davidovich

### **About SparkBeyond provided by Hitachi Systems**

<https://www.hitachi-systems.com/sp/sparkbeyond/index.html>

### **About SparkBeyond**

The mission of SparkBeyond is to strengthen and accelerate problem-solving strategies for complex issues on a global scale, and combine revolutionary technology with human excellence to better understand the current realities of business, finance, and society. Leading global companies and top consulting firms use SparkBeyond technology to draw out new insights from data, develop new knowledge, and formulate solutions for the most pressing issues, such that they continuously affect a wide range of issues.

SparkBeyond Inc. was founded in Israel in October 2013. The company has operational bases in New York, London, Israel, Singapore, and Melbourne, and provides economic benefit of more than 100 billion yen through data analysis using AI to 200 Fortune 500 companies in more than 20 domains including insurance, finance, retail, media, and pharmaceuticals.

For more details about SparkBeyond: [www.sparkbeyond.com](http://www.sparkbeyond.com).

### **About Hitachi Systems, Ltd.**

Hitachi Systems is a leading IT service provider specializing in developing and implementing business systems for customers of diverse sectors and sizes. We also operate, monitor, and maintain those systems by using a multi-tiered service infrastructure comprising data centers, network and security operations centers, contact centers, and a nationwide network of around 300 service sites. Hitachi Systems assists customers with their digital transformation needs and works with them in creating new value by delivering unique services that leverage our diverse human capital and advanced IT solutions. We strive to become a global service company that earns the complete trust of customers.

For details: <https://www.hitachi-systems.com/eng/>

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- \* Microsoft Azure is a cloud platform provided by Microsoft and is a registered trademark or trademark of the Microsoft Corporation (USA) in the USA and other countries.

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