# "Always Interesting"
# AI in the news

http://www.aaai.org/aitopics/html/current.html

**Artificial Intelligence: Past and Future.** Hugh McKellar. *KMWorld.* April 2003 (www.kmworld.com). "Nearly 10 years ago, the Department of Commerce issued a technology assessment of the U.S. artificial intelligence (AI) market. ... The report estimated the 1993 global AI market - including technologies such as expert systems, neural networks, fuzzy logic, robotics, speech recognition, search, etc. - at about $900 million.... What a difference a decade makes.... In April, Business Communication Company (BCC) will release a thorough new study of the worldwide artificial intelligence market, which it predicts will reach more than $21 billion by 2007 with an average annual growth rate from 2002 to 2007 of 12.2%. In 2002 alone, BCC calculates the worldwide market was $11.9 billion...."

**Fledgling Robot Industry Aims to Fly High.** Kim Hyun-chul. *The Korea Herald.* September 29, 2003 (www.koreaherald.co.kr). "Will the day really come when 'intelligent' robots take over mundane household chores and give people more leisure time? ... There is no definition yet of the intelligent service robot. But according to the preliminary definition by the International Federation of Robotics, an industry group concerned with commercial robots, it is 'a robot which operates semi or fully autonomously to perform services useful to the well-being of humans and equipment, excluding manufacturing operations.' ... According to the International Federation of Robotics the global market for intelligent service robots is expected to grow to $2.2 billion in 2005 from $400 million this year. By 2010, the market is forecast to reach $24.3 billion worldwide, according to the organization. The Japan Machinery Federation predicts the market will expand to $20 billion in 2010, while Korea's Ministry of Commerce, Industry and Energy estimates it at $70 billion."

**Money Laundering to Fuel $4.8bn Bank IT Bonanza.** Andy McCue. *silicon.com.* October 2, 2003 (silicon.com). "Fraud and money laundering regulations and the Basel II accord will drive $4.8bn of investment in new technology by European banks by 2006, according to new research [from analyst Datamonitor]. ... Anti-money laundering guidelines from regulators such as the UK's Financial Services Authority will also push financial institutions to spend on automated artificial intelligence and analytics mechanisms to detect and prevent fraud, with investment

*This eclectic keepsake provides a sampling of what can be found (with links to the full articles) on the AI Topics web site. Please keep in mind that (1) the mere mention of anything here does not imply any endorsement whatsoever; (2) the excerpt might not reflect the overall tenor of the article; (3) although the articles were initially available online and without charge, few things that good last forever; and (4) the AI in the News collection—updated, hyperlinked, and archived—can be found by going to www.aaai.org/aitopics/html/current.html.*

*—Jon Glick,* Webmaster, AI Topics

in this area alone predicted to reach $420m by 2006."

**Brokers Will Spend Big on Anti-Money Laundering.** Jessica Pallay. *Wall Street & Technology.* May 1, 2003 (www.wallstreetandtech.com). "The brokerage industry will spend almost $700 million in the next three years on antimoney-laundering technologies, according to a recent report by Massachusetts-based consultants, TowerGroup. The 2001 USA Patriot Act requires financial institutions to establish anti-money laundering programs. ... Complex solutions include technology systems that offer artificial intelligence, [Robert Iati] says, using rules-based analysis, such as Mantas or Searchspace. For example, if an investor suddenly changes investing behavior, and that investor uses a bank that has been known to transact terrorist funds, the technology would post an alert for the situation to be investigated."

**Speech Industry Making Minor, Steady Gains.** Matt Hicks. *eWeek News.* September 30, 2003 (www.eweek.com). "This year's SpeechTEK comes as analysts predict a rebound in the speech recognition market. Gartner Dataquest predicts that after declining in 2002, the market will grow worldwide from about $130 million in revenue this year to $258 million in 2007. Use in call centers and in business portals will account for 76 percent of all speech recognition product shipments, according to Gartner."

**Smart Tools.** Otis Port, with Michael Arndt and John Carey. *The Business-*

*Week50.* March 2003 (www.businessweek.com/bw50). "Some managers still think that artificial intelligence—the decades-long effort to create computer systems with human-like smarts—has been a big flop. But executives at most companies on the BW50 list know better. Artificial intelligence (AI) is often a crucial ingredient in their stellar performance. In fact, AI is now a part of a swath of industries as broad as the BW50 itself. AI software helps engineers create better jet engines. In factories, it boosts productivity by monitoring equipment and signaling when preventive maintenance is needed. The Pentagon uses AI to coordinate its immense logistics operations. And in the pharmaceutical sector, it is used to gain new insights into the tremendous amount of data on the human genome. ... Banks, brokerages, and insurance companies have been relying on various AI tools for two decades. One variety, called a neural network, has become the standard for detecting credit-card fraud. Since 1992, neural nets have slashed such incidents by 70% or more for the likes of U.S. Bancorp and Wachovia Bank. Now, even small credit unions are required to use the software in order to qualify for debit-card insurance from Credit Union National Association."

**Educators Go High-Tech to Check Essay Exams.** Rhea R. Borja. *USA Today.* January 15, 2003 (www.usatoday.com). "[T]he essays were graded by a high-tech artificial-intelligence system—a computer that notes misspellings, assesses sentence structure and reviews writing style. Mr. Chips, meet 'Hal.' ... Across the country, educators are grappling with how to administer more effectively and cheaply the burgeoning number of essay and other tests that students must take because of federal and state mandates. State officials, who struggle under budget cutbacks, hope that artificial-intelligence scoring systems will be part of the answer. ... Educators like the relatively low cost and speed of essay-scoring technology: Prices vary, but it costs about $1 per computer-scored essay compared with about $5 for a human-graded essay. Also, essays are scored in five to 10 minutes by humans, in less than two seconds by computer, says [Scott] Elliot. By most accounts, students also like taking the tests online."

For more industry statistics, see www.aaai.org/aitopics/html/stats.html.