

All-Party Parliamentary Group on Artificial Intelligence

Evidence Meeting 6 - Trade

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Anna is leading SparkCognition's AI business in the UK and across Europe as Executive Director, International Business. Fluent in Japanese with extensive cross-sector experience in industry, government and finance in the UK, Japan and the U.S.

She has recently returned from two years in Washington DC, where she consulted for U.S. policy advisory firm Capital Alpha Partners, before joining SparkCognition. Previously, she managed an equity team at JPMorgan Tokyo as Executive Director, and was Business Development Director for the Tokyo AIM joint venture between the London and Tokyo Stock Exchanges. She has also worked on international projects at Bloomberg, NTT DoCoMo and managed the UK Pavilion the World Exposition in Aichi, Japan in 2005.

SparkCognition builds leading artificial intelligence systems to advance the most important interests of society. We help customers analyze complex data, empower decision making, and transform human and industrial productivity with award-winning machine learning technology and expert teams focused on defense, IIoT, and finance. For more information, visit www.sparkcognition.com

SUMMARY OF EVIDENCE

AI is having a tremendous impact on national and international trade due to its ability to help businesses become more efficient. Companies around the world are embarking on trials with the technology for various reasons: to help them gain a competitive edge; to gain deeper understanding of vital equipment and stop it from failing or causing catastrophic accidents; to capture knowledge from a shrinking pool of experienced labour with natural language processing tools; and to demonstrate to their stakeholders that they are becoming skilled in AI techniques that are sure to shape our future.

SparkCognition opened its first international office this year in Dubai, and has a presence in the UK and Japan. Interestingly, we have noticed that clients in less developed regions, such as Latin America, are faster adopters of our tools – perhaps because they see AI as an opportunity to leapfrog the more traditional industrialized nations. Another trend we see is that there are blurred lines between tech advances

in the defence and national security space vs tech start-ups. It's easier now for smaller companies to be leading the field in the latest advances.

Regarding business models, we are also seeing some interesting changes afoot. As we are seeing in our consumer lives, subscription models are becoming the norm for making new purchases. In the business world too, subscription or licensing models are now the standard way for contracting due the requirement for updates and longer-term technology development partnerships. There is also more collaboration between companies that would have usually been competitors – so called “co-opetition” – in the race for market share. Incumbents and new entrants are acknowledging their overlaps but collaborating in other areas to develop corporate ecosystems and deliver particular industrial AI solutions.

We also notice some interesting differences in how a corporation is adopting AI – is it an edict from the top? Is it led from the CEO's strategy office? Or is it from the R&D division or the operations team who are under pressure to deliver cost savings via the use of AI? These all have an influence on how a business model is shaped.

Looking back at the shift from e-commerce to AI-commerce, we can see parallels with the e-commerce shift from brick-and-mortar to virtual shopping and now the AI commerce shift to more personalization of trade. AI can be used in a global context to bring economies of scale and address vastly more amounts of data, and at the same time can bring a more extreme level of personalization and localization for services. Blockchain technologies are also enabling more accountability and traceability of the supply chain.

Finally, regarding the UK taxation framework, as I think is already recognized by most in government, it's important to have a regulatory structure that doesn't kill the goose that lays the golden egg. The regulatory structure should strike a balance to foster innovation, but mustn't inadvertently put roadblocks such as inappropriate tax in the way. Global businesses need consistent messaging that the UK is open for global business and skills. The taxation frameworks need to be able to adapt to change because as we've seen, the business models, technology and international aspects of business are all changing quickly.