IBM Watson to Power SoftBank Robotics' Pepper

LAS VEGAS – 06 JAN 2016: IBM (NYSE: <u>IBM</u>) and SoftBank Robotics Holdings Corp. (SBRH) today announced plans to offer a version of Watson for SoftBank Robotics' Pepper robots, aimed at global enterprise customers.

IBM and SBRH will tap into data and knowledge across the "Internet of Things" to enable Watsonpowered Pepper to make sense of the hidden meaning in data that traditional computers cannot comprehend – including social media, video, images and text. IBM Watson is the first open cognitive computing technology platform and represents a new era in computing where systems understand the world in the way that humans do: through senses, learning, and experience.

The Watson-powered Pepper robot under development would be equipped with core functionalities as well as a Watson software development kit (SDK) that allows developers and clients to tailor the interaction experience. IBM will give clients access to Watson APIs and various pre-packaged applications designed to address a variety of personal and professional needs.

"Today, the power of cognitive computing can be woven into any form factor. Our collaboration with SBRH on Pepper will allow a much broader audience to experience and tap into Watson," said Mike Rhodin, senior vice president, IBM Watson. "In terms of hands-on interaction, when cognitive capabilities are embedded in robotics, you see people engage and benefit from this technology in new and exciting ways."

"I am thrilled that we are partnering with IBM on the development of Pepper powered by Watson. As a provider of robotics platforms, we seek to enable Pepper's collaboration with beneficial technologies. I anticipate this collaboration will expand Pepper's possibilities into an even wider range of fields," said Fumihide Tomizawa, president of SoftBank Robotics Holdings Corp.

IBM is currently piloting robotics technology with companies in the hospitality and consumer packaged goods industries. Through a Watson-powered Pepper solution, businesses will be able to extend the ways in which customers experience cognitive computing. Today's self-service options in retail environments are typically tablets or kiosks, limiting the scope of how truly interactive and intuitive the customer experience can be. With a robotic assistant, users can have a natural conversation where their words, as well as gestures and expressions are understood.

Robotics today can be found in use across manufacturing and automotive industries – even as a vacuum in many homes – however they are limited in function, interaction, and are single-task-oriented, designed to complete specific jobs. There is ample opportunity to do much more, as IBM and SBRH advance Pepper's mobility and dexterity to extend the ways in which cognitive computing can be applied. The two organizations are exploring a range of use cases from an in-class teaching assistant to a nursing aide – taking Pepper's unique physical characteristics, complemented by Watson's cognitive capabilities, to deliver an enhanced experience that helps people in new ways across industry domains.

As businesses look to increase customer engagement, many are leveraging cognitive systems to help make sense of data that can deepen this connection. Cognitive systems like Watson can help derive insights from new sources of information about people, for example what they share on social media in order to create better snapshots of their needs and what's important to them. These systems also learn how people prefer to interact with brands, enabling companies to use that understanding to more personally reach out to individuals.

The plans build on IBM and SoftBank Corp.'s landmark collaboration to advance Watson in Japan. Over the past year the teams have strengthened Watson's Japanese language proficiency and localized the technology platform to offer cognitive APIs across a local ecosystem of third-party partners and developers who are building new applications powered by Watson. According to a <u>recent BI Intelligence</u>

<u>report</u>, "robotics, long dominated by industrial and logistics uses, has begun to see a shift toward new consumer and office applications. There will be a \$1.5 billion market for consumer and business robots by 2019."

IBM Watson: Pioneering a New Era of Computing

Watson continuously learns, gaining in value and knowledge over time, from previous interactions. With the help of Watson, organizations are harnessing the power of cognitive computing to transform industries, help professionals do their jobs better, and solve important challenges.

To advance Watson, IBM has three dedicated business units: <u>Watson</u>, established for the development of cloud-delivered cognitive computing technologies that represent the commercialization of "artificial intelligence" or "AI" across a variety of industries; <u>Watson Health</u>, dedicated to improving the ability of doctors, researchers and insurers and other related health organizations to surface new insights from data to and deliver personalized healthcare; and <u>Watson IoT</u>, focused on making sense of data embedded in for more than 9 billion connected devices operating in the world today, which generate 2.5 quintillion bytes of new data daily. Making sense of this IoT data alone is creating a significant market opportunity, expected to reach \$1.7 trillion by 2020.

For more information on IBM Watson, visit: <u>ibm.com/Watson</u> and <u>ibm.com/press/watson</u>. Join the conversation at #ibmwatson.

About SoftBank Robotics Holdings

SoftBank Robotics Holding Corp. is the SoftBank Group's intermediate holding company responsible for its robotics business. Guided by the SoftBank Group's corporate philosophy, "Information Revolution — Happiness for everyone," companies belonging to SoftBank Robotics Holdings develop robots and offers robot-related products and services, including "Pepper".