

Sony to provide cloud services as part of its visual security business

-- Business affiliation formed with US firm Envysion, Inc. --

Sony is taking its visual security business to the next level through SaaS (Software as a Service¹), a further development from its current manufacture and sale of hardware such as IP network cameras and recorders. The company will provide new 'Cloud Services (SaaS)' utilizing its own proprietary video analysis software. These new services will be offered jointly with our new business partner Envysion, Inc. (hereafter 'Envysion'), a company engaged in web-based video monitoring and security in North America. Network camera sales and cloud business development will begin in North America in the latter-half of 2011.

Envysion's main customers thus far have been multi-store cafes & restaurants and retail distribution stores, to which the company has provided onsite storage-based 'MVaaS²' cloud services. These web-based services facilitate systematization by integrating security cameras, recorders and store POS³ accounting devices to capture in-store video footage whenever a sale is generated, including storage of relevant sale information (logged POS transaction data) for each customer. The desired footage can then be searched for and selected for easy viewing via a Web browser from a remote location such as the company's headquarters.

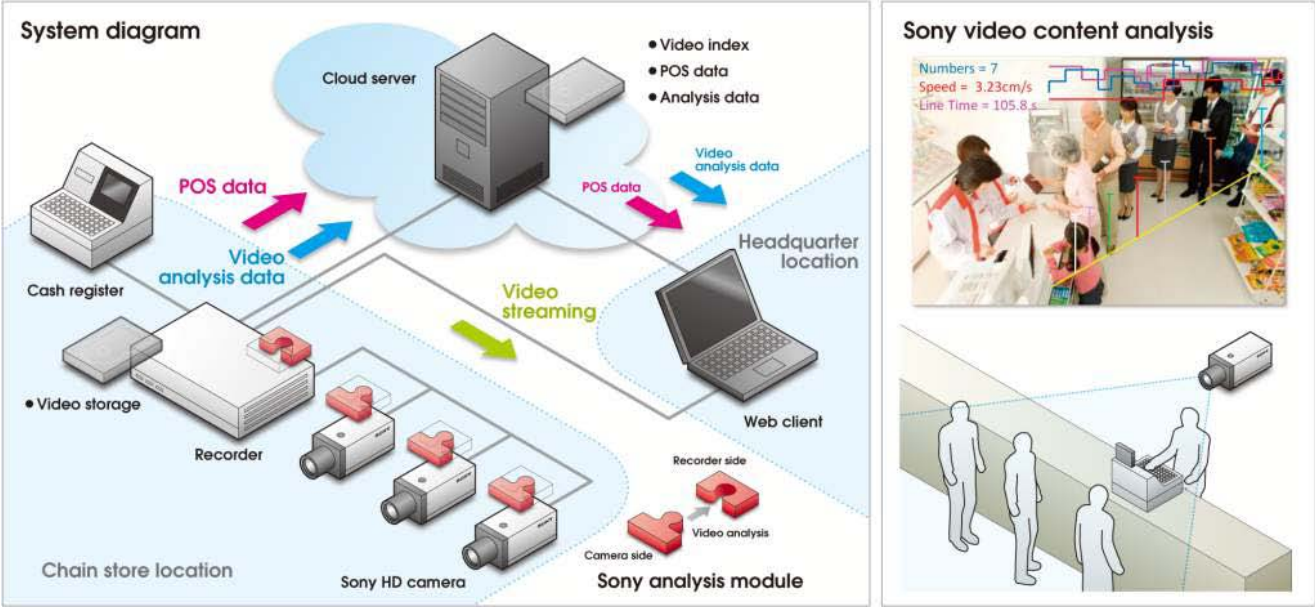
Actual footage is recorded on recording devices installed within the store, after which only the log and index of the recorded video is stored on the cloud servers. The system enables the actual store's recorder to be accessed when viewing the video, which provides the user with the benefits of the convenience of cloud servers, while keeping investment in these servers to a minimum. A diverse range of customers has taken advantage of this system to improve store profitability.

At the same time, current market demand is on the rise for newer hardware and software services of higher quality, such as cameras capable of monitoring in high-resolution video or video analysis software with even better added value, in the form of systems that incorporate this cloud concept.

Sony's visual security products include a range of high-resolution HD cameras in different sizes and with varying levels of functionality. The cameras are also equipped with software featuring advanced image processing for on-screen motion detection functionality.

The company's image-processing algorithm will be further developed and new software added to the cloud service menu retailed by Envysion. For example, the enhanced motion detection will include functionality to count the number of people visible within a screen, to record the movement time of individual people, or to detect motion inside areas designated on-screen as being off-limits. Footage containing the kind of added information provided by this software can be used not only for targeted in-store security monitoring, but also as a source of valuable insight for a diverse range of business strategies.

Analysis of customer behavior, such as how many customers stay in any given spot, and for how long (such as when waiting to order or pay at the cash register), can provide a means for creating and managing effective customer-oriented planning in cafes & restaurants, as well as assist with their day-to-day operation. In the case of retail distribution stores, a tracing and analysis of customer-movements within the store can be used to create more effective merchandise displays.



Sony positions its visual security business as one of its core professional solutions businesses. Hereafter, Sony plans to complement its hardware sales by further strengthening and developing its business platform via 'cloud services' in order to create and maintain a revenue stream even after a product has been sold.

*1 SaaS (Software as a Service) - Application software services provided over the Internet
 *2 MVaaS (Managed Video as a Service) - a type of SaaS; services for managing and viewing video
 *3 POS (Point of Sale) - Information management at the time a sale is made

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