Lecture Notes in Artificial Intelligence3327Edited by J. G. Carbonell and J. Siekmann

Subseries of Lecture Notes in Computer Science

Data Mining and Knowledge Management

Chinese Academy of Sciences Symposium CASDMKM 2004 Beijing, China, July 12-14, 2004 Revised Papers



Series Editors

Jaime G. Carbonell, Carnegie Mellon University, Pittsburgh, PA, USA Jörg Siekmann, University of Saarland, Saarbrücken, Germany

Volume Editors

Yong Shi Graduate University of Chinese Academy of Sciences CAS Research Center on Data Technology and Knowledge Economy No. 80 Zhongguancun East Rd., Beijing, China 100080 E-mail: yshi@mail.unomaha.edu and University of Nebraska at Omaha College of Information Science and Technology Omaha, NE 68182, USA E-mail: yshi@mail.unomaha.edu

Weixuan Xu Chinese Academy of Sciences, Institute of Policy and Management 55 Zhongguancun Rd., Beijing 100080, China E-mail: wxu@mail.casipm.ac.cn

Zhengxin Chen University of Nebraska at Omaha, College of Information Science and Technology Omaha, NE 68182, USA E-mail: zchen@mail.unomaha.edu

Library of Congress Control Number: 2004117657

CR Subject Classification (1998): I.2, H.2.8, H.4, J.1

ISSN 0302-9743 ISBN 3-540-23987-1 Springer Berlin Heidelberg New York

This work is subject to copyright. All rights are reserved, whether the whole or part of the material is concerned, specifically the rights of translation, reprinting, re-use of illustrations, recitation, broadcasting, reproduction on microfilms or in any other way, and storage in data banks. Duplication of this publication or parts thereof is permitted only under the provisions of the German Copyright Law of September 9, 1965, in its current version, and permission for use must always be obtained from Springer. Violations are liable to prosecution under the German Copyright Law.

Springer is a part of Springer Science+Business Media

springeronline.com

© Springer-Verlag Berlin Heidelberg 2004 Printed in Germany

Typesetting: Camera-ready by author, data conversion by Scientific Publishing Services, Chennai, India Printed on acid-free paper SPIN: 11363613 06/3142 5 4 3 2 1 0

Preface: Toward an Integrated Study of Data Mining and Knowledge Management

Data mining (DM) and knowledge management (KM) are two important research areas, but with different emphases. Research and practice in these two areas have been largely conducted in parallel. The Chinese Academy of Sciences Symposium on Data Mining and Knowledge Management 2004 (CASDMKM 2004) held in Beijing, China (July 12–14, 2004) provided a unique opportunity for scholars to exchange ideas in these two areas. CASDMKM is a forum for discussing research findings and case studies in data mining, knowledge management and related fields such as machine learning and optimization problems. It promotes data mining technology, knowledge management tools and their real-life applications in the global economy.

This volume of postsymposium proceedings contains 3 invited talks, as well as 25 papers selected from 60 original research papers submitted to the symposium. Contributions in this volume come from scholars within China as well as from abroad, with diverse backgrounds, addressing a wide range of issues. The papers in this volume address various aspects of data mining and knowledge management. We believe the publication of this volume will stimulate the integrated study of these two important areas in the future.

Although both data mining and knowledge management have been active areas in research and practice, there is still a lack of idea exchange between these two camps. CASDMKM aims to bridge this gap. Numerous issues need to be studied in regard to data mining and knowledge management. For example, how to manage the knowledge mined from different data mining methods? From the knowledge management perspective, what kinds of knowledge need to be discovered? What are the similarities and differences for data mining applications and knowledge management applications? What are the issues not yet explored on the boundary of data mining and knowledge management? This list of questions goes on and on. Of course papers in this volume cannot answer all of these questions. Nevertheless, we believe that CASDMKM 2004 served as an exciting platform to foster an integrated study of data mining and knowledge management in the near future.

The papers included in this volume are organized into the following categories:

- *Data mining methods*: Various theoretical aspects of data mining were examined from different perspectives such as fuzzy set theory, linear and non-linear programming, etc.
- *Practical issues of data mining*: Complementary to theoretical studies of data mining, there are also papers exploring aspects of implementing and applying data mining methods.
- Data mining for bioinformatics: As a new field, bioinformatics has shown great potential for applications of data mining. The papers included in this category focus on applying data mining methods for microarray data analysis.
- Data mining applications: In addition to bioinformatics, data mining methods have also been applied to many other areas. In particular, multiple-

criteria linear and nonlinear programming has proven to be a very useful approach.

- *Knowledge management for enterprise:* These papers address various issues related to the application of knowledge management in corporations using various techniques. A particular emphasis here is on coordination and cooperation.
- *Risk management:* Better knowledge management also requires more advanced techniques for risk management, to identify, control, and minimize the impact of uncertain events, as shown in these papers, using fuzzy set theory and other approaches for better risk management.
- Integration of data mining and knowledge management: As indicated earlier, the integration of these two research fields is still in the early stage. Nevertheless, as shown in the papers selected in this volume, researchers have endearored to integrate data mining methods such as neural networks with various aspects related to knowledge management, such as decision support systems and expert systems, for better knowledge management.

September 2004

Yong Shi Weixuan Xu Zhengxin Chen

CASDMKM 2004 Organization

Hosted by

Institute of Policy and Management at the Chinese Academy of Sciences Graduate School of the Chinese Academy of Sciences International Journal of Information Technology and Decision Making

Sponsored by

Chinese Academy of Sciences National Natural Science Foundation of China University of Nebraska at Omaha, USA

Conference Chairs

Weixuan Xu, Chinese Academy of Sciences, China Yong Shi, University of Nebraska at Omaha, USA

Advisory Committee

Siwei Cheng, Natural Science Foundation, China Ruwei Dai, Chinese Academy of Sciences, China Masao Fukushima, Kyoto University, Japan Bezalel Gavish, Southern Methodist University, USA Jiali Ge, Petroleum University, China Fred Glover, University of Colorado, USA Jifa Gu, Chinese Academy of Sciences, China Finn V. Jensen, Aalborg University, Denmark Peter Keen, Delft University, Netherlands Ralph Keeney, Duke University, USA Kin Keung Lai, City University of Hong Kong, Hong Kong, China Alexander V. Lotov, Russian Academy of Sciences, Russia Robert Nease, Washington University School of Medicine, USA Hasan Pirkul, University of Texas at Dallas, USA David Poole, University of British Columbia, Canada Thomas Saaty, University of Pittsburgh, USA Mindia E. Salukvadze, Georgian Academy of Sciences, Georgia Elie Sanchez, Université de la Mediterranée, France Prakash P. Shenoy, University of Kansas, USA Zhongzhi Shi, Chinese Academy of Sciences, China Jian Song, Chinese Academy of Engineering, China Ralph E. Steuer, University of Georgia, USA Peizhuang Wang, Beijing Normal University, China Andrew B. Whinston, University of Texas at Austin, USA Po-Lung Yu, National Chiao Tung University, Taiwan, and University of Kansas, USA Philip S. Yu, IBM T.J. Watson Research Center, USA Lotfi A. Zadeh, University of California at Berkeley, USA Milan Zeleny, Fordham University, USA Hans-Jürgen Zimmermann, Aachen Institute of Technology, Germany

Program Committee

Hesham Ali, University of Nebraska at Omaha, USA Daobin Chen, Industrial and Commercial Bank of China, China Jian Chen, Tsinghua University, China Xiaojun Chen, Hirosaki University, Japan Zhengxin Chen, University of Nebraska at Omaha, USA Chao-Hsien Chu, Pennsylvania State University, USA John Chuang, University of California at Berkeley, USA Xiaotie Deng, City University of Hong Kong, Hong Kong, China Jiawei Han, University of Illinois at Urbana-Champaign, USA Xirui Hao, Vision Software Inc., USA Chongfu Huang, Beijing Normal University, China Haijun Huang, Natural Science Foundation, China Zhimin Huang, Adelphi University, USA Deepak Khazanchi, University of Nebraska at Omaha, USA Wikil Kwak, University of Nebraska at Omaha, USA Heeseok Lee, Korea Advanced Institute of Science and Technology, Korea Hongyu Li, Fudan University, China Shanling Li, McGill University, Canada Keying Ye, Virginia Polytechnic Institute and State University, USA Yachen Lin, First North American Bank, USA Jiming Liu, Hong Kong Baptist University, Hong Kong, China Xiaohui Liu, Brunel University, UK Yoshiteru Nakamori, Japan Advanced Institute of Science and Technology, Japan David L. Olson, University of Nebraska at Lincoln, USA Fuji Ren, Tokushima University, Japan Hongchi Shi, University of Missouri-Columbia, USA Minghua Shi, Dagong Global Credit Rating Co., China Chengzheng Sun, Griffith University, Australia Di Sun, China Construction Bank, China Minghe Sun, University of Texas at San Antonio, USA Tieniu Tan, Chinese Academy of Sciences, China Zixiang Tan, Syracuse University, USA Xiaowo Tang, Chinese University of Electronic Science and Technology, China Xijing Tang, Chinese Academy of Sciences, China James Wang, Pennsylvania State University, USA Shouyang Wang, Chinese Academy of Sciences, China Zhengyuan Wang, University of Nebraska at Omaha, USA Yiming Wei, Chinese Academy of Sciences, China Xindong Wu, University of Vermont, USA Youmin Xi, Xi'an Jiaotong University, China

Lan Xue, Tsinghua University, China Xiaoguang Yang, Chinese Academy of Sciences, China Yixian Yang, Beijing University of Posts and Telecommunications, China Zheng Yang, Sichuan University, China Gang Yu, University of Texas at Austin, USA Shuming Zhao, Nanjing University, China Jianlin Zheng, University of Nebraska Medical Center, USA Ning Zhong, Maebashi Institute of Technology, Japan Zongfang Zhou, Chinese University of Electronic Science and Technology, China Yangyong Zhu, Fudan University, China

Table of Contents

Keynote Lectures

Visualization-Based Data Mining Tool and Its Web Application Alexander V. Lotov, Alexander A. Kistanov, Alexander D. Zaitsev	1
Knowledge Management, Habitual Domains, and Innovation Dynamics P. L. Yu, T. C. Lai	11
Knowledge-Information Circulation Through the Enterprise: Forward to the Roots of Knowledge Management <i>Milan Zeleny</i>	22
Data Mining Methodology	
A Hybrid Nonlinear Classifier Based on Generalized Choquet Integrals Zhenyuan Wang, Hai-Feng Guo, Yong Shi, Kwong-Sak Leung	34
Fuzzy Classification Using Self-Organizing Map and Learning Vector Quantization <i>Ning Chen</i>	41
Solving Discriminant Models Using Interior Point Algorithm Siming Huang, Guoliang Yang, Chao Su	51
A Method for Solving Optimization Problem in Continuous Space Using improved Ant Colony Algorithm Ling Chen, Jie Shen, Ling Qin, Jin Fan	61
Practical Issues of Data Mining	
Data Set Balancing David L. Olson	71
Computation of Least Square Estimates Without Matrix Manipulation Yachen Lin, Chung Chen	81
Ensuring Serializability for Mobile Data Mining on Multimedia Objects Shin Parker, Zhengxin Chen, Eugene Sheng	90

Data Mining for Bioinformatics

"Copasetic Clustering": Making Sense of Large-Scale Images Karl Fraser, Paul O'Neill, Zidong Wang, Xiaohui Liu	99
Ranking Gene Regulatory Network Models with Microarray Data and Bayesian Network	
Hongqiang Li, Mi Zhou, and Yan Cui	109
On Efficiency of Experimental Designs for Single Factor cDNA Microarray Experiments	110
Xiao Yang, Keying Ye	119
Data Mining Applications	
Data Mining Approach in Scientific Research Organizations Evaluation Via Clustering	
Jingli Liu, Jianping Li, Weixuan Xu, Yong Shi	128
Heuristics to Scenario-Based Capacity Expansion Problem of PWB Assembly Systems	
Zhongsheng Hua, Liang Liang	135
A Multiple-Criteria Quadratic Programming Approach to Network Intrusion Detection	
Gang Kou, Yi Peng, Yong Shi, Zhengxin Chen, Xiaojun Chen	145
Classifications of Credit Cardholder Behavior by Using Multiple Criteria Non-Linear Programming	
Jing He, Yong Shi, Weixuan Xu	154
Multiple Criteria Linear Programming Data Mining Approach: An Application for Bankruptcy Prediction	
Wikil Kwak, Yong Shi, John J. Cheh, Heeseok Lee	164
Knowledge Management for Enterprise	
Coordination and Cooperation in Manufacturer-Retailer Supply Chains Zhimin Huang, Susan X. Li	174

Development of Enterprises' Capability Based on Cooperative Knowledge	
Network	
Junyu Cheng, Hanhui Hu	187
Information Mechanism, Knowledge Management and Arrangement of	
Corporate Strategem	
Zhengqing Tang, Jianping Li, Zetao Yan	195

An Integrating Model of Experts' Opinions Jun Tian, Shaochuan Cheng, Kanliang Wang, Yingluo Wang	204
Risk Management Cartographic Representation of the Uncertainty Related to Natural Disaster Risk: Overview and State of the Art <i>Junxiang Zhang and Chongfu Huang</i> A Multi-objective Decision-Making Method for Commercial Banks	213
Loan Portfolio Zhanqin Guo, Zongfang Zhou	221
A Multi-factors Evaluation Method on Credit Evaluation of Commerce Banks Zongfang Zhou, Xiaowo Tang, Yong Shi	229
Integration of Data Mining and Knowledge Management	
A Novel Hybrid AI System Framework for Crude oil Price Forecasting Shouyang Wang, Lean Yu, K. K. Lai	233
A Neural Network and Web-Based Decision Support System for Forex Forecasting and Trading K.K. Lai, Lean Yu, Shouyang Wang	243
XML-Based Schemes for Business Project Portfolio Selection Jichang Dong, K. K. Lai, Shouyang Wang	254
Author Index	263