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Contents

Internet On Your
New Cell
Phone - Is That
One Feature
Too Many? 1

No Matter How
Much Things
Change, They
Remain The
Same 1

Forecast for the
National
Information
Technology
Market 4

Internet On Your New Cell Phone ---- Is That One Feature Too Many?

Do Cell Phones Improve The Quality Of Your Life?

Think back over the past few months and remember all of the times that your cell phone rang when it was not convenient. Be it that you were having dinner, in the car or just combing your hair. How many of those calls were earth shattering? How many of those calls could have waited for the next business day?

On top of that, other people seem to want to answer the phone and speak in the loudest voice in the most inopportune places. I can not count the times someone answers the phone in a restaurant and then proceeds to talk at the top of their voice about the most personal or private matters. It has gotten so bad that at a concert last week, the conductor had to stop and glare at a person who thought nothing of answering the phone. This past ski season, I was on the top of a mountain looking at some wonderful scenery, when the ring and the loud high pitched voice of another broke the silence and told me all about why they were fired.

In Chicago, the commuter trains, which used to be the bastion of napping and reading the paper as the train lumbered into the city have had to post signs "NO PHONE". They may have to bring back the Smoking car as the Phone car.

New features are being added to cell phones while telephone companies are working to come up with lower rates that attract even more people to this technology.

(continued on page 2)

No Matter How Much Things Change, They Remain The Same

The Computing Delivery Market Is The Same Today As In 1965

We have all heard the adage that the past defines where and what we will do in the future. In the computing world that is more than a statement, it is the way it is.

One only needs to do a comparison between IBM in the 1960's and 1970's with Microsoft of today.

At that time there was an explosion of computing technology. The space race was in full bloom and this new technology was spreading across the horizon.

Business models were changing and things that were impossible only a few short years before became the norm. IBM was the high flying stock of the age and everyone had money invested in it.

In addition companies that were deemed to be in the same space, were also high flyers. It seem as if nothing could go wrong and the world was at the feet of IBM. Some of the charac-

teristics of the time were:

- IBM dominated the market and it set the standard that provided the umbrella for a host of other technology companies.
- The Government felt IBM was too large and it filed a major antitrust suit against it.
- There was a scarcity of people who knew how to write the programs and operate these new systems.

(continued on page 3)



No, I am not the grinch who wants to steal Christmas – Now if it is NASDAQ you are asking about...



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(continued from page 1)

There are now "Family Rates" so that you can get four or more phones for the cost of one. Missing from this explosion of technology is the question: Do we really need all of this intrusion into our personal time?

In Yosemite they are in the process of eliminating cell phones because people are abusing them there. No matter what the seeming emergency people are calling for help. Before if a person got a blister, they would walk out slowly by themselves. Now they are so important they call for a rescue squad and get carried out.

A fact I just learned was that in the Continental United States there is no place that is more than 20 miles from some road, be it a dirt road or a multi-lane interstate. I would bet that the cell coverage is now almost as complete.

Gone Too Far

Now we are going to have a whole range of new features as the Internet, e-mail, and advertisements are going to be added to the new phones. There was a recent story in the Wall Street Journal about how various companies are looking to populate your cell phone with its ads. I can see the next cry, we are going to have to have the tobacco companies sign a new agreement saying they will not put ads for cigarettes on the cell phones of kids under 18 or better yet make it so that public service advertisements appear on phones, or worse politicians asking for your vote. Maybe we could even tie coupons in and have the advertiser pay for the next call.

In the name of productivity, we are getting to the point there is no place that we can be without this technology being paramount to use. Do we really need to buy a book on Amazon.com via the touch pad on our cell phone? Why not just program in the 800 number and get Amazon to answer the phone and do it the old fashion way or wait until we get to a real computer.

The next generation cell phone technology will not only change the way that we work; it will also change the quality of our lives.

Bluetooth

Looming on the horizon is the "Bluetooth" standard. It is named for the Danish King Bluetooth, who unified Scandinavia. Bluetooth is a standard for unifying cordless voice and data communications with other cell phones, PCs, LANs, entertainment systems and other electronics including your refrigerator.

Your cellphone will contain a microchip that sends and receives radio signals for about 30 feet. There is a device, a link manager, that identifies the devices in the area and controls the traffic between them. You can have your address list and e-mails stored and retrieved over the air. Sounds nice right. Now let's think how exposed you will be to viruses and prying eyes as people will find ways to access that information. Gone will be all privacy just so we can operate a little more efficiently.

Sure there are a lot of people that will be able to use the technology, but the question I ponder is at what cost. Personally, I use most of the new technology including a cell phone. I look forward to getting my e-mail without having to look in. However, there needs to be a way to limit the intrusion of technology into our "personal space". What will need to add to all of these implementations is a limitation of where and when it can take control of our lives. It would be nice to have it shut off automatically when you enter say a bathroom. There are very few calls that can not wait until I get done. Can you imagine the frustration, when you get a cold call from someone trying to sell you a time share in Belize when you are otherwise occupied.

Things that we need to do as this new technology approaches us are:

- Set personal limits on where and when you want to apply it. Is the technology something that is going to give you a real competitive advantage or is it disposable and just a passing trend?
- Remember common courtesy on how you will use it. When you use these new tools will you be tuning out people around you? Think about what voice mail and automated attendants have done. There is always a cost with the benefit.
- Know the impact on your personal privacy and security. Do you really want to do a credit card transaction over the air in a public place?
- Investing your time and effort in an early stage of technology may not be in your best interest. If you lose your job but get the technology to work you will have lost.

Yes, as people have said before, these are the best of times and the worst of times. What we need to do is remember what matters and what is important.

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- Business and operational executives felt frustrated. The "Data Processing" function was under fire for costing too much, taking too long to implement solutions and not meeting rapidly changing business needs.

Now does that sound familiar? What can we learn about the future from the past.

Market Dominance

IBM learned the hard way that size limits an enterprise's ability to adapt in a rapidly changing marketplace. They were able to hold on to much of the legacy technology, but were passed by as the new mini-computer and PC technology exploded. Sure they were able to help launch the IBM PC to fight off Apple. However, in the process of doing that they created the future winner - Microsoft. In addition when they tried to fold the PC back into the main-stream of IBM they created even more competitors - Dell, Gateway, Micron and Compaq.

Looking at Microsoft today we can see they are at the cusp of doing the same thing. They have created the Windows CE device in response to the Palm Pilot. While at the same time the great new innovation in the cellular phone is passing them by.

Lawsuits

The IBM lawsuit was the government's full employment act for attorneys. Nothing was really accomplished by the suit. When it was all said and done the market made IBM change. Not the government.

Microsoft, will probably face the same fate. It will always be a force to be reckoned with as IBM, but some other enterprise will leap to center stage in the next few years.

Scarce Resources

IBM felt the need to create training and leadership in this technology. They created multiple industry groups with the purpose of training and spreading the words - GUIDE and SHARE. The market felt it was too focused and the NCC and COMDEX were started in direct competition.

Microsoft has certification programs for both systems and people. As Windows 2000 is rolling out, one can see the competition building.

Cost Too Much

One of the greatest hindrances to IBM's continued revenue growth was the slow down by its customers in the implementation of new versions of hardware and software. An entire industry was created around ways to reduce payments to IBM - Cloned processors, leasing companies and service providers who elongated the life of the "older" technologies.

As costs increased, IBM's market share of "computing" decreased to the point where they were no longer the dominant force.

Microsoft faces the same challenge. They are now faced with the dilemma that as they implement new solutions like Windows 2000 and Millennium, customers will no longer just upgrade to the latest version because it costs the enterprise too much. And hark, we now have the new player on the block LINUX.

What all of this says to me is that Microsoft has probably seen its peak of influence. The odds that they will be able to be the primary driver are significantly reduced since they have such a huge inventory of legacy systems. They have provided us with a great competitive advantage just like IBM did, but now some other entity will be the driver.

Microsoft will still be a leader but its days of being a driver are truly numbered. Sorry Bill, but I do not think we will have to pass the hat for you. 

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Forecast for the National Information Technology Market

Softness is here now and times are not as good as they have been....

by M. Victor Janulaitis

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There are a number of things that are looming as anchors on our markets. Included are: the general slow down of the economy; the fear of higher taxes needed to support new entitlement programs when the economy dips; and the Justice Department's focus on "controlling competition" in the high tech field.

Each of these factors is having a dampening effect on plans and directions that enterprises had in the queue.

The Economy

Well, Greenspan succeeded. He has slowed the economy to the point that there are some real concerns there will be a hard landing. One of the things we have seen is that for the first time in several quarters, there is slow down in demand for IT resources. The number of organizations that are "pulling back" or "holding back" until after the election has increased.

Many dot com companies are short of cash and will not be able to ride out the "Perfect Storm" that the Fed has created. The Fed accomplished this by raising interest rates, killing the stock markets, saying that "NEW" spending by the government is okay, and that

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"NO" tax cuts should be implemented. It seems that Kenysian economics may be back and alive in Washington.

New Entitlements and Taxes

With the fighting on how to "spend" the surplus mired in the politics of this fall's election, many are concerned that the government will grow larger with more entitlement programs. With the Republicans' learning from the last Clinton veto, they have started to send individual tax cut legislation to the White House.

Clinton has countered that he will sign no tax cut unless spending bills for "NEW" programs are attached. Somehow I do not see the logic in these statements. He says that the Marriage Tax Penalty is a "RISKY BUDGET BUSTER" but if it is tied to a new entitlement program, that will cost at least 5 times the tax cut, it is okay. Go figure.

The wait and see game has started much earlier than before, and we feel that it will have an adverse effect on expansion, growth and deployment of new technology.

Justice Department Focus

Now that the Justice Department has won its first round against Microsoft, it is starting to feel like it can do more. A primary driver of this is the legacy building process of Janet Reno and Clinton. They do not want to be remembered for Waco, missing nuclear secrets, Chinese money and the other "non events" they controlled. There is a strong feeling at the upper levels of the administration that if they can get some "good wins" history will present them in a much better light.

There is concern that if a wrong direction is taken in the next administration, we as a society may be put in the same boat as Japan was in 1990 when they started their ten (10) year recession.

The go-go days of a hot NASDAQ - our engine for growth and capital - seem to be lost. We are at the point where the markets routinely move in ranges of 100 plus points in a day. In fact, this year has been the most volatile of any year in our history. Given all this uncertainty, it is easy to see why many are taking a "let's wait and see what happens between now and November" attitude.

Vic

Location	Prospects Short Term	Prospects Long Term
Northeast	Excellent	Excellent
Mid Atlantic	Good	Good
Southeast	Good	Good
South	Good	Fair
Midwest	Excellent	Excellent
Southwest	Excellent	Fair
West	Good	Good
Pacific Northwest	Excellent	Excellent
Best Location	Pacific Northwest	Northeast