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The Coming Fashion in Addresses

Toronto-based NAC Geographic Products Inc says Hong Kong, New Zealand, Singapore and Taiwan have joined the countries and areas digitized with Universal Addresses and so-called Natural Area Codes (NACs), raising the number of Universal Address-digitized countries and areas to 24.

The others are Australia, Austria, Belgium, Brazil, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Italy, Luxembourg, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, Taiwan, the UK and the US.

NAC gets its geographic data from Microsoft.

The widgetry, which among other things provides turn-by-turn driving directions to wireless gizmos and cell phones and can be used as Global Postal Codes to sort both domestic and international mail, now covers more than a billion people.

As the company explains, the Universal Address System has unified all addresses, geographic coordinates, area codes, postal codes, map grids and property identifiers of the entire world. Each of these codes can now be represented by a single Universal Address that connects the information from all kinds of location-based services, maps, GPS receivers, navigation systems, courier and postal services, travel information systems, yellow pages, business directories, geographic information systems, as well as all other location-related products and services, and makes them "highly efficient, reliable and geographically complete," it says.

A Universal Address is very short and can be included as part of an address on a business card and listed in the yellow pages, tour books and travel information web sites. With Universal Addresses, travelers can use electronic navigating devices to find their destinations. They can also directly figure out the distance and relative direction between any two Universal Addresses because Universal Addresses are Universal Map Grid coordinates with fixed cell sizes, and pinpoint any Universal Address on any map with Universal Map Grids.

Since Universal Addresses exist everywhere, people can use them not only for locations with addresses but also for locations

without addresses: bridges, park gates, BBQ tables, park benches, wells, trees, tombstones, street lights, sewage exits, fire hydrants, cable connectors, gas meters, electric wire poles, camping sites, fishing spots and accident locations. And since Universal Address-enhanced GPS cell phones and GPS watches are getting more popular, the company imagines people will use the Universal Address to accurately answer the question: "Where are you?" without the help of local landmarks.

The inclusion of Hong Kong and Taiwan is a breakthrough because they use Chinese characters in their addresses, which can't really be translated into other languages.

According to the company, using Universal Addresses to specify locations instead of traditional addresses on location-based services can reduce 80% of input characters, avoid difficulties in inputting addresses with foreign characters, eliminate errors from address databases and extend location-based services to all locations no matter whether there are addresses or not.

The 80% reduction in input is significant for cell phones, PDAs and portable navigation systems with small keypads and screens to access location-based services. The short Universal Addresses can make the entire input interface of a driving directions service fit on a single screen of a small cell phone as shown by the company's Locamagic offering, a wireless location-based services suite that provides address management, locating, turn-by-turn driving directions, real-time navigating instructions, nearby business/amenity searching, cell phone location tracking and friends locations monitoring in more than 30 countries.

Eight-character Universal Addresses reportedly have the highest resolution in all ZIP/postal codes used in the world. Using Global Postal Codes to sort mail or parcels can optimize delivery routes because they have all the accurate location information, unlike ZIP/postal codes that just represent the internal delivery structure of the postal service.

See www.travelgis.com/geocode/.

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RFID Start-Up Gets Funding

ThingMagic, a privately held Cambridge, Massachusetts company full of MIT PhDs that got started five years ago and eschewed venture capital until now, has taken in a \$15 million first round from The Tudor Group, The Exxel Group, Morningside Technology Ventures, Inventec Appliances and Top Line Growth Capital.

The start-up, which claims it's been profitable since day one, developed a Linux-based RFID reader called Mercury to the specifications of MIT's Auto-ID Center that can reportedly talk to any RFID tag, on any radio frequency, integrate seamlessly with the Internet, is capable of computer-like intelligence, and is supposed to be very cheap to make in large volumes.

ThingMagic, which collaborated with Intel to use Intel's XScale network processors, goes through manufacturing licensees like Tyco/Sensormatic, OEM partners, resellers and integrators.

ThingMagic's latest generation can pick up signals based on new Electronic Product Code standards. Users can write their own software.

Australia Fights Fire with Fire

The Australia Post, which complains that electronic substitution is killing its letter mail business, is fighting fire with fire with a service called Mail2Day.

The post is using e-mail and SMS alerts to inform post office box holders "You have mail."

According to the Australian Financial Review, the post has been seeing 25% monthly growth in customers since launching the service.

Users can nominate one mobile number for SMS messages or two e-mail addresses for the service. The post says, "Mail2Day notifies you as soon as your mail is delivered to your post office box."

SMS costs \$89 (Australian) a year, e-mail \$55, both on top of the box charges.

The post blames e-mail and SMS for slashing the 2004-2005 profits of its letter division by \$57 million (Australian) to \$248.3 million.

Japan Starts Down Road to Privatization

The Japanese government has named the first clutch of folks to plan the holding company that will own the four companies that Japan Post will be divided into according to the privatization plan that was finally passed by the Diet earlier this month.

They have until October 2007 to work out all the details but the genesis of the holding company is supposed to be set up by this January.

The planners include Masaharu Ikuta, the president of Japan

Post; Hiroshi Okuda, the chairman of the Japan Business Federation, the largest Japanese business lobby known as Nippon Keidanren; Kakutaro Kitashiro, the chairman of the Association of Corporate Executives; Nobuo Yamaguchi, the chairman of the Japan Chamber of Commerce and Industry; Yoshihisa Akiyama, the chairman of the Kansai Economic Federation; Yoichiro Morishita, the chairman of the Postal Administration Council; and Keimei Kaizuka, the chairman of the Financial System Council.

Meanwhile, as protection against the coming privatization, Japan Post and All Nippon Airways will be setting up an air cargo company next April to get Japan into the international air courier business.

India Post Wants More Computers

India's Minister for Communication and IT Dayanidhi Maran said he has asked the prime minister and the Planning Commission for the money to computerize all of the 26,000 post offices across the country.

He is quoted as saying, "The computerized and networked backbone of post offices would provide opportunities to central and state governments, business community, and financial and micro-credit institutions to use the postal infrastructure for e-governance."

Meanwhile, the India Post is supposed to launch the immediate Money Order (iMO), an online money transmission system, in November.

BCC Claims To Sidestep USPS Costs

BCC Software, a BÖWE BELL + HOWELL company that develops software for professional mailers, has released Truck Direct Mail, an online logistics engine that generates free, no-obligation quotes for mailings drop-shipped to Destination Entry points by private carriers.

If the quote is accepted, trucks are dispatched to the mailer location for mail pickup and the appropriate USPS drop-ship destination. All private carrier arrangements are made by the Truck Direct Mail system.

The system is the work of BCC and Direct Logistics, a Dallas/Fort Worth transportation logistics house that specializes in getting direct mail to postal facilities nationwide.

To access Truck Direct Mail, BCC customers login at the BCC Customer Portal (<https://portal.bccsoftware.com>) and click the Truck Direct Mail link in the Services section. Prior registration, free to all active BCC customers, is required to enter the portal.

BCC says Truck Direct Mail offers a hassle-free way to assess the savings available by using a private carrier to transport eligible mailing jobs to the mail stream. When the user accepts the logistics quote, that approval is sent straight to Direct Logistics, where transport is arranged per the mailer's instructions — at a reported savings of as much as 20% over standard USPS ship-

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ping costs. After being verified at the appropriate Bulk Mail Entry Unit and returned to the user's facility, the job is then delivered by private carrier to specified USPS Bulk Mail Centers (BMCs) or Sectional Center Facilities (SCFs). In most cases, the process reduces overall costs and delivery times.

"Truck Direct Mail and the follow-through services offered by Direct Logistics represent significant potential savings, achievable with virtually no extra effort," said Ted Seward, BCC's VP of marketing. "Beta users have enjoyed outstanding results, and we're excited to make this resource available to the greater community of BCC users. This value-added tool can significantly reduce costs and increase efficiency — especially in the face of pending postage increases."

BCC says Destination Entry drop-shipping typically generates the greatest ROI on shipments that have low individual-piece weights (between 0.5 oz and 1.5 oz), number in the thousands or tens of thousands, and/or require specific in-home delivery dates.

The final stage in the development of Truck Direct Mail will be to integrate the quote engine directly into Mail Manager 2010, BCC's flagship presorting and list management solution. The integration is scheduled to be completed this quarter.

Kids. Just Like Other People

The USPS commissioned a study on attitudes of Generation X and Generation Y towards mail and found that over three-quarters of them read and respond to mail just like Boomers.

The Gen X generation was born between 1965 and 1972, and makes up roughly 17% of the population. Gen Y was born between 1977 and 1994 and makes up about 25% of the US.

Despite all the temptations of electronics, the findings conclude that young consumers are more likely to read and respond to printed material such as flyers, circulars, catalogs and newsletters that reach them through the mailbox. The study examined how young consumers perceive mail, how they use it and how mail fits into their high-tech lives.

According to the USPS' chief marketing officer Anita Bizzotto, "To effectively reach this younger generation of Americans, whose lives are being shaped by digital media, marketers must deliver smarter, more sophisticated and relevant messages and must use the right media channel to drive their messages."

The study's findings show that 86% of Generation X and 87% of Generation Y bring in the mail the day it is delivered. And 70% of Generation X and 82% of Generation Y sort through their mail immediately. These young consumers feel comfortable searching for products online, but more than half said they keep catalogs for an extended period of time and browse through them repeatedly.

Bizzotto figures this means that "Mail offers marketers the unique ability to make a physical connection with these young adults. It gets their attention and builds brands with them."

The "Gen X, Gen Y, and the Mail" study included several key

findings:

- 58% of Generation X and 66% of Generation Y prefer mailed bills to manage finances.
- 74% of Generation X and 68% of Generation Y direct mail receivers read retail advertising sent to them. The USPS says it means mail keeps them in touch with the marketplace and influences them to make a purchase.
- 68% of Generation X and 73% of Generation Y retail direct mail readers have used mailed coupons.
- 53% of Generation X and 60% of Generation Y who shop for credit cards online are more likely to respond to mail offers than e-offers.
- 70% of Generation X and Y are more likely to open and read credit card offers in the mail than by e-mail.

According to John Palmer, the president of InnoMedia, one of the researchers, "Since this younger audience typically receives fewer pieces of mail than TV, radio and Internet advertising impressions, marketers have a better chance of grabbing their attention and holding it longer by using mail."

DHL To Hit High Street

DHL is reportedly going to put one billion euros into creating a chain of 30,000 retail outlets across Europe like Mail Boxes Etc and Kinko's in the US aimed at small and medium-sized shippers that will function as drop-off points that offer other services too. It wants all the shop fronts in Italy, Spain, England, Sweden, Poland, Holland and Switzerland functioning by 2008.

Meanwhile, according to Bloomberg, DHL's owner, the great Deutsche Post AG expects earnings before interest and tax to reach 3.6 billion euros (\$4.3 billion) this year and net income to rise by at least 500 million euros.

Deutsche Post last month agreed to buy Exel for \$6.5 billion to become the world's largest manager of warehouses and inventories. Deutsche Post has made more than 100 acquisitions since 1996, including DHL, in preparation for the loss of its legal monopoly at the end of 2007.

Abacus Claims To Simplify Mail Campaigns

Abacus, an Atlanta-based supplier of data and services for catalog, specialty retail and B-to-B direct marketers, has released FastPath, widgetry designed to remove the complexities associated with traditional multi-list mailings by delivering a mail-ready file in a single integrated solution.

The company says FastPath integrates a complete prospect universe from the Abacus Alliance databases, which it describes as the industry's premier sources of information on consumer and business buying history, with its own DataEDGE list processing capabilities.

The new solution provides a one-step process, allowing direct

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marketers to eliminate much of the time and expense associated with circulation planning, list procurement and merge/purge processing.

FastPath is also supposed to relieve users from having to manage a complex network of data sources, lowering overall mailing costs, it says, without compromising response and profitability objectives.

FastPath includes postal prep processing such as hygiene, address standardization and suppression, and postal pre-sort, Add-a-Name insertion, and ink-jet Formatting to ensure the quality of the data prior to mailing. There is also optional retention modeling.

USPS Order Momentum Picking Up for ID Systems

The USPS will be deploying ID Systems' Wireless Asset Networked industrial vehicle management system at nine additional USPS facilities. The order increases the number of USPS facilities deploying the Wireless Asset Net to 22. Under the terms of the USPS' three-year national contract with ID Systems, up to 460 USPS facilities can order the Wireless Asset Net system.

The nine new facility orders are valued at approximately \$2.6 million.

According to ID Systems, "We are beginning to see the adoption rate within the Postal Service approach our expectations."

As previously reported the Wireless Asset Net consists of intelligent wireless devices installed on powered industrial vehicles such as fork trucks and pallet movers, a patented communication infrastructure and client/server software for access control, utilization analysis and real-time location tracking. The system is designed to restrict vehicle access to authorized operators, report vehicle problems in real-time, allow for scheduling maintenance according to actual vehicle usage and help determine the optimal economic time to replace equipment.

Azerbaijan To Modernize

Thanks to the World Bank and a planned investment of \$12.25 million, Azerbaijan's postal system is supposed to be renovated and modernized to provide Internet access, banking, postal transfers and payments, even micro-credits.

UPU-Emirates Post Formalize Plans

The Universal Postal Union (UPU) and Emirates Post have signed an agreement formalizing the arrangements for organizing the 2006 UPU Strategy Conference in the United Arab Emirates and defining the responsibilities for the event.

The conference will take place from November 14-16 2006 at the Grand Hyatt Dubai Conference Centre. Some 800 delegates from more than 130 UPU member countries are expected.

It's the first time the UPU's Strategy Conference, held every four years, will take place outside Switzerland.

Start-Up To Make Linux Work with Windows

There's a little company called Centeris Corporation that lives down the road from Microsoft in Bellevue, Washington, and has more than its fair share of ex-Microsoft people working for it.

It got started a year ago on a \$5 million check written by the ex-Microsoft executives at Ignition and it's going to try to resolve some of Microsoft's cross-platform issues with Linux whether or not everybody at Microsoft likes the idea.

Users, especially bigger users, have heterogeneous environments and have been all over Microsoft to play nice with the upstart Linux, which is notoriously hard to install and configure on its own and harder still to get to work with a Windows network.

That's why Microsoft has lent aid and comfort to such as Vintela and Centrify, which do things like make Linux and Windows live in a happy nirvana of single sign-on under the auspices of Active Directory.

Centeris, which promises to lower the cost of mixed server environments, is also tapping into the strength of Microsoft's Active Directory as well as the Microsoft Management Console (MMC) to make it possible for Linux servers to be installed, configured and managed from the Windows console. Centeris will install an agent on each of the Linux boxes. It expects the widgets to do a lot of file, print, and Apache web stuff.

Any day now Centeris is going to put its turnkey product called Likewise out in a public beta. It's reportedly already got a dozen or a dozen-and-a-half companies, including a few Fortune 500s, involved in a closed beta. By early December it should go production. Once out it should list for a flat one-time \$350 per Linux server. Service, when last we looked, was still up the air.

Centeris will be shooting for the folks with full-time IT staff, generally companies with 250 employees or up. Basically the mid-market and the enterprise, which have way more Windows expertise than Linux know-how.

Centeris intends to use the big OEMs and their channels and the Linux distros for distribution and while it waits for those negotiations to bear fruit, it'll use the web.

Unlike the current fashion, Centeris didn't start with an open source project and commercialize it. It built Likewise itself. However, to make it friendly to the Linux contingent, it's going to open source some of its widgetry. It's already been making contributions to Samba.

Centeris, which thinks it can be a \$100 million concern, expects its Ignition A round to last it into next year. A B round is in the works. Reportedly VCs have been "pre-emptive" about it. The new money would be used for sales and marketing. By next year the 30-man company should be at 50 people, adding mostly sales and marketing folk.

Given the caliber of the users it expects to sell to, Centeris figures to open Europe relatively quickly. It's already hired a gener-

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al manager named Adrian Rayner who used to run Marimba's operations over there.

Some of the other players include VP, products Manny Vellon, ex-Microsoft; VP, marketing Chuck Mount, ex-Microsoft; chief architect Brian Moran, ex-Microsoft; and CEO Barry Crist, who never worked for Microsoft, but his wife did.

They anticipate that after Likewise rolls out, they'll think about doing something similar about network services, firewalls, proxy servers and the LAMP stack.

Microsoft's Nasty Old Habits Die Hard

Microsoft pulled back from contractually restricting iPod-competitive device makers from distributing other people's media players after it was ratted out by an unnamed competitor, according to the AP.

The Justice Department reportedly decided not to make the relapse into a federal case after Microsoft recanted.

The DOJ might have been able to nail Microsoft for violating its antitrust settlement, which also calls for Microsoftees to be educated in the niceties of antitrust law.

It would also have violated one of the provisions of Microsoft's shiny new \$761 million settlement with RealNetworks.

Reportedly the contracts were drafts and hadn't been reviewed by Microsoft lawyers.

It's unclear whether the judge overseeing the Microsoft settlement will have anything to say about the recidivism – or the European Commission for that matter.

IBM Buys SOA House; Will Field SOA Appliances

IBM's Software Group has acquired DataPower, the six-year-old privately held Cambridge, Massachusetts firm that claims to have created XML-aware networking (XAN), on undisclosed terms.

XANs are supposed to ensure unparalleled performance, security and manageability of next-generation applications and XML Web Services linked within a Service Oriented Architecture.

DataPower's widgetry is based on a patented XG3 XML processing technology that it developed from the ground up to protect against XML security vulnerabilities and deliver wire-speed performance without sacrificing security or flexibility.

IBM says it bought the joint for SOA because SOA is supposed to be used in 80% of all new software development projects by 2008.

IBM plans to introduce a family of SOA appliances based on DataPower technology, a new sector for IBM.

Current DataPower products include the XI50 Integration Device, which streamlines SOA infrastructures; the XA35 XML Accelerator, which offloads XML processing; and the XS40 XML Security Gateway, which helps provide message-level Web

Services security. DataPower's security features reportedly complement the SOA security management capabilities in IBM's Tivoli software.

DataPower CEO Jim Ricotta is supposed to stay with the effort and pick up additional WebSphere responsibility.

According to WebSphere general manager Robert LeBlanc, "With more companies taking a modular approach to running business processes through a Services Oriented Architecture, there's a greater need for technology to deal with the commensurate increases in Web Services traffic, which can overburden IT systems. DataPower's products address these challenges."

IBM said DataPower builds on IBM's existing SOA capabilities, including its WebSphere software, SOA services and consulting. IBM has 150 partners, which can benefit from the new deployment model the DataPower acquisition provides.

Data centers are also supposed to benefit from DataPower's XML and security technology, including its product designed for IBM zSeries mainframe integration.

DataPower was backed by Seed Capital Partners, Venrock Associates, Mobius Venture Capital and Atlas Venture to the tune of \$25 million.

IBM Virtualizes the PC

In a variation on the PC blade, IBM, VMware and Citrix are trying to put the fat client on a diet.

The trio has produced the IBM Virtualized Hosted Client Infrastructure, which is supposed to deliver desktop-style functionality to any client anywhere from BladeCenter servers.

One blade will support 12-15 clients. IBM sniffs that "HP is stuck with a 1-1 blade PC user model, IBM is targeting up to 20 users per blade, virtualizing the PC." It didn't mention ClearCube perhaps because it sells it.

The pre-integrated hosted client solution leverages Citrix client access technologies to host multiple desktop users on the BladeCenter, an approach that's supposed to increase resource utilization and deploy new users quicker. IBM says customers could see a total cost savings of up to 60% and a return on investment in six months.

It is supposed to overcome a key obstacle to the adoption of hosted client architectures – the resistance of the desktop user – by supplying all the benefits of a standalone desktop like print, USB drive support, dual monitors and audio while reducing viruses, downtime during hard drive failure, or having to rebuild preferences and settings after each client "refresh."

IBM calls it ideal for all types of knowledge workers with constant computing requirements, remote employees, branch offices and software developers.

The BladeCenter configuration uses a modified Citrix Presentation Server. Citrix now works with VMware to enable dynamic provisioning of hosted clients running full Windows XP images.

VMware dynamically provisions resources to meet the performance needs of each virtual hosted client machine.

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Companies can then reportedly support more users with fewer resources.

IBM Global Services and the channel are supposed to deliver the thing; IGS is looking for pilot sites. An IGS service offering is planned for Q1. There was no pricing.

Separately Citrix rolled out an x64 version of Presentation Server for Windows Server 2003 x64 and said it will ship an upgrade of Presentation Server, code named Ohio, for Windows Server 2003 R2 next year.

VMware Unveils its Next Generation

VMware has announced its expected next-generation ESX Server 3 and VMware VirtualCenter 2, the software that provisions and manages the virtual infrastructure. The stuff is still in limited beta and won't be generally available until Q1 after a public beta.

VMware says it's built on VMotion technology for live migration of running virtual machines with zero downtime to come up with some new management technologies like Distributed Availability Services, infrastructure-wide high-availability services for critical applications without clustering. The widgetry detects failed VMs and automatically restarts them on alternate ESX Server hosts.

Then there's Distributed Resource Scheduling, an infrastructure-wide resource optimization capability enabling a self-managing compute cluster with built-in resource and load balancing. It's supposed to let users safely operate at 80% utilization or higher.

Distributed Availability Services detect when increasing virtual machine activity saturates an ESX Server host and triggers automated VMotion live migrations to move running virtual machines to other ESX nodes so all resource commitments are met.

ESX Server 3 and VirtualCenter 2 support dual-core processors and NAS and iSCSI networked storage. There are expanded 16GB virtual machine memory limits and new four-way Virtual SMP.

VMware says VirtualCenter 2 scales up to control infrastructures with hundreds of hosts and thousands of virtual machines and provides enhanced usage reporting and security auditing features. It includes a richer unified client and centralized host configuration tools.

The company said the current Virtual Infrastructure Node (VIN) for ESX Server combines ESX Server with Virtual SMP and a VirtualCenter Agent with VMotion technology and starts at \$5,000. Existing customers will get free upgrades. Distributed Availability Services and Distributed Resource Scheduling are supposed to come as add-on modules

VMware announced a set of focused server consolidation assessment services that assess the capacity utilization of an organization's IT infrastructure, identify opportunities for consolidation and help deliver a virtualization roadmap for effective

server containment and consolidation.

It said the services encapsulate best practices developed during thousands of enterprise customer virtual infrastructure deployments.

The services leverage VMware Capacity Planner, a hosted IT capacity analysis and planning tool that delivers accelerated, more accurate and benchmarked capacity planning and server consolidation assessments, and are based on VMware's Virtual Infrastructure Methodology, a methodology for producing, validating and improving a common approach for the successful adoption, operation and management of VMware virtual infrastructure products.

VMware, by the way, reported record revenues in the third quarter of over \$100 million for the first time in its history. Its 2003 revenues were under \$100 million. Its 2004 revenues were \$218 million. So far this year it's cleared \$272 million in revenues.

Cisco Embraces India

Cisco is going to put \$1.1-billion into India over the next three years, its largest investment outside the US, according to its CEO John Chambers.

It intends to spend \$750 million on R&D and the rest on bankrolling customer purchases, support and underwriting startups including a \$10 million investment in a telecom network project in Madras.

Cisco's Indian revenues have been up 50% in the last two years. It will triple its 1,400-man Indian work force by 2008.

It is also supposed to help the Indian government establish "Common Services Centers" in 100 villages so rural areas get online access to government services.

EMC Buys Captiva

EMC is going to buy San Diego-based Captiva Software Corporation, the input management ISV, for roughly \$275 million cash less what Captiva has in the bank.

It's paying \$22.25 a share, roughly an 18% premium, and it will mean EMC takes a \$15 million-\$20 million charge for the value of Captiva's in-process R&D after the deal closes late this year, early next.

The acquisition won't have any impact on EMC's earnings per share the first year, EMC said.

EMC said it did the deal to strengthen its Documentum position in information lifecycle management, content management and enterprise archiving.

Input management software – which converts paper-based information to digital formats – obviously impacts storage, creates policy-based workflow and automates information lifecycle management (ILM).

Captiva, an existing partner of EMC, focuses on the early stages of ILM – information capture, digitization and categorization.

Captiva claims 50% of the Global 2000 among its 5,000 customers.

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Apple Quashes Talks with Samsung

Apple walked away from talks with Samsung over a \$3.8 billion jointly paid-for NAND flash deal for the iPod because of a potential antitrust investigation of Samsung's supply of flash to Apple for a bunch of other gadgets at way-below-market prices, according to the Korea Times.

The paper claimed Apple has been getting the flash for half what it usually sells for.

Bear in mind that Samsung just agreed to pay the US Justice Department Antitrust Division a whopping great \$300 million fine for being part of a DRAM price-fixing cartel that socked it to PC and server makers like Dell, Compaq, HP, IBM and Gateway from 1999 to 2002.

The fine is the second-largest criminal antitrust fine in US history.

Google Apparently Suffers Kai-Fu Loss

Well, it didn't go at all the way Google planned in court. Google was hoping to knock the stilts out from under Microsoft and get Microsoft's case against it and its hiring, ex-Microsoft VP Kai-Fu Lee, moved to California, where it fully expected the California court to throw out Lee's signed non-compete because California doesn't recognize non-competes.

Except, before he heard any arguments, California federal judge Ronald Whyte tentatively sent the case back to the state of Washington, where Microsoft lodged it and where it's gotten a temporary restraining order restricting Lee's activities on behalf of Google until the trial in January.

Lee was hired to set up and run Google China.

Judge Whyte indicated he found both sides of the argument persuasive. The companies were still waiting for his final decision at press time.

Meanwhile, Motorola has sued its former president and COO Mike Zafirovski for breaching his non-compete and accepting the job of CEO at Nortel Networks. Like Microsoft, Moto claims Zafirovski could disclose trade secrets and poach Moto people. Moto says Zafirovski is off-limits for two years.

Intel Better Brush Up on its Korean

AMD says Korea's Ministry of Education & Human Resources Development is using Opteron servers for its National Education Information System Project (NEIS), its online education information system

AMD says it is the largest IT project going down this year in Korea and that it will service over 10,000 schools and education offices.

Samsung SDS apparently got the primary contract and will supply NEIS with thousands of Sun and HP Opteron boxes.

Google Too Socialist for Ayn Rand's Tastes

While the allegedly freeloading Google Print Library Project – aimed at creating a searchable library of all the world's books that Google could rake millions off of – has ticked off the Author's Guild and now five members of the Association of American Publishers enough that they're suing Google for copyright infringement, the way Google couched its newfangled billion-dollar philanthropy pissed off the supremely Darwinian Ayn Rand Institute, which is circulating a press release saying that Google's talk of "giving back to the community" smacks of socialism not capitalism by "implicitly admitting that by moral right the money is the property of society."

The Institute ain't too thrilled with Google kowtowing to Chinese censors either. It wonders what happened to Google's motto, "Do not evil."

Google Rakes in the Dough

Google, in a biblical turn reminiscent of Joseph and his dream of seven years of plenty, came home with Q3 earnings seven times what they were last year and revenues that were double. It did \$381.2 million, or \$1.32 a share, on revenues of \$1.58 billion. And it owes it all to advertising.

Last year it earned \$52 million, or 19 cents, on \$805.9 million in revenues.

It exceeded all expectations and delighted shareholders, who bid it up.

Unisys To Cut 10%, Divest

After reporting a preliminary \$54.3 million loss in Q3, Unisys said this week that it's going to cut 10% of its people, some 3,600 folks, divest unnamed businesses that contribute roughly 6% of its revenues and focus on services, security, outsourcing and software for Linux and Windows in an attempt to resuscitate itself by 2008.

It said Q3 revenues were down 4% to \$1.39 billion after orders for its mainframes fell through. It intends to keep making the beasts as well as the so-called Windows mainframe.

It calculates the job cuts would save it \$250 million a year, which is about the size of the charge it'll take.

HP Plays Broker in the Face of Format Fracas

Microsoft and Intel up and throwing their combine support behind the Toshiba-developed HD-DVD format against the Sony-developed Blu-ray format spooked HP, which has been in the Blu-ray camp, to threaten to decamp to the rival standard unless Blu-ray adds stuff already in HD-DVD to salt Wintel's tail – like letting people legally copy high-def movies

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onto their PCs from the discs – a widgetry known as managed copy – and another PC-favoring thing called iHD so movie studios can add interactive content to next-generation DVDs.

Vista reportedly supports these technologies.

The Blu-ray contingent should vote on the ultimatum in the next couple of months or at least HP hopes so, so it knows which direction it's going in.

GroundWork Re-Rigs its Flagship Monitor

GroundWork Open Source Solutions, the two-year-old company that intends to eventually reinvent OpenView and Tivoli using open source, has released Monitor 4, a major rev of its end-to-end open source IT monitoring system that is supposed to sell for maybe a tenth of what its proprietary rivals go for.

A year in the works, the upgrade has been re-architected to integrate and enhance its underlying open source tools – stuff like Nagios, the Jetspeed portal and the MySQL database – and includes a new unified user interface for displaying status data, an integrated configuration tool called Monarch for easier deployment and a development toolkit so users, well, advanced users anyway, can extend Monitor with custom views, reports and dashboards.

GroundWork says that the new architecture gives Monitor the platform for a full open source IT management suite and gets it closer to its vision of a totally open data center.

The widgetry includes a middleware layer called Foundation that captures and normalizes monitoring data from disparate open and closed source tools. Monitor can integrate with third-party monitoring systems and other management applications.

Like the earlier rev, Monitor 4 sells for a \$16,000 annual subscription fee and is supposed to be less complex than proprietary kits. Novell also sells the stuff.

A bunch of pre-defined configuration “profiles” is supposed to simplify the configuration of systems, network devices and applications. GroundWork claims to cut configuration and maintenance time by 75%.

In the next 12 months, GroundWork expects to get deeper into applications.

The company says the upgrade has been tested or deployed by a score of customers including Sierra Pacific Industries, a 50-location forestry products company, MACTEC, an engineering and construction firm, Ariba and Yodlee. They are getting centralized portal-based visibility and control over their infrastructure.

GroundWork, which recently got \$8.5 million in Series B money from Mayfield and Canaan Partners, says it currently has 70 customers and expects to end the year with 100. It's aiming at outlets that do anywhere from \$100 million to a billion and smaller firms where IT is core to their business.

Big Novell Reorg Predicted

Novell is going to announce a major restructuring on Halloween, according to BusinessWeek, that could take out at least 20% of its 5,800-man workforce.

Novell, which has cut back piecemeal, has hinted it will cut deeper but the company's management has been scrambling in the wake of open criticism from a couple of Novell's larger shareholders that included Credit Suisse First Boston calling for the head of Novell CEO Jack Messman on a platter. CSFB owns 1% of Novell.

CSFB and Blum Capital Partners, which owns 5% of Novell, both went public with their distemper after Novell's sales and profits took a slide in the July quarter.

CSFB suggested bringing in BEA co-founder and ex-CEO Bill Coleman to replace Messman even at the price of buying Coleman's latest start-up Cassett and bringing back ousted Novell vice-chairman Chris Stone.

The pair wants Novell to spin off Celerant, Cambridge Technology Partners, Groupwise and Zenworks/Tally Systems; strangle NetWare and other non-core R&D, product marketing and support; trim the company's rich compensation; and make serious layoffs.

Novell bowed recently to demands that it start using some of its hoard of money to buy back stock though not the amount Blum, say, had in mind.

OSDL Chases Phones

The Open Source Development Labs has branched off into mobile handset, creating a working group to develop a single Linux platform to accelerate Linux adoption in marketplace expected to reach 2.8 billion phones by 2009.

It's called the Mobile Linux Initiative (MLI) and includes PalmSource, MontaVista, Trolltech, Wind River and Motorola to start.

The idea is to develop a base-level platform with better power management, a standard interface for connecting to multiple carrier networks, and other basic functions.

Wall Street noted that while most of the collaborators offer their own Linux platforms, most of the money is made from the applications, middleware and development environments sold on top of the operating system.

OpenOffice 2.0 Arrives

OpenOffice 2.0 has finally made it out after a last-minute showstopper forced developers to cancel its formal debut set for the software's fifth anniversary.

Google CEO Eric Schmidt said recently when it was hinted that Google might use its reach to put the Microsoft Office-alternative suite into the hands of tens of millions of people that the stuff wasn't quite baked yet.

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Presumably he meant OpenOffice 2.0 since it was so close to release.

OpenOffice uses the non-Microsoft OpenDocument format that has so besotted the Commonwealth of Massachusetts that it's made it a requirement. Microsoft may eventually have to come to heel and support it if others start to follow the state's lead.

OpenOffice 2.0 also includes a new multi-pane UI and the Java-based HSQLDB. It supports different operating systems' native install formats and documents with digital signatures. It'll import WordPerfect files and password-protected Microsoft files – if the password is known. Its PDF export options have been gussied up and its spreadsheet enlarged.

Microsoft Loses Wiki Inventor to Eclipse

Microsoft has lost the guy who invented the Wiki, the visitor-edited blog. Ward Cunningham has defected to the Eclipse Foundation, the IBM-created open source tools project.

SugarCRM Scoffs Down \$18.77m

SugarCRM, the open source CRM house, has taken in a \$18.77 million third round led by New Enterprise Associates, which gets a board seat for general partner Scott Sandell. Existing backers Draper Fisher Jurvetson and Walden International participated.

The first two rounds amounted to \$7.75 million.

Its software has seen 350,000 downloads and SugarCRM claims 300 paying customers.

Firefox at 100m

Firefox, Microsoft's growing nemesis, has just passed 100 million downloads despite security concerns.

Meanwhile, developers at the Flock start-up led by erstwhile Eazel co-founder Bart Decrem also just released their eponymous Firefox-based browser Flock, which adds newfangled stuff like an RSS reader, blogs, bookmarks and photo-sharing.

NEC Tinkers with Long Horn Server

NEC Solutions (America) says it's the first company to demonstrate that it can dynamically reconfigure CPU and memory resources running the Long Horn server beta 1.

It did it on one of its 32-way Itanium machines and says it shows it can improve the performance of scale-up systems without disrupting the system's continuous operation.

It says it means users will be able to predict a mission-critical system's total load and introduce additional systems at minimum cost.

The world is still waiting for Microsoft to come up with the final list of Long Horn server features.

Vista as Orphan

Merrill Lynch says its latest CIO survey indicates that most CIOs haven't made firm commitments to deploy Vista in the way-out 2007-2009 timeframe and that they're waiting for Microsoft to shine some "clarity" on the release.

Yahoo Joins AOL Table

Of course you must have heard that Yahoo is now reportedly angling for a piece of the wallflower-turned-belle of the ball AOL along with Microsoft and Google/Comcast.

Presumably Yahoo's in it to block Google and to pick up Google's search and search-related ad business with AOL, which Microsoft is apparently after too.

The Wall Street Journal, which followed the TheStreet.com's breaking story, said antitrust issues could stymie any Yahoo deal because Yahoo and AOL control the lions' share of the web audience.

The Yahoo-AOL talks are described as preliminary.

Oh, yeah, by the way, AOL has terminated 700 people, 4% of work force, because of declining dial-up business, and closed its call center in Orlando, Florida.

Blackberry Treo

Will wonders never cease? AOL is suddenly desirable and bitter rivals Palm and Research in Motion are collaborating on a Treo. My. My.

Palm wants Blackberry e-mail in its phone.

The Blackberry-enabled Treo 650 is due early next year.

Such a license can't do Blackberry's continued dominance any good, especially since its subscriber numbers are falling.

And of course there are those lingering patent infringement charges against RIM, which says it's going to appeal the case to the Supreme Court.

Two Troublemakers Tie Up

According to an e-mail he sent out, Michael Robertson, the founder of Linspire, née Lindows, operating under the new avatar of founder of the more open Apple iTunes knockoff MP3tunes, has hired the infamous DVD Jon, the kid hacker who wrote DeCSS, the "free use" utility that cracked the Content Scrambling System used on DVDs, and was tried twice in Norway for unleashing a tidal wave of piracy. (Had that court been somewhere other than Norway, he might not have gotten sprung.)

Anyway, Jon, whose real name is Jon Lech Johansen, is working on a mystery MP3tunes digital music project code named Oboe in San Diego, not that far from the Hollywood hawks who'd like to see him in jail.

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Robertson, who has a flair for grandiose statements, calls Oboe “as momentous as anything I’ve ever done in my technical career.”

According to a piece in the Wall Street Journal, Johansen began tampering with Apple long before he tied up with Robertson.

Ballmer Denies Redecorating

“I have never honestly thrown a chair in my life.” –

Microsoft CEO Steve Ballmer at Gartner’s Symposium/ITxpo. Ballmer supposed threw a chair across the room when a Microsoftee told him he was defecting to Google.

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