

TOOLS of the TRADE



Kodak Zi8 Pocket Video

Released this month, the Kodak Zi8 pocket video camera shoots and shares high-quality 1080p HD video. The videos are easily uploaded to Facebook and YouTube with the push of a single button, and the very handy format (2.4" × 4.5") features built-in electronic image stabilization to reduce blurring. You can also take HD (5MP) stills, and the Zi8 will record up to 10 hours of HD video with the expandable SD/SDHC card slot that can hold up to 32GB—the onboard memory is 128MB. Focus and exposure settings are automatic. There are two focus modes, normal and macro. The normal has a range of 100 cm (40 in.) to infinity, and the macro is down to 15 cm (6 in.). Microphone and speaker are built in, and there's a standard

tripod connector. The color LCD screen is 2.5 inches, and the USB connector for your computer swings out of the camera body—no need to look for cables. There's an optional Kodak Video remote control that lets you record from a distance or control replay on your video outlet. The recorder weighs about four ounces. www.kodak.com

Toshiba NB 205 Netbook

September is one of the two best months of the year for computer sales, and it looks like this month will be dominated by the netbook variety of laptops. These smaller versions of the traditional laptop almost universally feature a 10.1-inch screen, the Intel Atom™ 1.6GHz processor, one or two GB of RAM memory, and a hard drive (or flash drive in some cases) with a capacity of anywhere from 8GB to 160GB. The operating system is Windows XP on most and Linux on some. The number of new versions of this basic design and architecture has been amazing. Every major producer, except Apple, has been chasing and improv-

ing the first Asus models. The latest improvement that has helped push these little laptops to the forefront is the availability of a 9.5-hour battery. One of the late entries has proved to be one of the best. The Toshiba NB 205 has incorporated a number of the evolving improvements, and it sits atop many of the reviewers' "best" lists for a number of reasons. To begin with, the design sets the Toshiba apart with a lot of attention paid to details. The keyboard is close to full-size, and the touchpad, at 3.1" × 1.6", is one of the largest available for a 10-inch netpad. Battery life exceeds nine hours, and the overall size (10.4" × 7.6" × 1.3") weighs in at 2.8 pounds. The rest of the stats are the same as a number of other netbooks: Intel Atom 1.66GHz processor, 1GB memo-

ry, 160GB hard disk, 10.1" screen, Webcam and microphone, three USB ports, microphone and headphone inputs, RGB video port, and Windows XP. www.toshiba.com

Sony PRS 300 Pocket Reader

A Wall Street analyst recently predicted three million Kindle users by the end of 2010. And now Sony is accelerating to catch up. There were three major announcements from Sony last month, including a new PRS 300 Pocket Reader, a PRS 600 Reader Touch Edition, and a reduction in price for new releases and *New York Times* best-sellers to \$9.99 at the Sony Reader bookstore. With Kindles still in the \$299 to \$489 range, Sony is closer to the price breakpoint that many think, when found, will break the dam and open up widespread distribution for a technology that has had only moderate success. The PRS 300 Pocket Reader will sell for \$199 and will have a five-inch E Ink screen that is one inch less than the standard Sony Readers' five-inch electronic paper dis-



TECH FORUM

The Redmond Bellwether

By Michael Castelluccio, Editor

PLOTTING THE REALLY LARGE MOVEMENTS IN computer history has been complicated by the fact that computing isn't one technology but rather a complex of many related technologies. The processor-memory-software triad has permeated theoretical mathematics, commerce, communication, entertainment, and many other fields, with the chip finding its way into surgical implants, movies, and weather tracking. Consequently, the number of false starts and dead-ending diversions has driven more than a few investors to distraction.

In order to guess where any sector of computing might be going, you need a reliable bellwether. A dictionary definition of a bellwether is "any entity in a given arena that serves to create or influence trends or to presage future happenings." It's derived from the practice of placing a bell around the neck of a ram leading its flock of sheep. The movements of the flock could be perceived by hearing the bell before the flock was in sight. The way then to stand above and look beyond the complexity with which we are surrounded is to listen for the sound of the bell as it moves away from us.

Microsoft Office might just be the bellwether we need for plotting the future direction of business software. Seen more as a cash cow for Microsoft, Office is a mature product that owns most of the market, and it is its own trend due to the mass of its widespread implementation. That doesn't mean that it's unaffected by larger movements in computers, networks, and other software—it just means the changes might be slower because of its size.

CURRENT STATE

Like many other software lines, Office has suffered recent losses because of the weakened economy. Microsoft's profits from the Windows OS have fallen in the last three quarters, and Office fell in the last two. The company's CFO Chris Liddell says the losses for Office were respon-

continued on next page



BodyGuardz

When you pay \$300 for a sleek, elegantly designed iPhone, you might not want to cover its chrome and black glass with a ribbed, rubberized cover that guarantees multiple-bounce protection. You're willing to risk a drop or two to be able to hold in your hand what you paid for. BodyGuardz has a scratch-proof protective covering that provides full body and screen coverings in a durable, crystal-clear, custom fit covering. There are covers for almost every make of phone, PDA, and media player—even gaming devices and laptops. The covers have a lifetime guarantee and need no special care. The greatest protection that the BodyGuardz provides is against scratches and abrasions. One reviewer put a BodyGuardz-clad iPhone in a bag with keys, then rough sandpaper, and finally nails and shook the contents, trying to scratch the device. The device was unmarked.

www.bodyguardz.com

play. The more pocketable version of the Readers will be able to store up to 350 standard eBooks, and a charge on the battery will last for about two weeks of reading—the charge is only drawn down when you turn pages. The Pocket reader will be available in navy blue, silver, or rose. The Touch Edition will sell for \$299. It will have a six-inch touchscreen panel enabling quick, intuitive navigation, page turning, and highlighting as well as note taking with your finger or with the included stylus. You can look up words on the built-in *Oxford American English Dictionary* by tapping on the word. There are five font sizes, and the reader supports SD memory cards and Memory Stick PRO Duo cards. The Touch edition will come in red, black, or silver. www.sonymstyle.com



TECH FORUM

sible for an 8% drop over the year in the Microsoft Business Division. He told *IT World*, “I didn’t see any trends at the end of the quarter that would encourage me to think that we have hit the bottom. We expect broadly the same trends in [fiscal] Q4 as we had this Q3.” Contributing to the decline for both Office and Windows has been the decrease in sales of PCs to businesses.

Many think that Office and the Windows line of OSs will improve as the economy recovers, but there are several other threats to the Office suite of products. There’s the growing number of free Web-based word processing, spreadsheet, presentation, and e-mail offerings. And there’s also the growing tendency by consumers to turn to their smartphones to do the kinds of things that once you only could do on a PC. The distant sound of these two bells might be converging as companies in the Cloud (the Internet) offer free and low-price large storage capacities, reachable through the browser on your smartphone or your computer, which might already be hooked up to a free office suite in some other part of the Cloud.

The competition from free offerings goes back a number of years. OpenOffice.org, a mature, cross-platform suite, includes Writer (word processing), Calc (spreadsheets), Impress (presentations like PowerPoint or Apple Keynote), Base (database), Draw (vector graphics like Visio), and Math (an equation editor). It runs on Linux, Macs, Solaris, BSD, and Windows, and it costs \$0.00. OpenOffice goes back to 1999 when Sun Microsystems bought it in its StarOffice stage.

More recently, Google has amped up its Google Docs offerings, and now there are free and \$50/year advanced versions of its productivity suite. Then there are others like Zoho Office Suite, with a wide variety of applications (www.zoho.com), and ThinkFree, which offers low-cost “office space” for PCs and mobile devices (www.thinkfree.com). The free arena has attracted both small developers and the giants. A recent, beautifully designed free word processing application called Buzzword is from Adobe. It offers online storage as well as PDF functions and collaboration features (www.adobe.com/acom).

With Google’s release of the Chrome browser and the threat to use the browser as the operating system/avenue to a growing library of online applications, the question becomes: What can Microsoft do to defend itself?

Well, follow the bell is one option.

On Monday, July 13, 2009, Reuters reported, “Microsoft will offer for free to consumers Web-based versions of its Office suite of programs, including a word processor,

spreadsheet, presentation software, and a note-taking program. Microsoft will also host one Internet business version of Office at its own data centers, charging companies a yet-to-be-announced fee. Companies with premium service contracts will have the choice of running a second Web-based version from their own data centers at no extra cost.” The free version will have advertising and will support the Firefox and Safari browsers as well as Internet Explorer.

With the Office division as its most profitable property, the move is definitely risky. Some think it’s a desperate attempt to keep people on Word, Excel, and PowerPoint, even if you have to give it away to some. But how big will that group of “some” become? One analyst, Sandeep Aggarwal of Collins Stewart, estimated that Microsoft has consumer customers who provide \$4 billion annually, and these are the most likely to become early adopters of the free Office Suite. Other experts think that it could be a path to cannibalization of its own best product. And then there are those who think it’s a stroke of genius and that the results will resemble what happened to Netscape Navigator when Microsoft undercut its rival with a free Explorer browser.

Well, you can start keeping score early next year with the release of all three Office 2010s—the free version, the online leased to business version, and the standard business sales. It shouldn’t escape notice, though, that applications, even the classics, are moving online with new business models.

That’s one bell drifting off the path, but there’s another. On August 12, Microsoft and Nokia made a joint public announcement. Both have been hearing some ominous ringing. As the phone replaces the PC in key areas, both giants can see their grip loosening.

Nokia is the largest cell phone maker in the world, but its numbers are quietly weakening. The most serious competition for Nokia comes from Research in Motion. Apple’s iPhone share is also rapidly growing, while the Finnish corporation loses a few percentage points each year. For Microsoft, its Windows Mobile operating system isn’t going anywhere with 9% of the market compared to Nokia’s Symbian at 51%.

The solution for both is proposed in a joint venture to put Office on phones made by Nokia. The operating system will be Nokia’s (Symbian), but the application will be Microsoft’s MOM (Microsoft Office Mobile). The first deliverable, a version of the Communicator instant messaging program, won’t arrive until next year.

Now the conjecture for the armchair observers can center around who is the bellwether and who are the sheep. **SF**