



Market Roundup

June 13, 2003

Geezer Tech

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By Jim Balderston

IBM announced this week that it would be committing a number of IBM services and IT specialist personnel to helping businesses, government agencies, and various other organizations adjust their computing environments to meet the needs of the 76 million baby boomers born in the United States between 1946 and 1964. IBM noted that it was working with a number of government agencies to meet a variety of government regulations concerning accessibility to computer-disseminated information for people with various physical and mental disabilities. The company is currently working with the United States Postal Service to comply with laws granting all citizens equal access to USPS services. The company also noted that many of the past technologies developed for various handicaps had made their way into more mainstream usages, citing closed captioning for television that, while originally designed for the hearing impaired had become a valuable tool for television viewing in venues such as bars, restaurants, or other noisy locations. The company is now offering services, including IBM Accessibility Services and Tools, which include text-to-speech readers for web pages and color modification technology for people with vision impairments. Also available now are services to help enterprises retain both customers and employees with disabilities as well as tools for helping the elderly access computer-borne information.

While we don't expect the baby boomer enhancements that IBM is apparently exploring to be a major source of revenue for the company, we can't help but note that the idea of chasing the baby boomer generation – known as the large mouse moving through the demographic snake – is probably a wise decision. If for no other reason, the idea of setting up a means to listen to a market segment, one that will continue to grow in the coming years, can't offer anything but potential upside. Chasing the boomer generation, which to a large degree is increasingly dependent on information technology for an increasingly significant part of their lives, makes sense well beyond the Web surfing and email. It is mildly ironic to note that it is the old world of print publications that has made some of the first efforts to hold on to aging customers, with publications like Reader's Digest and the New York Times already offering large print editions for their visually diminished customers. As we move forward, and the preponderance of printed information makes its way from hard copy to bits, the inability to allow access to these bits becomes not only lost market share but an increasing disenfranchisement of a large and economically valuable part of the market. Economic activity (spending money), political activity (voting), and cultural activity (watching television or movies) could all be severely curtailed by denying access to a growing part of the American population. As IBM moves forward, it has the opportunity to offer products and services for an ever-aging population that will be welcomed by industry segments such as banks and retailers, elected officials and government, and electronic and traditional media, among others, as a means to hold onto a market that might otherwise be lost to the sands of time.

EMC and Dell Extend Alliance

By Charles King

EMC and Dell Computer have announced that the networked storage agreement the two companies originally inked in October 2001 will be extended through December 2008. According to EMC and Dell, the alliance has achieved a number of milestones, including a manufacturing agreement enabling Dell to manufacture Dell/EMC CX200 storage systems, a new series of Dell/EMC entry-level to enterprise-class networked storage systems, and

the industry's first storage area network (SAN) system to integrate ATA and Fibre Channel technologies. Dell/EMC storage systems have been sold to more than 4,100 customers worldwide including Banco Santos in Brazil, The Bombay Company, Computer Sciences CSC Ltd., Cox Communications, Mercedes-Benz, Precision Resource Corporation, and Warburg Dillon Read.

In the good old days of IT supremacy, when budgets were high and sales were easy, being an expert was enough to assure a vendor of market share and happy (relatively so, anyway) customers. But things in general and markets in particular change. The recessionary spiral and the dotcom bust have resulted in tough times for IT players, especially those who depended on reputations for expertise to drive significant sales. Today, in an IT market increasingly dominated by industry-standard solutions and vendor consolidation headlines, specialists such as EMC have had a rougher go than systems vendors such as IBM and HP, whose deep solution offerings and flexible pricing schedules can more effectively absorb slowdowns.

What does that have to do with EMC and Dell? A couple of things. While Dell has been affected less by the stagnating economy than EMC (and most every other IT vendor for that matter) the company's attempts at storming the enterprise market citadel has met some resistance on the ramparts. Sure, Dell has a leadership position in Intel-based 32-bit servers, but that is small potatoes in the big business banquet. By teaming with EMC, whose datacenter credentials are impeccable, Dell originally hoped to polish its own pedigree among larger customers. But the deal was hardly one-sided, since EMC hoped the alliance would increase its currency among Dell-happy SMB's who considered EMC solutions out of reach. By working together, the two partners hoped to enjoy a systems vendor-style market footprint and success. Despite some larger industry misgivings, this unusual (for the IT sector anyway) five-year alliance extension suggests that the companies are getting what they hoped for: more sales, happy customers, expanding markets, and more sales. (Did we forget to mention more sales?) The only remaining question is whether EMC and Dell will work together even more closely in the future. That remains unclear at this point, though it is also true that happy unions often begin with successful dates.

SuSE Announces Enterprise Linux Desktop

By Charles King

SuSE has announced the availability of SuSE Linux Desktop, its desktop solution for large IT infrastructures, software development, and high-performance computing environments. The new product bundles Star Office 6.0 and OpenOffice.org 1.0, and Codeweaver's CrossOver Office 2.0, which supports Word, Excel, and PowerPoint from Microsoft Office 97/2000/XP, as well as MS Outlook, Visio 2000, and other Microsoft applications. Additional application support includes Lotus Notes, mail clients such as KMail and Mozilla, and Web browsers. SuSE Linux Desktop provides optimized interfaces to access application servers and mainframes, plus the tools necessary for large system administration. SuSE Linux Desktop has achieved Linux Standards Base (LSB) Certification, and in June IBM's A31 and T40 Thinkpads and NetVista desktop computers will be label-certified for the new system. SuSE Linux Desktop is priced at \$598 for an installation kit and a free twelve-month SuSE Maintenance Program for up to five desktops.

A mere few years ago, Linux flamed, flickered, and faded as a challenger to Microsoft's desktop throne when the near-religious zealotry of Open Source proponents encountered the concrete reality of enterprise IT. But a curious thing happened to Linux on the way to the dust heap. Aided by its native adaptability and UNIX-style stability, Linux made inroads in corporate IT, coming through the back door in a migration that eerily echoed the surreptitious arrival of personal computers in once-sacrosanct enterprise computing environments. Since then, with the help of willing IT staffers and a growing number of enthusiastic vendors such as IBM, Linux has increased its presence and influence as an enterprise class operating environment, enjoying so much success that it now threatens the back office aspirations of Microsoft and proprietary UNIX vendors to a degree that would have once been laughable. However, despite Linux' expanding popularity, Open Source solutions have done little to unseat the dominance of Microsoft Office in the front office. Could SuSE's new Linux Desktop have what it takes to change that?

Yes and no. On the plus side, SuSE Linux Desktop stands as the same sort of incremental play that has aided the success of previous Open Source solutions. Rather than making a full frontal assault against Microsoft's bread and

butter market, SuSE has instead positioned its Linux Desktop as a tool for developers and system administrators by including a host of applications and tools unfamiliar to most end users. This plays to Linux' strong popularity among expert geeks, and offers vendors such as IBM and HP ways to leverage the new system for IT staff desktop and laptop sales. However, SuSE Linux Desktop's notable support for productivity solutions including Star Office, Lotus Notes, and emulated Microsoft applications offers a clear path to a Windows-free future should business users wish to go there. Is this likely to happen? Not in numbers that will cause Microsoft measurable injury in the short term. The fact is that Redmond has a stranglehold on office productivity solutions that appears essentially unbreakable. At the same time, Microsoft has committed a number of notable blunders, such as last year's goofy Software Assurance Licensing (SAL) program, that gave critics fuel for complaint and enterprise customers reason to look elsewhere. While it may not be enough to break a market stranglehold, SuSE's Linux Desktop may have what it takes to loosen things up one finger at a time.