EDS Projects Eight Things to Watch in IT

Organizations need to stay on top of eight significant IT issues or trends, said Jeff Wacker, corporate futurist at EDS in an interview with eChannelline’s Paul Weinberg. Wacker’s eight trends to watch for in 2007:

1. Short battery life on mobile computing devices is a major impediment to people working in 12-hour shift jobs. “We have had a lot of conversations with police [for instance] about what you could do with a mobile device, and a mobile capability,” said Wacker.

2. IT applications will increasingly be about “context as well as content,” he said. An early adopter is Google with its ability to track people’s searches and base its advertising on the choices that users make.

3. “Monolithic” applications like ERP that prescribe one way to accomplish things are going to be replaced by more SOA based “granular” apps. The latter will let users to use a portion of a solution that fits their needs.

4. “Companies will have to take action on the sophistication and depth of the security violations that will be coming out in 2007,” said Wacker. The current focus on perimeter security is not sufficient to ward off external intruders invading a system and manipulating existing internal applications.

5. More and more small- and mid-sized companies will rely on third parties to manage elements of their IT infrastructure requirements.

6. Simulation technologies that were originally developed in engineering will be used as a backup for decision-making. Human beings face a psychological limitation in terms of how much data they can fully assimilate, said Wacker. “The complexity of business these days exceeds the ability of human beings to make the kind of decisions that they need to make on a routine basis. We are starting to use IT, not to process data, but to process information into decisions.”

7. Legacy applications are too expensive to maintain. “You cannot maintain those systems in a high growth environment,” said Wacker. He estimated that 85 percent of corporate IT’s budget involves maintenance.

“‘What we are seeing is movement to a high degree of application modernization and applications rationalization.’ This approach forces companies to analyze their business rules to determine what is actually happening in those old legacy things and “put them in a way that is highly changeable, highly flexible and highly efficient. That is not what we have right now.”

8. Mass marketers like Wal-Mart are suffering because they cannot offer what people individually want, said Wacker. More successful are companies like Amazon, Google, and eBay that provide personalized services, he said.

Recovery Predicted for IT Jobs

Despite a slight pullback in October, the number of IT jobs will likely increase, a trade group said.

“Despite the slight downturn in October, I am pleased to see the index reflect strong year-over-year growth in IT employment,” Mark Roberts, chief executive of the National Association of Computer Consultant Businesses, said in a statement.

IT jobs were up 4 percent year-over-year in October, but down 0.04 percent from September 2006, the NACCB said. Last month, there were 3.67 million IT workers, nearly 140,000 more than at the end of October 2005 but 1,800 fewer than in September 2006.

The slight dip was due to employment drops in some manufacturing subsectors, Roberts said. Service industries, however, continued to show growth.

“In light of both strong year-over-year employment data, very favorable anecdotal reports, and upbeat predictions from prognosticators, I continue to be very bullish on the prospect for strong demand for the services of IT staffing firms,” Roberts said.

The NACCB represents IT staffing and consulting firms.
IT BUSINESS

IT Spending Growth Expected to Slow

Forrester Research predicted that IT purchases worldwide in 2007 will grow by 5 percent to $1.55 trillion, following two consecutive years of 8 percent growth. Sales in the US, which is the largest IT market in the world, will also increase by 5 percent, the slowest growth rate since 2003.

However, a year ago, Forrester had predicted growth in the US to be 2 percent or less. “It all depends on what side of the glass you’re looking at,” Forrester analyst Andrew Bartels said. “Compared to our earlier forecast, this is actually an improvement. On the other hand, compared with 2006, it’s going to be down a bit. Overall, it’s neither a boom nor a bust.”

The reason for the better-than-expected performance is a lowering in energy prices, according to Forrester. “If (soaring gas prices) had continued, it would definitely have taken a major toll on the economy,” Bartels said. In addition, interest rates have flattened or dipped a bit. Both factors have improved consumers’ outlook on the economy, which means they’re more apt to continue spending, which in turn means higher profits for companies and more IT purchases, Bartels said.

Globally, software purchases are expected to increase only 7 percent in 2007, down from 10 percent growth this year, Forrester said. Growth in computer and communications equipment buying will slow to 4 percent and 3 percent, respectively, down from 6 percent and 9 percent. Purchases of IT services and outsourcing will increase 4 percent in 2007, down from 8 percent last year.

Cell Phone Company Ads on Quality Deceptive, Survey Says

According to Consumer Reports’ annual survey of cell phone service performance, the claims of cell phone service providers and feedback from subscribers are not adding up.

Although Cingular Wireless and Sprint have been touting the quality of their service, many customers criticized their service. Each company has acquired another service provider—Cingular picked up AT&T Wireless and Sprint acquired Nextel—and there are indications that the acquisitions negatively affected service.


As an example of the survey disconnect, Cingular, which has the largest number of US subscribers, and has made the claim that its service has “the fewest dropped calls according to the leading independent research company,” Cingular respondents in the Consumer Reports survey rated the service provider as only “average” in dropped calls. Cingular’s users also put the company close to the bottom in overall satisfaction.

The survey produced a big surprise: Little Alltel was ranked as a top performer in all three of the metro areas where it has a sizable deployment. The survey also touched on cell phone service trends. The use of text messaging has been increasing: More than 45 percent of survey respondents reported using the text service. Also, digital cameras, although included in many mobile handsets, aren’t particularly popular: Only 22 percent of respondents said they had sent or received photos with their phones.

IBM Expected to Employ 100,000 in India by 2010

An AMR Research analyst says IBM will boost its staff in India to about 100,000 workers by 2010. The analyst explained that the 100,000 figure is an extrapolation of current growth rates at IBM India.

IBM has a policy against commenting on employee growth rates for specific countries, so the number can’t be verified. However, between March 2005 and March 2006, IBM raised head count in India from 23,000 to 39,000—an increase of 70 percent in a year. The company has also said publicly it would invest $6 billion in India over the next two years to build out its presence in the country.
MALWARE

Malware on the Rise, Research Firm Offers Strategy to Survive

Burton Group, an IT research firm focused on technical analysis of enterprise infrastructure technologies, has released a three-part research series to help enterprise organizations build a defense against malware.

According to Dan Blum, Burton Group senior vice president and research director, “With more targeted attacks and better attack construction tools, there is much more ‘zero day’ malware in the wild. Yet protection products generally detect less than 50 percent of previously unseen malware.”

Blum said the status quo practice of relying heavily on signature-based detection is not adequate because vendors can’t keep up with the constant flood of new malware that exposes organizations to a window of vulnerability. However, while heuristic and behavioral detection will become more important, signature detection will still be required. This and other malware predictions are available at Burton Group’s Inflection Point podcast site at http://inflectionpoint.burtongroup.com.

Blum’s primary recommendation is that organizations adopt a full-spectrum defense that includes endpoint, network/perimeter, application, service provider, and law enforcement layers. This strategy should include a risk- and information-centric view of protection into the way enterprises govern and control infrastructure, business units, users, and partners.

The three-part research series includes a technology and standards report analyzing malware threats, including 11 malware predictions for 2007; a market landscape report reviewing host, network, and service provider anti-malware markets; and a methodologies and best practices document recounting enterprise perspectives on the anti-malware battlefield, exploring lessons learned, and providing a reference request for information for organizations seeking malware products.

ACQUISITIONS

LSI Logic Says It Will Buy Rival Chipmaker for $4B in Stock

LSI Logic Corp. announced it will purchase rival storage and communications chipmaker Agere Systems Inc. for US$4 billion in stock, a move designed to help increase its presence in the market for the electronics in portable devices.

Agere’s lineage dates back to AT&T’s Bell Labs. It was spun off from Lucent Technologies in 2001.

Acquiring Agere boosts LSI’s cell phone business efforts as well as ventures with MP3 players and other portable media devices. LSI provides chips for computer hard drives, DVD recorders and other devices, but the company does not have a strong foothold in mobile devices.

The deal is expected to close in the first quarter of 2007, subject to shareholder approvals, customary closing conditions, and regulatory clearance.

Apple Computer Buys Digital Software Maker Proximity

The computer company that makes the Macintosh computer and iPod music player said it has bought digital media software maker Proximity Corp.

Apple bought “all Proximity technology and intellectual property,” Cameron Craig, a spokesman for Apple, said in a statement.

Proximity, established in 1997, makes software called Artbox for managing, sharing, and archiving digital audio, video, photography, and animation content. The software already works with Apple’s own video editing software, Final Cut Pro. Broadcast customers include CNN and the British Broadcasting Corp. (http://www.proximitygroup.com)
SOFTWARE

Spirit of Quicksort Assists Programmers with Data Sorting

Computer programmers often struggle with sorting data, lacking appropriate software and tools. Spirit of Quicksort is a set of flexible, efficient, and universal data sorting software that relieves this common and time-consuming hurdle for many computer programmers. The software makes an ideal companion for Microsoft Visual Studio 6.0 users.

The software is a set of more than 100 dynamic link libraries dedicated to data sorting and its application to databases. DLLs—single computer files that store code used by multiple applications—are shared among applications as needed, resulting in lower required amounts of memory and hard disk space.

Quicksort’s merge sort function handles small and medium partitions, decreasing the number of comparisons required. An initial Radix-Histogram sort immediately reduces the complexity of the sorting process, and thereby reduces Quicksort’s workload.

All of Intel’s floating-point formats including extended precision reals are supported, along with 32- or 64-bit integers, strings and pointers, according to the software’s creator. Additionally, the product claims that vector, matrix, and innovative composite matrix sorts support all numeric data types in either sort direction.

More than 20 utility functions round out the library’s capabilities. They include versatile indexing functions, matrix transposition, floating point scanning, and cleaning functions. The flexibility and versatility of the software’s features create an essential aid to users of Microsoft Visual Studio 6.0 and other computer programming and software development tools.

Spirit of Quicksort purchases include free technical support and are available in packages ranging from $175 to $970. Visit http://www.spirit-of-quicksort.com for more information.

Package Organizes and Manages Network of Web Sites

The Mass Account Manager software package lets business owners group and organize an entire network of Web sites.

“The key to Mass Account Manager is that it enables entrepreneurs to multiply their effort, which naturally increases the revenue they’re generating without any additional backend work,” said creator Anthony Ellis.

Mass Account Manager lets users add large numbers of domains, subdomains, or add-on domains to one or multiple cPanels automatically, with just a few clicks of a mouse. It can also automatically import existing domains and subdomains.

This product monitors traffic statistics, spider activity, indexing, backlinks, and PR for domains. The application eliminates the need to log on manually to each cPanel account to view site statistics and other data.

For more information about Mass Account Software and to see a live demonstration of the software’s capabilities, visit http://www.massaccountmanager.com.

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Danish Scientists Exonerate Cell Phones over Cancer

Scientists in Denmark, tracking 420,000 Danish cell phone users, some of whom had used them for more than 20 years, concluded that cell phones don’t trigger cancer.

The study, published in the *Journal of the National Cancer Institute*, matched phone records to the Danish Cancer Registry, which records every citizen who gets the disease. The result was their finding that cell-phone use does not precipitate the affliction.

Cell phones disperse radio-frequency energy that can penetrate the brain’s outer edge. Most research has found no risk of leukemia or cancer, but a few studies have raised questions.

Among 420,000 callers tracked through 2002, there were 14,249 cancers diagnosed—fewer than the 15,001 predicted from national cancer rates. The study also failed to find increased risks for any specific tumor type.

**ENTERPRISE SOLUTIONS**

**AMD Delivers First 65-nm Dual-Core CPUs**

Advanced Micro Devices has debuted its first 65-nm x86 CPUs. The new Athlon 64 X2 cuts die size in half and power by a third in existing 90-nm desktop processors.

The new dual-core desktop processors have a maximum power consumption of 65W, down from 89W. They come in existing speed grades of 2.1 to 2.6 GHz and costs ranging from US$169 to $301.

Early this year, AMD plans to apply its 65-nm process to other desktop and notebook CPUs. Some of those new parts will use the new process to cut power consumption while maintaining data rates; others will keep power consumption steady and raise data rates about 30 percent above current levels.

The 65-nm process will also be the enabler for AMD’s Barcelona products, server CPUs that will be AMD’s first to combine four x86 cores on a single die.

A handful of top OEMs, including AMD’s newest and potentially largest customer, Dell Computer, said they will grab up the new desktop parts. Other OEMs planning to use the devices starting this year include Acer, Founder, Hewlett-Packard, Lenovo, Packard Bell, and TongFang of China.