

IBM poised for a leap

Says director of the tech company as it marks 100 years in June

NAFID IMRAN AHMED

In June this year IBM, the world's largest provider of enterprise business software, celebrates 100 years as a company. That is pretty amazing for a company, which is even older than many countries such as Singapore and Bangladesh.

Martin Chee, director business partners, IBM software growth markets, thinks this is something to be proud of, but at the same time not something to shout about. In fact, according to him, they have been doing a bit of introspective to what has taken the company to where they are right now.

"If we look at what we have been doing for the last 100 years as a company, you'll see that we have made things like cheese slices and calculators and things have obviously progressed and changed along with how technology has changed and now we have moved to analytics and Cloud computing," Chee said in an interview with The Daily Star.

Chee said, as a company IBM has a core set of beliefs, which need constant innovation and change. The company has spent over \$130 billion in research and development over the past 30 years.

"No one in the market matches the amount of researches we do. That is what keeps us at the forefront, we constantly want to lead the market, develop new markets. In fact, we constantly push out and get rid of some parts of our business, which we think, are not growth areas, for example we sold our PC business to the Chinese company Lenovo and hard disk business to Hitachi," he said.

"The reason why we are here is because we are investing very much into software, which is a

huge focus for IBM and represents 20 percent of our revenue but 40-45 percent of our profit and our target is to reach 50 percent of the companies profit by 2015," Chee said.

He came to IBM when the company acquired Lotus in 1996. Since then the company had over 75 software acquisitions till now. So, software business is relatively young and new in IBM and is a huge focus in terms of growth.

"We have acquired very diverse companies to build a set of portfolio offerings, which we believe today is the best set of software -- middleware capabilities the industry has and there is something that we can bring to the market in Bangladesh," he said.

The company has been doing it for many years now through its partner Thakral and will continue working with them. It wants to do a lot more in Bangladesh and the official thinks the potential is tremendous.

"We have a concept of business-led partner model, which we are implementing here, where IBM works through partners, skill them up, pass business opportunities to them, invest heavily in core marketing activities alongside you and invest heavily in you," he added.

According to him, IBM has the richest incentive programme for partners, and they earn tremendous amount if they independently bring in opportunities. But that requires skills, so a big part of the programme is enablement and skills development.

"We have been successful in many core business areas around the world and Bangladesh will be no different," Chee said.

IBM has been working with Thakral for quite some time in this market. IBM software business has two distinctive parts -- one is the commodity



Martin Chee

business such as emails storage, which is easy to sell and also buy from a customer point of view, and the other set is predominantly solution based, which requires inherent skills the company holds.

"It's not only a product; its significant assets around those products that you have to position, which could be around government, pharma, telecom and banking," said Praveen Kumar, assistant director-software group, Business Partners, GB and ISV/DR, IBM India.

"Thakral has equipped themselves with certain skills. However, the reach of Thakral is very dependent on other partners. Thakral will continue to be our sole distributor for Bangladesh market. They will be the sole interface from the transaction perspective," Kumar added.

IBM has invested some direct and dedicated resources in the past year or so for the Bangladesh market.

"Now we want to expand that base. So one of the key points of the event we are holding is to

bring in partners of other software products that exist, try and explain the variety of solution that we have and once we get their interest into those areas, we will equip them, ensure that they are skilled enough to go and position those products. They can look at Thakral as a core engine for support and also at the IBM engine," he added.

"Thakral has given us a lot of insights into the Bangladesh market, something that didn't exist with us couple of years back. They have told us how strong this market can be in terms of business."

"We started to make direct investments in terms of meeting customers to generate market demand in sometime June last year, from a software perspective."

He said: "Thakral guided us all through the way to establish this market demand, and we invested based on their advice, and initial references have already come in and so far we have signed agreements with BRAC Bank and some other banks."

When asked about IBM's strategy behind success, Chee said long time investment is a key element and they have been investing very heavily.

"For example, how do you build a solution to have a better water, traffic or electricity, food or population management system?"

It is all about looking ahead, and whether one is willing to put his money where the mouth is, Chee said.

Also, picking the right trends and developing a market are what IBM has done time and time again to reinvent and transform itself to find areas of growth.

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Apple to unveil new operating systems for iPhone, Mac

AFP, Washington

Apple said that it will unveil the next generation operating systems for the iPhone and the Macintosh computer at its Worldwide Developers Conference in San Francisco in June.

The Cupertino, California-based tech giant said the annual event will be held June 6-10 at San Francisco's Moscone West.

"At this year's conference we are going to unveil the future of iOS and Mac OS," Apple senior vice president of worldwide



product marketing Philip Schiller said in a statement.

"If you are an iOS or Mac OS X software developer, this is the event that you do not want to miss," Schiller said.

Originally developed for the iPhone, iOS also now powers Apple's iPad tablet computer and the iPod Touch.

Apple said its engineers will host 100 technical sessions during the

conference, which typically draws thousands of developers of programs for Macintosh computers, the iPhone, the iPod and the iPad.

Internet pioneer dies in California

AFP, Los Angeles

Paul Baran, the US engineer who helped create the Arpanet, the government-built precursor to the Internet, has died at the age of 84 in California, The New York Times reported.

Citing the son of the scientist, the newspaper said Baran had succumbed to lung cancer at his home in Palo Alto, California.

In a series of technical papers published in the 1960s, Baran suggested building a communications network that would be less vulnerable to attack or disruption than conventional networks, the report said.

According to The Times, his invention made in the mid-1960s was so far ahead of its time that when he approached AT&T with the idea to build the network, the company refused.

"Paul wasn't afraid to go in directions counter to what everyone else thought was the right or only thing to do," the paper quotes Vinton Cerf, a vice president at Google and longtime friend of Baran, as saying.

"AT&T repeatedly said his idea wouldn't work, and wouldn't participate in the Arpanet project," Cerf noted.

The Arpanet was built by the US Defense Department in 1969, The Times said. It was eventually replaced by the Internet.

Nintendo ready to take 3-D gaming to mass market

AP, New York

With the Nintendo 3DS, the Japanese video game company is betting that it can once again nudge mass entertainment in a new direction, just as it did nearly five years ago when it launched the Wii with its innovative motion-based controller.

This time, though, the competition from other devices is tougher.

The handheld 3DS, which goes on sale in the U.S. on Sunday for \$250, lets users play 3-D games without wearing special glasses. It also takes 3-D photos. This summer, the 3DS will play 3-D movies streamed from Netflix on its 3.5-inch screen.

Reggie Fils-Aime, the president of Nintendo's U.S. arm, calls it "the first mass-market 3-D device."

Nintendo's handheld gaming systems have been wildly popular since the days of the Game Boy, but in recent years people have grown accustomed (and sometimes addicted) to playing games on their smartphones. "Angry Birds," for example, is played by 40 million people a month.

And both AT&T Inc. and Sprint Nextel Corp. have announced they'll be selling smartphones with 3-D screens soon.

Fils-Aime acknowledges that consumers have a wide range of entertainment options. Nintendo, he says, must provide better entertainment experiences so that people keep flocking to its games and devices.

So far, they are. While demand for the handheld DS has slowed over the past year, video game analyst Jesse Divnich of Electronic Entertainment Design and Research said that's only because people have been holding out for the 3DS. As of Dec. 31, Nintendo had sold about 145 million units of the DS in all its iterations worldwide. Divnich thinks demand for the 3DS will be more brisk during its

first year on sale than for previous iterations, such as the DSi, which went on sale in 2008.

The Wii, which hit store shelves in 2006 for \$250 (it is now

\$200), was often

sold out or in short supply as recently as last February. It's not clear yet

whether this will be the case with 3DS, but retailers say demand has

been strong based on the number of pre-orders they received. Tony Bartel,

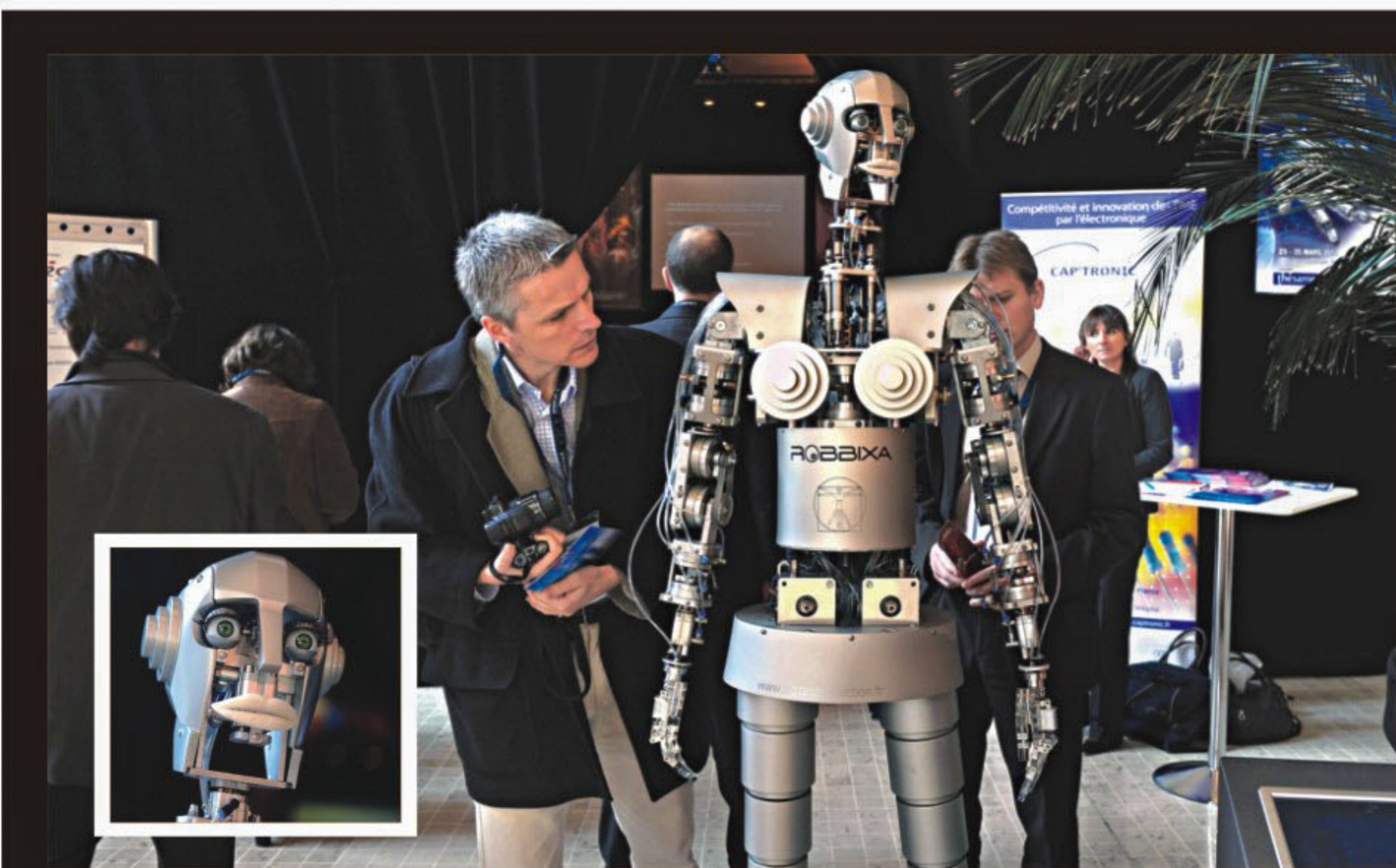
the president of GameStop Corp., the

world's largest video game store chain, said the company is "working every day with Nintendo" to ensure that they can meet demand.

Wedbush Morgan analyst Michael Pachter said Nintendo will sell "as many as they can make" over the next 12 months. While the earthquake and tsunami that devastated Japan will likely affect supplies, he called an estimate of 16 million units "very fair."

The 3DS isn't Nintendo's first foray into 3-D gaming. In 1995, it launched the Virtual Boy, which required bulky headgear and displayed all images in red. It bombed and Nintendo soon discontinued it. But it didn't give up on 3-D.

The technology used to create 3-D images on the 3DS is not new. Called a "parallax barrier" LCD screen, it works as if two sets of thin blinds were laid over the screen, so that your eyes each see a different version of the image. Your brain then puts them together, creating the 3-D effect. Because it only works if the viewer is at a certain place in relation to the screen, this technology is better suited to hand-held devices than TV sets.



TECHPHOTO

ROBBIXA

A man inspects "ROBBIXA" the female version of humanoid animatronic "robbix," an industrial mechanical system designed from pneumatic equipment, created and developed by ZigZag production shown during the "Innovo" fair in Lyon.

PHOTO: AFP



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