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HP Unveils Five Business Notebooks

Hewlett-Packard Co. on Tuesday unveiled five business notebooks, including the company's thinnest and lightest notebook with an optical disk drive.

In addition, the Palo Alto, Calif., company announced at the annual HP Mobility Summit in San Francisco a new design for the HP Pavilion and Compaq Presario consumer notebooks and discussed research in the area of video and social networking for mobile devices.

HP's new ultra-portable PC is the Compaq nc2400, which is less than an inch thick and weighs 2.8 pounds. The company's other new business models included the Compaq 4400, 6400, 7400 and 8400.

For its consumer models, the company introduced a fresh design for the HP Pavilion dv2000 series entertainment notebook and for the Compaq Presario V3000 series. The company has added a high-gloss, durable finish to the notebooks, along with an inlaid design.

Finally, the company gave a glimpse into potential future technologies, including a simplified publishing and distribution process for people to share video over mobile devices. For example, officials from HP Labs showed how members of a dining group using an HP iPaq handset could create a video podcast review of the restaurant and then store and publish to video to people subscribing to the same online social network. The video is sent via an RSS feed. ■

Alternative Fuels: A Primer

Alternative fuels aren't a perfect alternative to gasoline. They have less energy than gas and cost more; it's improbable that production will be ramped up for more than a fraction of America's vehicles; they have corrosive effects on normal fuel systems; and it's not certain we'll get the technology to work soon.

Popular Mechanics (May) calculated the cost of driving a small car coast to coast on various fuel sources: It ranged from \$60, for an all-electric car using coal-fired powerplants to generate power, to \$804, using hydrogen.

Gasoline was pegged at \$231 for the trip, although the run-up in prices since the article was written would bring the cost to around \$275.

Ethanol, or grain alcohol, is the special ingredient in gasohol (10 percent ethanol, 90 percent gasoline) and E85 (85 percent ethanol, 15 percent gasoline). It's derived from fermenting corn, apples, or sugar cane (maybe Fidel has held on so long by selling black-market E85?) and it's also how you make moonshine.

Ethanol fuel mixtures burn cleaner than

gasoline, and there are about 6 million flexible fuel vehicles (FFVs) in the U.S.

But ethanol as a primary energy source for all cars doesn't add up: an acre of corn produces 300 gallons of ethanol per season, and all the U.S. ethanol refineries last year turned out 4 billion gallons of ethanol—but Americans burned 200 billion gallons of motor fuel. There isn't enough farmland in the U.S. to grow food, along with the feedstock for ethanol. According to Popular Mechanics you'd need to use 675 million of the nation's 938 million acres of farmland to make enough ethanol.

Methanol is ethanol's poor cousin. Also called methyl alcohol or wood alcohol, it's poisonous, has only half the energy of gasoline, and is much more corrosive than gas on fuel tanks and fittings.

Methanol can be made from a variety of sources. Most typically, natural gas is converted to methane and then into methanol. But sewage, manure, landfill emissions, coal, sawdust, grass clippings, and other plants can also be used. In FFVs, methanol is mixed with gasoline, often to make M85 (85 percent methanol). ■

Taxes: Who Pays, and How Much?

Last year, the IRS processed about 132 million income tax returns, and brought in nearly \$2.27 trillion in total tax revenue, a 7% increase since 2000, and about equal to the GDP of the United Kingdom. Individual income tax revenue amounted to \$1.11 trillion.

Here's a look at who pays taxes in the U.S., and how much they pay.

The tax burden: No one likes to pay taxes. But in comparison to other developed countries, and to the recent past in the U.S., American taxpayers have a relatively light tax burden.

Government at all levels collected taxes equal to about 26% of the U.S. economy's total output last year. That is less than the tax take in most European countries. Sweden has a tax burden of about 50%, according to the Organization for Economic Cooperation and Development; Germany has about 36%. Japan has a tax burden roughly equal to that in the U.S.

Moreover, federal taxes amounted to 17.5% of gross domestic product, up from a modern low of 16.3% in 2004, but well below the high of nearly 21% in 2000.

But keeping the tax burden low will be difficult. Last year, the federal government's spending exceeded its tax take by about \$318 billion. And the retirement of the baby-boom generation starting in 2011 could cause spending on big-ticket federal retirement programs to jump.

Tax distribution: The U.S. tax system continues to be "progressive," which means that people with high incomes generally pay a higher percentage of their income in taxes than those with low incomes.

Currently, the 1% of American households with the highest incomes -- those earning an average of about \$1 million a year -- pay about 31% of their income in federal taxes, including payroll tax and income tax, according to the Congressional Budget Office. The 20% of households with the lowest incomes -- those earning an average of about \$15,000 a year -- pay less than 5% of their incomes in taxes.

That tax system is modestly more progressive today than it was a quarter-century ago. In 1980, households in the bottom 20% of the income distribution earned 5.7% of all income and paid 2% of all federal taxes; in 2003 -- the most recent data available -- they earned 4.2% of all income and paid 1% of all taxes. Meanwhile, the highest earning 20% of households earned 45.8% of income in 1980 and paid 56.3% of all taxes. In 2003 those high-income households earned 52.2% of income and paid 65.7% of taxes. ■

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Verizon Wireless to Give SMS a Voice

Verizon Wireless is among several carriers planning to launch services that let subscribers send text messages from wireless phones to landline phones.

Sources at the company behind the technology, Telemessage Inc., say Verizon Wireless will use Telemessage's SMS product to convert typed text messages into audio messages that play to a recipient's landline phone. To send the messages, wireless customers would just dial in the recipient's phone number, same as with a regular text message, so the learning curve is low.

Verizon Wireless is planning to launch the service in mid-June, according to sources at TeleMessage. A spokesman for Verizon Wireless declined to discuss the launch.

Launching text-to-landline services can increase text messaging traffic by 1 to 3 percent, according to Mark Carlin, vice president of American sales at TeleMessage. This is significant, considering larger carriers process billions of text messages monthly.

"SMS is absolutely the leading source of data ARPU," says Jonathan Atkin, a telecom analyst at RBC Capital Markets in San Francisco. The nation's top three wireless carriers each reported first-quarter earnings that indicated data made up more than 10 percent of per user revenue.

"The target audience loves to text message, and sending a text message is faster than calling," Carlin says. To that end, TeleMessage is in talks with several youth-focused mobile virtual network operators.

The company also is in negotiations with Cingular Wireless LLC and T-Mobile USA, Carlin says, but he doesn't expect either company to launch TeleMessage's text-to-landline services before the fourth quarter of 2006. A spokesman for Cingular said there's no date set for such services.

TeleMessage is composed of the Massachusetts-based Telemessage Inc., which focuses on American markets, and the Israeli-based TeleMessage Ltd., which serves European and Asian markets.

Telemessage also makes a plug-in tool that lets mobile phone service subscribers send SMS and MMS (multimedia message service) messages from their PCs, to individual mobile phone numbers or groups. In this space, Telemessage competes with such companies as Red Oxygen and General Wireless AB. The tool aims to increase the uptake of MMS, which has been slow in the U.S.

"MMS is not that big," Atkin says. "It would be a number four contributor, after SMS, Web access, and downloads... But they're all growing."

Several major U.S. carriers will launch the plug-in by the end of the year, Carlin says. ■

E-Newspapers Just Around the Corner—Really



NEW YORK (Reuters)—The newspapers of the future—cheap digital screens that can be rolled up and stuffed into a back pocket—have been just around the corner for the last three decades.

But as early as this year, the future may finally arrive. Some of the world's top newspaper publishers are planning to introduce a form of electronic newspaper that

will allow users to download entire editions from the Web on to reflective digital screens said to be easier on the eyes than light-emitting laptop or cellphone displays.

Flexible versions of these readers may be available as early as 2007.

The handheld readers couldn't come a moment too soon for the newspaper industry, which has struggled to maintain its readership and advertising from online rivals.

Publishers Hearst Corp. in the U.S., Pearson Plc.'s Les Echos in Paris and Belgian financial paper De Tijd are planning a large-scale trials of the readers this year.

Earlier attempts by book publishers to sell digital readers failed due to high prices and a lack of downloadable books.

But a new generation of readers from Sony Corp. and iRex, a Philips Electronics spin-off, have impressed publishers with their sharp resolution and energy efficiency, galvanizing support for the idea again.

"This could be a real substitution for printed paper," Jochen Dieckow, head of the news media and research division of Ifra, a global newspaper association based in Germany, said.

It's easy to see why publishers are keen. Digital newspapers, so called e-newspapers, take advantage of two prevailing media trends—the growth of online advertising and widespread use of portable devices like the iPod music player.

Nearly all papers run Web sites, but few readers relish pulling out laptops in transit or risk dropping one in the bathroom.

E-newspapers would cut production and delivery costs that account for some 75 percent of newspaper expenses.

Circulation in the \$55 billion U.S. newspaper industry has slid steadily for nearly two decades as papers compete with Internet news for attention and advertising dollars.

Some publishers now see new devices as a way to help them snatch a bigger slice of online advertising and protect their

franchise in reading away from home.

Ad spending on newspaper Web sites grew 32 percent in 2005 but only accounted for 4 percent of total ad spending in newspapers, according to the Newspaper Association of America.

Still, little is known about demand for an e-paper. "The number of consumers who are interested in reading on the go as opposed to listening to music on the go is probably smaller in the U.S. today," NPD Group analyst Ross Rubin said.

Print Screens

Sony and iRex's new devices employ screen technology by E Ink, which originated from the Massachusetts Institute of Technology's Media Lab. Investors include Hearst, Philips, McClatchy Co., Motorola Inc. and Intel Corp.

The company produces energy-efficient ink sheets that contain tiny capsules showing either black or white depending on the electric current running through it.

Some of the latest devices apply E Ink's sheets to glass transistor boards, or back planes, which are rigid. But by 2007, companies such as U.K.-based Plastic Logic Ltd will manufacture screens on flexible plastic sheets, analysts say.

Separately, Xerox Corp. and Hewlett-Packard Co. are developing methods to produce flexible back planes cheaply. Xerox, in particular, has created a working prototype of system that lets manufacturers create flexible transistor boards much like one would print a regular paper document.

Production costs are expected to be low enough soon for publishers to consider giving away such devices for free with an annual subscription. Data on subscribers could also help publishers better tailor ads.

Sony's reader will cost between \$300 and \$400. "If you can get one of these products to cost less than the cost of a year's subscription it could probably work," Kenneth Bronfin, president of Hearst Interactive Media, said.

He declined to name which other groups plan testing, but said Hearst's San Francisco Chronicle and Houston Chronicle will likely be among the first of its 12 daily papers to offer such devices to several hundred subscribers later this year.

In Europe, Ifra is discussing trials with 21 newspapers from 13 countries. The New York Times Co. is a member.

Sony is separately in discussions with some publishers to offer newspaper downloads in its e-bookstore due to launch this summer, although no decision has been made, said Lee Shirani, vice president of Sony's online content service, Sony Connect. ■

Yahoo, World's Most Popular E-Mail, Hit by Worm

LAS VEGAS (Reuters)—Yahoo Inc., the world's largest provider of e-mail services, said on Monday that a software virus aimed at Yahoo Mail users had infected "a very small fraction" of its base of more than 200 million accounts.

The e-mail virus, or worm, has been dubbed Yamanner and landed in Yahoo mailboxes bearing the headline "New Graphic Site." Once opened, the message infects the computer and spreads to other users listed in Yahoo users' e-mail address books, security experts said.

The e-mail containing the virus need only be opened—in contrast to most worms that are hidden in attachments and require users to take an additional step—to release the virus, according to computer security site Symantec Corp.

The Sunnyvale, California-based company advised users to update virus and firewall software on their computers and to block any e-mail sent from the address "av3@yahoo.com."

"We have taken steps to resolve the issue and protect our users from further attacks of this worm," Yahoo spokeswoman Kelley Podboy said in a statement.

"When we learn of e-mail abuse, such as a worm or other online threat, we take appropriate action," she said. "(A) solution has been automatically distributed to all Yahoo Mail customers, and requires no additional action on the part of the user."

Yamanner, first detected by Yahoo and major computer anti-virus software makers earlier on Monday, was ranked as having a low threat level by Trend Micro Inc. and McAfee Inc.

But Symantec considers the worm an "elevated threat," one step up from the lowest ranking in terms of relative danger.

Symantec's Security Response site suggested Yahoo Mail users might protect themselves by upgrading to the latest test version of the recently upgraded Yahoo Mail software.

"The worm cannot run on the newest version of Yahoo Mail Beta," Symantec's site said.

A Yahoo spokesman was not immediately available to comment on whether the company advised users to do this.

The worm exploits a vulnerability in Javascript technology used to make the mail program easier to use by triggering embedded HTML scripts to run in the computer user's browser.

The e-mail addresses are also sent to a remote online computer server, which may be used to run spam campaigns, experts said. The technical name of the worm goes by variants of "JS.Yamanner." ■

WeatherBug, Send Word Now Create Emergency Weather Service

WeatherBug, the national weather reporting service, and Send Word Now, a service that provides urgent contact information to companies, announced June 12 that they are joining forces in a new service called the Smart Weather Notification Service.

The service will alert managers to critical weather events at their location. The companies also announced that their first major customer will be Wal-Mart.

These weather stations are located in schools, government offices and media offices. The company uses the stations to provide real-time neighborhood-level weather readings.

Send Word Now provides a real-time urgent message service for global users. The SWN notification service provides alerts to wireless devices, and can use location data from properly equipped devices to customize the messages.

Currently, the company can only receive location information from Sprint and Nextel devices that have GPS chips. However, the design of the notification is such that it will work for devices without GPS by determining which wireless tower is receiving the signal.

"Managers will have real-time informed decision making capability they don't currently have," said Jim Anderson, Director of Business Development for WeatherBug.

"We wanted a product that would take the notification and push it out to facilities based on location," said Jason Jackson, Wal-Mart's director of emergency management.

He said that managers use weather alerts to trigger continuity of operations plans, reassignment of staff (such as bringing cart pushers in from the parking lot), and even alerting customers to what is about to happen.

The Broward County schools in Florida are also using the new WeatherBug/Send Word Now service. SWN Chief Strategy Officer Michael Sher said that the company has a number of high-profile customers including the U.S. Postal Service, GE and IBM, and he said he expects some of them to adopt the weather alerting service as well.

Sher also said that while automatic location-based reports depend on the GPS chip inside mobile phones for the time being, users without such phones can enter their location manually.

Sher said that users can also list up to ten alternate locations, and the emergency alerts can contact each of them. He also mentioned that emergency alerts are auditable, so that managers can see who was actually reached and who was not. ■