

more than the previous quarter. Demand was boosted by a price drop and the more powerful iPhone 3GS model announced in June.

It sold 3.1 million Macintosh computers in the quarter, up 17 percent. The one downer for Apple was sales of its iPod music players, which fell 8 percent to 10.2 million units.

The results stunned analysts, exceeding even the most optimistic estimates. "I'm shocked," said **Kaufman Brothers** analyst **Shaw Wu**.

Added **Gene Munster** of **Piper Jaffray**: "The Mac sales show growth rates that are returning to pre-recession levels, and the iPhone shows this isn't a product cycle – it's a movement. They beat the Street's revenue estimate by 8 percent, and that's unheard of."

● **FOOTNOTE:** Apple last night took down its online store, leaving a notice: "We'll be back soon" – usually a sign that new products are about to be unveiled. That set Web rumour sites flying – especially coming after two Apple executives in yesterday's conference call hinted at an unspecified product that would require abnormal air freight costs in the upcoming quarter. The brave were guessing at the long-rumoured Apple tablet – but others suggested new iMacs and Mac Minis might be more like it.

## Wi-Fi millions to boost research

CANBERRA – The **CSIRO** has pumped \$150 million – part of its earnings from licensing its Wi-Fi technology following a decade of US court cases – into reviving an 83-year-old Science and Industry Endowment Fund.

Innovation Minister **Kim Carr** announced the deal in Canberra yesterday. He said it would "invest returns from one of today's great discoveries in the great discoveries of tomorrow".

The fund was created by the **Commonwealth Government** in 1926 but it fell by the wayside over ensuing decades. Carr said that, following the new funding, it will be used to support special projects and research in

universities as well as at **CSIRO**.

He called for additional donations from industry and said the Government would consider matching such donations for projects that meet the fund's criteria.

First grants from the fund include \$2 million to set up a chair in wireless communications and associated appointments between **Macquarie University** and **CSIRO**; \$7.5 million to establish wireless LAN scholarships in ICT and other scientific disciplines; and 10 million for **CSIRO** research into wireless broadband.

## Bhatia attacks coalition stand

CANBERRA – A decision by the **Liberal-NCP** coalition to seek to block the **Rudd Government's** telecommunications legislation has drawn a fiery response from Primus Telecom **Rhavi Bhatia**.

"This decision appears to go against the coalition's previously stated policy to improve services for regional Australians," said Bhatia yesterday.

"The coalition needs to explain why such a change in policy has come about, and why it has decided to abandon regional Australians."

Shadow Minister **Nick Minchin** had earlier announced the coalition's decision to defer consideration of the telecommunications legislation until completion of a **National Broadband Network** implementation study.

Minchin said there was nothing in the Government's legislation that urgently required it to be debated and rushed through the Parliament by the end of this year.

He called a provision to preclude Telstra from participating in future spectrum auctions, if it does not break itself up and divest its cable network and Foxtel interests, "outrageous" and "an abuse of Government power".

Bhatia charged the coalition with neglecting Australian consumers for the sake of cheap politics. He said: "Right now the industry is very keen to provide services into regional Australia, but we can't do that until the Government delivers a level playing field.

"Australian consumers deserve better market outcomes than currently available, and this bill will deliver that."

## Bigger birds fly into cloud

SYDNEY – Cloud computing has mainly been a preserve of the SMB market in Australia – but around 40 percent of Australian mid-to-large enterprises (MLEs) are likely to move into the cloud in the next three years, according to new research from **Telsyte**.

Analyst **Gary Tsang** yesterday told a media conference organised by secure communications outfit **Integ** – a subsidiary of ASX-listed **UXC** – highest interest is coming from the healthcare, education, government and telecoms/media sectors.

And there's a special interest in hosted telephony and hosted unified communications (UC), Tsang said.

Tsang estimates 10-15pc of Aussie MLEs now use hosted telephony, and 5-10pc hosted UC. He expects to see both markets growing over the next five years with 25pc embracing hosted telephony and 18pc going for hosted UC.

## IT spending to grow

*Continued from page 1*

**Hardware** has struggled more than other segments with 2009 expected to show a 16.5 percent fall to US\$317 billion, while in 2010 hardware spending will mainly be flat, Gartner says.

**Telecoms** are on track for a 4 percent rise in 2009 with revenue of nearly \$1.9 trillion with further growth of around 3.2 percent in 2010.

Next year **IT services** spending should grow 4.5 percent; and **software** should be up by 4.8 percent.

Among other trends noted by Gartner: a shift from capital expenditure to operational expenditure – accelerated by the move to cloud services – will increase; ageing hardware will need to be upgraded after it was delayed during the financial crisis; and CIOs will have to benchmark IT according to business impact.

Business intelligence, virtualisation and the impact of social media will also be major factors driving spending.

This must have been music to the ears of Integ CEO **Ian Poole**, with the company yesterday also unveiling a new conferencing and collaboration version of its iTaaS on-demand IP telephony suite.

The cloud-delivered iTaaS Conference Centre is said to enable organisations of up to 3000 users to set up conferences via audio, Web or video from any location at any time.

It's said to be dead simple to set up and operate, and unlike traditional conferencing systems, there's no per-minute charging. Customers simply pay a onetime set-up fee and a monthly subscription – **David Frith**

## Kogan finds way with 5in. GPS

MELBOURNE – Independent Australian importer/online seller **Ruslan Kogan** has launched a GPS car navigation gadget with a five-inch touchscreen for \$269.

Dubbed the Kogan EziNav G5, it's claimed to boast a super-sensitive 20-channel SiRF Star III GPS receiver that can deliver a good signal indoors and on cloudy days.

Features include "the latest Aussie maps", spoken street names, speed and red light camera alerts, and Bluetooth handsfree connection for a mobile phone



## Telstra backs mobile movies

SYDNEY – The big screen is shrinking. **Telstra** has agreed to put up prizes for the best short films shot on mobile phone cameras at next year's **Tropfest** short-film festival.

The 2010 festival will be held on Sunday February 21 and is expected to draw a TV audience of more than 235,000 people, mainly Foxtel and Austar subscribers.

The new mobile film category – dubbed Telstra Mobile Masterpieces – is being added to the competition for the first time.

Filmmakers must make their films on mobile phone cameras. Says **Amanda Johnston-Pell**, Telstra's executive director of brand and communication: "There has been a boom in sharing images and videos through mobile devices.

"With the rapid advancement of multimedia capabilities of mobile handsets, and the speed of sending content via Telstra's Next G Network, this new category presents an exciting vehicle for filmmakers to get creative."

Deadline for entries is Thursday January 7.

## Office, SharePoint 2010 go beta

LAS VEGAS – **Microsoft** will make public beta versions available for its Office 2010 productivity suite and its SharePoint 2010 Web-based collaboration platform in November, CEO **Steve Ballmer** revealed at the company's SharePoint conference here.

Around 8000 delegates are attending the SharePoint event. The platform is claimed to have more than 100 million users. Ballmer called SharePoint 2010 Microsoft's "next big operating system" and "the biggest and most important release of SharePoint to date".

## INSIDE COMPUTER DAILY NEWS

*Computer Daily News* is published by David Frith Computer Services, PO Box 906, Milsons Point, NSW 2061.

Phone: (02) 9909 8470

Fax: (02) 9908 3982

E-Mail: dfrith@ozemail.com.au

Managing editor: David Frith

Co-editors: John Stackhouse

Kate Castellari

**LEXMARK**



*Computer Daily News* is produced daily using Lexmark printing solutions and faxed throughout Australia on Hewlett-Packard hardware

He walked attendees through its new features, which include an Office-style ribbon interface, deeper integration with Office, and support for rich media such as video, audio and Silverlight.

## Google ads to push Apps

SAN FRANCISCO – **Google** will target business users in Australia, among other countries, as it goes global with an advertising campaign aimed at luring customers away from **Microsoft** and **IBM** office software products and onto its online offerings.

The search giant says more than 2 million businesses already use its online office software, up from 1.75 million in June. Those include larger businesses that pay US\$50 a year per user for Google Apps, as well as companies with fewer than 50 employees that get the software for free. But it aims to increase those numbers hugely.

The ad campaign, due to start this week in countries including Britain, France, Canada, Japan and Singapore, among others, as well as Australia, is a rare foray by Google into mass-market advertising. Ads will be placed in publications like *The New York Times*, *Forbes* and *The Economist*, as well as on billboards at airports and other public sites.

## We know nothing: Otellini

NEW YORK – Intel chief executive **Paul Otellini** has denied the company had any knowledge about the insider-trading investigation into **Galleon Group**, which has implicated an Intel executive (*CDN, Monday*).

"No one in our legal department or management knows anything about this," Otellini told *The Wall Street Journal*.

An executive in Intel's treasury department, **Rajiv Goel**, is facing conspiracy and securities-fraud criminal charges, as well as civil insider-trading charges, in the investigation into hedge fund Galleon.

Authorities have charged that **Raj Rajaratnam**, Galleon's co-founder, and a ring of five others traded in shares after getting insider information involving Intel, **IBM**, **Google** and others.