A Message From Dru

A big ‘shout out’ to the fine folks at www.Carvana.com. If you want an totally hassle-free car buying experience, these are the folks for you.

They sell cars completely on the internet. Pick your car, check the haggle free pricing. See (in advance) what the ‘out-the-door’ price will be. Then you can dial-in the financials interactively: see the interest rates, amount down, amount paid per month, number of months. Play with the numbers in the comfort of your own home and in your own sweet time.

And when you decide on a car, they will deliver it right to your door for a free 7 day test drive. And if, for any reason you don’t like the car, call and they’ll come over and pick it up and give you a full refund...no questions asked!

It worked really well for me. And it might work for you, too!

Dad’s/Grad’s Day gifts

If you need a well provisioned MacBook Pro (both 13” and 15” models) or perhaps a 21”, 24”, or the ginormous 27” iMac — I got ‘em. All come from good homes and with a warranty and over $4,000 in software. Software includes: Adobe Creative Suite Master Collection, Microsoft Office 2011 for Mac, Aperture, FileMaker Pro, Final Cut Pro, Toast, and many more. These Macs are probably the best values on the market today. PS - They make great Dad’s/Grad’s Day gifts (just sayin’)

Sometimes you just want a little less.
Less noise.
Less clutter.
Less cost.
Less HASSLE.

For those times when you want your GUESTS to be the center of attention and the band to provide ambience, consider LoveSong

The Complete List of Siri commands

(Almost) everything you can say to Apple's virtual assistant.

by Sarah Jacobsson Purewal

There's a lot you can do with Apple's virtual assistant -- and some things you can't do. For example, while Siri can send texts, search Twitter, and open up your front-facing camera, she can't adjust your device's volume (something OK Google can do).

Apple hasn't published a complete list of Siri commands, though you can find a fairly comprehensive guide to Siri's abilities inside Siri herself (open up Siri and say "Help" to see what she can do). So here's our unofficial guide to Siri commands and questions.

Hey Siri

There are a few ways to get Siri's attention.

• Press and hold the home button to activate Siri and issue her a command or ask her a question.
• If you're using Apple's Earpods, press and hold the center button to activate Siri and issue her a command or ask her a question.
• If you have Hey Siri enabled, say "Hey, Siri" when your iPhone is plugged in and charging, followed by a command or question.

The basics

• Call or FaceTime someone. Ex.: "Call Sarah," or "FaceTime Mom."
• Call an emergency number. Ex.: "Call 911," or "Call the fire department."
• Check voice mail. Ex.: "Do I have any new voice mail?" or "Play the voice mail from Mom."
• Text someone. Ex.: "Tell [name] I am on my way," or "Tell [name] I am going to the store."
• Send an email. Ex.: "Send email to [name] about [subject] and say [message]."
• Hear your messages or emails read aloud. Ex.: "Read my new messages," or "Check email."
• Set a timer. Ex.: "Set the timer for 10 minutes."
• Check the weather. Ex.: "What's the weather like today?" or "Do I need an umbrella?"
• Check stocks. Ex.: "What's Apple's stock price?" or "Where's the NASDAQ today?"
• Conversions (of all kinds). Ex.: "How many cups are in a quart?" or "How many dollars are in a Euro?" or "How many pounds are in a stone?"
• Calculate tips. Ex.: "What is a 20 percent tip on $68?"
• Solve math problems. Ex.: "What is 234 divided by 6?" or "What is the square root of 16?"

Phone/Settings

• Take a picture.
• Take a selfie.
• Turn on/off [Wi-Fi, Bluetooth, Cellular Data, Airplane Mode, Do Not Disturb, Night Shift]
• Increase/decrease brightness.
• Open [app],
• Designate contacts as relationships. Ex.: "My mom is Sandy Jacobsson," or "Timmy Jacobsson is my brother." Once a relationship is established, you can say relationships instead of names (e.g., "Call my brother," instead of "Call Timmy Jacobsson").

Scheduling and reminders

• Schedule or cancel a meeting. Ex.: "Schedule a meeting with [name] tomorrow at 11:30 a.m." or "Cancel my 5 p.m. appointment."
• What appointments do I have tomorrow?
• Set location-aware reminders. Ex.: "Remind me to remember my keys when I leave," or "Remind me to feed the dog when I get home."
• Find out the date and day of the week of holidays. Ex.: "When is Easter?" or "When is Labor Day?"
• Set alarms. Ex.: "Set an alarm for 1 a.m." or "Set an alarm for six hours from now."
• Delete/turn off all alarms. Ex. "Delete all alarms" or "Turn off all alarms."
• Check the number of days between dates. Ex.: "How many days until October 6?" or "How many days between April 3 and June 16?"
• Find out what time it is in another city. Ex.: "What time is it in Tokyo?"

Search

• Define [word].
• What is a synonym for [word]?
• What's the etymology of [word]?
• Find photos. Ex.: "Show me photos from last week," or "Show me my selfies," or "Show me photos from Tokyo."
• Search Twitter. Ex.: "What's Kylie Jenner saying?" or "Search Twitter for [keyword]."
• Find specific notes or emails. Ex.: "Find my note about [keyword]," or "Find emails about [keyword]."
• Find your friends (if you have "Find My Friends" set up). Ex.: "Where is Ron?" or "Who is near me?"
• Find pictures of [keyword].

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Berkshire’s $1 Billion Apple Bet Suggests Faith in Product Pipeline

Given all the pessimism about Apple Inc. these days, one might wonder why Warren Buffett’s Berkshire Hathaway Inc. is betting $1.1 billion on the company. But if sentiment on Wall Street is any guide, the Oracle of Omaha and his lieutenants have made a prescient play.

Even after Apple warned that the sales decline it experienced in the fiscal second quarter would continue in the subsequent three months, there are just two analysts among the 50 monitored by Bloomberg who recommend selling the stock. While the average 12-month target price has fallen from last July’s peak, it remains at $124.60, about 33 percent above current levels.

The gamble hints at Berkshire’s confidence in Apple’s ability to create new products that reignite revenue growth. That may either come with the iPhone 7, set to be introduced later this year, or in product categories such as autonomous driving or virtual reality hardware.

“It’s kind of a no-brainer,” said Steve Wallman, a money manager in Middleton, Wisconsin, who has invested in Berkshire since 1982 and Apple since December 2003. “I don’t think it’s a great stretch for Berkshire. The company is cheap. It has a boatload of cash.”

Share Gain

Apple shares jumped 3.7 percent to $93.88 after Berkshire’s announcement, valuing Apple at about $514 billion. The company’s nearly 30 percent share slide since the middle of last year may have created an opportunity for Berkshire, even though Buffett typically avoids technology investments.

Berkshire held 9.81 million Apple shares as of March 31, according to a regulatory filing Monday from the billionaire’s Omaha, Nebraska-based company. The holding was valued at $1.07 billion at the end of the first quarter.

Apple trades at a multiple of 10.5 times its earnings per share. The shares have a dividend yield of 2.35 percent. That ranks Apple above the average of its peers on the the Standard & Poor’s Information Technology index.

“Apple at the current valuation makes a ton of sense; it’s a consumer-product company more than a tech company,” Jeff Matthews, an author of Berkshire-related books, said about the new holding. “The company has a great financial model, a great brand name and a cheap stock.”

Some investors have expressed concern that declining iPhone sales, which prompted Apple’s first quarterly drop in revenue in 13 years, are indicative of a broader slackening in demand for smartphones. Gartner Inc. predicts that smartphone sales growth will fall to the lowest level ever this year.

Tepper, Icahn

David Tepper’s Appaloosa Management disclosed Friday that it sold out of its Apple stake in the first quarter. Billionaire Carl Icahn said last month that he exited a position in the company because of concern about its relationship with China. Kristin Huquet, a spokeswoman for Apple, wasn’t immediately available to comment.

Chief Executive Officer Tim Cook is pivoting toward services and exploring new technologies such as self-driving cars to reduce reliance on the iPhone.

Cyrus Mewawalla, managing director at London-based CM Research, said those initiatives are unlikely to pay off this year, but may reward more patient investors.

TV, Cars

“What would make this stock a good buy is a whole load of projects we know they’re working on,” he said. “They’re working on a TV, a car, a whole bunch of apps coming for the Apple Watch. We know mobile payments has just started off.”

Apple CEO Cook, Indian Prime Minister Modi meet in New Delhi

By Ashol Sharma

Apple CEO Tim Cook laid out his company’s plans for the vast Indian market in a meeting Saturday with Prime Minister Narendra Modi, who in turn sought Apple’s support for his “Digital India” initiative focusing on e-education, health and increasing farmers’ incomes.

Modi and Cook also discussed cybersecurity and data encryption at their meeting in New Delhi, a government statement said. Modi suggested that Cook help the global community cope with the challenges of cybercrime.

Cook, who arrived in India on Tuesday and is winding down his trip, spoke of the potential for the manufacturing and retailing of Apple products in India, and the possibilities for app development in the country, the statement said.

Apple has just a 2 percent share of the smartphone market in India, one of the world’s fastest-growing smartphone markets.
Q: Will a Magic Keyboard connect by Bluetooth to my brand new Macbook Pro?

A: Sure will! Just make sure that on the Pro that you have the Bluetooth Control panel set to ‘Discover’

Q: Do I need Snow Leopard (OS 10.6) to download the Mac app store?

A: Yes.

You need OS 10.6.6 or later (eg: 10.7 (Lion), 10.8 (Mountain Lion), 10.9 (Mavericks)) to have the App Store app so you can download apps and current OS.

According to Wikipedia, the Mac App Store was introduced with the 10.6.6 update of Snow Leopard. BTW - You don’t “download” the Mac App Store directly, you just run Software Update and it will be installed automatically with the relevant update(s).

Q: I have OS 10.7 on a Macbook Air mid 2011 with 256 GB SSD and 4 GB of RAM. Can I upgrade to El Captain? If not what should I upgrade to?

A: The short answer is Yes! You can upgrade to Mac OS 10.11.x (El Capitan). The longer answer is that I wouldn’t recommend it.

Why?

Because I have found, through experience, that 10.11, while Apple says it will run on 4 GB of RAM, is really, really resource intensive. And I don’t recommend installing 10.11 without having at least 8 GB of RAM installed (12 would be better). And unfortunately, in your MacBook Air the RAM can’t be expanded past 4 GB.

Q: I have a Mac mini mid 2010 running 10.7.5. How far can it be upgraded?

A: According to the fine folks at Mactracker, you should be able to upgrade to the current operating system—OS 10.11. But I wouldn’t.

To be blunt, I have found, through experience, that 10.11, is really, really resource intensive. And with only a 2.4 GHz Core 2 Duo chip your Mac will drag. If you want to upgrade consider 10.10 (Yosemite).

Q: Is it useful for iMac the anti virus? I have been getting a prompt from MacKeeper that my iMac system status is Serious and it says 2.1 GB of junk files.

A: I don’t feel that Mac anti-virus software is necessary. There a just so few ‘viruses’ on the Mac. What you DO have are social engineered phishing, spam, and scam programs. For example:

You get this very sincere looking email from ‘Office of the Treasury, Internal Revenue Service:

Dear You,
We have reviewed your 2012 tax return and found that you overpaid you taxes by $1,4,58.21. For you’re security, please check the box below to be taken to the IRS’s web site. Once there please enter your Name, Address, City, State, and Zip Codes as well as your 9 digit Social Security Number.

Thanks you very much.

Only a few(!!!) things wrong here:
1) That’s NOT a letter from the IRS - although it might have the exact same graphics and page set up [which the bad guys have copied and pasted from the actual IRS web site].
2) 2) The IRS doesn’t need and WILL NEVER ASK for your social security number. [Believe me, they already know it.]
3) With the information you’ve provide the bad guys, they can start opening charge accounts, bank accounts, get a driver’s license...i.e. Identity theft.
4) ALWAYS check grammar and spelling. It’s usually very poor. A dead giveaway that what you’ve got is NOT authentic.

As far as Mackeeper...Avoid it like the plague. The company is being sued by 28 Attorneys General. It creates a fearful environment trying to convince you that your Mac is in dire need of their assistance. When you call, they will want to connect with your Mac to ‘check it out’ At that point (with your permission, I might add), they install a virus-like program that causes a multitude of problems. That only reinforces their fervent sales pitch that you need their service...and it’s only going to cost you $300 to fix your Mac right now, and another 49.95/month to keep it clean.

And once it install the 14,000 files to make it run, it is virtually impossible to get it out of your system.

SAY NO To MacKeeper
Apple: Throwing Money At The Innovation Problem Won’t Fix It

By Michael Boyd

Summary
• Tim Cook has been battered in the media for mismanagement of Apple.

• Unfortunately, Tim Cook is dealing with the fallout from a lack of investment in the years prior to his CEO appointment.

• Under Tim Cook’s leadership, Apple has returned R&D spending to historical norms.

• BlackBerry serves as a model for how management can burn shareholders in the name of excessive, misguided spending. Apple should avoid that fate.

Apple and how it chooses to use its capital remains a point of serious contention among investors. I’ve highlighted how I’m supportive of Apple’s buyback plan (and even want it ramped back up to 2014 levels), but many investors want to see more money poured into research and development outlay in fiscal 2015, propelled by the success of this one consumer electronic device and its eventual reiterations. Total research and development outlay in fiscal 2006 leading into that product launch? Just $712M. In an amazing use of capital, what was likely just several hundred million in total research and development outlay turned out the first example of a device that would eventually generate hundreds of billions in profit. You can’t beat that return on investment, and historically, this is how Apple has always operated. The company has always been characterized by, when compared to peers, very low spending allocated toward research and development.

Traditionally, research and development costs have run below 4% of revenue, even stretched back further than what I have pulled above. Compare this to Microsoft R&D/Revenue spending at 12.8% in its fiscal 2015, or even notoriously stingy IBM at 6.4% of 2015 revenue.

That being said, the slump we saw heading into the 2010-2012 period likely contributed greatly to the lack of new product availability that we see today. Taking a project from initial concept to eventual commercial development takes years, and I have the feeling we are now in the period where we would have seen the fruits of investment from that period. 2010-2012 was a period of massive growth for Apple, where revenue more than doubled from $65B to $156B. Even Steve Jobs and his team were likely taken aback by the quick success of new product launches and were a little slow in adjusting to a vastly changed business environment. Focus was likely elsewhere, likely on structuring Apple to handle its new superpower status in the business world. Jobs’ illness may have even played a part. Its unfortunate, but nothing can be done about that now.

As far as the change in spending patterns that began in 2012, this also roughly coincides with the timing of Tim Cook taking over as CEO. For as much criticism as Tim Cook has gotten in the public media for mismanagement of Apple in recent months, he has presided over a massive ramp in Apple’s development efforts. Nominally during Tim Cook’s tenure, this increase in research and development spending is large - from $2.4B in 2012 to $8B annually in 2015. Even beyond research and development, capital expenditures (investments in long-lived assets like property and equipment) are up from $7.4B in 2011 to $11.4B in 2015. However, like most things in business, payoff takes time, and investors need to have patience in seeing results from the ramp in spending.

Apple Spending More Now Won’t Solve Its Problem

So why not spend even more today? It’s important for investors to remember that you cannot force innovation. Spending for the sake of spending gets you nowhere.

The Year Is 2007
Ah, 2007. I was in college, Beyonce was at the top of the Billboard Top 100 (maybe that has not changed), and then Senator Barack Obama was poised to take his place in the White House. The man didn’t have a single gray hair back then:

Of course, something else more relevant to the discussion of Apple occurred in 2007. We were blessed with a product that would change, or indirectly influence, the way many of us live our lives forever: the iPhone. Apple, from this point forward, would precede to grow its revenue at a 32.91% annual pace through its fiscal 2015, propelled by the success of this one consumer electronic device and its eventual reiterations. Total research and development outlay in fiscal 2006 leading into that product launch? Just $712M. In an amazing use of capital, what was likely just several hundred million in total research and development outlay turned out the first example of a device that would eventually generate hundreds of billions in profit. You can’t beat that return on investment, and historically, this is how Apple has always operated. The company has always been characterized by, when compared to peers, very low spending allocated toward research and development.

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Apple Spending More Now Won’t Solve Its Problem

So why not spend even more today? It’s important for investors to remember that you cannot force innovation. Spending for the sake of spending gets you nowhere.

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7 reasons to seriously consider the 2016 Retina MacBook
By Jeff Benjamin -

Yesterday, I bought a 12” MacBook, and after playing with it for 10 minutes, I immediately knew that I made the right decision. 24 hours later, I’m convinced that this is the best laptop for me, and a much better portable workhorse than something like a 12.9” iPad Pro. Here are 10 reasons why you should consider going with a MacBook if you’re in the market for something powerful, yet portable.

No fan noise
As someone who records voiceovers and podcasts, having a quiet recording environment can be crucial. Sadly, my MacBook Pro with Retina display rarely afforded me such an environment. Its fans often sounded like a jet engine, eagerly firing up at the slightest hint of stress.

With the 12” MacBook, there are no fans, so you don’t have to worry about this machine making noise. Ever. Even under a heavy workload.

A single cable solution
Not only will a single cable provide the bandwidth to drive an external display, but it will also charge the MacBook and allow it to interface with devices connected to the display’s ports. This means that you can easily use a compatible external display as a docking station by means of a single USB-C cable. It’s not a flawless solution, as you’ll see from my upcoming full review of the display, but it features some definite advantages.

Apple’s vision for a one-cable-solution is not yet perfected — the company’s own displays lack the necessary USB-C ports — but you can definitely see where Apple is aiming. Once all of the pieces fall into place, the single cable strategy will work a lot better than it does now.

Low profile, lightweight and portable
It’s still hard to believe that such a capable machine exists in such a form-factor, but it does, and it’s called the MacBook. This machine is so light and portable, that it feels futuristic. It’s so light and thin that I can actually hold the machine in one hand while typing with my other hand. Not that I would make a habit out of doing such a thing, but the fact that that’s even feasible is impressive.

Superb build quality
One would think that with a form-factor this light and thin, that build quality might suffer, but it’s the total opposite. The MacBook arguably has the best build quality of any of Apple’s laptops.

The hinge, for instance, eschews the black plastic found on other MacBook models. The aluminum feels dense, strong, and ready to stand up to everyday usage. The MacBook might be small, but no compromises were made concerning build quality.

Surprisingly loud speakers
The MacBook features one long speaker grill that spans nearly the entire length of the area that rests right above the keyboard. The speakers are loud and clear, and deliver sound quality that might cause you to do a double-take upon first listen.

Even though the MacBook does include a 3.5mm headphone jack, I found myself satisfied with listening to music through its speakers instead of always plugging in my headphones like I’d tend to do with my older MacBooks.

Peppy Core m5 processor
I never used the original 2015 MacBook for long enough to be able to judge its performance, but the consensus seems to be that it was largely underpowered. I opted for the mid-tier Intel Core m5-equipped model of the 2016 refresh, and have been pleasantly surprised by how snappy the machine is.

Although it’s still early in the game, there’s nothing that I threw at this machine that it wasn’t capable of handling, and not just barely, but it did so admirably. If you’re going to buy a MacBook, and you can afford to splurge for the m5-equipped model, then I highly recommend that you do so.

Not only does the MacBook feature a beautiful screen from a technical perspective, it also gives users the needed screen real estate to be productive. Without any additional software, the MacBook’s screen can scale to 1440-by-900 (Hi-DPI). That gives users who edit videos, audio or photos, plenty of room to work without feeling cramped.

Long battery life
While it’s possible to charge a MacBook with an external battery, that may not be necessary depending on how you use your Mac. Thanks to Skylake processors and better battery chemical composition, users benefit from an extra hour of battery life o the 2016 version of the MacBook.

Apple says that the machine will now last for 10 hours browsing the web, and while I haven’t performed any in-depth battery benchmarks, I can vouch that the battery life seems on par with my previous MacBook Pro, which contained a much lager battery.

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If you’re wondering why your iPhone needs your passcode more often, this is why

By Ben Lovejoy

Something that has been bugging me for some time is that my iPhone, normally unlocked with Touch ID, asks for my passcode way more often than it ought to. That mystery has now been solved by a bullet-point that Apple added to its iOS Security Guide earlier this month – though the behavior has been there a lot longer.

Previous versions of the document said that iOS devices should only ask Touch ID users for their passcode in one of five circumstances. I found I was frequently asked for my passcode when none of these applied, but a sixth, recently-added bullet-point explains it...

MacWorld spotted the change when seeking to answer a reader question about it. The additional bullet point is highlighted in bold below.

The passcode can always be used instead of Touch ID, and it’s still required under the following circumstances:

• The device has just been turned on or restarted.
• The device has not been unlocked for more than 48 hours.
• The passcode has not been used to unlock the device in the last six days and TouchID has not unlocked the device in the last eight hours.
• The device has received a remote lock command.
• After five unsuccessful attempts to match a fingerprint.
• When setting up or enrolling new fingers with Touch ID.

So, lock your iPhone or iPad and go to bed, and if it’s more than eight hours before you unlock it in the morning, you’ll be asked for your passcode.

Apple has not explained the reason for the change, but it may be in response to court rulings that have compelled suspects to use Touch ID to unlock their iPhones. The Fifth Amendment means that nobody can be compelled to reveal their passcode, but two separate courts have ruled that there is no protection against providing a fingerprint to unlock the phone.

The first was a Virginia District Court in 2014, while the first federal ruling on the matter was reported earlier this month.

The change in behavior will add urgency to cases where law enforcement authorities want to gain access to an iPhone: eight hours after it was last unlocked, compelling the owner to use their fingerprint to unlock it will no longer be an option.

The FBI recently warned that the resolution of the San Bernardino case does not end the matter, and that there will be more litigation on phone encryption to come.

***

Apple iOS 9.3.2 Has A Great Secret Feature

iOS 9.3.2 has a nasty surprise and my upgrade guide recommends you skip it for now. But if you have already installed the update (or will do regardless) there is good news: it hides a great secret feature...

As with all the best secrets, you won’t find the new feature listed in the official iOS 9.3.2 changelog. But surprisingly Apple has finally fulfilled one its users biggest requests: the ability to use both Low Power Mode and Night Shift as the same time.

Why is this surprising? Because until now Apple had been in doing its best to stop this functionality from happening.

It all started Night Shift (a Blue light filter) was introduced with iOS 9.3 in March and it couldn’t work alongside Low Power Mode. This seemed to make little sense as users were most likely to need Night Shift at the end of the day and this is also the time your device is mostly likely to have little battery left and require the Low Power mode.

As such confused users found a hack which could enable both modes by asking for them using Siri. Yet just 10 days later Apple released iOS 9.3.1 which removed this workaround. Amusingly users then found another workaround and now with iOS 9.3.2 Apple appears to have relented in its game of cat and mouse and the dual functionality looks set to stay.

So why would Apple keep such a popular (and logical) change under wraps?

My guess is either the company didn’t want to publicize a climb down or it remains keen to uphold its reputation for burying useful ‘Easter Eggs’ in its releases. Cynics and optimists will obviously know which option they’d pick.

Needless to say, this discovery doesn’t make up for the reports iOS 9.3.2 is bricking some devices and I suspect an emergency iOS 9.3.3 release will have to be issued in the near future.

That said the discovery of a much requested feature hidden in iOS 9.3.2 does give this dark cloud a silver lining.
PLANNED OBSCOLESCENCE HAS LED TO RIDICULOUS PRODUCT CYCLES, AND IT’S TIME TO SAY ENOUGH IS ENOUGH!

By Brad Jones

In 2015, Apple unveiled the iPhone Upgrade Program — a slick subscription model that lets devotees pay a monthly hardware fee directly to the manufacturer, with an option to trade in their phone for the new model every twelve months.

By setting up this program, Apple indirectly confirmed something that we knew already; a new iPhone will be released every year for the foreseeable future, and the company hopes that you’ll buy each and every one.

This is just one example of a philosophy that has long governed the consumer tech industry, and many others — planned obsolescence.

Best Laid Plans

At its core, planned obsolescence is a method of making useful products seem obsolete before this is the case, typically with the intent of selling a 'new and improved' version.

There’s many ways to accomplish this. In the early 20th century, a group known as the Phoebeus cartel managed to standardize the life of a lightbulb at 1,000 hours, and all it took was the threat of financial repercussions for any manufacturer that exceeded that amount.

This tactic wrung extra money out of the consumer by convincing them the product already in their home is in dire need of replacement. However, undercutting the product’s functionality isn’t the only strategy on the table.

In the 1920s, it was becoming more and more difficult for automobile manufacturers to sell their product, as the market had become saturated. Anyone who had the money and desire to purchase a car had already bought one.

General Motors president Alfred Sloan decided on a simple solution: annual model changes. Imitating a process that had already been used by bicycle manufacturers, Sloan released the 1923 Chevrolet. The car had a completely new exterior, but the chassis was unchanged. Sloan had invented the “model year,” a concept that today is so common it’s hard to imagine how cars could be sold without it. This was a crucial moment for the industry, as it demonstrated consumers would purchase a new car — a considerable expenditure back then, as today — despite minimal changes.

The practice is alive and well, and has been refined by consumer technology. Today’s tech giants don’t just practice planned obsolescence; they’re founded on it.

Obsolescence of Desirability

In his book The Waste Makers, social critic Vance Packard outlined the three prongs of planned obsolescence. The first is obsolescence of function, where a product is simply outmatched by a more capable replacement — and that’s something that we should all applaud, as it’s the sort of competition that benefits the consumer.

The second is obsolescence of quality, where a product is built to break down and fail over a particular span of time. It’s easy to throw around accusations of today’s items “not being built how they used to,” but in practice, this isn’t the biggest problem with today’s output.

Instead, it’s the third variety of planned obsolescence that we should be worried about: the obsolescence of desirability. This refers to the process of making the newest version of a particular product desirable, intentionally doing so to the detriment of its predecessors.

Rumors have been circulating for some time about what new functionality the iPhone 7 will offer up — and all but the most outlandish make the smartphone sound like an incremental update over the iPhone 6. Does a waterproof casing or a slightly better camera lens warrant getting rid of your working phone? No, but scores of people will put their money on the table as soon as a release date is announced.

Packard observed that “the American people themselves have been conditioned over the years to respond favorably to some kinds of obsolescence.” The Waste Makers was written more than 50 years ago, but it’s as potent as it ever was today.

The Appearance of Change

It’s interesting to note that Apple’s decision to implement the iPhone Upgrade Program comes at a time when the evolution of its flagship smartphone seems to be slowing to a crawl.

Of course, this doesn’t mean that the phones are bad. Apple has released five iterations of the iPhone since 2014 — 6, 6 Plus, 6S, 6S Plus and SE — and all of them have received review scores of four stars or higher. However, there’s more to the story than that.

Most of these reviews call out Apple for refusing to include features like a larger battery and waterproofing in its devices. A review of the iPhone 6 Plus suggests that its “specs aren’t much better than iPhone 5S.”

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Music/Apple Music

• Play [artist] or [song name] or [playlist] or [album].
• 'Like' the song you're listening to. Ex.: "Like this song."
• Shuffle my [playlist name] playlist.
• Choose the next song. Ex.: "After this, play Wildest Dreams."
• Find chart-toppers from certain years. Ex.: "Play the top songs from 2013."
• Play songs that are similar to the one you're listening to. Ex.: "Play more like this."
• What song is this?
• Buy this song.

Travel

• Check flight status. Ex.: "Check flight status of [airline and flight number]"
• Find restaurants and make reservations. Ex.: "What's a good Chinese restaurant near me?" or "Make a reservation at Baco Mercat for 7 p.m." or "Find a table for six in San Francisco tonight."
• Find a business' hours. Ex.: "What's open right now?" or "Is [business name] open?"
• Learn about the area you're in. Ex.: "What's the nearest museum?" or "Where am I?" or "What bridge is this?"

.Random tips and tricks

• Find out what airplanes are currently flying above you. Ex.: "What airplanes are above me?"
• Roll a die or roll two dice.
• Flip a coin.
• What is your favorite color?
• Tell me a joke.
• What does the fox say?
• Knock knock.
• Who's on first?
• Why did the chicken cross the road?
• What is zero divided by zero?
Cook, cont.

Cook spoke about his visits to the Indian cities of Mumbai, Hyderabad and Kanpur and his meetings with business leaders, young people and Bollywood actors. In particular, he mentioned his visit to the Siddhivinayak Temple in Mumbai, and the cricket match he saw in the northern city of Kanpur, the statement said.

Modi said that in India, “seeing is believing,” and that Cook’s experiences on his trip would help steer his business decisions.

The prime minister explained his Digital India initiative to Cook, identifying its three key objectives as education, health and increasing farmers’ incomes, the statement said, adding that Modi sought support from Apple in furthering the objectives.

Digital India, a flagship program of Modi’s government, attempts to transform India into a digitally empowered society and knowledge economy through the use of information technology.

Cook told Modi that he appreciated the breadth of young talent in India, and that the country’s youth have significant skills that Apple would like to tap, according to the statement.

He also elaborated on the Map Development Centre that Apple Inc. is setting up in the southern city of Hyderabad, one of India’s information technology hubs.

Cook also said he appreciated Modi’s initiatives for renewable energy. He said Apple runs on 93 percent renewable energy, and spoke of plans to move Apple’s entire supply chain to renewable energy.

Throwing Money, cont.

Just as throwing money at problems in your personal life rarely works, it also rarely works in the business world as well. Companies need to hire the right people who will make the right decisions, all by properly weighing and considering all available options that come out of research. To get products to market quickly, weak projects need to be culled early, so focus can be directed where it could be most beneficial. The more rapid the change in development spending policy, the more it is likely that company direction and motivation gets muddled.

For an example of a company that has struggled with research and development spending, we can take BlackBerry’s malaise as a guidepost. The recent peak in BlackBerry’s revenue came in fiscal 2012, which saw R&D/revenue touch 8.3%. This was above peer norms, and all seemed well. Despite being a much smaller company at the time, BlackBerry was pouring almost as much money into developing innovation as its larger competitor Apple. However, revenue began its slump as BlackBerry products fell out of favor, and Blackberry proceeded to dump money into trying to figure out how to slow its revenue decline. R&D/revenue has now been driven toward 20% annually as the company continues to try to figure out how to remain solvent.

$5.2B was spent on research and development in that fiscal 2012-2016 timeline, and this spending drove a large portion of the earnings per share losses that have plagued BlackBerry shareholders for years. Has all this spending done any good for the company? At this juncture, no. Revenues are expected to fall - once again - 16.5% annually to $1.8B in the company’s fiscal 2017. Shareholder value has been destroyed, and the company would have been better off liquidating the assets it had five years ago rather than chasing a viable solution to saving its business that does not seem to exist.

Takeaway

For those of us who are worried about future innovation, Tim Cook has pushed Apple’s research and development spending well above levels that were present when he took over the business. For those of us who are worried about management throwing money at a perceived problem and degrading shareholder value, he also has just moved Apple’s spending back to historical norms.

I personally find Apple’s spending in this category to be just right at face value, although I have no clue on how efficient the returns on that spending will be in the future. Given the discount on Apple shares in the market currently, Apple doesn’t need home runs. Singles and doubles over the next decade to maintain current free cash flows would point to the shares being deeply undervalued. As investors, sometimes we just need to sit back and let management do its job and have the patience to wait for what product release surprises might lie around the corner.

Thanks for taking the time to read this month’s newsletter.

Hope you enjoyed it. If you have any comments or suggestions for stories (or would even like to write a story ~ hint, hint, hint), please send them to me at: machelpdesk@tx.rr.com

Feel free to share this newsletter with a friend. The newsletter archives are located at: http://www.machelpdesk.com/page6a.html

Y’all come back now, y’hear.
PLANNED OBSOLESCENCE, cont.

Perhaps the most damning statement on the stagnation of the iPhone’s iterative development — or, conversely, the highest praise possible of Apple’s knack for planned obsolescence — comes as a lead-in to our review of last year’s model: “You don’t really need the iPhone 6S, but you’re going to want it anyway.”

These reviews aren’t incorrect in their assessment of Apple’s hardware. These devices are sure to deliver a superlative experience to the first-time buyer, but they’re less apt to leave you blown away by their capabilities if you’re upgrading from an iPhone that’s a year or two old.

Yet that’s exactly what the iPhone Upgrade Program has been designed to facilitate. The plan is billed by Apple as “an easier way to get a new iPhone every year” — implying that you were inevitably going to buy each new iteration whether or not Apple made it “easy.”

That said, this ease doesn’t come free. Predictably, analysis of the program found that you’ll end up paying more for your iPhone if you opt into the plan, although you do get the added benefit of AppleCare+ protection.

This isn’t to say that Apple deserves to be disparaged for trying to turn a profit. However, we should perhaps question whether a barrage of marketing is helping us ignore the fact that product cycles have become ridiculously swift, and the difference between iterations is less apparent than ever before.

When the iPhone 3G launched, it introduced GPS functionality, 3G connectivity support and the App Store. Its successor, the 3GS, was viewed as an incremental update — and it added video recording to the phone’s capabilities. The iPhone 4 came next, with its Retina display, iOS 4.0 and a completely new physical design in tow.

It’s difficult to imagine how Apple could accomplish this sort of quantum leap with the iPhone 7. And if the company isn’t able to, why should we expect ourselves to act like it’s a must buy?

Breaking the Product Cycle

Apple makes a great example of planned obsolescence, but the company is just conforming to industry expectations. The one-size-fits-all nature of its devices makes it easy to point out the endless product cycle at work, but other manufacturers are just as guilty.

Much of the consumer experience rests on a platform of planned obsolescence. Companies don’t go into business with the intention of perfecting one product then moving on to the next; their long-term strategies revolve around supplying the same commodity for decades, employing incremental changes to keep things fresh.

Unfortunately, the task of breaking this cycle falls to the consumer. The customer is always right — especially if the customer chooses to buy a newer version of their current smartphone every twelve months. It’s only when that customer can’t be relied upon that manufacturers will change their plan of attack.

However, the government could offer a helping hand. Last year, legislation was passed in France that requires companies to outline the expected lifespan of a product to consumers.

This scenario removes the most problematic element of planned obsolescence: the hoodwinking of the consumer. No one expects a device to last forever, but companies could tell us exactly how long they think a device will keep kicking. How many charges can the battery handle before it’s useless? How long will the display keep shining? How long until the plastic cracks, or the metal corrodes? Companies rarely offer specific information about any of this.

Constant evolution has allowed computers, smartphones and other tech hardware to evolve in leaps and bounds over the last thirty years. However, we’ve come to a point where the need to sell more hardware is eclipsing the purpose of any additions or refinements made to the product.

Vance Packard said it best when he declared “All the emphasis on style tends to cause the product designers and public alike to be preoccupied with the appearance of change rather than the real values involved,” — and he delivered that warning long before Apple sold 700 million iPhones.