MAKING MARKETS

The term "making a market" does not mean creating a whole market, but simply offering to buy or sell. The language recognizes that a market is a collection of individual players, no single one of whom can create the entire market, but each of whom can "make a market" simply by being ready to buy and sell. Creating a marketplace complete with infrastructure and rules, where a market can grow itself, is another matter. (See page 7.) This year, two groups are attempting to create two vastly different marketplaces over computer networks. Both are entering new territory: in the United States, American Information Exchange (AMIX), a competitive online market for market research and custom consulting services; and in the Soviet Union, InterImpulse, distribution of imported goods to workers through Mac-based catalogues and order systems in their factories.

In centralized systems, consumers consume and producers produce, but consumers play little role in allocating resources. That's left up to the state -- or, in the case of traditional online services, to market planners who decide what information products to offer. In both cases, the organizing bodies certainly try to take consumer desires into account, but they have less incentive than consumers themselves to do so: Since prices are fixed all they can do is notice what is purchased and what is not. In the Soviet Union, almost anything that's available is purchased, except for defective goods such as rotten meat or a surplus of size-13 shoes, so consumer behavior is a fallible guide: Basically, it just says MORE!

But the reaction times of market planners are slow, and prices don't adjust to adjust to reflect either costs or demand. The deleterious effects of a command system are not immediately visible, since a well-designed central system operates effectively at first. But in the end it fails to change effectively in response to changing conditions. Thus the lack of a market ultimately affects not just the allocation of goods, but the allocation of investment in new goods and innovation.

Both AMIX and InterImpulse will grow, we believe, since they can use and allocate resources more effectively than the economically sterile systems around them. Just as a plant sucks nourishment from air and ground to build more plants, so will these systems take resources from the economy around them and transform them into living economic matter.

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AMERICAN INFORMATION EXCHANGE: IF YOU BUILD IT, THEY WILL COME

American Information Exchange will implement the rules of the market inside an online information system, with pilot operations planned for next winter. AMIX will support buyers and sellers in negotiating pricing, unlike other online systems, which are distribution mechanisms with pricing generally determined outside the system in bytes or minutes -- a way that doesn't reflect the precise value of the specific information delivered.

Phil Salin, 40, who started the company in 1984, has been formulating this idea since 1970, when he was studying the economics of information and transaction costs at UCLA while reading Friedrich Hayek on local decision-making and Karl Popper on the evolution of knowledge -- all the while working as a time-sharing system operator to pay the bills. It was only after a Stanford MBA, and jobs as a stockbroker and in the Lotus Chairman's R&D Group (organized by Mitchell Kapor) and in the space industry, that he saw the costs of pcs and online services come down to the point where the idea made practical sense. In 1988 Autodesk bought 80 percent of the company (the rest is owned by employees), but Autodesk, which develops and sells software, is now attempting to find an additional investor to share the different kind of effort and considerable cost of implementing an online service.

AMIX's initial market is people likely to be online already -- sellers and buyers of computer information and consulting services. AMIX will let them negotiate with one another, with specific prices and specs. The information needn't be static data or market analyses, but customized marketing plans or plug-your-data-in models or services. And it may not exist at all unless it's asked for. For example, a buyer might send a seller his data to load into the seller's proprietary spreadsheet; the seller sends back the results without the formulas and data he uses. Or a seller might sell a DecisionPad matrix of product specs into which the buyer could plug his own buying criteria. Vendors can also offer custom services -- a report plus one hour of telephone consultation, say. Or they could offer to develop a marketing plan for a product described by an information buyer. In addition, a lot of information will be offered as is but in chunks, with buyers able to select, say, four chapters from a longer report or extra detail on certain suppliers off a menu supplied by the vendor.

Greasing the channels of information flow

Says Salin: "We're just trying to reduce the friction and transaction costs that keep people from trading their knowledge for gain." Or as one potential investor puts it, "Think of a user group [bulletin board] where people had incentives to participate." On occasion AMIX will lose a commission stream when a buyer and a seller decide to establish a permanent relationship outside the market. But long-term relationships are precisely where AMIX is not needed (or economically justified). Its value is in helping the formation of relationships and the continuing matching of ad-hoc needs -- not in collecting a toll on the flow of information in established channels. For that matter, the actual information products offered could be mailed or delivered by telephone. Unlike other online services, AMIX is focused on the transactions more than the delivery of the information.

Overall, a competitive market should lower the price of custom information. More significantly, it should also raise the quality and increase the amount
and variety of it sold. The most important thing about the market is not so much its ability to allocate resources as its ability to foster their creation (see page 7) by allowing would-be buyers to make their voices heard widely. Rather than just let buyers filter information, AMIX will let them take a real-time part in determining what information should be there.

Until now, without an efficient marketplace for publication of specific supply and demand information, it hasn't been cost-effective to offer anything but mass-produced information on a broad scale. Instead, a customer could always negotiate with a supplier he knew for a given study or analysis or custom service, but there was little competitive pressure on the local supplier's price -- and meanwhile, the customer was probably not able to find the best person in the field. In addition to encouraging the production of custom research, AMIX will also induce contributions from new sellers -- people who would find it too much trouble to go into business in a big way but who have some specific expertise to contribute if they could only find the people who need it. Finally, AMIX may result in less irrelevant information going to people who don't need it.

The specs

Access to AMIX is through traditional dial-up, Tymnet or whatever one's local link may be. The service runs off a UNIX server (Suns for now), and supplies users with client software for PCs and Macs. The server maintains profiles and information on each seller, including comments from buyers, handles accounting and billing for vendors and buyers, and manages the information resources. Fundamentally, it's a more-or-less hierarchical topic space, with ample cross-references and multiple classifications that make it easy for buyers to find what they want. The hypertext linking features also make it easy for the information to be kept up-to-date and for inconsistencies (or second opinions!) to be noted if not resolved.

The client software, written in C for portability, handles each user's profile, allow composition of requests for information or comments by buyers and preparation of advertising and information products by sellers. The front-end offers menus and tree structures, and lets buyers store queries and create their own cross-references. It also maintains the links among the documents and information purchased and downloaded, so that buyers needn't reconnect to the host to benefit from the system's extensive cross-references and updates.

Within the database, each topic contains a norm of 40 to 50 items, and is split into subtopics when it approaches 100. The items are the products offered for sale, indexed by author, title, publisher, etc. Each topic also contains the names of consultants who wish to be listed there, and a list of the subtopics. A buyer can search the usual way by keywords within a number of fields such as author name or company, price, date, etc. But he can also

1 In the same way, thousands of customers can routinely specify the furnishings of a car and special-order it from a factory. Otherwise they'd have to have a local dealer configure the car on a costly one-off basis. Of course, it's still cheaper and quicker but less satisfying to take whatever the dealer has around.

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move through the topic hierarchy and scan attached comments or linked items. The vendor, the AMIX market manager or buyer/commenters can add comments or links crossing branches in the hierarchy, such as "See also such and such a report" or "Juan Tigar has studied this issue in depth" with pointers to the appropriate texts elsewhere.

A buyer can start with a simple topic search, and refine his query. Or he can simply publish a question, and consultants looking for work will rush to offer him answers at the prices they choose. There are facilities to keep buyers apprised of new documents or information experts that match their criteria, and of pricing changes or additional information for documents they have expressed interest in. All these arrangements seem reasonable enough, although we're sure they'll change over time. (The market adjusts!)

New! Improved! Now with 40% more data!

Now of course, it may be difficult even for a prospective customer to value intellectual property. The trick is to let the consumers and vendors handle the complexities of pricing and valuing the information themselves. In a sense, AMIX is also an advertising medium: not just information to sell, but information about the information on sale. AMIX allows sellers to describe their products, offer free trials, sneak previews or whatever else they want. Since information is not a commodity, it's up to the vendors to differentiate their products, supplying as much (true) information as possible to persuade buyers to purchase, and in their interest to do so.2

What keeps sellers honest? AMIX also provides feedback facilities (implemented as links to comments by customers): Customers are invited to comment on the services or products they purchase for the benefit of other potential purchasers, but they must identify themselves to do so. No vendor may delete those comments, although he may respond to them. And of course the meta-information isn't limited to advertising: If you wanted to offer, say, "A User's Guide to AMIX" or even "Alice's Assessments" about information on the system and charge for it, that would be fine too.

Government for the market

There are some simple rules. AMIX collects a percentage of each transaction from the seller, as well as storage fees for keeping his offered information online. A vendor may offer his information in as many categories as he pleases for no extra charge (although a charge may be instituted when things get crowded). If the stuff doesn't sell, the overhead charges eventually induce the seller to remove the product. The buyer pays connection charges, plus whatever price he agrees on for the information he purchases.

The goal is to have the system organize itself as sellers and buyers gravitate to the proper topic areas and prices respond to demand and competition; sellers as well as buyers can see what else is being offered, of course.

2 Just as we believe an important part of intellectual property protection is the incentives it provides to creators to define and publicize their work. Its value is realized only when potential users can find out about it and use it.

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But even markets need extra-market forces to maintain "common sense," keep order and decide and enforce the rules. Aside from integrity and accounting rules enforced by the software, AMIX has market managers, akin to bulletin board sysops or local cops who know the neighborhood and can keep order and arbitrate most disputes without resorting to bureaucracy.

AMIX's market managers decide when a particular topic area needs specialization into sub-topics, or when a topic is of so little interest that it needs to be merged into a larger subject. A market manager can also go outside the system to recruit suppliers for topic areas that seem underserved.3

Old ideas sell better?

Why has a system like AMIX been so long in coming? Because, goes the conventional wisdom, it's impossible to fix the value of intellectual property. Take the well-known conundrum: You search for three days and find no information on someone -- information that's extremely valuable because it means the individual has committed no crimes. Or another: A single article leads you to make a stock purchase that nets you a 40 percent return in two days. Or you download five articles, and find that four of them repeat the content of the first. Juan's common knowledge is Alice's electrifying discovery.

Moreover, common wisdom has it that the supply of information is infinite: Once it is created, it can be replicated almost costlessly. There are two fallacies here: One, it may be cheap to duplicate, but it is still costly for the seller to publicize and describe and for the buyer to find; and two, the most valuable information tends to be that which is not widely available -- either because it is timely or because it is of intense interest to only a few people. So the parameters are a little different, but the general rules of supply and demand still apply.

But is intellectual property so different? What's a pair of fancy shoes, size 7, "Jungle" style, worth? On Fifth Avenue, or in an outlet store off an interstate in New Jersey? In June, or at season's end? The answer's simple: Let the market decide. Offer the goods and see if anyone buys.

Vendors will be able to offer their services at low risk over AMIX to a wider market than they could hope to reach directly, and people such as us could find purchasers for each month's topics rather than hunt for the few people interested in an eclectic mix of Eastern Europe, AI, text management, etc. As it is, some people are paying extra for information they don't want, while others are missing information they do want because the whole package is too expensive (or because they don't know it's available). As a vendor, we consider this an exciting marketing vehicle.

3 As noted in our 89-6 issue on self-organizing systems, one of the interesting philosophical issues about self-organizing systems or markets is what's inside and what's outside. Do countries contain markets, or are countries part of a larger market? See also Michael Porter's "The competitive advantage of nations." Effective markets tend to bring their environments into their sway. And in some real sense, of course, AMIX's vision of information markets is in competition with more traditional views -- and implementations.

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AutoMarket?

All this sounds like the beginnings of hypertext publishing (as described in Release 1.0, 89-7). Indeed, this is what AMIX is. Salin has been an advisor for years to Xanadu, the company founded by Ted Nelson and Roger Gregory to build a hypertext server system and turn Nelson's ideas into reality.

For a variety of reasons, Xanadu has been more public about its aims and more visible than AMIX. As it happens, AMIX first attracted Autodesk's attention through Xanadu: Salin met Autodesk's John Walker during Autodesk's acquisition of an 80 percent interest in Xanadu.

Luckily for Xanadu, its project has a spin-off in technology that will be used to manage AutoCAD data. But AMIX as yet has no immediate relation to the CAD market (although there is no reason it couldn't operate, say, in the architecture market, with consultants offering building designs, solutions to pesky plumbing problems, landscape management tips, demographic surveys). Thus Autodesk is now trying to find a purchaser of part of its 80 percent, $3-million investment in AMIX who is also willing to put in the extra funds needed (according to the new plan) to carry the project to profitability.

That could be as much as $6 million, but it could be much less if the new partner already has customers and channels for marketing online information. Perhaps this new partner's offerings could be folded into the AMIX market as well.

AMIX is now circulating a business plan -- and has agreed to be discussed in this newsletter. You'd think something so ideologically in tune with capitalism would have little trouble in finding backing, but new ideas, like intellectual property in general, are hard to value...

In fact, AMIX has the usual tortuous history of innovation. When Autodesk first signed on for the project in June 1988, the plan was to come out with a corporate, no-prices version first -- an online text database system of the kind proliferating today. Eventually, Autodesk correctly concluded that what made AMIX most special was its pricing philosophy (not the algorithms or text management or friendly interface). So the project was recast in March 1989, but the investment required for a service as opposed to boxed software was far greater, and the time to profitability will be longer.

Hence the search for additional outside funding. As Autodesk president Al Green says, "We still believe in it; we're not trying to cut it loose. We don't want to sell our interest, just dilute it." We'd be skeptical of such claims in most cases, but Autodesk has preset spending limits for its outside investments, and AMIX has exceeded them. The trick now is for AMIX itself to establish its value in the broader market for intellectual property where people are buying whole companies and market visions rather than just research reports.

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...designed to limit risk, they could also limit rewards. In marketplace terms, our own high esteem for the project means little since we don't have the funds (or corporate charter) to back it up with an offer.
LIVING MARKETS: LET THEM GROW!!

Except for a title of questionable appeal, "Bionomics: The inevitability of capitalism" looks to be one of the more interesting books this year (this fall, from Henry Holt). It reflects and furthers a subtle but major shift in thinking now occurring -- from seeing living things and organizations as machines, to seeing collections of machines and people as living things. All are animated by information: "Bionomics describes the ecosystem and the economy as separate, parallel domains of evolving information. Genetic information...is the basis of all life. Technical information, captured in books, blueprints, scientific journals, databases, and the know-how of millions of individuals, is the source of all economic life... genetic variation and natural selection [are] phenomena similar to technical innovation and market competition." Building intelligently on the works of everyone from Darwin to Stephen J.Gould and E.O. Wilson (with some flavor of the Santa Fe Institute thrown in (see Release 1.0, 89-6), author Michael Rothschild argues that only constant evolution fostered by market competition keeps economies growing and innovating.

His thesis is that capitalism is not an ism -- an ideology. Rather, like Darwinism, it is a (correct) theory of how the world works. Of course, many people still consider Darwinism an ideology, and an offensive one at that. Writes Rothschild (formerly with the Boston Consulting Group but best known to us as the husband of industry consultant and former Broderbund marketing vp Leigh Marriner): "Having only recently reconciled ourselves [to being] descended from apes, we must now consider that even in our technological and economic lives -- the aspect of human culture that so sharply distinguishes us from all other species -- we are part of a larger evolutionary unfolding. Because our brains happened to evolve the capacity to read and write, to deal with coded information, we became the living bridge between genetic and technological information."

The ideological question then becomes not "Whether capitalism?" but "How best to harness its creative powers?" Economies, like animals, can suffer cancer and other derangements. They also decline into old age, as noted by Michael Porter, referring specifically to the US' heavy-consuming, low-investing ways in "The Competitive Advantage of Nations" (see Release 1.0, 90-5). (Unfortunately, economies and even companies rarely die, but instead linger on in distress. How does the robber baron-to-cancer analogy play?)

Markets are the best way to allocate resources not for equilibrium and satisfaction, but for maximum productivity and growth. The old notion of equilibrium that held economists captive for so many years -- the best possible allocation at a point in time -- is dead. The new notion is that of a positive-sum game over time where profits are the increment above 0 that keeps everything moving forward. Profit is simply a name for creation of value: Someone put X resources in and gets 1.1X value out. A communist will say that 0.1X represents exploitation of workers, but in fact it's the amount over maintenance (depreciation) that a fit animal earns with its skills, or workers and investors with their know-how. In animals this surplus supports propagation of the species; in business, investment and growth.

Rothschild's book may strike you as a recitation of the obvious, while Porter's is a summation of details. But both articulate clearly perspectives that seem obvious only in retrospect: They make a lot of sense, so why haven't people been acting as if they believed these things?
Some implications

In the West, we take free markets for granted. We don't even notice them, because they seem natural rather than some clunky machinery working to match supply with demand. (In the same way, you don't worry about gravity "working" when you pour a cup of coffee. Yes, you may spill the coffee, but because you poured carelessly or someone bumped the table.) We assume that if something becomes popular, for whatever reason, more of it becomes available -- everything from stylish sneakers to Southwest cuisine. Demand creates supply as millions of consumers signal their desire for products by buying what's offered and in effect bidding up their prices, or by leaving them on the shelves to be sold at a markdown. The market works on feedback.

To understand markets, it helps to see what happens without them. Very little. In the Soviet Union, for example, valued products sell out quickly, but no particular message gets sent back to central, preoccupied with working on the next five-year plan. The result is that state sources of supply are frequently pilfered and sold by clerks in the black market, where prices swing sharply. In the end, supply meets expressed demand -- but there's no feedback loop to the producers.

Fortunately, markets have a sort of life-force that makes them want to absorb the surrounding environment -- bring more resources under their organizing control. Economic players are "drawn to profits much as an amoeba is lured by the taste of cyclic AMP," says Rothschild; in both cases, the substance acts as a signal towards productive effort. Of course, governments and monopolies have similar same urges for votes and market power. The difference is that the decentralized control of the market generates decentralized profits, whereas governments and monopolies use any surplus to consolidate their own power. Nonetheless, because the market delivers the goods more efficiently (literally), and because power untempered by competition ultimately leads to visible abuse, markets are now winning over central control in the metamarket of political organizations. Likewise, experiments such as AMIX and InterImpulse should grow and prosper.

The role of money: information and creative power

Money is not so much the medium of exchange as the medium of information. Money allowed local decision-making when there was no other way to trade than cumbersome physical barter. But what was once indicated by a fistful of salt or beads or paper can now as easily be manifested by a bank statement or a call (voice or e-mail) to a financial institution. Information may be kept centrally, but decision-making remains local, with consumers.

In this context, money (physical or electronic) makes capitalism work because it is a way of expressing promises: If you build this house or give me this grain or work for me eight hours a day, I will give you the right to such and such an amount of goods. On a macro level, these promises stimulate the creation (not just the allocation) of resources that may not already exist. The role of banks in extending credit and of investors in buying equity is to judge whose promises are credible. When promises get too expansive or government money-watchers too credulous, we get inflation. Likewise, when capitalists use their power to thwart fair competition or to direct resources to friends rather than credible investments, the system suffers. But the culprit here is abuse, not the market forces themselves.

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INTERIMFDLSE: A GRAFT ON THE MINISTRY OF TRADE

How can computers help the soviet economy? The obvious answer is on everyone's mind: People will use computers and software to run their enterprises more efficiently, to make better production and marketing decisions, to keep track of things, to get more efficient. But all these benefits apply to government enterprises, to helping the system as it is now.

Computers also have the potential to help unleash free enterprise in the Soviet Union, and to foster smaller businesses and create markets. In this regard, computers can help free markets not through technology transfer but through expertise transfer. They can embody not just traditional expert systems, but operating knowledge and techniques for tasks as simple as order entry and distribution of goods, or as complex as marketing and demand forecasting. The wisdom and expertise embodied in software, as well as the sheer ability to handle details, can spread freely through as many enterprises as can find computers to run the software. The Soviet government has almost destroyed its human capital, but computers can help to revive it.

Moreover, the use of personal computers will enable small organizations to benefit from many of the efficiencies achieved by larger enterprises, without the offsetting inefficiencies imposed by size, bureaucracy and the lack of a profit motive. A chief monopolist/bureaucrat argument against competition -- the economies of scale and efficiency allegedly enjoyed by large government monopolies -- will be overthrown by effective use of computers.

InterImpulse: Expertise in a Mac

For example, as described below, computer systems embody the market-oriented distribution system that Mariska Group hopes to plant in the Soviet Union. They also fit in better with the prevailing Soviet norm that favors physical investment: Don't sell me an idea; sell me a computer system. The first should be free; the second has a tangible value worth paying for. While we long for the day when a system such as AMIX might make sense in the Soviet Union, Mariska Group's InterImpulse is a promising start.

A joint venture with an arm of the Soviet Ministry of Trade, InterImpulse is slated to start operation this fall, using local Macs supported by a VAX at headquarters in Moscow. The plan is to create a market-oriented distribution system for imported consumer goods within the Soviet Union, using computer technology and distribution know-how imported from the US. If it succeeds, this supplementary channel will grow to handle not just imported goods but Soviet-produced goods. It will help factories trade with one another, competing with the cumbersome Soviet central distribution mechanism.

5 In the context that we normally cover them, computers can provide the focus for Soviet businesses that design, sell and support software. These companies are building the infrastructure of the Soviet Union -- but unlike most infrastructure investors, they do not require huge start-up funds. They can be a significant model for the new economy -- low-cost, information-based enterprises that contribute to future productivity, not to present consumption. They also exploit a resource the Soviet Union has in abundance -- the intelligence and education of its citizens.

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Transition to free markets: Before and after

Many Soviet state enterprises are now becoming "self-financing:" They handle their own financial affairs and can directly buy from and sell to other enterprises, even foreign ones. (However, in many cases the change is only superficial: Many factories simply devote 80 percent or more of production to "filling state orders" instead of "following state plans.") This self-financing is behind the Soviets' recent inability to pay their bills: Each enterprise is now directly responsible for hard-currency payments, and many have trouble getting funds from the bureaucracy to pay their suppliers. In the past, the central bank paid Western companies directly for all imports.

Self-financing is a move towards a market economy, but it makes it tougher for both sides to do business, because they actually have to find each other. Westerners can't simply rely on the Soviet bureaucracy to buy goods and make payments. And now that Soviet factories buy directly, they have to find suppliers and they no longer get the price breaks the huge central organizations did -- although they're more likely to get the goods they want.6

The factory from which all blessings flow

Each enterprise that exports (or is specially favored) has a hard-currency account based on that activity. In the country as a whole, such accounts may total about $1 billion this year, down some from last year in a reflection of the Soviet economy's slide. The enterprises can't actually pay their workers in hard currency; it's against the law. Still, these hard-currency accounts have the potential of adding a new dimension to the traditional state-enterprise practice of providing motivational perks on the side -- everything from deliveries of tea or sausage to holidays in Yugoslavia or sports facility membership -- and access to consumer goods available only for hard currency. As much as half the country's consumer durables reaches workers through factory distribution systems.

The problem is that even factories have trouble getting hold of these goods, and they don't generally respond to their workers' particular needs. Instead, the factories take whatever's available -- generally the output of another factory with whom they have social or other non-market ties. Right now, any employee who got sausage or a Sony Walkman could easily trade it for something else, but it would be nicer to supply people's needs directly. That's the story thus far. Now read on:

Sweat equity

Enter Mark Mariska, a US insurance and marketing executive and a Vietnam veteran. In the Army he had studied Russian and analyzed the Soviet Union for the Joint Chiefs of Staff; during that time, he wrote his master's thesis on "Soviet central planning and the industrial enterprise manager." In

6 In the same way, in the computer business, it's simplest to buy everything from a single vendor. But recently customers have been discovering the benefits of open systems -- which allow them to pick and choose from vendors who are now more eager to please them, even though the customers must now take the trouble to hunt and compare.

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1988, following the liberalization of Soviet trading laws, he visited the
Soviet Union for the first time to assess the possibilities of direct enter-
prise-to-enterprise trade.

Five trips later, in April 1989, he was ready to give up. He had made some
good friends in the Afghan veterans' movement, but the business side wasn't
going anywhere; the prospective partners were too academic or bureaucratic
-- and there were too many of them. On his way through England to Moscow
for the last time (he thought), he landed in the wake of Politburo member
Alexandra Biryukova's shopping spree; she had just bought 30 million pairs
of British pantyhose in the Soviet government's bid to provide consumer
goods. Half-heartedly, Mariska notified her of his plans, and she put him
in touch with a little-known group called Soyuzpromvnedrenie (Soyuzprom for
short) within the giant Ministry of Trade.

The Ministry itself handles most internal trade -- about 350 billion rubles
of it last year. Soyuzprom is its friendlier face -- sort of a help desk
agency within the Ministry devoted to fostering internal trade and innova-
tion, taking the place of profit incentives in a system without them. Sup-
pose a factory has a surplus of size-11 shoes or a new way to polish brass;
Soyuzprom helps it to find someone who could use one or the other.

Site equity

In recent years, for example, the Ministry has spearheaded the overall push
for conversion; Soyuzprom has helped converting military factories in deciding
precisely which goods to make. Soyuzprom subscribes to catalogues from
around the world and knows what's possible. Instead of virtual reality,
Soyuzprom has a "real-reality database" at its Moscow headquarters: a show-
room of consumer goods from all over -- coffee makers, shoes, handbags,
children's toys, electric hair curlers, suitcases, washing machines, dis-
hwashing liquid, etc. Factory representatives can come in to check them out
and get an idea of Western quality and innovations, the manager says. If
they like a particular design, he is quick to point out, they can open
licensing negotiations with the original maker.

Soyuzprom has 20 offices throughout the country. Each has a showroom and
ties to Soyuzprom's local members, mostly factories, who number 20,000 in
all, out of a total 40,000 government enterprises in the Soviet Union.8
Soyuzprom's deputy director, a 42-year-old Georgian called Vladislav Nakas-
shidze, took on the project with alacrity. "We are the first place the fac-
tories come to, and we want to see something happen with all this informa-

7 Soviet rubles sell for about 10 to the dollar on the black market, but
for subsidized goods such as food and books and even clothing they're worth
$2 to $3 or more in US purchasing power. The problem is there are things
you just can't normally get with rubles, such as personal computers, washing
machines, cosmetics -- all the things InterImpulse hopes to import.
8 There are also about 80,000 cooperatives, but most have only a couple
of people and few of them are engaged in manufacturing. This is a sign both of
the co-ops' lack of access to resources and of the government's own failure
to provide service and distribution systems, which are regarded as exploita-
tive and superfluous in Communist doctrine.

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tion. You used to just go to one ministry, but now it's decentralized. We have access to the sites where decisions are being made now," he says.

"Nakashidze had just what our ragtag group was looking for," adds Mariska. "Rather than create something, we wanted to take a system that was half-there and make it work better." The factories who now use Soyuzprom's services in product specification and marketing can sign up to join Inter-Impulse's distribution network and use its marketing savvy. That gives them access to the showroom and to use of the computer catalogue system Soyuzprom will start installing this summer. They still have to come up with hard currency for the imports themselves.

Financial equity: Old warriors keep on fighting

Much of the US funding comes from Don Weeden, whose Weeden and Co. is working to raise $2 million to finance the hard-currency side of the venture going forward. (Mariska and Weeden and friends have spent $600,000 so far.) Weeden is probably the ideal person to do this; he opened up the New York Stock Exchange to negotiated commissions back in the Seventies in a bruising fight that lost him most of his sham friends on Wall Street. Weeden, more interested in principle than business matters, is now spending a fifth of his time counseling Mariska and talking with potential investors, although this deal is peanuts in the context of his firm's business.

The mechanics

Right now, Mariska and Weeden are rounding up Western suppliers for Inter-Impulse. They have found a well-known maker of health and beauty aids, as well as a European consumer electronics manufacturer and a clothes-maker in the Far East. These vendors are interested in the possibility of getting their brand names established early (and through legitimate channels); they regard this entry into the Soviet Union as enough of an advantage that they don't want their names used yet. Right now, many better-educated Soviet consumers have heard of many of these names, but few have much experience with them. (Our favorite Communist brand is Stewardess cigarettes, available from Bulgaria at 10 cents a pack.)

The American partners are providing the goods, the marketing/distribution know-how and the computer system; Soyuzprom is supplying on-site resources and a distribution system; the consumer-electronics supplier will be training personnel to provide service and repairs.

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9 (Champagne to my true friends, true pain to my sham friends.) Previously the New York Stock Exchange was more or less a private club that owned a protected market: Prices of stocks were negotiated, but the prices charged for each transaction were set by the exchange. Weeden, a "third-market" firm, created competition by trading stocks outside the market -- pleasing customers but alienating competitors. Ultimately, the NYSE, the bastion of free markets, gave in -- not so much to Weeden but to its customers (and Wall Street turned its focus from stock-trading to investment banking and junk bonds, but that's another story). Weeden & Co. ended up being acquired, but five years ago it became independent again -- free to engage in high-risk but meaningful ventures such as this one.
The computers they use

InterImpulse will run one of the first large-scale Macintosh installations in the country; because the country is starting computerization late, it has the chance to bypass the C-prompt. The software, developed in the US by William and Karl Frank of Integrated Information Systems Associates, is both a database of what's available, and a transaction system (the market) that manages inventories, consolidates factory orders, and reflects demand and supply to both sellers and buyers. Orders will be transmitted over dial-up lines (with couriers as back-up) and consolidated at the central computer in Moscow and transmitted to the Western suppliers. Ultimately the system will support the All-Union Automated Trade Facility -- a pet project of both Mariska and Nakashidze and the long-term purpose of InterImpulse. The AUATF will act as a marketplace for Soviet sellers as well as buyers, fostering trade both ways as well as among factories within the Soviet Union. Mariska and Nakashidze look forward to opening actual ruble stores, with goods made by member Soviet factories as well as imports, but first things first.

The system is scheduled to start operation this fall, but the VAX won't go in until early next year for both legal and logistical reasons. Until then, a Mac in Moscow will simply serve as a consolidation point for forwarding the information (by phone or courier) to New York City, where the VAX will process the orders and send them on to suppliers.

The catalogue will be built with HyperCard. When it's not in use, it will run a MacroMind Director animation showing all the wonderful things available. The system will operate in Russian (and eventually other languages prevalent in some parts of the Soviet Union such as Georgian, Estonian, and Armenian), with voice instructions available via Farallon's MacRecorder. The local sites will each have a Mac to start, on which they can look at the goods and place orders through a simple HyperCard order-entry form; eventually the Macs will have CD-ROMs. HyperCard talks to Oracle, which runs on a Mac but will be used full-scale only on the VAX. He picked a VAX with VMS for its communication capabilities, says system designer Bill Frank; otherwise he would have used UNIX on a RISC machine. But trouble-free communications is key to the entire operation.

The marketplace

Soyuzprom isn't quite a monopoly, despite its ties to the Ministry of Trade. (Consider it akin to one of IBM's Independent Business Units, or to Apple's Claris.) Many Soviet government organizations are displaying the same behavior as private corporations, attempting to expand while the market's open. For example, Vneshposil'torg, a government import-store operation that lost its franchise with a change in currency regulations, has started a direct-mail operation; slow and unreliable, it is still an indication of a more competitive environment to come. In addition, a number of West European retailers have started operations to sell mostly to foreigners -- most notably Stockmann's, the Finnish company that sends in trainloads of everything from toilet paper to corn flakes on a weekly basis to Westerners who order by catalogue, sort of a long-distance grocery-that-delivers. Then there are Estee Lauder, Eastman Kodak and Benetton, all with shops. But these don't address the Soviet consumer market at large. It will be a long time before InterImpulse has to worry about competition rather than sources of supply and infrastructure problems.
Since it all sounds so simple, why haven't 29 other people done the same thing? For starters, it has taken two years to get InterImpulse registered as a joint venture. The original group of six Soviet partners, including a couple of extraneous ministries, has been whittled down to Soyuzprom and its parent Ministry of Trade. The party apparatus is changing rapidly, as reported in the papers daily, but the government bureaucracy of ministries and functionaries and factory managers and the like lives on. InterImpulse may provide incentives to workers, but how does one persuade factories to use it in the first place, when they don't work on incentives, and would rather avoid risk?

The plan is to use phone lines to transmit data from the offices to the Moscow center, but we suspect that many times they'll have to go by courier because of the country's poor telephone system, which makes it difficult to telephone distant offices. let alone transmit data to them. As for Soyuzprom's goods, the trucks will pick up goods only in containers, to reduce the endemic problem of pilferage; when the state owned everything and the people were the state, a lot of workers felt entitled to their share of whatever goods they had access to -- call it self-help distribution.

A white market

At first, worker councils and other representatives will simply order what they think the employees would want from abroad. This is much like a retail store making purchasing decisions to satisfy its customers; the problem is that there's no other retail store in town. The more progressive places may do employee surveys or let workers look at the catalogue, but it's still one step removed from actual customer choice until there are enough Macs to support general access.

What is the likely outcome? If the Soviet Union (not its system) flourishes, InterImpulse is likely to be one of the outfits that helps it to do so. Although it's a small part of the overall economy, its operations are working with a multiplier effect that doesn't exist elsewhere. In other words, if it does its job right, it will grow productively instead of cancerously. Its backers will expand the number of offices and storefronts as demand grows; more products will be built and delivered, providing more funds... Theoretically, factories who provide incentives to their workers will be able to attract better workers and produce more and better goods. It's Economics 101.

When the factories themselves start making things to sell each other through InterImpulse, will they sell for rubles or hard currency? In the end, it doesn't matter; money is just data in the computer anyway. Who needs "real" money when you can trade goods freely? It isn't the currency that's lacking, but the information and free markets it signifies. If the Soviet Union gets those through InterImpulse and other such ventures, it will have hard currency without even trying because its goods will be worth buying.

POSTSCRIPT: WESTERN AID

Incidentally, without start-ups like InterImpulse and many others, Western offers of aid won't do the Soviet people any good; they'll just help to hold the power structure in place. It's the system the military is protecting, as well as the military itself, that we should avoid supporting.
The Western hope that we can somehow send in huge chunks of aid and build free markets is illusory. The only way to build a free economy is from the ground up. Offering large sums of money to development banks and government outfits is like putting a swimming pool in a dacha garden and expecting it keep the crops watered. Unfortunately, there is no quick or one-shot way to revive an economy; it has to be done a piece at a time. Individual bankers, investors and businesses who wish to expand operations have to go in and look at opportunities one at a time and (yes!) make individual judgments about the caliber of the people and situations. As even Donald Trump has shown, it’s difficult to spend money both quickly and wisely.

The proper way to apply government aid, we believe, is not huge sums of money but just to keep out of the way -- reduce taxes and tariffs -- and perhaps to support some infrastructure investments such as communications facilities. (Even there, better to support MCI or Contel in a joint venture with a private start-up than to give money to an Eastern government monopoly.) We don’t want to insure against risk (which is impossible; you merely shift the burden), but rather encourage people to evaluate risks carefully. And then, to encourage investment, we could raise the attractiveness of the rewards if the investor has made the right judgments. Use the market system; don’t bypass it for illusory efficiencies.

When the enemy is us

The other problem is even tougher. How do you stop Western companies from coming in and supporting (government) monopolies? It’s certainly a bad practice from an encouragement-of-competition point of view; it may even be a bad business decision if the forces of progress prevail. Many naive Western businessmen are come in thinking they have a certain industry all sewn up because they’re dealing with the ministry for that industry. (One excited person told us, "This could be another GE!" Another, confessing that he didn’t trust or respect the bureaucrat/businessman he was dealing with, said he did so anyway because of the man’s power and resources.

Now is that being businesslike, or is it supporting what we all theoretically hope will be the losing team? Monopolies will be the losing team only if enough foreign investors go in and take the trouble to find the right people -- and the patience to train them. Smart investors take capability over resources: Capability can find resources, but resources without capability yield no return in the long run.

The Soviet people are used to being producers and consumers, but the job of deciding how much has always been left to the government; the people haven’t been involved in allocating resources. Their only freedom is to refuse to work hard; they can’t choose to work more for more rewards; they can’t really choose what to buy, so they opt out.

Nonetheless, there are pockets of competition starting up in the Soviet Union. Ministries are falling all over one another trying to expand their turf; pieces are splitting off and agencies are getting into "self-funding" activities. Likewise, a number of republics are trying to bypass Moscow and trade among themselves. All these are half-measures, but some of them are run by smart people yearning to break free of the bureaucracy. It’s worth taking the trouble to find them.
LOTUS SUIT -- THREE HANDS AND THE LAUNDRY

Lotus won its lawsuit against Paperback Software in a ruling announced Thursday June 28, and promptly followed up Monday by suing Borland International over Quattro Pro. Meanwhile, Borland had quietly filed Friday to declare that Lotus had no claim against it for anything in its Quattro Pro spreadsheet. We have mixed feelings about all this.

From a legal perspective, we have believed all along that Lotus deserved to win its case against Paperback Software and Mosaic Software (to be decided separately). (See Release 1.0, 89-8, 90-4.) These two companies copied the 1-2-3 look-and-feel and command structure and traded on the success of 1-2-3 in their advertising. Although Paperback Software claimed it had something better rather than a copy, its marketing and advertising belied this claim. If what it had was truly better or incremental, it should have gone into the add-on business rather than combine its capabilities with a clone.

Lotus probably also has a reasonably good case against Borland. Although Quattro Pro is not a look-and-feel clone and is not sold as such, it includes a menu-builder that lets you build any kind of menu structure you like -- and includes a 1-2-3-like sample menu. Borland could easily remove the offending sections without much harm to its business if it lost the case, but it still might have to pay Lotus substantial damages on past sales depending on what market research shows about customers' reasons for purchasing its products -- price, closeness to 1-2-3, whatever. What was the value of offering a 1-2-3-style menu if people wanted it but rarely used it?

From an overall business/legal perspective, we agree with Lotus's de facto assertion that languages should be copyrightable and the judge's concurring ruling -- although he eschewed the word language in favor of "menu structure." (The text of the decision is vital reading for anyone who owns intellectual property or who might be using someone else's.) Languages represent intellectual effort, originality and all the other things that constitute intellectual property. The notion of copyrighting a language offends a lot of people because language is something they use daily, and most languages grew from use; they were not designed. (Biological parallels again...) Certainly languages that grew are in the public domain. But languages that were designed...why not copyright them? That is, the grammar and the terms they use, not the functions they perform.

On the other hand...

From a business point of view it rarely makes sense to keep a language proprietary. The industry has changed since the Seventies, when no one thought about these things. We're now in a world obsessed with openness, where to declare your language proprietary is akin to saying "don't buy" unless it's in a specific domain where people are far more concerned about functionality than standards. It makes more sense to declare (as Adobe does, for example; Release 1.0, 89-8), "You can use our language, but you have to build your own interpreter. Meanwhile, we're happy to license..."

And from a personal, emotional point of view, we're disappointed. We'd rather see Lotus fight it out in the marketplace than in the courts. 1-2-3 is a good product, and Lotus should be making it better instead of suing other folks. It's probably the combination of Borland's aggressive market-

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ing -- offering to upgrade 1-2-3 customers for $100 -- and some personal hostilities that tipped the balance. We'd rather see Lotus fight back with its own $200 offer; surely 1-2-3 has recouped its investment by now?

On the third hand...

There's one more argument that bears on this: If we don't do it our shareholders may sue us for failing to protect our assets. As Lotus's Frank King said, once the judge declared that the menu structure was protectable, Lotus had an obligation to protect it -- especially once Borland had filed for declaratory relief (in a California court) asserting Quattro Pro doesn't infringe. "We'd have been saying we're not going to defend our copyright," says King. "We'd have been saying to the judge, 'Thank you very much; it was an interesting intellectual exercise.'" Once you create rights you also acquire obligations. Those rights aren't just property rights of a company; they're shareholder rights in a company. Perhaps the only people with the right not to sue are self-funded individuals. Or perhaps we could encourage companies and their shareholders to take a longer-term view.

Say it ain't so, Judge!

Lotus has a valid argument; we're just sad it's so. It's unfortunate that our litigious, short-sighted business culture has forced companies to hire lawyers instead of programmers -- but if we know anything about Lotus, it's that it has litigious shareholders. We'd rather see Lotus stick to its basic business than be held hostage for every act or omission. At some point it's the market, not the legal system, that should manage things. If you want a lawsuit, hire a lawyer; don't buy a stock.

BOBBY'S PAVILION: UNIFORM BOOTHS

Remember school uniforms? Parents liked them, because they were practical, inexpensive compared to dressing the kids to keep up with the kids next door, and they saved a lot of time deciding what to wear and buy. Kids usually professed to hate them, but in the school we went to, we enjoyed seeing how individual a girl could look within the constraints of navy-blue, skirt touches the ground when you kneel, white shirt and regimental tie.

This is all by way of introducing a concept dreamed up by Bobby Orbach, late of 47th Street Photo and now a marketing consultant and "relationship vendor" to the kid companies of the world -- people trying to introduce new products who need help getting help from the right people. Orbach's idea is to sponsor a new-product pavilion at Comdex. Companies would get special rates for booth space, special attention (presumably) from the press, and a good deal all around. With luck, it will become a gathering place for innovators and those who follow in their wake. The catch is that the exhibitors would have to rely on standard-issue booth furnishings (plus their products): no glamorous staircases, talking robots, special-order coffee tables or other fancy paraphernalia. In other words, they would be forced to save money, just like school-uniform buyers.

We really like this idea. It will force people to focus on the products, not the extranea. And it will probably encourage some pretty innovative marketing within the constraints -- just like Linda Thurston's ability to look totally non-uniform at Loughton County Grammar School for Girls.

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OPEN SYSTEMS IN NEWLY OPEN COUNTRIES

We were delighted to find a strong if needy UNIX community in the Soviet Union, courtesy of contacts at the recent highly successful International Computer Forum in Moscow. Arguments against proprietorship hold even greater sway in countries where the fear is not so much that the proprietary vendors will hold you captive, but that they will go out of business. The Soviet BESM-6 mainframe, for example, is on its last, frail legs. The entire Robotron line from East Germany is about to disappear. Accordingly, there has been a lot of activity, but not much economic impact -- the ambience of the Soviet UNIX community is closer to Berkeley's than to the Stanford B-school's. (Imagine trying to start Sun with neither Scott McNealy nor Vinod Khosla.)

We will write more on this topic in a future issue, but we wanted to make note of the first Soviet Union UNIX User Group meeting, which will take place in Moscow October 29 to November 2 -- just a few days after the EDventure East-West High-Tech Forum (below). Please let us know if you'd like further information on either event.

EAST-WEST HIGH-TECH FORUM IN BUDAPEST: WHY ENGLISH?

We've had a couple of questions about why English is the official and only language at the Budapest conference, and we'd like to explain. It's certainly not insensitivity; quite the contrary. We're well aware of the importance of language (and we speak French, German and Russian passably). We believe with fervor that it's important to speak the native language (or hire someone who does) of the country where you hope to do business.

By eschewing translations we do not want to keep people out, but rather to make sure that those who do come are fully in. (If we had any hopes of having everyone come, or we were a trade association open to all by charter, it would be a different matter.) The promise of translation is deceptive: It intimates that you'll get full value out of the conference by coming and listening to a bunch of translated speeches. In fact, the formal speeches are only a small part of the event -- an introduction and a pretext. It is the follow-through -- the talks in the halls, the sessions in the bar, etc. -- that will provide the real value, and only a lingua franca can make those open to all. We are not holding this conference so that Bulgarians can come and talk to other Bulgarians, but so that Czechs can talk to Americans, and Germans to Russians, and Yugoslavs to Hungarians.

Add to that the frequently unsatisfactory quality of the translation services anyway, and the decision was easy although the trade-offs are real.

Please note: If you would like to attend the East-West High-Tech Forum, October 21 to 24 in Budapest, please let us know. We will be mailing out application/registration forms this month; the deadline is August 30.

RELEASE 1.1: Rolf Kilian of Robotron in Dresden has just organized a new company, Computer & Bureau Ausstatung GmbH, working in partnership with Nokia Data to distribute and support its computers in the eastern part of Germany. For the moment, the phone number is the same as Kilian's old number at Robotron, and he will be working out of the same offices. Robotron is rapidly splitting into small, private units; this is one of them.

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RESOURCES & PHONE NUMBERS

Name, Organization (City), country code (city code) phone; fax [country & city code the same unless noted]

Phil Salin, AMIX, 1 (415) 856-1234; 856-4123
Al Green, Autodesk, 1 (415) 332-2344 x 4825
Philippe Kahn, Borland, 1 (408) 438-8400
Rolf Kilian, Computer & Bureau Ausstatung, 37 (51) 487-4360
Michael Rothschild, Cambridge Meridian Group (and "Bionomics"), 1 (415) 454-1800
William Frank, Integrated Information Systems Associates, 1 (212) 786-0882
Frank King, Lotus, 1 (617) 577-8500
Mark Mariska, Mariska Group, 1 (203) 322-4677 or 329-7747
Bobby Orbach, Orbach Inc., 1 (212) 371-8300; fax, 1 (212) 371-8415
Vladislav Nakshidze, Soyuzpromvnedrenie, 7 (095) 287-49-15
Don Weeden, Weeden & Co., 1 (212) 797-3845

COMING SOON

• Eastern Europe trip report.
• Online services.
• Database by design.
• Network navigation.
• Machine-assisted translation.
• The Douglas brothers -- Hofstadter and Lenat.
• MathSoft and Mathematica.
• Application servers.
• And much more... (If you know of any good examples of the categories listed above, please let us know.)

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RELEASE 1.0 CALENDAR

July 23-25
Sun Expo '90 - San Jose. Sponsored by Publications & Communications. Call Brona Stockton, (512) 331-7761.

July 23-25
New visions of distribution conference - Boston. Sponsored by BIS CAP International. Speakers include Portia Isaacson, now at BIS; Mort Rosenthal, Corporate S'ware; David Dukes, Ingram Micro D. Call Karen McMahon, (617) 893-9130.

July 27-29

July 28
Directions and implications of advanced computing - Cambridge, MA (timed to precede AAAI). Symposium sponsored by Computer Professionals for Social Responsibility. Keynote on computer security and privacy by Dr. Michael Rabin, T.J. Watson professor at Harvard; panel discussion on virtual reality. Call Gary Chapman at (415) 328-3778 or Coralee Whitcomb at (617) 891-3103 or (508) 945-0360 or Peter Russo at (206) 965-1976. (This is a decentralized organization!)

July 29-August 3
*AAAI-90 - Boston, in the heart of AI-land East. Sponsored by the American Association for Artificial Intelligence. With speeches by Craig Fields, newly moved from DARPA to MCC; DEC's Sam Fuller. Call Claudia Mazzetti, (415) 328-3123.

August 1-3
Best of the USSR - Seattle, WA. An exhibit of the best of Soviet software and technology, with demos and meetings. Sponsored in conjunction with the Goodwill Games Trade Exhibition. Contact: Nick Corff, (206) 623-4572.

August 6-7

August 6-10

August 8-11

August 8-11
Fifth Annual Snowmass working session - Snowmass Village, CO. Sponsored by Educational Uses of Information Technology (EUIT), formerly EDUCOM Software Initiative. Keynote: Kenneth "Casey" Green (USC). Call Angela Walsh, (609) 520-3350.

August 13-17
International parallel processing conference - St. Charles, IL (25 miles from O'Hare). Sponsored by Pennsylvania State University. Contact: David Padua, (217) 33-4223 or Benjamin Wah, (217) 244-7175, or Roger Anderson, (415) 422-8572.

August 15

August 15-17

September 5-7
*Breakaway 90 - New Orleans. Sponsored by ABCD, for dealers and vendors. With a panel featuring Mike Shabazian, Mike Pickett, Mike Swavely, moderated by Esther Dyson. Contact Jeff Rosenberg, Computer Emporium, (914) 565-6262.
September 9-12 18th mini/microcomputer industry conference - Boston, MA. Sponsored by Cowen & Co., new home of Michele Preston and Mary Meeker. Contact: Amy Burns, (617) 523-3221.

September 10-12 DataStorage 90 - San Jose. Sponsored by Disk/Trend, Inc. and Freeman Associates. The hard-storage industry's main event. Call Darlene Flamondon, (408) 554-6644.

September 10-13 NetWorld '90 - Dallas. Sponsored by H.A. Bruno. Call Annie Scully or Mark Haviland, (201) 569-8542 or (800) 444-EXPO.


September 16-20 Fifteenth annual design management conference - Edgartown, MA. Sponsored by The Design Management Institute. A neat, multi-disciplinary event. Call Nancy Barry, (617) 236-4165.


September 25-27 PC Expo - Chicago. Sponsored by H.A. Bruno. Contact: Steve Feher, (201) 569-8542 or (800) 444-EXPO.


October 1-5 CD-ROM Expo - Boston. Sponsor: IDG Conference Management. Call Dorothy Ferriter, (800) 225-4698 or (508) 879-6700.

October 3-5 Seybold Conference - San Jose. Electronic publishing in all its guises. Call Kevin Howard, (213) 457-5850.


October 3-5 Knowledge engineering today's marketplace II - San Francisco. Sponsor: International Association of Knowledge Engineers. With Ed Feigenbaum. Call Julia Ballesteros, (301) 231-7825.

October 7-10 *CSCW '90 - Los Angeles. Computer-supported cooperative work, with a slight (but lessening) academic flavor. Sponsored by ACM. Call Frank Halasz (back at PARC after a tour at MCC) at (415) 494-4750, or Tora Bikson, (213) 393-0411.


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October 18  Massachusetts Computer Software Council’s fall membership meeting - Boston. Call Joyce Plotkin at (617) 437-0600.


October 21-24  **EDventure East-West High-Tech Forum - Budapest, Hungary. Explore the problems and opportunities of high-tech business in Eastern Europe and meet your peers in a limited-attendance conference focused on contacts, not speeches. Sponsored by EDventure Holdings, with speakers and attendees from both sides. Call Daphne Kis, (212) 758-3434. By invitation only.


October 22-24  Electronic Messaging '90 - San Francisco. "Beyond interpersonal communication." Sponsor: Electronic Mail Association. With Helene Runtagh, GEISCO; Mike Zisman, Soft•Switch; others. Call Anne Spence, (703) 522-7111 or send e-mail via AT&T Mail: !ema; CompuServe: 70007,2377; Dialcom: 63:PRD003; SprintMail: EMA; EasyLink: 62886257; iNet: ema.association; GENie: EMA; Envoy 100: EMA; MCI Mail: EMA/2544290. (Do all these numbers make you long for fax?)

Oct 29-Nov 2  First annual meeting of the Soviet UNIX users’ group - Moscow. Sponsored by SUUG; coordinated by the International center for scientific and technical information. Several hundred attendees are expected, including Bill Joy; representatives of the European UNIX Users’ Group and usenix have been invited. Call Dmitri Volodin, 7 (095) 231-21-29, or V. Leonas, 7 (095) 120-69-21, or Esther Dyson, 1 (212) 758-3434.


November 4-7  *ADAPSO management conference - Phoenix. Contact: Ellen Kokolakis at (703) 522-5055.


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November 14-16 Pacific Rim international conference on artificial intelligence '90 - Nagoya, Japan. Sponsored by the Japanese Society for Artificial Intelligence. Special sessions for AI in engineering and AI and large-scale information. Call Shigero Sato at (813) 479-5535 or fax (813) 479-7433.

December 3-4 *Emerging Technologies conference - Innisbrook, FL. For developers eager to use the latest in technology -- object-oriented programming, cooperative processing, IBM repository, notepad computing, image management and the like. Sponsored by the Technology Information Services Committee of ADAPSO's Software Industry Division. Contact: Phyllis Cockerham, (703) 522-5055.

December 3-7 Toulouse '90 - Toulouse, France. Software engineering and its applications. Sponsored by EC2. Contact: Jean-Claude Rault, (331) 47807000 or fax (331) 4780629.

December 5-8 *CASE '90 - Irvine, CA. The fourth international workshop on computer-aided software engineering. Sponsored by Index Technology, IEEE and several academic institutions. Call Ron Norman, (619) 594-3734.


1991


March 10-13 **EDventure Holdings PC (Platforms for Computing) Forum - Tucson, AZ (again). Sponsored by us! Contact: Daphne Kis, (212) 758-3434.


Please let us know about any other events we should include. -- Denise DuBois

*The asterisks indicate events we plan to attend. Lack of an asterisk is no indication of lack of merit.
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Daphne Kis
Associate Publisher

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