

International Wireless 2002 (Interview)

International Wireless 2002 radio show deals with real products and services, real business issues, and key technology drivers. This interview from the premier symposium, brought to you by WsRadio, "The Worldwide Leader in Internet Talk" has brought together talk show host Lee Mirabal, filling the role of the "consumer" and co-host Dennis Abremski, the IWS Program Manager to interview Dan Ness Principal of MetaFacts, Inc.

- **Lee Mirabal** - WsRadio Talk Show Host
- **Dennis Abremski** - IWS Program Manager
- **Dan Ness** - Principal of MetaFacts, Inc.

You can read the transcript of this interview below or click here to [listen to the audio version](#).

Lee: Welcome back to the first ever premier International Wireless 2002 radio show brought to you by WsRadio, the world wide leader in Internet talk, the first ever, Dennis.

Dennis: This has been one of the best panels I could have sat in on. It was called Technologies Driving Convergence and we had folks in there from Texas Instruments we had folks from areas where they were talking about user interfaces; all talking about how these technologies are going to be driving the convergence of products and services as we go forward which is the message of IWS 2002.

Lee: And that's funny, I was going to ask you what that message was. (Laughter)

Dennis: There are a lot of things going on in the industry.

Lee: You don't get too excited about things at all. (Laughter) We have a guest here and I've been interviewing him without a microphone turned on and I could kick myself because the guy is just fascinating. His name is Dan Ness and he is the principle in MetaFacts, Inc. and I love their logo line "Beyond facts to effective action...we help our clients create the future."

Dan: That's what it's all about.

Lee: Welcome Dan.

Dan: Thank you.

Lee: And the future just never comes.

Dan: No, but it keeps getting better.

Lee: Yes.

Dan: And we are getting closer, that's the exciting part about technology, isn't it?

Lee: Yes. You are in an interesting position in what you do because you do the research.

Dan: That's right, we talk to consumers, we talk to employees, we really try to talk to everybody so we can get a good solid pulse of what's really happening in the market, a reality check.

Lee: And give us one.

Dan: Well the exciting thing about the technologies and the possibilities, the panelists were talking about a convergence, is that it really is happening. Now, it does happen slowly but it really is happening and there is a good reason for it. What happens is, people start to seek out applications, they try to find the best products. They'll say 'Well, I need to have a mobile phone,' so if you go back ten, twenty years ago, they were very large, they were built into cars, they were very heavy and at the time that was the best sort of technology to be able to stay in touch. And that same sort of thing for organizers to stay in touch. You might use a notebook computer, which at that time was much bigger than the phone and over time it becomes obvious that these things need to become integrated, they need to talk to each other. So if you're hooking up to a network you may want to be able to use that connection, not only when you are connected in the office, but when you're off at Starbucks or something like that and the only thing is, the reality hits us when you realize that these things don't talk to each other, they weren't made to work with each other and that's where a lot of the excitement is. Really focusing on how things can tie together and integrate and converge in a way that people can really use them.

Lee: So my life in ten years...?

Dan: Better. Much better because the kind of things that people have to deal with now in the workplace, their dealing with issues of security that are very important but are a lot more complicated than they need to be. As consumers in our homes we try to set up a home network and many of us who have done that have learned that there can be just a small change and there can be incompatibilities and problems that are hard for many people to decipher. But in ten years, what happens is, that we'll have many of those problems solved, maybe we'll have new problems, it's true, but we'll just think of that as a distant memory.

Dennis: Do you see innovation driving this convergence, or is it a cost factor, or ease of use, or all of the above?

Dan: It really is all of the above. One of the things that have happened over the last few years is that a lot of companies have gotten smarter about what they're doing. They really focus on what they can really get is the bottom line. Sure, a few years ago people could come up with an idea and make a business plan but it didn't really have to have legs, it didn't really have to deliver and the surviving companies are the ones that have gotten a lot smarter. So not only are they innovating and using the technology but they're also listening to their customers, listening to the companies and really figuring out the best combination of things that really do something.

Dennis: Do you see the device manufacturers doing a lot of their own research again?

Dan: It's been slow and coming just because of the economy itself, just because of the technology, the turmoil in all the different companies. Many of them, particularly a year ago, put many of their things on hold and with the changes in the companies, they really weren't sure about where they were going just even as a nation a lot of things have changed.

Dennis: The companies got more conservative, right?

Dan: They got much more conservative very quickly and yet a lot of the investment, a lot of the technology, even things we are seeing today that we might consider innovative actually have been developed some years ago. A lot of the push has been to be able to put together, in a smart way, many of the things that have already existed.

Dennis: That's a great way of putting it because I see the same thing. A lot of these new innovations really have been on the drawing board for some time and now I think companies are getting back into the mode of innovation, driving what they do in addition to what the customer needs. They are now looking at things that are proven technology like 802.11 (wireless standard) that has been around a long time, the cost is coming down. What do you see as the driving factor from a consumer standpoint in that area?

Dan: One of the things that we do is a very large scale research survey that's been going for about 18 years and one of the things that has just changed this year is that nearly [40% of households with a home PC have more than one PC](#). Furthermore, if you're going to want to connect together computers then, of course you need more than one computer. It's not just about hooking up to the Internet because you can do that with just one computer, but that's what's really changed. We're releasing the results of this survey, the Technology User Profile, next week. But we did a survey of 10,272 households throughout the US and this is the annual result and we found that [39% of households with PCs have 2 or more](#).

Dennis: You can add one more, we have four. (Laughter)

Dan: There you go. Well, you're a pretty rare group there Dennis, four PCs, [that's less than 8% of all US households](#).

Lee: Okay, we have three.

Dan: What happens then is that when people, they may have originally wanted to put them together, they may not have. But it started out several years ago, those few hearty souls that started to network them did them for a reason that they wanted to not have to buy another expensive laser printer, they wanted to share the printer.

Lee: Ahhh.

Dan: Now there weren't a lot of families that want to share files, that's more of a sociological problem or issue but now the big thing is to share that "fat pipe." You're paying for that fast Internet connection and everybody wants it. And if you can get it, there are still some areas that can't get DSL or cable or satellite, but if you can get that you usually want to share it. You don't want to have multiple connections and, yeah, you can pay the cable company to put different drops in but the exciting thing is that now, particularly because of wireless technology and because of some other technologies, it can really happen. If you go back a few years, people had one computer in a bedroom or a den or something like that, when there are two computers maybe they're in one office but often they're in separate rooms and then as there are three or four, they're hardly ever in the same room. So now, who's going to do the wiring? Who's going to cable these things? Are you going to run it up and down the hall? It's not something that companies want to do, with all the money they put into IT. They have experts there on staff; they don't like to pay the money to do it and so the best thing that's happened is the wireless standard 802.11, that you mentioned, which is also called WiFi. It's an industry standard; there are a couple flavors on it. But the promise is that you can then simply interconnect and if you don't like where the computer is in the house you can move it around without doing a lot of rewiring and calling in, the equivalent of a plumber, more expensive than a plumber, but somebody who will come and wire it. The brochures show people sitting out in their backyard with their notebook computer and that's very possible because the WiFi standard goes several hundred feet and it really does work.

Lee: I remember years ago, when I wanted my children to have their own telephone, it was for a selfish reason. I want my telephone when I want my telephone. I want to be able to go and get it and talk. This was years ago. The same thing happened to me with my computer. I didn't want to share my computer. It's a proprietary thing.

Dan: Yeah, well actually we looked at that too and [most American home PCs \(where the home PC is the primary PC\), 67%, have only one phone line](#). There's another quarter, 26%, that have two phone lines and one of the reasons people got that second phone line was the teenage question, they didn't want to share the line and get all the incoming, but the other part was getting that Internet connection. Now as the broadband connections are available, that's whether keeping that second line free or some people have actually been getting rid of those lines to the dismay of telephone companies.

Dennis: I have a question for you.

Dan: Yes, Dennis.

Dennis: This made me think of something. I've been hearing that a lot of people are getting wireless phones as their primary line.

Dan: Well as a matter of fact, right now, this was a surprising statistic, we've got a number of phone companies as clients as well, [of the American home PCs mentioned earlier 3% have no phone line and there are many of those that have cell phones as their primary line](#). If you look at what's going on in the cell phone industry, it's so competitive, and the prices are coming down even the long distance is so low, when you pencil it out, it's actually cheaper for many people and they always have the number with them. Yes, there's that issue of whom gets the call, who do they give it out to, and who carries the phone, things like that.

Dennis: How has that growth been in that 3%?

Dan: [That was less than 1% just a year ago](#).

Dennis: That was the question I was going to ask. That's amazing, it's tripled in a year.

Dan: It really is and even though it's a small percentage, it's a big enough change that the phone companies are really starting to take notice.

Lee: I think a lot of young people, too. They live together; they each want their own phone.

Dan: That's right. There are a lot of varieties and also, many families have a lot of cell phones, as well. A matter of fact, one of the things that really is interesting, it's a small percentage, but another group is families that are using cell phones and PDAs and all kinds of things, too. Not just to keep track of soccer practice, but really to stay in touch with each other. It's a small group, but one of the groups has a home PC, Internet connection, cell phone, PDA, and kids, that's 2% of US households, so that's actually 9% of all the households with families. A lot of the families are finding, just because of the unique circumstances of raising a family and keeping in touch with kids, plus now the kids are more and more using computers and cell phones. That a lot of this technology is now being led, not by the engineers or by the traveling business man, but a lot of it is being led by the kids.

Lee: Well, not one land-line phone company has ever offered me bunches and bunches of free long distance, but on the cell phone, I get it.

Dan: That's right and if you do have to pay anything, it's nominal.

Dennis: Well that's pretty amazing that has been a trend that has really caught on as far as your primary line being wireless. What I was going to ask is, you generate a lot of interesting data and I am sure companies are interested in the data itself so they can map out what their next steps are. Are you working with big companies, small companies, what is your target customer?

Dan: Well this survey, Technology User Profile, again has been going now 18 years and it's used by most of the largest technology companies and this is one of the reasons that they stay as the largest, they're usually very smart about buying research. It's like the US Census but it's not funded by the government, the clients who subscribe to Syndicated Primary Research Survey fund it. So it's mostly used by the companies like the Microsoft and the Dell and the Gateways of the world who have used it year after year and that is most of our customers. Again, it's a pretty large-scale study, but the unique thing about it and why they like it is its not just focused on home or just on cell phones or just on PDAs but it, itself, is integrated. We did the convergence many years ago and realized that if you're going to converge anywhere you should look at the user, the corporate user or the consumer user or the most remarkable thing that surprises a lot of companies is that lo and behold, they're the same person. Somebody doesn't change their behavior when they go home or when they work. A cell phone, while the company may reimburse some of the calls, is actually used for personal purposes.

Lee: You know, I'd like to do research on something and maybe you might already have done it.

Dan: I don't know.

Lee: I mentioned it earlier in another conversation, you know that rule that bosses make: they don't want you to make private calls. A lot of women have that problem because there are a lot of women in the secretarial pool still. There are a lot of women who are working in offices and have been told they can't have personal calls. A lot of people are bringing their cell phones in their purses and so we've got a situation where they're in touch. If one of their children gets hurt or their kids want to know if they can go play next door or whatever, that woman has that cell phone in her purse. I think there is a gigantic move towards that in the workplace. Have you done any research on that?

Dan: Well, we have looked at where cell phones are used and how they are used. We haven't done specific research on that exact scenario, but I can tell you that I have seen employment laws in California change. Also, the policies nationwide that are specifically addressing that because just as a few years ago, a lot of companies would have big high-speed Internet connections, they would discover their employees were enjoying a free ride. It's the same sort of thing as technologies come in the workplace. Like a cell phone, where you draw the line on whether it's personal or not, is now becoming a matter of policy for a lot of companies where they are saying "Take it outside" or "Only use it during a break." It effects e-mail, it effects shopping on the Internet, and it's really something that is up to the employer. Naturally, if somebody is doing a job interview at work or faxing resumes, it's an age-old problem.

Lee: Or even abusing it and I have been an employer myself so I understand the gray area. Let me go back to this just for a minute, women in particular have a problem on the job when they have children. The cell phone is an umbilical cord and you need to feel that at least you are there for them and you can reach them and sometimes you have to reach out and I think companies need to start taking a look at this.

Dan: I would agree with you because it's already been there in the sense that there have already been direct extensions where people can have a LAN line and certainly voice-mail and so people, mothers, parents, really everyone has some level of accessibility, depends on where you work. We just got interviewed today by Working Mother magazine on some of these same topics because they are taking a look into how technology fits into the whole lifestyle of the family and how people are really dealing with the technology. But now you're talking about how does the workplace deal with it. I can tell you, at least on the Internet browsing side, they have spent a lot of time and money to try to control the amount of Internet usage people have. Where they browse, what time of day they browse because there really have been some abuses that have been inappropriate for the company.

Lee: Well, sure.

Dan: But at the same time it really is the policy of the company, it's more than a technology issue or a social issue it's really part of living and keeping a family organized and together and in touch particularly when things might happen.

Lee: Changed my family's life for the best, I can tell you, just cell phones alone, knowing where my children were and feeling safe.

Dan: That's right, well what's interesting in that over the years, if you just look at a cell phone by itself it often would just sit in the car for emergencies. People would say, "Well, I don't really get a lot of calls but it's there when I need it," and that's changed dramatically in the last five years. The average number of minutes that people use has gone way up, the convenience, the ease that they can use it. Now at the same time though, what has happened is that some of the kind of changes on how people use the phones, particularly in the cars, has changed because there have been some safety issues. We've even seen some states and some countries that set laws about that so one of the other areas that's been growing very quickly is the hands-free cellular phone. Now [26% of American households with home PCs have hands-free cellular phones](#).

Lee: Remember when we first started having non-smoking areas and we shamed smokers, now when I pick up my cell phone to use it in the car, I quickly bring it down here and put the speaker phone on so nobody will see me.

Dan: I know that's what's been happening.

Dennis: That's becoming big business now, they're trying to come up with accessories to allow you to be more safe when you drive but also to give you other options when you are in certain situations and how you can answer that phone.

Dan: Yeah, that's right and some of the technology, again has been there, but I've seen a number of things for example that would sense the environment and say this is one that is a pager zone. There have been various standards put out or suggested that would say that a particular restaurant could emit a signal that the cell phone could listen to and say, "No cell phoning in here." Vibrate capable phones could do that.

Dennis: I've had a vibrator phone for the last two years.

Dan: But do you change it from mode to mode or would you like it to automatically switch for you?

Dennis: No, I've gotten used to it, I keep on vibrator mode. For me it works perfectly because I can answer that phone very discreetly or I can decide to let it ring if I need to.

Lee: Well, what happened a few minutes ago?

Dennis: This is my old phone.

Dan: We'd like to take a broad egalitarian view but there are gender differences in the way that men and women carry phones. Women don't usually like to have them attached; no matter what colors you make it or anything.

Dennis: Well, if you put the phone in the purse...

Dan: You can't feel the vibrate mode and it goes off and everybody has the same beep, so it's a comedy isn't it? But we adapt, we are adapting.

Lee: Well, pretty soon it's going to be back to the Dick Tracy watch.

Dan: Actually that's not too far off.

Dennis: We have a couple of those in the market in Japan, I think.

Dan: That's right.

Lee: I'm waiting.

Dan: There certainly are some headsets that allow you to be able to get a phone and so some designs that are proposed allow you some control and dialing on your wrist but the actual phone, the pick up, is in your ear already. That's probably the most exciting thing about one kind of wireless. You've probably heard about Blue Tooth in the sense that it can act as a local bridge. It's not necessarily going to be used for everything, but when you take something like that and you don't want to run a wire up your sleeve or carry something big, that's one that we have yet to see some smooth implementations of that, but it's starting to get there. But it allows you to take care of those last few feet and how they get connected to each other.

Dennis: Well here at this conference we've talked to several companies that are using Blue Tooth technology to do everything from create wireless headsets to talk to printers to have one phone talk to another. So again getting back to where we started with this was a conference linking all these technologies together and most of us here at the conference have been talking about how the services that are going to be provided and the devices and the phone etc., are going to use all of these technologies to give the benefits to the consumer.

Dan: And that's the thing, is the possibilities are really phenomenal because it's really bringing a lot of this together which is going to help the consumer. The fun thing about it though is that a lot of the consumers have already started to figure out some of the benefits. Some of them weren't originally intended features and were added. A lot of people don't realize that watches are one of the more threatened products, at least for their function. This has been a big change since last year; [more than half of people using home PCs are using their cell phones as their timepiece](#). And you think about that and you wouldn't wear that on your wrist but its conveniently displayed and its always current, so even if you change time zones, its up to the minute and that has really increased. People might still where a watch as a fashion thing. As we have been testing products in the last ten years, I can't think of a single instance of a company coming to us and saying, "Well, one of our key things is we want to have an accurate timepiece that, by the way also does calls and voice memos." They didn't think about it. But guess what, the customers speak and they vote with their feet and they vote with the products. And also there have been all kinds of combination products that bring together cell phones and PDAs and we helped to test and develop one. At a company Dennis worked at some years ago and it was an early model and tested really well, except for one little issue was that it combined a full sized palm pilot with a cell phone, which made it rather large. It meant that people were concerned with something being a little bulky and I have to report, for all of our research, men are very vain when it comes to fashion of accessories and this extra something sticking in their pocket is inconvenient.

Lee: Really? What if you give the men a holster?

Dan: Well, if it's a quick draw holster maybe.

Dennis: That particular phone did well in industry where the fashion piece, the consumer piece, wasn't the driving force, where it was being used for inventory control and things of that nature.

Dan: And compared to these big symbolic things they used to have to carry around, then they didn't have to carry the big bar-code thing and a cell phone, its integrated, this is how things happen, you have to take the first step. The companies have to do the innovation and it's not as if they can learn everything all at once. This is the greatest thing that I've seen about technology in my 20 something years in it, is that we are always inventing, we are always finding new ways and here once in a while the customers come along and tell us they have a new idea.

Dennis: Well, to close out that idea, the third generation of that phone is sitting across the way at the Cyber Café, its sitting there at the Kyocera booth.

Dan: And it's not quit as big as it was.

Dennis: No, it isn't. But it does even more than it used to.

Dan: That's right, it's an exciting time because these things do take time. I think there is an impression from the outside of high tech that things are moving so fast and getting away from us but the reality is that many of these things have been tried years and years ago. Wireless networking has been around for, as far as I know, 15 years, it was much slower, much more complicated and certainly a lot more expensive. The thing about it that makes it so exciting now is the convergence that now it works with other things, it's able to integrate with other things and it's a lot simpler and less expensive than it ever has been.

Lee: Well, it was fortuitous that you were our last interview today because you bring it all together.

Dennis: Now this has been great because this ties it all together in the end as Leigh was saying, there are a lot of trends going on. It's good to know that companies are looking at those trends to make sure they know what their customer wants and trying to translate those needs or wants into products that maybe will be available for the next holiday season.

Dan: Well, that's pretty soon but I think we'll have to check in next year and see what this conference brings.

Dennis: Well, we've been talking to Dan Ness, principal at MetaFacts, Inc., and this has been the International Wireless 2002 radio show brought to you by WsRadio, the world wide leader in Internet talk.

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