

Report: Apple's Jobs received liver transplant

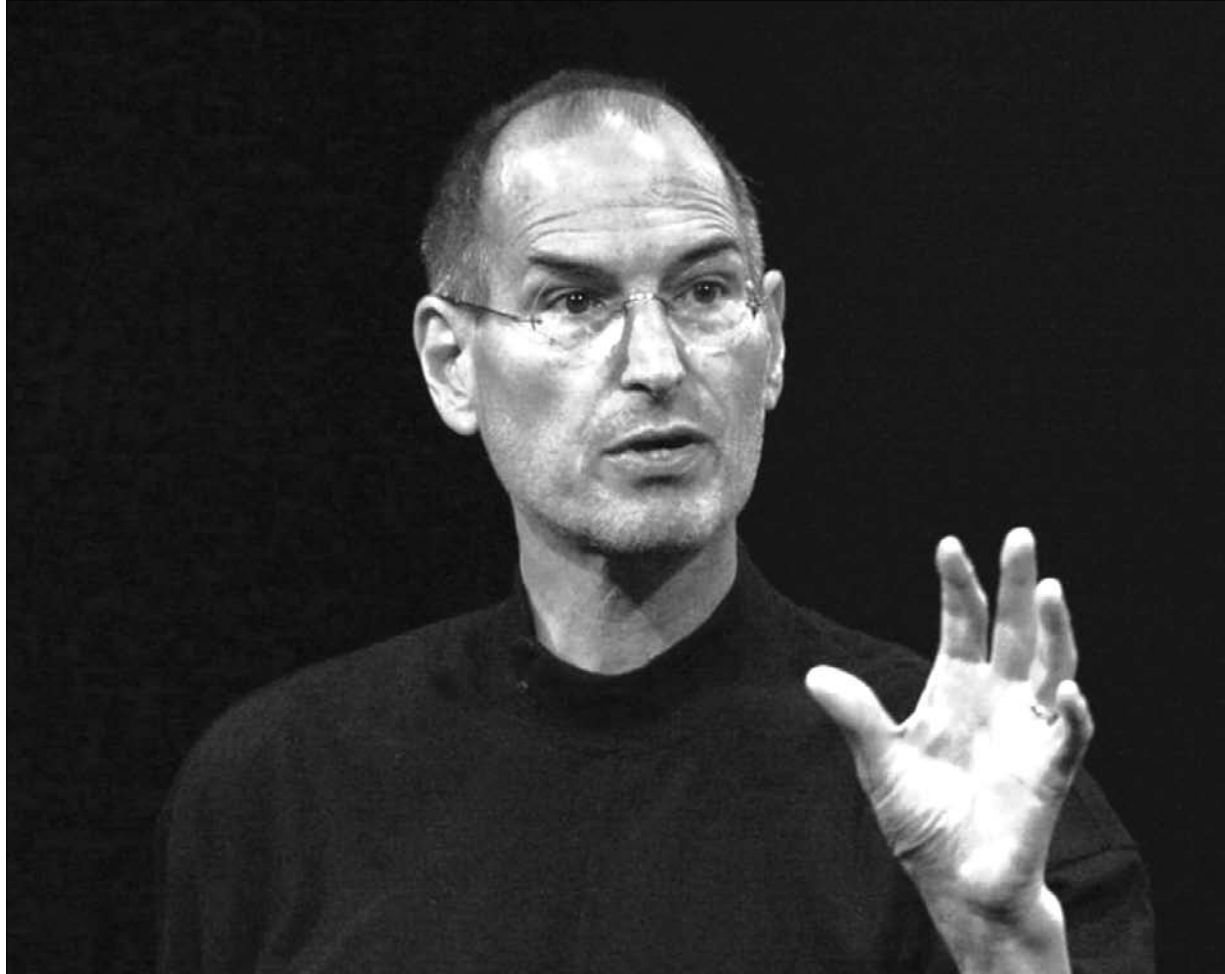
By ANTONIO PEREZ
Epoch Times Staff

Steve Jobs, Apple Inc.'s iconic co-founder and CEO, received a liver transplant during his medical leave of absence about two months ago, according to reports.

The Wall Street Journal reported the procedure on Saturday, followed by Bloomberg and CNBC. Naming unidentified sources, Jobs is recovering well and is set to return to his daily functions as a CEO at the end of this month.

Jobs has been integral to Apple's success and is considered central to the company's vision. He returned in 1997 to the company he founded and led Apple to become a major

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Apple CEO Steve Jobs. JUSTIN SULLIVAN/GETTY IMAGES

player in the personal computer market and a pioneer in the portable music market as well as the smartphone market. Its products' minimalistic designs have been the envy of its competitors.

That's why in January, when Apple announced that Jobs would

take a medical leave from the company, its stock shares slid more than 7 percent almost immediately.

Jobs underwent treatment for a rare form of pancreatic cancer in 2004 and was cured of the ailment, the company disclosed in August

2004.

Last year, there was speculation that his health was worsening as he appeared to be thinner by the month. Apple said the weight loss was due to a hormonal imbalance. Some analysts suggest that Jobs

should relinquish his role as CEO to avoid such media and Wall Street's scrutiny on his health condition. Company COO Timothy Cook headed the company in Jobs's absence and is expected to serve a bigger role even after Jobs returns.

Innovation crucial to surviving economic slump

By HEIDE B. MALHOTRA
Epoch Times Staff

Industry experts say that economic upheaval is the most opportune time to be innovative, start up a company, pioneer new products, break into new markets, or revamp existing products.

"Challenging economic times can serve as the rebirth of entrepreneurial capitalism, leading to the creation of much-needed new jobs," the Ewing Marion Kauffman Foundation, a think tank based in Kansas City, Mo., published in their June study titled "The Economic Future Just Happened."

In another study, a survey respondent said tough economic times are fit to "Deal with the things you've been letting slide." The study was conducted by Ernst & Young LLP (EY), a global auditing, tax, and consulting firm, and published in their white paper, "Entrepreneurship and Innovation: The keys to global economic recovery."

Many businesses go under during economic upheaval, but just as many businesses start up, often because people have lost their jobs and finally take the plunge into something they have wanted to do for a long time, but were too risk averse.

"Well-over [sic] half of the companies on the 2009 Fortune 500 list, and just under half of the 2008 Inc. list, began during a recession or bear market," the Kauffman Foundation said in its report.

Fortune 500 companies that were formed during recessionary, inflationary, or otherwise hard economic times include General Electric in 1873, Hewlett-Packard Development Company in 1938, Toys "R" Us Inc. in 1948 when inflation was rampant, Burger King in 1954, IHOP Restaurants in 1958, Domino's Pizza in the 1960s, and Microsoft Corp. in 1975.

Firms need to be ahead of the game even more so during economic upheaval, as customers could be more selective and less willing to go with the established mature product lines.

Firms that dominate the market in one year may be gone the next year or a few years down the road. The Fortune 500 list, the NASDAQ Capital Market Composite Index, and S&P Global 100 are among the indices providing historical data that tell of the rise and fall of its listed companies.

"Globally, all the major indexes turn over every five years ... The Global Forbes 2000 has experienced a 51 percent turnover; the HDAX (Germany), 50 percent; the FTSE 350 (U.K.), 50 percent; the KOSPI 200 (South Korea), 49 percent; and the Bombay 200 (India), 91 percent," EY's research found.

Large companies that are too institutionalized and bureaucratic often become leaner during economic distress to foster an innovative culture.

Chemical maker DuPont (E.I. du Pont de Nemours and Company), founded in 1802, did just that during the Great Depression. It committed funds to the research and development (R&D) that developed neoprene, which was ready for sale in 1937, and nylon, which has become one of the greatest innovations of that time.

Between 1929 and 1936, more than 70 R&D divisions were established by U.S. companies, according to a recent McKinsey & Co. report.

"We hear it daily across the global business community: the only way

out of this crisis is to innovate our way out," the EY report quoted Gail D. Fosler, president of The Conference Board, an independent think tank.

GOVERNMENT'S ROLE SEEN IMPERATIVE

Ernest & Young suggests that governments that promote entrepreneurship and innovation through various incentives, such as reduced taxes, will come out of recessions much faster than those that stifle free enterprise.

"Effective public policy stokes economic growth," EY found.

The U.S. Small Business Administration has developed programs to help entrepreneurs stay afloat until they become profitable.

Executive Order 13329, "Encouraging Innovation in Manufacturing," was signed in 2004 by former President George W. Bush. The Small Business Administration has been tasked to administer two programs that help small high-tech innovative businesses gain a foothold: Small Business Innovation Research (SBIR) and the Small Business Technology Transfer (STTR).

Under these two programs, firms must be a small business, may have up to 500 employees, and the work cannot be outsourced outside U.S. borders. What makes these programs successful is that small companies keep their intellectual property rights to whatever they develop. The funds are awarded under competitive bidding.

The Department of Defense SBIR program funded projects totaling around \$1.14 billion in 2008. The STTR program funded projects totaling \$132 million in 2008.

Given its high unemployment rate and to foster entrepreneurship, the State of Michigan announced in June that it "is making FastTrac entrepreneurship training available for those interested in starting a new business or retooling an existing business."

Close to 300,000 aspiring entrepreneurs finished FastTrac training in the U.S., a program that was initiated by the Kauffman Foundation.

VENTURE CAPITAL SCARCE

The alternative energy industry is in its infancy and could be a breeding ground for many innovative products that bring energy and cost reduction to market in the near future.

"Alternative energy has emerged as a key investment area for venture capitalists. The increasing need for cheaper and cleaner energy sources has made firms realize that the sector holds great potential," Dow Jones & Co. said in its "Alternative Energy Innovations 2009 Roundup" study.

Dow Jones called for smaller start-ups to bring innovative ideas to the table and suggested that these smaller firms have greater success in garnering scarce funding sources.

In the first quarter of 2008, only \$287 million were invested in innovative alternative energy sources, almost 71 percent less than in the last quarter of 2007.

"While the new government emphasis on green investment is set to pour billions into the sector, venture investors at the Dow Jones Alternative Energy Innovations conference say new companies have to be lean, mean and focused to gain their attention," Dow Jones said in its "Cleantech Investors Drawn to Lean, Mean and Green," report on its Web site.

NBC Universal, Microsoft sign advertising pact

(Reuters)—Behaviour advertising has long been the strength of Web marketing, but the technology will soon be coming to your television.

Software maker Microsoft Corp. and media giant NBC Universal announced on Thursday a collaboration to sell NBC's broadcast advertising using Microsoft's Admira platform.

Admira is an automated advertising sales software similar to platforms currently employed in online advertising, which efficiently targets commercials to specific target segments. In the agreement, NBC will use the tool to streamline its ads on its broadcast and cable networks.

NBC is jointly owned by General Electric Co. and France's Vivendi SA. NBC operates its signature television network, the USA Network, MSNBC, the Sci-Fi channel, as well as a number of affiliated local TV stations across the United States.

Microsoft's Admira television media marketplace came out of the company's acquisition of Navic Networks last year, which developed software for media buying and selling. The technology links viewership data from cable systems and satellites with demographic and consumption data to help advertisers better target their ads.

As a result, advertisers and agencies could reach audiences that might have otherwise been overlooked by other advertising platforms and measurement technologies. Admira optimizes ad placements in response to near-real-time viewership data to help advertisers get the



Visitors check out the offerings at the stand of software giant Microsoft at the world's biggest high-tech fair, the CeBIT on March 3, 2009 in Hanover, Germany. NIGEL TREBLIN/AFP/GETTY IMAGES

right messages in front of the right audience.

"This is all about improving ROI for clients and experimenting with next-generation metrics and processes," Mike Pilot, president of sales and marketing at NBC Universal, said in a statement. "Admira can help clients efficiently plan, buy and engage specific audience segments across the breadth of our broadcast and cable properties, en-

hancing the close relationships we have with all of our agency and client partners."

Other networks and television platforms are also beginning to embrace the targeted ad strategy. This week satellite TV operator DirecTV signed a deal with addressable advertising firm Invidi Technologies to deliver localized advertising to subscribers.

...advertisers have demanded networks cut as much as 15 percent from the 2008 ad rates. As such, a big bulk of the network's ad inventory still lies unsold.

NETWORKS SCUFFLING FOR ADS

Declining viewership and a sagging U.S. economy has sapped television media revenues in June, when networks typically line up ad clients for the upcoming fall television season.

According to an LA Times report, advertisers have demanded networks cut as much as 15 percent from the 2008 ad rates. As such, a big bulk of the network's ad inventory still lies unsold.

Industry publication AdvertisingAge said that traditionally big spenders such as General Motors and Chrysler LLC will have to rein in advertising and marketing costs this year as the companies cope with restructuring.

Ban on China goods a growing trend

By SHAR ADAMS
Epoch Times Staff

A ban on the purchase of Chinese goods, issued by an Australian state government, has raised concerns it could threaten trade in the region.

The ban however reflects an international trend in protectionism which has surfaced most strongly in China itself.

The New South Wales (NSW) State Government announced in its budget yesterday that government departments must favour Australian-made products, stating that AU\$4 billion of government expenditure should be sourced from

local companies.

NSW has the largest economy in Australia, contributing close to 32 percent of GDP.

The ban on China-made products stems from the discovery by local media last year that NSW police and ambulance uniforms were being imported from China.

The new Local Jobs First plan requires that stationery, uniforms, cars, and even trains and building contracts are sourced from local companies. A 20 percent discount to Australian firms, with 500 or fewer workers, would also be given if they were in competition with foreign companies.

NSW Treasurer Eric Roozendaal said NSW Government agencies spend billions of dollars on products needed to service the people of NSW. "This plan tips the balance in favour of local businesses, providing them with greater opportunities to expand and sell to government," he said.

Australian trade unions have strongly supported the initiative saying the new policy will keep government money circulating in the local economy.

"It's a win for jobs and a win for working people," Unions NSW Secretary, Mark Lennon said.

The Chinese Embassy in Can-

berra has responded by telling The Australian newspaper that China was "firmly opposed to trade protectionism."

"Experience has proven that trade protectionist measures only end up harming others and oneself," a Chinese official said.

CHINA PROTECTIONISM

The comments are ironic as the reality of China's own protectionist policies have begun to surface.

Foreign businesses have been complaining for months that foreign companies are increasingly overlooked in China.

The American Chamber of Commerce in China issued a paper in April, warning that from regional to national levels, Chinese authorities were openly favouring local over foreign companies.

The protectionist measures have now been spelled out—although in a rather underhand way—with the announcement of a policy that will see the majority of China's 4 trillion yuan (\$738 billion) stimulus package spent on local industries.

According to News Limited, the policy, although dated May 26, was posted publicly, without fanfare, on June 4, the anniversary of the Tiananmen Square massacre.

The policy states that "For government-invested projects, unless the products or services are not obtainable in China, buyers should purchase Chinese products, and strengthen supervision on equipment importation."

The Australian government, which has distanced itself from the NSW Government's initiative, said that the Chinese policy was "a

regrettable development which has the potential to undermine Australian jobs and Australian exports."

"China is one of our top two trading partners. This reported move by the Chinese underscores the danger of retaliation and a tit-for-tat trade war," a government spokesperson said.

Professor Martin Richardson a specialist in international trade at the Australian National University (ANU) said the NSW initiative will put pressure on the Australian Government in trade negotiations.

"Australia has a reputation to protect as it has been very pro free trade," he said. "It does make it difficult when one branch of the government is doing that, at the same time the Federal Government is trying to negotiate a free trade agreement."