

From the President's Email

New Virus

Don Dielh, KMUG President, forwarded this message from Steve Cox of NW Cyber-Pro:

Don,

There has been the discovery of a new 'Trojan horse' virus that targets OSX. If you're running an earlier operating system this does not affect you. This is the first reported virus since the new operating systems introduction. Currently the virus presents a low threat level and is not spreading like the Windows variety do. If you receive music files from an unknown source (MP3 files) it is not advisable to open them. The virus has the capability of being modified to infect image files as well but none have been reported.

Like I said, this isn't anything to be greatly concerned about, but you should be aware that it's out there. Apple and security software companies are investigating and working on a fix.

Best Wishes, Steve,
NW Cyber-Pro Office:

(360) 769-0072 Cellular:
(360) 731-5672

nwcyber-pro@wavecable.com

Special Guest Speaker

***Shelly Watson Returns
with Office 2004***

Shelly Watson has confirmed April 15th for a presentation of Office 2004. Her demonstration of iLife at the evening meeting in March was outstanding!! Don't miss this meeting and come a little early so you can get a good seat.

Shelly is an Apple certified trainer and a member of of Apple Consultants Network.

Technology - MacCentral

***Does Gigahertz Matter
Anymore?***

***By Tom Krazit,
IDG News Service MacCentral***

Clock speed has been one of the most identifiable aspects of processor performance during the last decade. But that mindset needs to change as process technologies shrink and alternative methods of increasing performance should be examined,

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***United We
Stand***

KMUG MONTHLY MEETING

Luncheon

Third Thursday of each month at 10:30 A.M.
Solarium Room, All Star Lanes,
Myhre Road, Silverdale
(one block East of Silverdale Way)

Evening

First Thursday of each month at 6:30 P.M.
Solarium Room, All Star Lanes,
Myhre Road, Silverdale
(one block East of Silverdale Way)

***KMUG's home page is now at:
<http://www.homepage.mac.com/kmug1>***

Technology - MacCentral

IBM Offers PowerPC 970FX Chip

Manufacturing Details

By Peter Cohen, MacCentral

Semiconductor manufacturer IBM on Friday provided details about its manufacturing of PowerPC 970FX microprocessors. This is the same processor used in Apple's Xserve G5, announced last month at Macworld Expo (news - web sites) San Francisco.

IBM said that the 970FX -- manufactured at the company's East Fishkill, NY plant -- is the first chip built using a combination of silicon-on-insulator (SOI), strained silicon and copper wiring technologies. The strained silicon and SOI technologies helps speed the flow of electricity and decreases power consumption through the microscopic transistors in the chip, according to IBM.

IBM said that the net result is that the PowerPC 970FX can perform the same or even faster than comparable processors while using less electricity, and as a by-product, generating less heat. What's more, IBM expects to see improved efficiency as it ramps up production.

IBM's PowerPC 970 chip serves as the heart of Apple's Power Mac G5 desktop system -- first introduced last year to attendees of Apple's Worldwide Developer Conference (WWDC) in San Francisco, Calif. IBM's news that the PowerPC 970FX works as well as the desktop chip does with lower power is a tantalizing hint to Mac users that a chip like this, or some derivative, could be used in a future PowerBook design. Apple does not comment on unannounced products but has made no secret of its desire to scale the G5 architecture to its laptop line once the time is right.

IBM expects to offer more details about the 970FX at next week's International Solid-State Circuit Conference (ISSCC) in San Francisco, Calif. ●

Technology - MacCentral

What is RSS?

By Ida Joiner, Darwin MacCentral

All news, all the time, coming at you. I don't want to go to the Internet and search for news stories; I want them to come directly to me. So many news stories; so little time.

Instead of spending hours surfing and downloading content from your favorite news Web sites, you can download or buy a small program that will collect and organize the news for you.

Short for Rich Site Summary (sometimes called Really Simple Syndication), RSS is a lightweight XML format designed for sharing headlines and other Web content. Originated in the late '90s, RSS has since become one of the most popular XML formats today.

Thousands of Web sites today use RSS to drive traffic

to their sites. It has evolved into a popular means of sharing content between sites such as CNN, BBC, Forbes, InfoWorld, Guardian, Wired, Salon and many others.

Who uses RSS?

RSS has gained in popularity especially with publishers and users. For publishers, RSS is a way to present structured information. For users, RSS is a tool for getting content where, when and how they want it.

Webmasters using RSS are seeing increased traffic to their sites. With RSS, they now have the ability to gather and distribute news in a more timely fashion.

Techies have been using RSS programs for quite some time. These programs are now becoming available to the masses on PC, Mac and cross platforms. They include NewzCrawler (PC),

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according to most members of a panel of industry experts at the International Solid State Circuits Conference (ISSCC) Tuesday.

"In the past, performance has tracked directly with frequency. That's clearly ending," said Philip Emma, manager of systems technology and microarchitecture at IBM Corp. IBM manufactures the PowerPC 970 and 970FX processors used in Apple's Power Mac G5 and Xserve G5 systems.

Building a high performance microprocessor involves a series of tradeoffs, and there is no one accepted way to increase performance. Some designers increase the chip's clock speed, some companies choose to improve the bandwidth of interconnects, and some explore ideas like multithreading and multicore designs. Most chip companies use some combination of the three to deliver ever increasing levels of performance.

With the chip industry in the midst of a process technology generation leap, increasing concerns about power dissipation are making some chip designers wonder if the days of higher and higher clock rates are done. Concerns about power dominated an earlier ISSCC presentation of cutting-edge processors, where just about every presenter addressed the issue of managing power dissipation.

"If you push frequency further, you have to spend power. If we push frequency any further, we're not going to be able to cool these things," said Alisa Scherer, a fellow with Advanced Micro Devices Inc.

The lone cheerleader for increasing gigahertz was Doug Carmean, principal architect on the Pentium 4 project at Intel Corp. Bringing higher and higher frequencies to its Pentium 4 chips has served Intel well for several years, and the company plans to bring the newest version of the Pentium 4 to 4GHz by the end of the year.

Increasing clock speed is still the best way to advance performance for certain applications on the desktop side of the world, like three-dimensional rendering, Carmean said. He acknowledged that extracting performance from single threaded workloads is difficult, but it works, and frequency is the most easily understood aspect of performance, he said.

Most PC consumers don't understand exactly what makes their machine perform, but can be trained to recognize other aspects of chip performance, Scherer said, alluding to the various aspects of automobile performance that enter into a purchase decision.

"For every dollar you spend trying to manage power, you could spend on marketing your overall performance," Scherer said.

For many applications in the server world, frequency is not the answer, said Marc Tremblay, vice president and fellow with Sun Microsystems Inc. Sun just released its first dual-core processor, and is working on multiple core designs where each core runs several threads, he said.

By moving to multiple cores, chip designers can also reduce the footprint of the chip die while maintaining or improving performance, said Hisashige Ando, chief technology officer with Fujitsu Ltd.'s enterprise systems group. Multiple cores each running at reduced clock speeds can also save power, he said.

Power concerns loom over every current processor design team, and the situation will not get better any time soon, said Mark Horowitz, professor of electrical engineering and computer science at Stanford University. Designers will have to learn to live within a power budget while still charged with increasing performance, he said. ●

Mac Lab Meetings

Mac Lab is a Special Interest Group (SIG) associated with the Kitsap Computing Seniors. The Lab offers an opportunity for persons interested in the Macintosh computer to gain some hands-on experience and get answers to questions in an informal setting. The Lab is conducted by members of KMUG.

Mac Lab meets every Tuesday afternoon that school is in session.

The meeting is at Poulsbo Jr High in Room A2 from 2:45pm until 4:30pm. If you have any questions contact Gwen Kauffroath (360)377-1715; gwenk17@comcast.net

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Headline Viewer (PC), AmphetaDesk (cross-platform), Radio Userland (PC or Mac), NetNewsWire (Mac) and many other programs.

Using RSS-aware programs, called news aggregators or newsreaders, individual users can get headlines and summaries along with links to the places where the stories originate. News aggregators are very popular in the weblogging community, as they allow users to be able to keep up with their favorite weblogs by checking their RSS feeds and displaying the new items.

How does RSS work?

Instead of your searching the Internet for information, RSS brings it right to your computer, in the format that you desire, where, when and how you want it.

You typically download and install an RSS newsreader or aggregator, then subscribe to your favorite Web sites from a directory list of thousands. Among the choices are the BBC, New York Times, CNet, Salon, ESPN, InfoWorld, The Christian

Science Monitor, just to name a few.

When you sign on, you will see the most recent updates for each channel where you subscribed. Once you are signed on, you will see headlines, a summary, and sometimes the entire story and a photo or two. You can even click on a link and delve further into the site and go to the original source. Many programs run inside Web browsers while others are standalone programs. Most are free.

What's next for RSS?

Even though RSS continues to grow in popularity, it won't make Web browsing obsolete. It does give news organizations another way of reaching tech-savvy audiences as well as newshounds a wider net for the news.

And, beware: We may even see innovations in the way marketing and public relations executives use RSS to reach their audiences.

To subscribe to MacCentral's RSS feed, point your favorite news aggregator to <http://maccentral.macworld.com/mnn.cgi>. ●

Technology - MacCentral

Apple Financial Gurus Talk About the Company's Future

By Peter Cohen MacCentral

Apple CFO Fred Anderson and Corporate Controller Peter Oppenheimer, recently spoke to investors and analysts at the Morgan Stanley Semiconductor & System Conference. In a session about 45 minutes long Oppenheimer and Anderson covered some interesting points about Apple's business strategy, its success with the iPod and iTunes, and how it plans to continue making money and improving margins.

Anderson indicated that despite an economic downturn in recent years, Apple has increased its annual research and development spending from \$300 million to \$500 million since 1999. That work

has netted Apple four major releases of Mac OS X., new hardware like the Xserve, Power Mac G5 and many other machines, "iApp" development, and, of course, the iPod and iTunes Music Store.

"Controlling more of the point of sale"

Anderson also pointed to Apple's retail efforts, where the company has opened more than 70 retail store locations across the United States and recently in Tokyo, Japan as well. Anderson explained that Apple is focused on "controlling more of the point of sale."

When asked about Apple's long-range retail store

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plans, Anderson said, "We do not have a Gateway strategy," referring to the beleaguered Windows PC manufacturer that recently announced the pending layoff of about 2,000 employees. Gateway opened hundreds of its own retail stores across the country, but wasn't able to make many of them profitable.

"We're only interested in profitable stores," said Anderson -- Apple's goal is not to saturate the market, he said. Anderson also indicated that Apple wants each retail location to be profitable within the first year of operation.

"Ron Johnson is focused on increasing store sales," said Anderson, referring to Apple's Senior Vice President of Retail.

To that end, Apple is employing initiatives that may further alienate Apple Authorized Resellers who have had unfettered access to specialty markets for decades. Anderson mentioned that almost every Apple retail store now features at least one employee who is focused on sales to small businesses, for example.

The "Switch" ad campaign was a strong theme in the early days of the Apple retail store effort, and those efforts continue. Anderson said that 40 to 50 percent of the CPUs sold through Apple retail stores are to non-Mac users.

iTunes and iPod

When asked to characterize Apple's efforts to sell music through the iTunes Music Store and the iPod

digital music player, Anderson called it "a grand slam home run." Seventy percent of the legal music download market in the U.S. belongs to Apple, he said, and iPod represents more than 50 percent of total revenue for the MP3 player market.

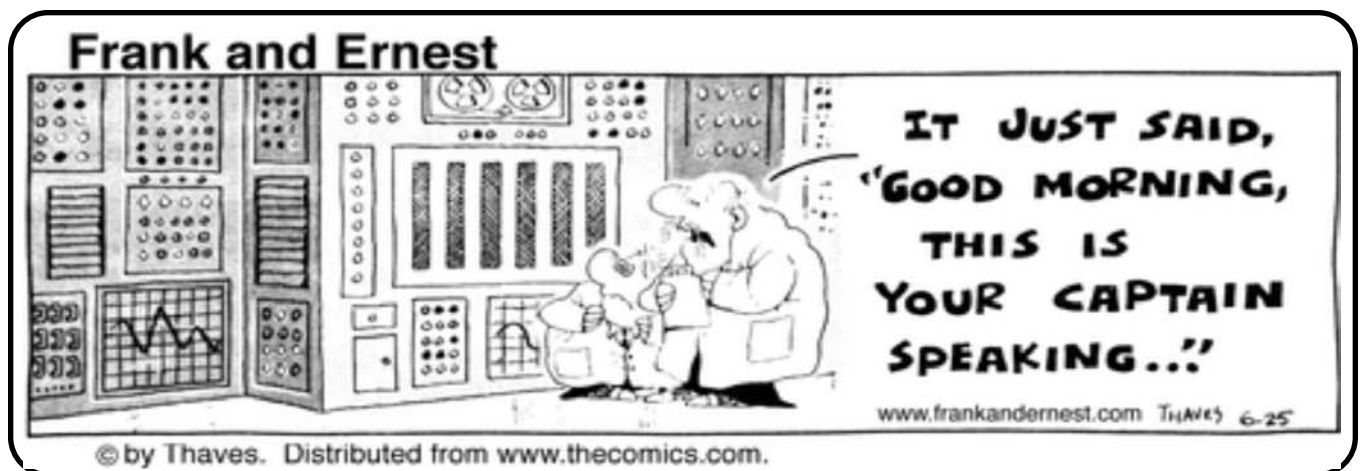
"It sure feels good to be competing in the total market rather than our less than five percent marketshare," Anderson said. He also mentioned that Apple's management is focused on maintaining its current advantage in that market by taking what he called a "broad distribution approach" by making iPods available in stores like Best Buy, Circuit City, Target and others.

Oppenheimer called Apple's decision to strike a deal with HP to make HP-branded iPods "a win/win for both companies." HP gains access to the best-selling MP3 player, while Apple gets iTunes for Windows installed on the desktops of many of HP's consumer PC models.

Oppenheimer also said that HP has a broader reach than Apple does particularly in Europe and Asia. What's more, Apple's alliance with HP wouldn't preclude the company from establishing other partnerships as well, where they made sense to do so.

Critics have had much to say about competing Digital Rights Management (DRM) and audio standards now supported by major music download services and the large-capacity MP3 players they work with.

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Anderson cited the iPod's current market dominance as an indication that Apple will win out with AAC and FairPlay, which said had "tremendous momentum" in being established as the standard.

"So our philosophy is that traffic to the music store will lead to iPod sales and iPod sales will lead to the sale of Macs," said Anderson, especially for those users who already have a PC and decide later to look at another system -- preferably a Mac -- so "they can get their hands on the additional lifestyle applications."

Apple's financial future

Apple continues to post profits, and recently became debt-free, but those are not the only indications of the fiscal health of the company. Oppenheimer said that Apple's goal is to "grow [its] top and bottom lines."

"We'd like to become a \$10 billion company again," said Oppenheimer. "We'd like to see our revenues grow at 15 percent a year going forward."

For its fiscal year 2003, Apple recorded about \$6.2 billion in net sales. Oppenheimer hopes to see Apple maintain gross margins at 27 to 28 percent, with operating expenses at about 20 to 21 percent, thus driving a 7 percent operating margin.

"Back in 2000 our operating margin -- being an \$8 billion company -- was 8 percent, so this is a range we've been in before," said Oppenheimer. He added that operating margins won't be as strong this time around thanks to Apple's efforts on research and development and direct sales.

Some criticism has been laid at Apple's feet for not getting a value-priced Mac to market. Its least expensive system -- the CRT-based all in one eMac - - cost consumers about \$800. It's trivial to find Windows-based PCs with significant higher clock speeds than the eMac for half that price. The iMac starts at almost \$1,300.

"We're not focused on shipping four, five, six hundred dollar PCs. We don't think there's a good way to innovate there or differentiate, and we don't think people are making a lot of money," said Oppenheimer. ●

Technology - MacCentral

Apple Offers Prepaid iTunes Music Store Cards at Target

By Jim Dalrymple MacCentral

Apple Computer Inc. and Target Stores have partnered this week to offer customers a prepaid iTunes Music Store card. In addition, Target will feature iPod kiosks in its stores allowing people to get some hands on time with the iPod.

The \$15.00 prepaid iTunes Music Store cards will be available in two areas of the Target stores: the CD section where customers traditionally purchase music and at the new iPod Kiosk. The kiosks will also feature accessories for the iPod.

"We think this broadens are reach in general," Chris Bell, Director of Product Marketing for iTunes, told

MacCentral. "There are many people that don't want to put their credit card online and we want them to experience the iTunes Music store as well. This is a way to reach a whole new set of consumers -- we also expect it to be a popular gift item with consumers."

While the kiosks will offer consumers a chance to play with the iPod and see many of the accessories that are available for the device, there will not be a computer available for customers to try the iTunes Music Store or see how the iPod interacts with a computer.

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Offering a prepaid digital music card in the same area as traditional CD sales will put the iTunes Music Store in front of consumers that may otherwise not consider purchasing music off of the Internet. Having iTunes in front of those consumers is an important part of expanding the reach of the online store, according to Bell.

"We see our customers are buying multi-formats, much the same way Hollywood does with movies," said Bell. Music is evolving in the same way -- of course we have our hardcore iTunes users who have

gone completely digital, but many people are still buying CDs and we feel it's important to have iTunes in front of those consumers."

Currently, Target Stores in the United States is the only place that will offer the prepaid iTunes Music Store card. Bell would not comment on the future of the partnership or whether the prepaid card would be available at other retail locations in the future.

"We are focusing on a brand that is very compatible with ours and a customer base that we feel is very interested in the product. We'll see where it goes from there." ●

Luncheon Meeting

KMUG Minutes

March 18, 2004

President Don Diehl called the meeting to order. There were 27 people present.

We reviewed some book offers from O'Reilly . We discussed keeping the books for our library or auctioning them so we could add to the treasury. Bill Gremmert & Phil Flieger are going to review OSX.3 and give us reports at the next meeting.

Janet alerted us to some identity theft programs and addresses.

We were happy to see Frank Hartung in attendance. We also had some special guests Aiko Diehl and Allen Newburg.

Dick Nerf did an informative presentation on the physics and psychology of color.

Lewis Coleman hosted the questions and answers portion of our meeting.

Don Diehl adjourned the meeting.

Gwen Kauffroath

Evening Meeting

KMUG Minutes

April 1, 2004

President Don Diehl called the meeting to order. There were 20 people present.

It was decided to keep the OS X book and the OS X disk . They are to be available to the members at each meeting.

Roy Kauffroath arranged for Shelly Watson to do a Microsoft Office presentation at our April 15th meeting. It is planned that a Comp USA representative will make a presentation at the May 20th meeting. John Pizzo is scheduled for June 17th.

Greg Scott did a demonstration to show us how an illustrator uses the Painter program. He did a good job and it was enjoyed by all.

Bruce Patrick hosted the question and answer period.

The meeting was adjourned.

Gwen Kauffroath

***KMUG's home page is now at:
<http://www.homepage.mac.com/kmug1>***

----- **ABOUT MEMBERSHIP** -----

To join Kitsap Macintosh User's Group, send name, address (e-mail and snail mail) and dues (see renewal below for membership fee to:

KMUG

P.O. Box 1271, Silverdale, WA 98383

or come to one of our meetings and sign up!

----- **ABOUT KMUG** -----

Officers/Board of Directors

President	Don Diehl (diehldon@comcast.net)	Web Page Developer	Richard B. Nerf
VP - Apple Representative	Richard B. Nerf	Event Coordinator	John Dunlop
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Evening Meeting Chairperson	Greg Scott	Librarian	Gerry Erickson
Newsletter Coordinator ...	Joe Williams (jwilly6173@yahoo.com)	Member-at-Large	Vacant
Mac Lab Coordinator	Gwen Kauffroath (gwenk17@comcast.net)		

----- **RENEWING MEMBERSHIP** -----

If you received a paper newsletter please check the membership expiration date on the address label.

To renew with the newsletter e-mailed to your computer, dues are \$20.

To renew with a paper newsletter, dues are \$30.

----- **ABOUT MEETINGS** -----

Luncheon

Third Thursday of each month at 10:30 A.M.
Solarium Room, All Star Lanes,
Myhre Road, Silverdale
(one block East of Silverdale Way)

Evening

First Thursday of each month at 6:30 P.M.
Solarium Room, All Star Lanes,
Myhre Road, Silverdale
(one block East of Silverdale Way)

This month's newsletter editor was Joe Williams



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