

From MacCentral

Apple's Macintosh Market Share Soars 16 Percent

by Jim Dalrymple

Buoyed by ever increasing shipments of Macintosh computers, Apple has quieted its Intel transition detractors by posting double-digit market share increases. Two market research firms have pegged Apple's growth at over 15 percent with one giving them a 16 percent increase.

With Mac shipments rising from 655,000 to 760,000 year-over-year for the second quarter, Apple's U.S. market jumped from 4.4 percent in 2005 to 4.8 percent in 2006 — a double-digital growth of 16 percent, according to market research firm IDC.

IDC credits increases in Apple's retail sector of 50 percent, as well as growth of 60 percent in its portable market for the steep increases.

"The strong growth reflects a successful transition to Intel-based systems " a critical transition for the company that sets the stage for future growth," said Richard Shim, senior analyst with IDC's Personal Computing program.

While the news was good for Apple, HP and Gateway — all grew by double-digits — the news

was a bit more grim for market leader Dell. While maintaining its lead, the company's growth was significantly under that of the top performers, as the company posted a 6.4 percent increase.

"HP, Apple, and Gateway led the charge with double digit growth rates outpacing the industry average," said Shim. "Dell slightly lagged the market while maintaining its leadership position by a wide margin."

The news for Apple was just as good from market research from Gartner, as it clocked Apple at a 15.4 percent year-over-year increase for the second quarter. Gartner has Apple increasing sales from 663,000 to 766,000, moving its market share from 4.3 percent to 4.6 percent in the U.S.

Like IDC, Gartner has the top four players in the U.S. PC market as Dell (32 percent), HP (18.9 percent), Gateway (6.2 percent) and Apple (4.6 percent).

Apple beat analyst's earnings consensus on Wednesday posting a profit of \$472 million or \$.54 on revenue of 4.37 billion for the company's fiscal third-quarter. Mac shipments grew 12 percent year-over-year as Apple shipped over 1.3 million computers for the quarter. ●



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***Evening Meetings
Cancelled***

see page 5 for details

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<http://www.homepage.mac.com/kmug1>***

from MacCentral

US Takes Title as Top Spam-relaying Nation in Q2

by the Computing SA Staff

Sophos has published a report on the top twelve spam-relaying countries over the second quarter of 2006.

Experts at SophosLabs scanned all spam messages received in the company's global network of spam traps, and have revealed that for the first time in more than two years the U.S. has failed to make inroads into its spam-relaying problem. The U.S. remains stuck at the top of the chart and is the source of 23.2 percent of the world's spam. Its closest rivals are China and South Korea, although both of these nations have managed to reduce their statistics since Q1 2006.

The vast majority of this spam is relayed by 'zombies,' also known as botnet computers, hijacked by Trojan horses, worms and viruses under the control of hackers.

The top twelve spam-relaying countries from April to June 2006 were: U.S. 23.2 percent; China (& Hong Kong) 20 percent; South Korea 7.5 percent; France 5.2 percent; Spain 4.8 percent; Poland 3.6 percent; Brazil 3.1 percent; Italy 3 percent; Germany 2.5 percent; U.K. 1.8 percent; Taiwan 1.7 percent; Japan 1.6 percent; and Others 22 percent. Sophos noted that spam is even being relayed from The Vatican and Antarctica.

Since the introduction of the CAN-SPAM legislation in 2004, there has been a regular quarter-on-quarter drop in the proportion of spam coming from the U.S. — until now. "It is difficult to criticize the U.S. for failing to take action, given the number of arrests and the huge fines for guilty spammers. The likely reality is that these statistics will not drop unless U.S. home users take action to secure their computers and put a

halt to the zombie PC problem," says Brett Myroff, CEO of master Sophos distributor, NetXactics.

Even though Russia does not feature in the dirty dozen of spam-relaying countries, Sophos has uncovered evidence that Russian spammers may be controlling vast networks of zombie PCs. Sophos recently discovered a Russian spamming price list, which showed that US\$500 would purchase e-mail distribution to eleven million Russian e-mail addresses. On top of this, companies could buy distribution to one million addresses in any country they wanted for just \$50.

One key development in 2006 so far has been the increase in spam containing embedded images, which has risen sharply from 18.2 percent in January to 35.9 percent in June. By using images instead of text, messages are able to avoid detection by some anti-spam filters that rely on the analysis of textual spam content.

Sophos estimates that 15 percent of all spam e-mails are now pump-and-dump scams, compared to just 0.8 percent in January 2005. These scams are e-mail campaigns designed to boost the value of a company's stock in order for spammers to make a quick profit. Many of these spam messages contain images rather than traditional text.

"It is always a concern to see so many pump-and-dump e-mails, particularly as the people acting on these e-mails are not skilled investors. They do not realize that purchasing the shares will not reap any rewards, and benefits only the spammers, while creating a financial roller coaster for the organization in question," says Myroff.

Sophos recommends that computer users ensure that they keep their security software up-to-date, as well as using a properly configured firewall and installing the latest operating system security patches. Businesses must also look to implement a best practice policy regarding e-mail account usage. ●

from MacCentral

Analysts: Brand Appeal Keeps iPod Sales Surging

by Mathew Honan - Playlist

Apple's iPod line has gone months without an update. It's been nearly a year since the portable music player added new capabilities, such as the ability to play video, or appeared in a new form factor, like the slimmed-down nano. In the rapid-fire world of technology toys, that's usually the sign of a product line that's gotten long in the tooth.

And yet, iPods continue to fly off the shelves just as fast as Apple can make them.

The reason for this conventional wisdom-defying turn of events? Analysts and trend watchers credit the iPod for finding a market that isn't as focused on recent product updates as much as it is having one product that "just works."

"The reason people are buying [iPods] is to play music, and it does that very well," says Josh Rubin, editor in chief of Cool Hunting, which tracks consumer trends. "The Macworld [Expo] keynote-watching, blog-reading, Apple obsessed person will watch for the refresh. But the broader consumer base is just interested in having a music player that's easy to use."

No updates, no problem

Aside from the updated U2 iPod, which added video-playback capabilities in June, all of the other iPods released since last October have been refreshes to existing lines. The iPod nano got a February update when Apple released a 1GB version. The iPod has been stuck on its fifth-generation incarnation since the fall; 30GB and 60GB models continue to sell at the same \$299 and \$399 prices they were introduced at. Similarly, the iPod shuffle has never seen a refresh since its launch in January of 2005, though Apple

has cut the price on its flash-based player.

However, the lack of activity hasn't seemed to affect sales. Earlier this month, Apple reported it had shipped 8.1 million iPods during its fiscal third quarter. That's a 32 percent increase over its year-ago quarter, when the company shipped 6.1 million iPods.

The third quarter also saw Apple's third best quarter ever in terms of iPod sales—topped only by the first quarter of this year when Apple sold 14 million iPods, and the second quarter of 2006 when it sold 8.5 million.

Brand identity

One key to this might be that the iPod has transcended the traditional market that Apple and other technology products typically reach. With nearly 60 million units shipped, the device has crossed over from the technology market into the realm of a general consumer product, analysts say.

"Digital music players are becoming mainstream," Cool Hunting's Rubin said. "It's no longer on the outer edge of the long tail."

Another key to the continued growth could be the shorter time consumers are waiting to upgrade their music players. A May 2006 report from Robert Semple of Credit Suisse First Boston noted that the lifecycle of an iPod has dropped from two years to 1.5 years. This makes Apple less dependent on finding new consumers to go out and buy iPods, according to Semple.

"The key takeaway is that if any company can accelerate its product replacement cycle, it becomes less dependent on new user penetration for growth," Semple wrote.

Mike McGuire, research vice president at market-research firm Gartner offers another explanation: Many consumers are still making the switch to digital from physical media. And that's helping fuel strong iPod sales even in the absence of updated models.

Con't on page 4, Sales

from the ApplePRESS

RICK'S PLACE

*By: Rick Calicura,
DVMUG President Emeritus*

Sizzling summer days are here. Tonight as I begin this column, it is a bit after 10 p.m. and about 82° outside.

If you missed our annual Christmas-in-July picnic at Larkey Park, yes, it was hot, but it cooled off a bit as we all sat down to enjoy the delicacies that were brought by our creative members. I chuckled when President Don Nelson asked who



had brought the three-bean salad and nobody admitted to it until Vice President Anne Griffin stood up and said, “There is nothing wrong with it, I just want that recipe.” Everything was just super and the few folks who organized the setup and acquisition of supplies were outstanding.

This is becoming a signature event that many folks look forward to every year. I hope you can join us there next year.

MacHome Gone?

It looks as if one of my favorite publications has closed its doors. The last

Con't on page 5, Ricks Place

Con't from page 3, Sales

“Over the last several versions [Apple] hit some sweet spots in the market, but it's still a new marketplace,” McGuire said. “I think a big chunk of this is that the online music industry and digital online media is still relatively young in the minds and experience of a lot of consumers I think a lot of people may have had portable CD players, and resisted the first three to four years of the iPod onslaught.”

Meanwhile, analysts say the iPod brand has become so synonymous with the digital music player that when average consumers decide to make the transition to digital music, they look for an iPod rather than consider the iPod product cycle or other MP3 players.

“It's similar to Band-Aids and Kleenex and Rollerblades, where the brand has become synonymous with digital music players in consumers eyes,” Rubin said.

The iPod may be synonymous with portable digital music players in most shoppers' minds, says Jupiter Research analyst Michael Gartenberg, there's still an important distinction to be made. “Kleenex is a generic brand for all tissues. You go to Walgreens

and any box of tissues is ‘Kleenex.’ ‘Tivo’ is a generic term for DVR, any DVR is a ‘Tivo,’” Gartenberg said. “‘iPod’ is not generic for an MP3 player. Woe unto the consumer who bought something else as a gift thinking they were buying an iPod. It has not become a generic product; it's a very specific product, from a very specific company, with white headphones, and heaven forbid the consumer erred and got that wrong.”

Despite the iPod' strong continued sales, however, many analysts expect to see an update to the product line this fall in time for holiday shopping. That product, whatever it may be, could well be a complete replacement for one or more products in the iPod line, Gartner' McGuire said.

“As they did with the mini to nano, [Apple] reset the rules, at the height of a product's popularity,” McGuire added. “And they did that for one very important reason: If the competition gets close, and if you have something to pull out of your pocket that's as good or better, then you kill it. And you do what a lot of companies haven't done or can't do, or are afraid to do, and eat your own young. If you really want to stay ahead and keep your competition one step behind you all the time, then when they start aiming for that famous product, you take it out and replace it with something as good or better.” ●

Con't from page 4, Ricks Place

issue of MacHome that I received was the June edition. One of our members contacted me and advised that he heard the magazine had become defunct. I tried calling the publisher, the editor and even the subscription complaint desk. Nobody ever called back. Phil Pearson of MacSurfer told me he hadn't had any factual information about the magazine's demise, but Barbara Hamby of Mac 360 (Bambi) wrote in an email that it looks that way. So, while it is not official, it appears our friendly publication is gone. If you recently subscribed but haven't yet received your first issue, and you paid by credit card, you might contact your credit card company to protect those funds.

Freeware

Let's talk about some neat freeware applications I learned about via MacAddict:

iSquint

If you have a video-capable iPod and want to convert existing video to play on it, this freeware application will do it for you. Moreover, as the iPod can only view video at 320 X 240 resolution, you can also convert the video to better resolution (400 X 300) for replaying through your TV. This software will do batch conversions as well. You might want to check it out. You can find it in the New Uploads section of the BBS. (You are using our Bulletin Board, aren't you?) If you aren't using our FREE BBS, you can download iSquint at either www.versiontracker.com or at www.macupdates.com.

Image Tricks

Image Tricks is a free application to edit and

Evening Meetings Cancelled

Evening meetings have been suspended until further notice. The evening meeting program is in need of leadership and someone to develop a presentation schedule. The original concept was to provide a place for working people and students to come, but the attendees are not from those groups.

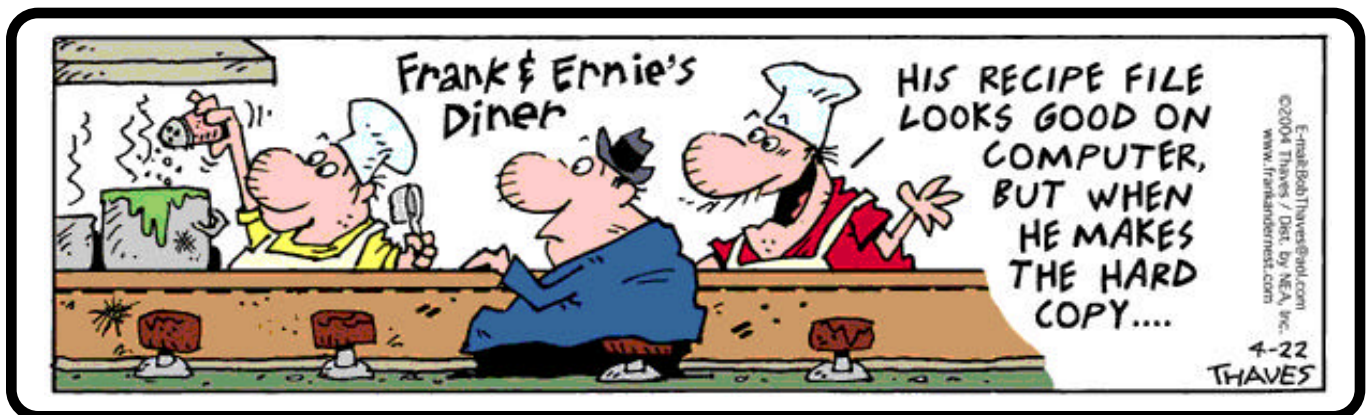
Planning and carrying out a program for two meetings a month has become a burden on the luncheon meeting planners. Mac Lab is still available during the school year for those who wish to find "hands on" answers to their questions.

generate images. It uses Mac OS X Tiger Core Image filters that transform pictures to an amazing extent and apply advanced visual effects. The program can create unique artwork that you might use as business card background, for Web design, in print materials, and more.

Tricks you can play with an image:

- Adjust colors - Saturation, Brightness, Contrast, Hue, etc.
- Blur your picture in different ways.
- Distort images using Twirl, Bump, Pinch and more.
- Stylize your art: Make Mosaic, Crystallize, use Halftone effects, etc.
- Tile, Kaleidoscope and Crop images.

Con't on page 6, Ricks Place



Con't from page 5, Ricks Place

You can also generate images from a set of generators that use mathematical algorithms. Each is individually controlled.

Key Features:

- Easy to use and friendly interface.
- Around 50 Core Image Effects and Filters.
- 12 image generators (19 in Pro version).
- About 30 unique masks can be applied to an image.
- Import over 20 image formats (TIFF, JPEG, GIF, PDF, EPS among them).
- Export to TIFF, JPEG, PDF, PNG and GIF formats.
- Resize and rotate images 90 degrees.
- Open GL acceleration supported.
- iPhoto integration.
- Universal Binary version allows Image Tricks to run natively on both PowerPC and Intel-based Macintosh computers.

More on the iPod

You may recall that last month I wrote a bit about the iPod. I found that if I wanted to copy things from the iPod, I could not do it, but there is a way. In the July issue of Macworld there was a review of a nifty little utility called iPodDisk1.3. This FREEWARE utility runs on the Mac in a way that allows the iPod to appear on the desktop as if it were another hard drive. This approach allows you to drag and drop the contents from your iPod to your Mac. Video files can be moved as well as audio files.

The settings for this software require that your iPod NOT be linked to your iTunes Library on the computer you are working on. This seems obvious, as you wouldn't need to have iPodDisk if you were on a computer that IS linked, such as your main computer. Check it out, the price is right.

Meeting Program

for

August 17th

Guest Speaker

Justin Miller

from Office Depote

topic:

*Services available at
Office Depot*

Antivirus Software for the Mac

I have felt for some time that antivirus software on a Macintosh is a bit like gilding the lily. Yes, there are anecdotal reports about virus attacks, worms, Trojan horses, etc. attacking the Mac, but there has yet to be the kind of attack upon the Macintosh that there is on a daily basis with Windows machines.

Recently, a highly placed executive with SYMANTEC was reported to have wondered aloud, in an interview, just why anyone with a Macintosh would consider purchasing antivirus software. This individual is an executive of one of the major manufacturers of antivirus software, and supposedly in the know. Frankly, this is good enough for me.

I say you simply don't need this software (yet). Though

Con't on page 8, Ricks Place

Disclaimer

The KMUG Newsletter is a compilation of information related to the Macintosh community or areas which impact Macintosh computing. Content comes from a variety of sources: contributions, other user groups or internet news sources. All articles are given full credit for the author and it's source. The information presented in the KMUG Newsletter does not reflect the opinion of KMUG, but is presented for it's informational content.

Evening Meeting

KMUG Minutes

July 6, 2006

Don Diehl made note that attendance was pretty sparse and were the same members who also attend the morning meetings. Therefore, he suggested as a point of discussion, the possibility of suspending evening meetings for a time. It was mentioned that an email questionnaire might go out to the membership with a place to check yes or no.

Bruce Patrick asked if anyone has an entry-level digital camera they no longer use and wish to sell at a low price or donate for the use of a deserving person on a fixed income.

It was mentioned that abebooks.com is a good place to go for new and used books. It was also stressed that one should be careful when dealing with unknown sellers on sites like this or ebay. It is a very good idea to check out the reputation of the seller before doing business.

The program for the meeting was MS Word Basics by Bob Benze. He explained that he starts by going to View and choosing the Ruler and the Formatting and Standard bars. He showed how he opens the new blank document, sets the general preferences and formatting of documents with font choice and size and portrait/landscape page setup and margin sets. He then went to View and set Zoom to a larger size to view the page as it is worked on. (which is not the print size). Using the Formatting bar he showed how to choose paragraph alignment, bold, Italic, underline typing. Under Edit is Copy, Cut, Paste, Select all, Undo Typing, Find and Replace. Tools has Spelling

and Grammar and Word Count. File has Save, (first time to name and designate where) Save, (next time saves changes) Save As (makes a copy), Print and at bottom shows recent documents. Bob distributed a print-out of the steps he described. ●

submitted by:

Phyllis Robie

Luncheon Meeting

KMUG Minutes

July 20, 2006

President Don Diehl called the meeting to order.

There were 27 people present.

Jim Bybee gave the Treasurer's report.

Need for a night meeting was discussed. We will meet August 3rd and decide. Some one needs to come forward and be responsible for the evening meeting, if it is to continue.

Dick Nerf presented a demo on Neo Office that was well received.

Ross presented his new book and explained his experience with electronic publishing. He was impressed with the Adobe Standard program and the way it displays PDF files. He gave everyone a copy of "Gardens of Grapeview". Thank you Ross.

Lewis led the question and answer session.

The meeting adjourned. ●

submitted by

Gwen Kauffroath

Need some technical assistance?

There are several local people who are in the business of providing technical assistance for the Mac. You may have seen and heard them making presentations and answering questions at KMUG meetings. If you need help, look at the Professional Technical Assistance Referral area on the KMUG Website.

<http://www.homepage.mac.com/kmug1>

Con't from page 6, Ricks Place

there may come a day when there are bona fide threats to the Mac and you will have to protect yourself. Of course, common courtesy requires that you refrain from infecting your friends in the peecce world. Yes, we can propagate viruses, etc. by forwarding infected documents that we have received from Windows users. Interestingly, you could have a full mailbox of infected email and your Mac will be invisible to the little scourges, but you can pass them on even if you can't be affected. On that basis, yes, it would be nice to be able to cull out those infected files.

BOOTCAMP (Windows on a Mac)

Now, with the advent of Intel chips in the Macintosh, most of you know that it is easy to install Windows on a Macintosh (Intel models only) by using the free beta software from Apple known as BootCamp. When I installed BootCamp on my new Intel 15" MacBook Pro, I was unsure as to how much space to allot to the "partition" that BootCamp would create. I allowed as how 5 gigabytes should suffice. Boy, was I wrong!

After setting aside 5 gigs of space on my hard drive, I installed Windows XP Pro and then proceeded to install several applications: Microsoft Office 2004 Pro, FileMaker Pro (Windows); AppleWorks for Windows, Photoshop Elements, Roxio's disk burning utility for Windows and an antivirus (yes, you absolutely MUST have antivirus software for a Windows machine), antispysware (freebie) and the games Tetris and Solitaire.

It turned out that I had to eliminate some of the software, as I had no room on the partition for updates, etc. The 5 gigabytes of space was simply not enough. I think that a MINIMUM of 10 gigabytes would be a more realistic size of partition to create before installing Windows via BootCamp.

There is another piece of software you can purchase to run Windows XP on your Intel Mac; it's called Parallels. If you plan on using Parallels, ignore all of the above because, as I understand it, this program simply uses available space and does not a true partition. ●

from MacCentral

Quicken 2007 Ships, but Without Intel Support

by Jim Dalrymple

Financial software-maker Intuit announced the release of Quicken Mac 2007 Tuesday. But with the personal-finance application appearing on retail shelves, it arrives without native support for Intel-based Macs.

Quicken Mac 2007 sports several enhancements including 401(k) investment management, a paycheck detailing feature, and a Dashboard widget for rapid entry of transactions. However, it's the lack of a Universal Binary version that runs natively on both PowerPC and Intel Macs that's likely to attract the most attention of Mac users, who have become accustomed to updated software adding that compatibility ever since Apple announced a year ago that it would use Intel-supplied processors in its hardware starting in 2006.

Intuit representatives confirmed for Macworld that the application is not Intel-native, but did not respond to other questions seeking comment on whether Quicken Mac 2007 would be updated to include that support any time in the future.

The previous version of Quicken came out last August, just two months after Apple announced its Intel plans. Intuit typically releases a major annual update to the software, usually in the late summer.

Quicken Mac 2007 costs \$70; in another move that's sure to catch Mac users' attention, Intuit offered no information about rebate pricing for this version. Last users upgrading to Quicken 2006 got a \$20 rebate if they did so by November.

New features

The 401(k) management capabilities highlight the

Con't on page 9, Quicken

Con't from Page 8, Quicken

changes introduced in Quicken Mac 2007. Intuit added the features in response to a survey of Quicken customers which found that 56 percent felt they were not prepared at all for retirement. The new features let Quicken users download and track 401(k) accounts and investments, including share holdings and daily prices, as well as other data. The software also promises to let users monitor returns and move funds among assorted investment options from within the Quicken interface.

Quicken's new paycheck detailing feature lets users download, track, and verify the accuracy of paycheck information through a simple interface. Intuit says this feature will help users keep better track of account balances and investment contributions for more informed tax and open enrollment decisions.

Intuit bills the QuickEntry Dashboard widget as a timesaver. If you don't have time to open the full application to add some information, but still want to record data, you use the widget to jot down relevant information. The next time Quicken launches, the application will automatically add the new entry.

The QuickEntry Dashboard widget features requires OS X 10.4.6; the software also runs on machines using OS X 10.3.9 and later.

Quicken Mac 2007 retains the program's payment scheduling, reminder, and other financial management features. The latest version boasts added

security and encryption for .Mac subscribers who back up their Quicken data to Apple's online storage service. ●

from MacCentral

Apple Initiates 15-inch MacBook Battery Recall

by Jim Dalrymple

Apple Computer on Monday issued a battery recall for its 15-inch MacBook Pro. Apple said the affected batteries do not pose a safety hazard and users can continue to use them until the new ones arrive.

"We recently discovered that some 15-inch MacBook Pro batteries supplied to Apple do not meet our high standards for battery performance," said Apple's statement announcing what it calls an exchange program.

to Apple the affected batteries have model number A1175 and a 12-digit serial number that ends with U7SA, U7SB or U7SC. To view the model and serial numbers located on the bottom of the battery, you must remove the battery from the computer. The battery serial number is located above the barcode.

More information on the exchange program and details on how to receive your new battery is available from Apple's Web site. ●

***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), phone number and dues (\$20/year) to:

KMUG

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or come to one of our meetings and sign up!

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

Renewal notices will be delivered by email.

Renewal dues are \$20.

----- **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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