
Timeline
Sturlasgade 12
DK - 2300 København S

IPU Administration

Vores ref.: 7113/29059

Att.: Maiken Fredsted

Ang. ny identitet for IPU

The technology industry badly needs a shake-out. A consolidation of the myriad technology providers that sprang up in the 1990s would benefit the industry and its customers. Yet because of the interlocking interests of executives and board members, this catharsis will probably not come from within the industry. Interlopers from the edge of the industry or beyond will probably drive this change.

During the 1990s, the boom in high-technology spending spelt prosperity for new and established companies alike. The popularity of enterprise resource planning and electronic customer-relationship management systems, preparations for the "millennium bug", personal computer upgrades to install internet-ready operating systems, demand for cell phones and personal digital assistants and the telecommunications companies' rush to build new networks – all created about \$1,000bn more demand than trends would have predicted in 1989.

Now the demand is gone and we know there was less benefit from the technology buying than the New Economy prophets would have had us believe. The overhang of capacity is significant. In software, for example, the number of companies increased by 15 per cent over the 1990s while the market grew by 12 per cent. For these companies to meet the projected consensus earnings reported by Zacks, average net margins would have to increase 94 per cent to a record 18 per cent. At the same time, software investment has risen to 11 per cent.

Yet the companies formed are still with us. Some are substantial businesses with good long-term prospects. They will invest through this downturn and emerge as leaders. Think of Intel riding out the perilous financial times in the mid-1980s as the initial PC bubble burst. Many companies, though, are investing for a future they cannot reach. They need to be restructured – downsized, merged, acquired.

But it is not happening. Managers and boards of some high-tech companies share an interest in maintaining their positions. Because technology companies favour executives in the industry as board members (for their expertise), these informal coalitions cross company.

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Med venlig hilsen

Jesper Windum

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Ref. 7113/29059
Faktura 29059

Danske Bank
4260-4260137816

Systematic Design og Industrial Products

Systematic Design og Industrial Products	1 stk.	kr.	200,00
Systematic Design og Products	5 stk. á 100 kr	kr.	500,00
Industrial Products	1 stk.	kr.	200,00
Products Design	1 stk.	kr.	200,00
Systematic Design	10 stk.	kr.	1000,00
Industrial Systematic Design Products	1 stk.	kr.	200,00
Forsendelse		kr.	40,00
I alt		kr.	2340,00
Moms 25%		kr.	585,00
I alt		kr.	2925,00