

Being the boss of Apple may once have been considered one of the coolest jobs in the business; but, given the troubled times the company has been through during the past 12 months, there can now be few people who want to stamp the title 'Chairman of the Board and Chief Executive Officer, Apple Computer Inc.' on their CVs. Not so Dr Gil Amelio, who signed up for the job in February. In fact, he's positively glad he did, as he claims: "I can honestly say that the past six months have been the time of a lifetime."

The past six months have seen the Mac maker not only announce its largest ever financial loss (a staggering \$740 million) but the commencement of a program to replace thousands of dodgy Performas and PowerBooks, and the admission that its Windows-beating next generation Mac System software, codenamed Copland, won't actually ship when the company said it would and may not include many of the promised features. No wonder there has been a feeling, as much among dedicated Mac users as people in the industry, that Apple has had its day.



Amelio on... The Network Computer

"It will not displace your conventional personal computer. We've already done [the NC] several times in this industry and we always went beyond it. I don't think it will ever be a huge market, but it will be a market where people can make money."

"Apple is going to be devoting its energies to looking beyond the browser," explains Amelio. "At the end of the day you're trying to make yourself more productive. Through the Internet, you have access to what's essentially an infinite source of information, and you need to know how you manage that to make yourself more productive. No one has adequately grasped that problem so far, and we at Apple feel we need to bring some technology to bear on this."

The last sentence is delivered with sharp, emphatic raps on the table – it's clearly the key to Amelio's take on Apple. His credo is that using a computer isn't about running applications or operating systems but working with information. "The computer industry is going through some fundamental changes right now and nowhere is that better symbolised by the rise of the Internet," he says. "Three or four years ago, no one predicted its importance. Why? What was it that we all missed?" He is quick to answer. The applications and operating systems themselves may be interesting pieces of technology but no one ever bought a computer just for them; no one's

organising information to make it more accessible. V.Twin sits inside your Mac's System software and hunts for documents in any location, from the Net down through a local network to your own hard disk. No crude word-search system, V.Twin will take even entire paragraphs of text, boil them down into their key subjects and seek files and Web pages that deal with those subjects, producing short abstracts of their contents as it goes.

MCF is all about adding structure to information stored in databases, wherever they're located, so they look like a single database. "You just ask for information once, not for as many databases as are out there, some of which you may not even know exist," enthuses Amelio. Equally useful, he adds, is MCF's ability to record relationships between data, which makes it easy to move from one subject to another similar one without having to know from the start that they are similar. "It allows you to find things you didn't even know you were looking for but which may turn out to be very important. And that's the really important thing about MCF."

What's going on at Apple's headquarters? **Tony Smith** talks to Gil Amelio about his plans for the company and its products.

Values

Rubbish, says Amelio. Apple's most damaging problems have been fixed, he believes, or are in the process of being solved – getting the house in order, as he calls it. The question of Apple's future is no longer whether or not it has one, but what it's going to do to rebuild its standing. It's time, in short, to explain what happens next. To that end, the good Doctor spent a sunny afternoon in Apple's UK HQ talking to *The Mac* about the challenges – and opportunities – facing the company and how he's going to address them.

The Internet is what Amelio is looking at foremost. He's keen to point out the joint effort that Apple and Netscape have announced to integrate Navigator's Web browser technology right into the Mac's System software, and the continuing development of Cyberdog, which is Apple's own suite of Internet tools. But the company is out to offer much more than a better browser.

interested in a browser unless they have something interesting to browse.

Apple's efforts to address this, at least as far as the Internet is concerned, will concentrate on two technologies: a search system called V.Twin, and the technospeak-sounding Meta Content Format (MCF), which is a new way of

Amelio on... Be

"It's inevitable that we'll do something with them."



You can see MCF in action with Apple's latest software toy, HotSauce. This new plug-in for Netscape Navigator allows you to fly, cyberspace-style, through what Apple calls 'X Space', a 3D visual representation of linked subjects. As you move toward a topic, others appear around it out of the data space, some linked to the topic you're zeroing in on. Double-click on an item and you're taken to the Net resource it represents, whether that's a Web page, file archive, QuickTime movie or whatever. Apple also has a separate MCF application that represents MCF data as folders and files, just like the Finder.

But the Internet doesn't just provide scope for Apple to produce fresh new technologies that will help people work more effectively than they can on other systems, it also gives Apple an opportunity to make headway in selling boxes, the core of its business and what pays for the development of all this

interesting software. Amelio believes that the real strength of the Internet is its 'platform agnosticism', which means the way it does not inherently care what kind of computer you use to access it. For him, this is a vital fact because it means that standards defined by the industry will no longer relate to specific kinds of computer but to this global system. The old phrase 'industry-standard PC' ceases to mean anything: instead, any machine that can support the Internet becomes the standard. In that kind of world, people can no longer ignore the Mac because it's not standard hardware. Quite the reverse: it is.

Suddenly, the Mac and PC are facing each other across a level playing field. Then, says Amelio, Apple can compete the "good old-fashioned way", by offering better boxes based on more innovative technology than available from the competition – that is, the DSUV (Distinctly Superior User Value) he's keen to talk about. The growing weight of cloners – and Amelio remains thoroughly committed to licensing the MacOS, he claims – supporting Apple's own efforts will help too.

Amelio on... Apple's Past Mistakes

"The problem we had in 1995 was that we were chasing market share but were building lousy products that weren't as good as those we'd done in the earlier days. The solutions weren't as innovative, the implementations weren't as elegant. We sold a lot of boxes but I'm not sure we did ourselves proud."

Amelio on... The Weather

"It's such a beautiful day outside."



He says: "Copland was defined in 1993 with the intention of it coming out in 1995, and had all that happened it would have been great. At this point, we have to do something better than Copland."

"Are there aspects of Copland that are good? Of course, and we'll implement those and we'll release those as they're available. But I want to be clear about this, Copland is not the end-all of what this is all about. I'm not even sure the OS is what's going to drive things for the user in the future anyway."

So what will drive things in the future? The bits in the middle, tucked between the operating system and the applications, the software that adds

That emergence could easily see Apple trying more vigorously to make money out of its technologies. Amelio casually mentions that the company may once again charge developers – and possibly users too – for the rights to use technologies such as QuickTime and QuickDraw 3D. "We're used to paying for System software and applications," he says. "We shouldn't have a problem paying for the middleware." That said, Amelio is quick to mention that no firm decision has yet been taken – Apple is just looking at the options. "Who knows, maybe we'll give away the OS and charge for the other stuff," he adds. Whichever course Apple takes, it's clear that, as a company, it can no longer afford expensive research and development programs only to give the final product away for free.

At all levels, Amelio clearly has his strategy sorted out, which leaves only the question of if it will work. It certainly sounds appealing. If, as Amelio predicts, operating systems end up all the same – "the basics of a good OS are well-known; there won't be much to distinguish them" – then buyers may indeed start



Amelio on... Pippin

"We haven't decided what were going to do with it yet."

Amelio on... Microsoft

"The dominance that Microsoft has today is at risk."

Amelio on... Apple's Grand Scheme

"We're going to compete in the good old-fashioned way. We have to make better boxes with more innovative technology that are more pleasing to use and less costly."



But can Apple really compete this way? Can it genuinely offer distinctly superior user value? With the latest Performas, the 5400 and 6400, it can produce high quality, high performance computers – and hopefully it will continue to do so – but what about that other crucial Mac component, the System software? True, that's less important than the information, but it still counts for an awful lot when it comes to how you experience the use of your computer and determines to a great degree whether that experience is pleasant and easy. Apple's goal was to revolutionise that experience with Copland, but that's been delayed and delayed, and may not include all the revolutionary stuff. Aren't Amelio's dreams of a level playing field going to be kiboshed by this?

No, says the man at Apple's helm, because what matters are Copland's features, not the operating system itself.



Amelio on... Apple Dominating The Market

"We're not going to be all things to all people. That's something we can't afford to do, nor should we do. If you're looking for some kind of universal solution, we're not it."

functionality to both to make computer use more pleasant and more productive. Amelio believes that 'middleware', as he calls it, will change the way the computer industry works. MCF and V.Twin are both types of middleware, as are Apple's key technologies such as QuickTime, QuickDraw 3D and OpenDoc.

"Increasingly, you'll see people developing technology at those layers, initially around the Internet but increasingly around other things." The features they add will attract users to specific technologies. Apple, with its middleware experience, is in a good position to capitalise on that. "Apple is pretty well equipped to compete in this area. If you look at the things we've done successfully, many fall into this category. We have a knack for doing good things in middleware, like QuickTime, which has been very successful. We'll have the opportunity to re-emerge as a significant fighter on this new battleground."

looking at the Mac the same way they would view a PC. But there's a flaw: Apple wants its technologies to be available on any platform. If the System software is as good, and you can get QuickTime *et al* on a PC, why not buy a PC? Especially if, as seems very likely, PCs remain cheaper than Macs or clones. So we're back to the old argument: yes, PCs are cheaper and Windows 95 is (almost) up to System 7.5 standards, but Macs are still easier to use. A fair point but, since Apple didn't manage to sell bucket loads of kit on the back of it in the past, it's not likely to be able to do so now.

The first challenge Amelio set himself was to bring Apple back to profitability. He's likely to succeed. The challenge of expanding the number of people buying and using Macs, however, will prove much more difficult. Amelio's Apple is here to stay, but don't expect it to conquer the world.

