

## HP TO JETTISON UP TO 30K JOBS AS PART OF SPINOFF

**SAN FRANCISCO:** Hewlett-Packard Co. is preparing to shed up to another 30,000 jobs as the Silicon Valley pioneer launches into a new era in the same cost-cutting mode that has marred much of its recent history.

The purge announced Tuesday will occur within the newly formed Hewlett Packard Enterprise, a bundle of technology divisions focused on software, consulting and data analysis that is splitting off from the company's personal computer and printing operations. The spinoff is scheduled to be completed by the end of next month, dooming 25,000 to 30,000 jobs within HP Enterprise. The target means 10 to 12 percent of the 252,000 workers joining HP Enterprise will lose their jobs as part of the company's effort to reduce its expenses by \$2 billion annually.

Roughly 50,000 workers will remain at HP Inc., which become the new name for the company retaining the PC and printer operations. The cuts expand upon austerity measures that HP has been pursuing for years to offset the damage caused by acquisitions that haven't panned out and a technological shift from PCs to mobile devices that reduced demand for many of the company's key products.

HP has already jettisoned 55,000 jobs during past few years under CEO Meg Whitman, who will be the leader of spin-off HP Enterprise. In an illustration of how far HP has fallen, its job cuts are being made while many other technology companies better positioned to take advantage of the mobile evolution have been on hiring sprees.

### Employee-friendly

For instance, Google's workforce has swelled by 25,000 employees, or 77 per-

cent, during the past four years. HP's layoffs have been demoralizing blow to a company that provided a template for future Silicon Valley entrepreneurs when William Hewlett and David Packard founded it 76 years ago in a Palo Alto, California, garage. Hewlett and Packard later embraced an employee-friendly philosophy that became known as the "HP Way."

Things began to change at the outset of this century under former CEO Carly Fiorina, now a candidate for the Republican Party's nomination in the 2016 race for president. Fiorina engineered a \$25 billion acquisition of PC maker Compaq that angered many shareholders, including heirs of the company's founders. She cut more than 30,000 jobs before she was fired a decade ago.

Fiorina's successor, Mark Hurd, also lowered expenses through much of his tenure and orchestrated an acquisition of technology consultants EDS that many analysts believe did more harm than good. Hurd stepped down in 2010 in a dispute over his expenses and his involvement with an HP contractor.

Despite the upheaval, HP remains one of the world's biggest technology companies. HP Enterprise expects to have more than \$50 billion in annual revenue. Whitman is touting the splintering of HP as a way to breathe new life into two companies that will be better suited to innovate in their own product areas and take care of their customers. HP Enterprise focuses primarily on businesses and government agencies, while the PC and printing divisions depend on the consumer market for a significant chunk of their revenue. "Hewlett Packard Enterprise will be smaller and more focused than HP is today," Whitman promised in a Tuesday statement.



**SAN FRANCISCO:** Attendees take photos and videos of new iPad Pro models on display during an Apple media event. — AFP

## APPLE FACES HURDLES IN IPAD PRO USE IN BUSINESS

### EXPENSIVE DEVICE LACKS SPECIALIZED BUSINESS APPS

**SAN FRANCISCO:** Apple Inc faces significant challenges selling its larger and more powerful iPad Pro to businesses because companies are reluctant to switch software vendors and use an expensive device that lacks specialized business apps, analysts said. "They've tried to ... focus on the enterprise but over the last two years it has really not been successful," said Daniel Ives, a senior analyst at FBR Capital Markets. The enterprise market, which is how Apple refers to its business customers, represents 10 percent of its \$183 billion annual revenue, he said.

Apple has at least one client so far: General Electric has given some of its 305,000 employees the option to use Apple devices at work, with 20,000 iPads and 60,000 iPhones now available in their offices. It is not clear how much this is worth for Apple, nor how it generates about \$18 billion a year from the enterprise market.

Apple officials declined to comment on plans to market iPads to business customers, referring queries to a product announcement event that happened Sept. 9. At that event, Phil Schiller, Apple senior vice president of worldwide marketing, said the iPad Pro was faster than 80 percent of portable PCs, signaling that Apple may think the device could replace workplace laptops from companies like Dell and HP. Schiller called the iPad Pro "ideal for professional productivity."

### Corporate buyers

Selling tablets to corporate buyers is an attractive option for Apple amid slowing global iPad sales, which have fallen for two quarters. Research firm Forrester projects that sales to businesses will represent as much as 20 percent of the overall tablet market by 2018, compared to 14 percent this year, as the market grows from

218 million units to 250 million units.

"The iPad Pro is important for Apple because they're beginning to saturate the personal device space and it's a logical step for the company if they wish to expand their market share," said Michael Yoshikami, head of Destination Wealth Management, which has \$1.5 billion under management and owns Apple shares. The price of its products is one obstacle Apple faces as it tries to move deeper into the enterprise market.

The iPad Pro starts at \$799 but costs more than \$1,000 if buyers also want a keyboard and an optional stylus. That's more than Apple's existing tablets as well as devices made by Microsoft Corp and other PC makers like Lenovo. It's about the same price as Apple's own MacBook Air, a laptop.

The iPad Pro's biggest competitor is likely Microsoft's 12-inch Surface Pro 3, also geared towards the business market. While the Surface has the same starting price as the iPad Pro, Apple charges extra for a keyboard and stylus.

In July, Microsoft said its Surface line of tablets brought in \$888 million in the most recent quarter, up 117 percent from the same time last year, boosted in largest part by the Surface Pro 3 and the launch of Surface 3. "The most formidable opposition to adoption is price ... The iPad Pro has a lot of utility and technology that Apple brought to bear but unfortunately the price never goes away as a challenge," said Keith Bachman, a senior analyst at BMO Capital Markets.

It's also not clear how Apple is going to expand their sales to businesses, as only a few companies like GE have made any significant investment to switch to Apple devices, said J.P. Gownder, a Forrester principal analyst.

At GE, which gives employees the option of using Apple devices at work, just 10,000 of its 170,000 office workers using computers on a regular basis use a Mac. In the meantime, Apple has entered into partnerships with IBM and Cisco, aimed at creating more enterprise-friendly software to run on iOS, the Apple operating system, but little is known about these partnerships. The iPad Pro is "going to be a real accelerator for our partnership and Apple as well," said Kathryn White, IBM's vice president of strategy and markets for the company and Apple's partnership. "Clients that have seen it and are thinking about it are really excited about it." A Forrester survey last year of more than 4,000 office workers found that they still rely heavily on laptops at the workplace and estimated that global information workers are three times more likely to use them for longer than four hours per day than tablets.

Finally, analysts say that the vast majority of companies use custom-built applications and databases that are still not compatible with Apple's iOS and are unlikely to switch to Mac devices. GE has an internal group dedicated to developing applications that can run on Apple's mobile devices, and IBM and Apple are developing a number of iOS applications for enterprise clients in industries ranging from banking to healthcare. But for most companies, Gownder said, "You still can't run all your business-critical applications through Apple."

Gownder wrote in a report on Thursday that technology decision-makers currently favor Windows over iOS for ease of support by 42 percent to 16 percent. "Enterprises have spent billions on applications that are unique to their business and having 40 apps from IBM doesn't change that fact overnight," he said. — Reuters



**PALO ALTO:** This file photo shows an exterior view of Hewlett-Packard Co headquarters. — AP

## SNAPCHAT ADDS FREEMIUM FEATURE WITH PAID REPLAYS

**LOS ANGELES:** Snapchat just added a freemium feature to its service that could make the company a lot of money—but some are wondering whether it should share any of those dollars with creators. The company introduced paid replays on Tuesday, allowing users to purchase credits to replay past snaps before they disappear from the platform. Snapchat users can usually only view a snap once. The company first introduced replays close to two years ago, allowing users to replay just one snap per day.

With the new paid feature, users can access more of those lost snaps—for a fee:

Three paid replays cost \$0.99. Here's how the company's blog post puts it: "You can use a Replay on any Snap you receive, but you can only Replay any Snap once. They're a little pricey—but time is money!"

The addition of paid replays could be a substantial new revenue opportunity for the company, which is expected to generate \$50 million with advertising this year. However, it has also made some observers wonder whether Snapchat should add monetization features to its platform to give users a cut when their snaps are replayed for a fee. — Reuters



**SAN FRANCISCO:** CEO Mark Zuckerberg gestures while delivering the keynote address at the Facebook F8 Developer Conference. — AP

## FACEBOOK WORKING ON 'DISLIKE' BUTTON

**SAN FRANCISCO:** Facebook, pressed for years by users to add a "dislike" button, announced Tuesday it was working on the feature and will be testing it soon. "We've finally heard you," CEO and founder Mark Zuckerberg told a public town hall meeting in Facebook's hometown of Menlo Park, California.

A question submitted online by a user asked the oft-repeated question of why there were no buttons along the lines of "I'm sorry," "interesting" or "dislike" in addition to the classic thumbs-up "like" button, through which users show their support for posts by friends, stars and brands on the social network. "Probably hundreds of people have asked about this, and today is a special day because today is the day where I actually get to say we are working on it

and are very close to shipping a test of it," Zuckerberg said.

"It took us a while to get here... because we don't want to turn Facebook into a forum where people are voting up or down on people's posts. That doesn't seem like the kind of community that we want to create." He said he understood that it was awkward to click "like" on a post about events such as a death in the family or the current refugee crisis and that there should be a better way for users to "express that they understand and that they relate to you." "We've been working on this for a while, actually. It's surprisingly complicated to make," Zuckerberg added. "But we have an idea that we think we're getting ready to test soon, and depending on how that goes, we'll roll it out more broadly." — AFP

## US UNIVERSITIES LEAD WORLD IN INNOVATION

**LONDON:** US universities lead the world in scientific innovation but face strong competition from Asian rivals with close ties to industry, according to a detailed analysis of academic papers and patent filings. The inaugural Reuters Top 100 survey, published yesterday, places Stanford University in top spot, reflecting its position as a crucible for new ideas at the heart of Silicon Valley.

Stanford alumni have gone on to create some of the world's biggest technology companies, including Hewlett-Packard, Yahoo and Google. The top nine places are all taken by US schools, with Massachusetts Institute of Technology (MIT) and Harvard University ranked second and third. The Korea Advanced Institute of Science and Technology (KAIST) was 10th, while Imperial College London was the highest-ranked European in 11th place.

Asian universities are a growing force in scientific innovation and have proved particularly adept at turning this into products, with South Korea-home to rising tech giants such as Samsung-scoring highly in patent approvals. South Korea has eight schools in the top 100 universities, while Japan has nine more than all countries bar the United States. China, however, had only one entry on the list in Tsinghua University, ranked 72nd.

Polymakers and corporations alike rely on universities to convert publicly funded science into knowledge and ultimately new products that drive economic growth. But while academic innovation is lauded around the world, it is not easy to measure. The new Reuters league table aims to produce the most comprehensive and systematic ranking to date by analyzing 10 different measures, based on the volume and impact of scientific research, the volume and success of patent filings and the use of cited discoveries in the academic and corporate worlds.

Large, populous countries inevitably score highly, so it is also instructive to look at relative performance. Tiny Switzerland, with a population of eight million people and two of the world's top drug companies, stands out with three schools on the list, giving it more than 100 innovative universities per capita than any other country. — Reuters



**SAN FRANCISCO:** A man leaves the headquarters of Uber. — AP

## INDIA'S CAPITAL REJECTS NEW UBER LICENSE BID

**NEW DELHI:** New Delhi authorities have rejected for a second time Uber's request to operate in India's capital, the latest blow for the taxi firm seeking to expand in India, an official said yesterday. The US-based ride-hailing company and its Indian rival Ola cabs were banned from operating in December after one of the American company's drivers was charged with raping a passenger.

Uber, which connects passengers to drivers through smartphone apps, subsequently applied for a formal license to operate as a radio taxi company with offices and call centers. But Delhi's deputy commissioner of transport, S Roy Biswas, said Uber failed to comply with requirements for a license, including a GPS system to track its taxis and police verified badges for its drivers. Uber was also flouting the ban, with its cabs still plying the city while awaiting license approval, Biswas told AFP. "We asked Uber representatives to appear before us twice but they did not turn up," he said. "We have listed down all the reasons why we have refused them a license."

Authorities in June rejected Uber's previous application, partly for failing to halt its operations in the city. Uber set up its India operation in September 2013, and now operates in nearly a dozen Indian cities. Following the rape scandal, the company was accused of failing to conduct adequate background checks, after it emerged that the driver had previously been accused of assaulting women.

The Uber driver has pleaded not guilty to charges of rape, kidnap and criminal intimidation and is currently on trial. The California-based startup's rapid international growth has sparked tensions with rival taxi companies, which protest that Uber cars are not subject to the same regulations. An Uber representative in India said yesterday the company has not received any notification from the government. "Uber remains committed to serving the Delhi community and we continue to work closely with the Delhi authorities to address any concerns they have," the company said in a statement. Uber said in July that it plans to invest \$1 billion in India over the next nine months. — AFP