

ANNEX BULLETIN

Annex Bulletin 2008-13

June 15, 2008

A partially OPEN CLIENT edition

Recent...

HEADLINES

[MacAttack Falters at Foot of Mount Vista](#) (A story about yet another attempt to break away from Windows)

[Better Late Than Never](#) - Analysis of a rumored HP takeover of EDS

INDUSTRY TRENDS

Updated 8/03/08, 8:30PM PDT, adds "[A Sad Epilogue...](#)"

A Story about Yet Another Attempt to Break Away from Windows

MacAttack Falters at Foot of Mt. Vista

Bad Apples in Apple's Dealer Orchard Show Good PC without Good Service Is As Useless As Bad Software

SCOTTSDALE, June 15 – So you thought I'd forgotten all about my promise to report back on my planned effort to switch from Windows to Mac? I would not blame you if you did. For, it's been almost a year since that Fourth of July "Personal Declaration of Independence" (see "[Climbing Up Mt. Vista](#)", July 2007).

Well, I did not forget. On the contrary, it has been bugging me that I have not yet done it. But a few hundred thousand miles of air travel and many other business and personal obligations had gotten in the way. What I needed was a few weeks of uninterrupted time on the ground here in Scottsdale so I could give Apple and Mac a fair shot.

Finally, at the end of May, a window of opportunity to get away from Windows opened up. And I took it. With gusto.

Sadly, the outcome was not all that different than my last year's unhappy experience in scaling Mt. Vista. MacAttack faltered at the foot of Mt. Vista, thanks to some bad apples in Apple's dealer orchard. They managed to prove that good products (MacBook Pro) without good service is about as useless as bad software (Vista).

MacAttack: Play-by-Play...

When I went to the only Apple store in the Phoenix area last summer, the place was like a zoo, swarming with people. And it was about a 20 mile-trip for me to get to it. So this time around, I decided to give a local Apple dealer a try instead. The main reason was Re-Mac's proximity to my home.



I had dropped by the Re-Mac store once before, in early March, just to meet the sales people there and see what they have to offer. But at the time I had several overseas trips looming ahead. So I just took their business cards and made a post-date to get back when I see an opening in my schedule.

Also check out...

[Index 1993-2008](#)



[IBM "Places" By a Nose over Google](#) - Analysis of Top 20 IT Cos stock and business performances

[Big Blue Takes Chill Off Wall Street's Spring](#) (Analysis of IBM's first quarter business results)

[Just Say NO to Greed - Killer of Dreams!](#) (An editorial comment about subprime financial crisis)

[The z10 Lifts "Big Green"](#) (Analysis of IBM's new mainframe announcement)

[HP Beats the Street Again](#) (Analysis of HP's 1Q08 business results)

[Cappgemini's Great Valentine's Day Gift](#) (Analysis of Cappgemini's 4Q07 and FY07 results)

[Profit Drops, Stock Follows](#) (Analysis of EDS's 4Q07 results)

[Profit, Revenue Surge, Lifting Stock, Too](#) (Analysis of CSC's 3Q08 results)

[Services, Emerging Markets Boost IBM](#) (Analysis of IBM's full 4Q07 results)

I did that on Thursday, May 29. I approached the same young sales person whom I met in March. Sean did not seem to have any recollection of our conversation back then. Yet the store was empty at the time, as it was now. And I must have spent 20-30 mins with him back in March. "Not a good start," I made a mental note, but said nothing out loud.

I told Sean again all about my system, and what I was trying to achieve by switching from Windows to Mac. He said that everything I had would run on Mac with no problems. He added that they would transfer all my programs and data for a \$99-fee. So I placed an order for a top-of-the-line MacBook Pro laptop. At \$2,960, the cost was nearly triple that I could have bought a Windows notebook for. But I did not mind it. If Mac did deliver the promised freedom from Windows and Microsoft's dysfunctional software, I would be happy.

I did stress to Sean, however, that I had a short trip coming up the following week, and would need to have the data transfer done no later than Monday June 2. Sean said they could not guarantee it but would make the best efforts to do it.

"You know, Sean, you guys have a potential gold mine here because Microsoft screwed up so badly," I said. "But you do need to do a little work to help a customer come over rather than just sit back and take the orders."

Instead of taking this advice to heart, Sean quoted this company's rule book to me again. "We also have other customers to take care of." Way to make a customer feel small.

Besides, I looked around the store. There were no other customers. Just the two idle Re-Mac sales people and I. In fact, that's one of the things I was hoping to gain by dealing with small dealer - more responsiveness and better service. They did not seem as busy as the Phoenix Apple store. Yet this young man had the sales skills of a car mechanic.

"Not good," I made another mental note. I was hoping to be made to feel welcome to the Apple family. "Maybe that's just a standard disclaimer. He is young. Maybe he is afraid that doing anything special for a customer would get him in trouble with the boss."

So I decided to wait and see if the Re-Mac deeds made up for a lack of its sales skills. I dropped off my laptop the same afternoon so they could begin the transfer of my files first thing in the morning (Friday).

The next day, however, Sean called me to say that that the Mac Office 2008 software cannot convert the Outlook Express files. "We can only do it from the Outlook," he said.

I was dumfounded. "But I told you exactly what I had on my system before I placed the order. And I told you I was using Outlook Express." By now, I was starting to get a little irritated. Even car mechanics can be taught to listen, if not sell.

"We can refund your money, if you want," Sean said with a I-could-not-care-less nonchalant attitude. "We have not opened the box as yet."

I thought about my options for a while. Not being one who gives up so easily on a promised freedom from Windows, I said, "leave it with me, at least for today. I'll see if I can convert my OE data to Outlook."

I then bought a brand new copy of Outlook 2007, thinking that the latest version should give me the least amount of trouble and the maximum of support. Over the next several days, I got the reverse - maximum trouble with minimum quality of support, I will spare

[Big Blue Shines in 4Q](#)
(Analysis of IBM's preliminary 4Q07 results)

[Microsoft Still Wall Street Darling](#) (Analysis of institutional holdings of Top 10 IT Cos)

you the gory details of the hours I had to spend that weekend on the phone with various Bangalore-based Microsoft technical support people and their managers. Suffice to say that trying to make two Microsoft e-mail products talk to each other was like trying to fit a square peg in a round hole. As a result, I was more convinced than ever that the sooner I leave the Microsoft fold the better.

Finally, after a Herculean effort, by Sunday night, I did get to a stage of acceptable compatibility between OE and Outlook. I began to transfer the e-mail and address book data from my desktop to my laptop. It took hours, including with several false starts and unexpected software failures (including discovering some systems problems that "will be fixed in the next release of Outlook," I was told by Microsoft).

But I persevered and eventually did succeed. And so the first thing on Monday morning, I took my laptop back to the Re-Mac store, so they could begin the transfer of data from it to my new Mac. I reemphasized the importance of having it all done by the end of that business day, as I had to leave town the following morning (Tuesday, June 3). I kept checking by phone during the day on the status, only to get vague progress reports such as "we're working on it."

By about 5PM, I decided to show up at the store in person. After all, the store closes at 6PM. Sean was nowhere to be seen. Instead, a Gerald (who later turned out to be the store service manager) told me they were still transferring the data. "You have a lot of stuff on your computer," he said, as if that were a fault.

"Halleluiah," I thought, but did not say anything. "I use it for work, not to play games." But I did not want to inflame the already bad situation. "Can I at least get my laptop back so I can travel with it?" Gerald said I could, if I came back in about half an hour.

I did. They still weren't done. Eventually, I got my laptop back, but well after 6PM. While waiting, I told Gerald what had happened in my discussions with Sean.

"Sorry. You were dealing with someone who is not very well technically versed," he said of his salesman.

"So what's he doing selling the stuff he doesn't understand?" a thought crossed my mind. But I did not say anything. Again, I just wanted a solution, not justice.

Before leaving the store, Gerald had promised that they would partition my new Mac into Windows and Mac domains. This, he said, would make it easier to gradually convert from Windows to Mac. It made sense to me so I told him to go ahead. He promised to have all my data transferred and ready by the time I got back, including the programs.

One full week later, I returned to the store expecting to get my fully operational Mac notebook. But when I booted it up at home, I found out that they have done ABSOLUTELY NOTHING. There was no trace of my data even though they had kept me waiting for hours the week before, ostensibly because they were transferring it ("you have a lot of stuff").

Well, that's when I started to get tough. Time was running out before my next big trip, and I was getting nowhere fast with these Re-Mac people. So I told them who I was, and that I was now done playing an ordinary customer whom they might hope to push around. I told them that unless they made good on their promises to me, I may write a story about my bad experience with them and the Mac, just as I did last year with Vista. And I left a phone message for the store owner, Steve Walker, to call me. (He never did).

Later in the day, Gerald said he had Googled me and that they did want to make me happy. So he offered a refund of \$99 I had paid for the data transfer they have not done,

or a an hour of tech rep's time at my home to coach me on how to transfer the data myself. I took him up on the latter option.

When the tech rep (Gerard) showed up the following day, the chip on his shoulder was so large he barely made it in through my front door. Gerard was confrontational from the get-go, and he stormed out of my house in a huff after spending no more than five minutes there. In nearly four decades in business, I have never seen such rude behavior toward a customer in any walk of life, not just in computer industry.

So I called the store and asked to speak to Gerald, the store manager. He made himself unavailable and had Sean take the call. After a brief explanation of what had happened during Gerard's brief visit, Sean said that the best solution seems to be for me to bring my Mac computer back "for a full refund." I agreed.

But when I showed up at the store an hour later, Sean informed me that they would charge me a 20% restocking fee, and would not refund the Mac Office 2008 software charge (which was a total of \$800 - almost the value of a new Windows laptop, not to mention a horrendous waste of my time nerves).

"So you are renegeing on what we agreed just a few minutes ago?" I asked.

"I guess so," Sean replied sheepishly. "The district sales manager said we should handle this on a business as usual basis."

"What's his name?"

"Rich Wilson."

"Well, Sean, with (shoddy) business practices like this, I just may have to make you all famous."

"How's that?"

"You may find out in due course." And then I walked out.

Epilogue

I next called the business store manager at the original Apple store that I visited last year. Dealing with Jason Philo was like a night and day experience compared to the Re-Mac staff. He was very courteous and very professional. And he told me that I was not the first customer who has had a bad experience with Re-Mac. "I've had other customers call to complain about them," he said.

Jaseon asked me to put what happened in writing so he can pass it up the chain of command at Apple, and hopefully have the bad apples like Re-Mac weeded out of the Apple orchard.

So I wrote a letter to Steve Jobs ([CLICK HERE](#) to read it), copying several other senior Apple executives on it. I then met with Jason at the Apple store later the same afternoon. His face-to-face demeanor confirmed the positive impression of his business acumen I got over the phone. He said he could not promise that I would get my \$800 back, but said he would send my Jobs letter to the executive in his line of business. He seemed as outraged as I was with the Re-Mac treatment of a new customer.



So there you have it. As you can see, the MacAttack faltered at the foot of Mt. Vista. Re-Mac staff managed to prove that good products (MacBook Pro) without good service are

about as useless as bad software (Vista). So I am still running Windows XP while waiting to see what if anything Steve Jobs and his crew will do about weeding out the Apple dealer orchard and getting my \$800 back, so that I can buy a new Mac from a reputable store. We'll see what happens...

Happy bargain hunting!

Bob Djurdjevic

 [Click here for PDF \(print\) version](#)

A Sad Epilogue...

to "Mac Attack Falters at Foot of Mt. Vista"-story

SCOTTSDALE, Aug 3, 2008 - I know, I know... so many of you have been waiting with baited breath to find out what Steve Jobs would do to protect the reputation of his precious Apple, right? Well, "with baited breath" is a bit of a hyperbole, I realize. But some of you have written to me following the publication of the (above) original story (see "[MacAttack Falters at Foot of Mt. Vista](#)," June 2008), asking for an update on Jobs' response to my letter ([CLICK HERE](#) to read it).

As you can suspect by its title, the bottom line is that Apple is no better than Microsoft. In fact, its slick marketing makes the disappointment with its unfulfilled promises that much deeper. So here's a sad epilogue to my MacAttack story...

On June 23, about a week or so after I had sent my letter to Steve Jobs, Apple's chairman, I got a call from a Becky Cushman. She said she was calling from the Apple CEO's office to respond to my letter. She wanted to hear the whole sad story all over again even though I had written it up in ample detail. Nevertheless, I obliged and repeated it verbally. Then she said she would talk to Re-Mac and do some further investigation before getting back to me in a couple of days.

Ms. Cushman did get back to me exactly when she said she would - on June 25. But her message was rather disappointing. She said that Apple can do nothing about my \$800 refund as "that's between you and Re-Mac."

"So you're perfectly happy to have a dealer like Re-Mac represent Apple and ruin your otherwise stellar reputation?"

"Well, there is nothing we can do," she repeated.

"There most certainly is," I insisted. "You can fire Re-Mac as your dealer and pull their license."

She waffled about making a recommendation to the "appropriate department," but then again finished by saying, "there is nothing I can do."

"That's not true," I said. "When you first called me, you said you were calling on behalf of Steve Jobs. And as far as I know, everything that happens at Apple is his department."

She then offered a \$100 discount toward a purchase of new Mac.

I laughed. "Are you serious?" I asked.

She said she was.

I told her that if I were to account for all my time Apple and its dealer have wasted, "the bill would be in the tens of thousands of dollars at my consulting rate. And you're offering me a \$100 discount?"

I finished the conversation by saying that I would wait about a month or so to see what, if any, results her recommendation to the "appropriate department" brings.

"And if I don't hear anything by the time I return from all of my overseas trips, I will write an appropriate epilogue about Apple's lost reputation," I said.

And now I have. As you can see, the bottom line is that Apple is no better than Microsoft. It only tries to project a slicker image.

As for my next laptop, well... it won't be a Vista, that's for sure. But it won't be a Mac, either. Which means a trip BACK to the future, I'm afraid. And I've already made an \$800-deposit. :-)



For additional Annex Research reports, check out... [Annex Bulletin Index 2008](#) (including all prior years' indexes)



Or just click on [SEARCH](#) and use "company or topic name" keywords.

Volume XXIII, Annex Bulletin 2008-13
June 15, 2008

Bob Djurdjevic, Editor
e-mail: annex@djurdjevic.com

8183 E Mountain Spring Rd, Scottsdale, Arizona 85255
Tel/Fax: +1-602-532-7789

(c) Copyright 2008 by Annex Research, Inc. All rights reserved.
The copyright-protected information contained in the ANNEX BULLETINS is part of the Comprehensive Market Service (CMS). Any reproduction is prohibited..

[Home](#) | [Headlines](#) | [Annex Bulletins](#) | [Index 1993-2008](#) | [Special Reports](#) | [About Founder](#) | [Search](#)
| [Feedback](#) | [Clips](#) | [Activism](#) | [Client quotes](#) | [Speeches](#) | [Columns](#) | [Subscribe](#)

