

e interrupt our regularly scheduled May Madness issue of About This Particular Macintosh to bring you the ATPM exclusive "Apple's Exodus: The Special Report." This issue is so full of goodbyes you'd think you were attending a high school graduation!

Before we get to this month's [Audacious Tidbits](#) and [Puckish Musings](#) about Apple's new-found success and its long journey toward the digital promised land, we'd like to take a moment and salute Guy Kawasaki and the Macintosh EvangeListas. Through Apple's darkest days the 40,000 members of Guy's mailing list kept the Macintosh dream alive. We believe the end of the EvangeList era is an important indicator of Apple's robust turnaround. The popularity of the iMac and other G3 hardware has spawned several Web sites that offer quality Mac information. In addition, Apple Computer is doing a better job of providing important information to consumers and business managers. Thank you, EvangeListas, for a job well done!

Six Quarters and Counting

For the first time since the mid-1990s, Apple Computer has strung together six consecutive profitable quarters. For the three-month period ending March 27, 1999, the tally is as follows:

- Net profits were \$135 million, or \$.84 per diluted share. Operating profits (excluding non-recurring items) were \$93 million, or \$.60 per diluted share.
- Revenues for the quarter were \$1.53 billion, up 9 percent from the quarter a year ago.
- Apple's 27% growth in year-over-year unit shipments is almost twice the estimated industry growth of 14%.
- Gross margins were 26.3 percent, up from 24.8 percent in the prior-year quarter.

- Positive cash flow from operations was \$269 million.
- Apple Computer currently has over \$2.9 billion in cash and short-term investments.

In recognition of Apple's recent performance, Standard & Poors has raised its outlook for Apple from stable to positive. However, and for reasons that don't make sense to our staff, Apple Computer's debt offerings are still rated below investment grade by the organization.

Fred Anderson, Apple's CFO, has stated that the company stands behind the consensus earnings estimate of \$.61 per share for the current quarter. The staff of ATPM looks forward to another quarter of year-over-year gains in revenue and growth in unit shipments.

The biblical story of the Exodus is an inspiring documentation of a people leaving behind a familiar land of involuntary servitude to set out on a journey to an unknown promised land. Apple Computer and the Macintosh platform are not a religion. Apple is merely a for-profit enterprise, and the Macintosh is only a computer. However, there are often interesting parallels between the secular and the sacred. The Israelites suffered greatly as they traveled through the desert. Impatience and loss of faith only added to their tribulations. By letting go of what they no longer needed, embracing the challenges of the day, and remaining steadfast in their quest, the Israelites eventually arrived in the land that they had been promised.

Apple Computer and the people who rely on its products have embarked on their own journey. Although this quest may not have a divine imperative, important choices have been made along the way. Unnecessary projects and products have been left behind, and any inclination of traveling a well-worn path has been scrapped. Where Apple Computer and the Macintosh platform may venture next is anyone's guess. But as the Israelites learned while traveling through the desert, the journey toward a particular outcome can often be as important as the outcome itself.

Fruit Loops

Much of the Macintosh press has been preoccupied with the rumors about new fruity iMac colors. We believe these circular discussions are rather "fruitless." As much as the iMac is colorful on the outside, it is even more attractive for what's inside. The new 333 MHz G3 iMacs provide a compelling solution for a variety of computing needs and desires. The iMac is America's #1 computing choice for easy Internet access, and the fast G3 chip coupled with generous amounts of video RAM make it an excellent gaming machine. But we suppose it doesn't hurt if it comes in a variety of fruity colors.

Now, back to our show...

Bye, Bye, Belinda

It's official. Belinda Wagner, ATPM's former copy editor and education editor, has chosen to keep her day job. The demands of her new career require her to forego her ATPM responsibilities. We wish Belinda well and the editors of ATPM would like to thank her for her

substantive contributions to our publication. Her name will be enshrined on our cover page as Editor Emeritus and we look forward to her occasional contributions to our e-zine.

Bye, Bye, Best Buy!

We're sorry to see Belinda go. But these sentiments don't hold true for Apple's recently ended relationship with Best Buy. From the beginning we thought this awkward marriage of a high-tech innovator and a low-price retailer wouldn't last for long. Apple's products are sold on value, not necessarily on price. Best Buy didn't like Apple's system for selling multi-colored iMacs. Rest assured there are national retailers who are interested in taking Best Buy's place as an outlet for iMacs and Apple's future consumer-level products.

There is a tangible value to the Mac's ease-of-use and superior hardware design that isn't reflected in its initial purchase price. But like a fine automobile or a well built home, a Mac's long-term value is realized years after its initial purchase. The real power of a personal computer isn't measured in megahertz but in its ability to help people accomplish their goals, live their dreams and communicate more effectively with others. It's no wonder that the Macintosh is the computer of choice for people involved in primary education and professional content creation.

The Old Rules Still Apply

In less than twenty years the personal computer has revolutionized the way we work, the way we live, and the manner in which we communicate with others. Similar to Gutenberg's printing press and Alexander Graham Bell's telephone, the personal computer has created a new medium for personal expression and the exchange of information.

Although technology has changed through the centuries, the need for strong families has remained the same. In this month's Apple Cider, Tom Iovino departs from his usual topics to take a close look at the tragedy in Colorado. Behind the game pads, joysticks and keyboards of today's computers is a generation of children at risk. They are children who need parental guidance in their lives and lines of communication that are longer than the commercial breaks between evening sitcoms. Take a look at Tom's insights inside this month's issue.

Apple Turnover

One of the lesser-mentioned indicators of Apple's turnaround is the end of the "brain drain" in Cupertino. Through 1996 and 1997 there was a mass exodus of talented people from the Apple campus. Many former Apple executives and employees went to work at other high-tech companies in Silicon Valley. Some started their own businesses, and others left the industry to pursue new careers. Although Apple has significantly reduced the size of its workforce, it's recently had little trouble retaining and attracting top-notch executives and employees.

Does Apple's renewed success mean that it has arrived at the proverbial promised land flowing with digital milk and honey, or is it a brief respite at an economic oasis before the company begins another leg of a long and arduous journey? We're interested in your views on the matter. Please send your comments to:

<editor@atpm.com>.

ATPM began publication in early 1995. We've been there for the good times and the bad times. Our editorial staff is comprised of volunteers who contribute their efforts to the success of our publication. Change has been a vital part of ATPM's growth and popularity. We're grateful that so many talented readers have offered their services over the years. We'd like to thank Chris Turner for his hard work as ATPM's copy editor. Chris would like to spend the next several months finishing two novels he has in progress so we are interested in finding a reader to fill this important position. If you'd like to join our editorial staff, please send an e-note to: <editor@atpm.com>.

Where Have You Gone, Joe DiMaggio?

We'll save you any reflections on the afterlife (that's another set of chapters in the venerable holy book), but we'd like to take a moment to acknowledge the passing of a great sportsman and American hero, Joe DiMaggio. Mr. DiMaggio was a stellar competitor but more importantly, a true gentleman.

For forty-eight years after stepping off the field at Yankee Stadium "Joltin' Joe" DiMaggio continued to thrill audiences wherever he made a personal appearance. An intensely private man, Mr. DiMaggio became an icon of what's often called the "American Dream."

ATPM was created to celebrate the "personal computing experience." All the processor megahertz in the world mean little if a personal computer does nothing to enhance the quality of one's life. Behind every keyboard is a human being with dreams, desires and aspirations. We salute Mr. DiMaggio for his accomplishments on and off the field. He is missed by millions of people the world over.

ATPM Contributing Editor, Robert Paul Leitao, compares the changes in Mr. DiMaggio's former sport to the recent changes at Apple Computer. Please see the Apples, Kids & Attitude column entitled "Play Ball!" inside this month's issue.

Can Popularity Breed Contempt?

In this month's Personal Computing Paradigm, Michael Tsai takes a look at the increasing number of un-Mac-like applications that are making their way to the Macintosh platform. The success of the iMac and blue and white G3 minitowers has caused many companies to rethink their Mac strategy (or rethink their non-Mac strategy). However, this change of heart has come at a price. Some new Mac applications appear to be little more than second-rate ports of PC products. ATPM's editor takes a close look at this disturbing trend. Please don't miss Michael's review of StuffIt Deluxe 5, which is also included in this month's issue.

GoLive? Go Ed!

Ed Goss, ATPM's trivia columnist, has developed a philanthropic streak. This month's trivia contest has rewards for Mac mavens who are quick with an answer and swift on their feet. The first readers who respond correctly to Ed's challenge are eligible to win some exciting prizes, including a copy of Adobe's GoLive 4.0! Ed is sponsoring the contest and it's open to

all readers, except the hard-working staff members of this popular Mac publication. If you know your Mac stuff, you might walk away with a nice piece of Ed's free stuff. Complete your entry today, and please tell a friend where to find us.

Please enjoy all the news, views and reviews inside this month's issue!