

Tech is Cheap-Part 1

One of the oddest things I have discovered as I speak to other advisors across the country is the misguided notion that implementing technology, hardware and software into your business is expensive.

This springs from out-dated views of what computers cost. Five, even two years ago, it was easy to spend \$3-5,000 on a computer system, another \$2000 on software and then \$1200 on a printer, \$700 for a scanner and then \$30 a month for a 14.4 dial up internet access.

Contrast that to today where one of the new reps in my office bought a new Pentium Celeron system with monitor, printer and scanner for less than \$1000, total. One thousand dollars, instant office!

Faced with the above pre-conceptions I decided to sit down with this new rep and record what, exactly, he would need to spend to get going in this business. Not only would he have what he needed to get going, he could very easily claim to have a newer system than 75% of the advisors out there. We looked at these specific areas:

- **Computers and Hardware**
- **Software**
- **Internet Access**
- **Cell Phones and Long Distance**
- **Misc Services**
- **Games**

Follow me and I think you will be amazed at what we were able to find.

Computers and Hardware

My first computer cost me \$1100 and was an Atari 400 that ran off tapes, plugged into the TV and had a keyboard that was flat and needed to be pressed very hard to beep. I spent hundreds of dollars more and got a real keyboard I had to install myself and an external 5 1/4 floppy drive that meant programs could be up and running in a few minutes rather than 20 minutes (all programs had to be loaded on the tape each time the computer started up and then tapes switched to store data... oh my, this the equivalent of my grandfather talking about his first horse and buggy isn't it?)

Today, in addition to the bundled computer package the rep found for himself, I have just ordered on-line (www.bid.com) a bare bones computer system for \$550. This system is a Pentium Celeron 366 with 32 megs of RAM, a modem, Win98 software, speakers, 5gig HD, blah blah blah. In other words, it is a workable system and only needs a monitor to be fully operational. They already have a monitor but if not there are plenty of used 15" monitors that can be found for \$100.

The absolute BEST deal I have found was a complete Pentium 200 system (used) for \$325 that we got so my three year old can play Sesame Street and Reader Rabbit without interrupting his father on the Internet and his mother killing demons in Diablo. To put this in perspective, when I bought my previous computer it was four years ago it was a cutting edge Pentium 166! My very expensive MS Windows 2000 software suite needs a Pentium 75 and 16 megs of RAM as a minimum system so my son could easily run his whole business on his 200... if he had a business... which he may; it is very spooky watching him put a CD into the computer, turn it on

and then, when he thinks he is not being watched, dial into the Internet to try and find illicit Blue Clue's games.

If you currently have any sort of Pentium II system, then you can easily stretch the life of the system by bumping the RAM from 32 to 64. Any other upgrade, in my trying-to-be-humble opinion, is probably a waste of time. Computers are being slowly commoditized into merely a receptacle for the online service. In much the same way as getting a free cell phone, a throw away camera or a cheap inkjet printer. It is the cell service, film developing and ink replacement cartridge where the company makes money.

Of course, if you do have a REALLY old system, there is still a way to stretch more life out of it. See New Deal software described below.

Software

This one makes me crazy. Current software suites have elaborate, programmable and fully customizable components that will set up letters for you, personalize the letters from your database, fax the letters to some people, email others and print letters for the others. It will remind you to check for upgrades, allow you to store documents on the Net, check your grammar and even suggest a layout. For the really advanced users it will also help you pick a decent spouse, change your baby's diapers and print out a full colour meal plan based on what it KNOWS is in your fridge!

So how many of us use the software to do anything more than write a quick, unformatted note to client that could have just as easily been done with a purple crayon? It is guesstimated, based on office surveys, that most office workers use approximately 5% of the features offered in rich packages offered by Corel or Microsoft.

Included with Windows 95 or 98 is a program called **Wordpad** that can probably accomplish 90% of what you need a word processor for.

If you do decide you want to get fancy, you can drop \$3-700 on a full Internet Ready office suite or you can go to www.sun.com and download for free software called "**StarOffice**". It comes complete with an Internet browser, email reader, word process that can open and edit Word and WordPerfect documents, a spreadsheet program, graphing program and even a PowerPoint-like package called Presentation that can use PowerPoint files. You can create a client database and integrate it with the other components. It is a big download and it comes in 6-7 parts but it is FREE! Now and forever more!

To be really cheap, you may to hang onto your ancient computer system and simply download the software from **New Deal**. (<http://www.newdealinc.com>) This software is ALSO designed to be complete in that you have a database, word processor, spreadsheet, email and browser and it only needs a 286 (as in Pentium-> 486-> 386-> 286!! Your grandfather's computer) with 640k of RAM and 10 megs of HD space. It is designed to link schools and charities to each other and the Internet but is available to the individual and it would be very easy to run a business using just this software. So, if you are REALLY stuck for a computer you can come to my house and I will give you the 286 that was left in the garage by the previous owner.

Basic Financial Planning and Asset Allocation software is available free from many companies, including Mackenzie, Talvest, the insurance companies etc. It is not the most elaborate package of course but it is ideally suited to a new advisor just starting out and talking to her peers about doing a retirement projection or RRSP allocation.

Internet Access

Writing an online article about getting internet access is a bit like advertising in the paper for literacy lessons, a sort of chicken and egg thing. So assuming you already have internet access you are paying for, the suggested FREE internet sites can be used two ways.

Offer it to new reps or non-connected employees as a way to have web access.
Offer it to clients who have computers but who not seen the need for Internet access

I have discovered four free ISPs in the last few weeks and they are, of course, not as perfect as one could wish for but... hey its FREE! All are supported by advertising and require each new subscriber to submit several pages of marketing information.

The first one is owned by a company I own stock in: Cybersurf out of Calgary. They offer Internet access to people in Calgary, Edmonton and now, Toronto through a subsidiary called 3web.net. (www.3web.net) I have found them, in my own limited experience to be the most stable connection BUT they are also the most intrusive in that they completely take over whatever browser you are currently using.

They also offer only limited dial up access, just in the three cities mentioned above. They have plans to expand but are now facing some serious competition from some deep-pocketed Americans, namely:

Excite.com's	Free World	(http://freeworld.excite.com/freeworld/)
AltaVista's	Free Access	(http://www.zdnet.com/downloads/altavista/index.html)
Kmart's	BlueLight Special	(http://www.bluelight.com/) in conjunction with Yahoo

These other three require much smaller downloads and can be set up much more quickly. Just as importantly, they offer dial up access to many more cities across the country. There is even, now free high speed CABLE access in California that we will see arriving in Canada, with the CRTC, over the next DECADE or two. In the meantime, I have been testing Free World extensively by downloading some child porn continuously over the last three days and it seems to work great... wait, there are some uniformed men at the door, brb.

THERE, back... they had forgotten it is legal now.

One way to kill two birds with one stone is to buy some combo packages. For example, OAGroup out of Edmonton offers 24 hr Internet access and a P400 computer for \$50 a month for three years. I have given my father this as a Christmas gift because they also offer access across North America. At the end of three years he owns the computer and can continue with a \$20 a month internet access if he so chooses.

Okay, now that we have a computer, some software and free internet access, we will next month look at some things we can download or sites we can visit that provide valuable, free services.