

Daniel W. Roberts,
President

Roberts & Ryan Investments Inc.

Based in San Francisco, we provide "value added" information to our global asset managing clients.

Serving Investors since 1987

About Roberts & Ryan

Mr. Roberts, this firm's president, is now running for an open seat in the new Second Congressional District of California. He has been a candidate for public office, so the procedures aren't new to him. He brings a financial conservatism and moderate on social issue to the office. We think this new district will welcome his candidacy.

In order to facilitate our receipt of directed order flow, we show our list of agents as follows:

Global markets:
Merrill Lynch
Societe Generale

Cheuvreaux -
(Pan European only)

HSBC -
(Asia only)

Deutsche Bank -
(Australia only)

US Domestic:
Pershing

Europe

HP buys German printing firm

Hewlett-Packard announced the acquisition of a German printing company, a small deal that shows the Palo Alto tech giant is not gun-shy after its purchases of Palm and Autonomy.

HP agreed to purchase Hiflex Software, a printing service that specializes in Web solutions and management systems for printing services. No purchase price was disclosed in the deal for the 20-year-old, Aachen, Germany-based company. "HP wants to break the traditional barriers of how and where business customers print, making it easy for them to produce custom or personalized materials anywhere, anytime." Vyomesh Joshi, an HP executive vice president, said in the news release. "Hiflex's technol-

ogy provides a powerful platform to deliver on this goal as part of our overall cloud printing strategy."

ISI analyst Brian Marshall, who called Hiflex "a leader in print services for the graphics industry," said in a research note that the deal is "an expensive way for HP to build exposure to cloud services that integrate with HP existing assets." HP has faced heat from investors and analysts in recent years for some of its less inexpensive acquisitions.

The company is currently considering selling its webOS division and technology, which it acquired when it purchased Palm in April 2010 for \$1.2 billion. HP released a tablet last summer based on webOS, but then-CEO Leo Apotheker slashed prices

to sell off the inventory after poor initial sales. Hewlett-Packard dismissed Apotheker in September and replaced him with former eBay CEO and California gubernatorial candidate Meg Whitman, who has said she will decide whether to sell the remains of Palm—assuredly for much less than HP paid for it—in a matter of weeks.

In the wake of recent criticism over the Autonomy deal and other large purchases, Whitman recently told analysts that she plans to avoid making big acquisitions in coming months. However, she said HP might consider deals under \$500 million or even up to \$1 billion, particularly if valuable software became available.

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India

India asks social sites to filter content



“India made nearly 70 requests to Google to remove content from January to June, one of the highest request rates of any country.”

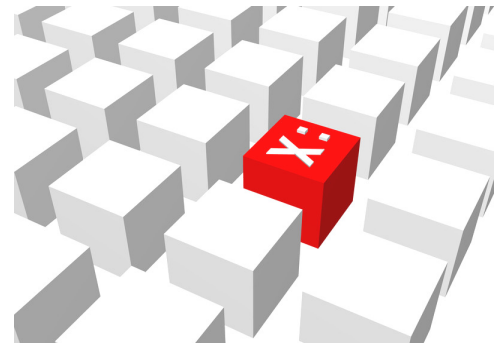
The Indian government has ask Internet companies and social media sites like Facebook to remove disparaging, inflammatory or defamatory user content from India before it goes online, three industry executives say. Top officials from the Indian units of Google, Microsoft, Yahoo and Facebook were scheduled to meet with Kapil Sibal, India’s acting telecommunications minister, to discuss the matter.

The executives asked not to be identified because they were not authorized to speak to the media on the issue. The executives said representatives from these companies were to tell Sibal at the meeting that his demand was impossible, given the volume of user-generated content coming from India. They said they could not be responsible for determining what was and was not defamatory or disparaging. “If there’s a law and there’s a court order, we can follow up on it,” said an executive from one of the companies that planned to attend the meeting. But these companies cannot be in the business of deciding whether something is legal to post, he said. Sibal’s office confirmed that he would meet with Internet service providers but did not provide more information about the content of the meeting. About six weeks ago, Sibal called legal representatives from the country’s top Internet service providers and Facebook into his New Delhi office, said one of the executives who was briefed on the meeting.

At the meeting, Sibal showed attendees a Facebook page that maligned the Congress Party’s president, Sonia Gandhi. “This is unacceptable,” he told attendees, the executive said, and he asked them to find a way to monitor what was posted on their sites. In the second meeting with the same executives, in late November, Sibal told them he expected them to use people to screen content, not technology, the executive said. The three executives said Sibal told these companies that he expected them to set up a screening system, with staff members looking for objectionable content and deleting it before it was posted. Yahoo, Facebook and Microsoft did not respond immediately to calls

for comment, and a Google spokeswoman said the company had no comment on the issue.

Facebook said this year that it had more than 25 million users in India. Google has more than 100 million Internet users in India. Though India describes itself as the world’s largest democracy, the country’s leaders have recently sought to monitor and control electronic information. In April, the ministry issued rules demanding that Internet service providers delete information from websites that officials of private citizens deemed disparaging or harrasing. Last year, the government battled with BlackBerry’s manufacturer, Research in Motion, threatening to shut off the company’s service in India if it did not allow government officials greater access to users’ messages. The Indian government also plans to set up its own unit to monitor information posted on websites and social media sites, executives said. The unit will report to Gulshan Rai, director general of India’s cybersecurity monitor. A men who answered the phone in Rai’s office said he did not talk to the news media and hang up when a reporter asked for a press contact.



Some Indian cities like Mumbai have set up special units to monitor Internet sites like Facebook and Orkut, a social networking site operated by Google, for content considered disparaging or obscene. India made nearly 70 requests to Google to remove content from January to June, one of the highest request rates of any country, though less than the United States’ 92 and Brazil’s 224, according to Google’s transparency report.

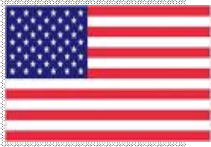
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The Americas

Intel lowers year-end outlook



“Intel said it’s now expecting fourth quarter revenue in the range of \$13.4 billion less than the midpoint of its previous forecast of \$14.2 billion to \$15.2 billion.”

Intel lowered its fourth-quarter sales projection by \$1 billion, as Santa Clara chipmaker became the first major Silicon Valley company to publicly estimate its own financial fallout from recent disastrous floods in Thailand. The flooding caused massive disruption at factories that produce disk drives, which computers use to store information. Though Intel doesn’t make disk drives, the company said the resulting shortage has forced computer-makers to scale back plans for producing new PCs – and cut their orders for Intel processors that are the brains of those machines.

“We are seeing a reduction in inventories across the supply chain,” Intel’s chief financial officer, Stacey Smith, told analysts. The shortage could mean higher prices for consumers looking to buy a new one in 2012, according to some industry experts. Computer-makers such as Hewlett-Packard, Dell and Apple have said the flooding may affected their business to some extent. Nearly half of the world’s supply of disk drives is produced in Thailand, according to research firm IDC, which said the floods have disrupted operations at more than a dozen major factories when the water started raising in late summer and continued into the fall. Computer sales during the current holiday season won’t be affected, because most of those models were produced from components manufactured before the floodwaters arrived, said IDC analyst Loren Loverde. But as a result of the disruption, IDC believes the volume of PCs sold could be 10 to 20 percentage points lower than previously expected in the first quarter of 2012, Loverde said. Before the floods, IDC had forecast PC shipments to increase by 8 percent in the first quarter, from 80.5 million units a year earlier; it’s now predicting a decline of 2 to 13 percent. Leading computer-makers have been reluctant to publicly quantify the shortage’s impact.

Palo Alto-based HP said that it expects sales to suffer, although CEO Meg Whitman said the world’s biggest PC maker will get “more than our fair share” of available disk drives because

of longstanding relationships with suppliers. At Intel, which sells chips to most of the world’s computer-makers, Smith said the impact has become clearer in the past two weeks, as disk-drive companies began telling customers what their allotments are likely to be in the coming months. “Not every customer is being hit the same,” Smith said, adding that the short-age appears to be affecting production of PCs more than servers, which are more powerful computers used in corporate and government data centers. Intel said it’s now expecting fourth quarter revenue in the range of \$13.4 billion less than the midpoint of its previous forecast of \$14.2 billion to \$15.2 billion.

Smith added that he expects disk-drive production will return to normal in the first half of 2012, although he didn’t know when. Western Digital, one of the world’s leading disk-drive makers, said that it was repairing its factories and had been able to resume production sooner than expected at one site that was under 6 feet of water in October. But the Irvine company also said it expects industry wide shipments of disk drives will be no more than 120 million units in the fourth quarter, which may be 50 million to 60 million fewer than customers wanted. Another major disk-drive company, Seagate Technology of Scotts Valley, has said its factories weren’t damaged but its own component suppliers were disrupted.

PC sales have already been hurt in recent months by the economic downturn and competition from tablets and smartphones. Smith, however, said Intel believes demand for new computers is “healthy and growing.” But some experts say a full recovery may take longer than Smith predicted. Needham analyst Richard Kugele said in a report that he doesn’t expect disk-drive product to resume normal levels before the fourth quarter of 2012. JPMorgan analyst Mark Moskowitz predicted PC-makers will respond by raising prices on some models in coming months. Another possibility, according to IDC’s Loverde, is that customers may have difficulty finding lower-priced machines for sale this spring.

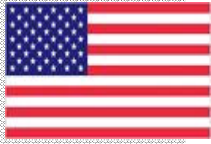
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The Americas

Millennials put tech freedom before salary



“One in three survey respondents younger than 30 said social-media freedom and workplace mobility were more important than salary.”

The Greatest Generation wanted workplace security and solid benefits. Boomers and Generation X wanted better pay, and Generation Y sought more vacation time and workplace flexibility. As for Generation Z – those “millennials” born in the 1990s or later, who grew up in the Internet age and will be entering the workforce in the decade ahead – they want workplace connectivity. The want to be able to use their smartphones and social media freely while at work. And the Internet should be available at every workstation. But who needs workstations? They also want to work from home whenever they want. And they don’t want to be forced to use a BlackBerry when they prefer an iPhone or Droid device.

According to the 2011 Cisco Connected World Technology Report, “The desire of young professionals and college students to use social media,

mobile devices and the Internet more freely in the workplace is strong enough to influence their future job choice, sometimes more than salary does.”

The study surveyed



2,800 college students and young professionals in 14 countries. Some findings: - Fifty-six percent of college students “said that if they encountered a company that banned access to social media, they would either not accept a job offer or would join and find a way to circumvent corporate policy.” – One in three survey respondents younger than 30 said social-media freedom and workplace mobility were more important than salary. – A quarter of college students said a prospective employer’s policy on

social-media usage would affect their decision in accepting or declining the job. – In India and China, more than 80 percent of young survey respondents expected that their primary work device should be mobile – a laptop, smartphone or tablet. – More than 70 percent of college students surveyed said they didn’t want to differentiate between “personal” devices and exclusively work-related devices – “company-issued devices should be allowed for personal and business use because of the blending of work and personal communications in their daily lifestyle.” – And 70 percent also say they want to be out of the office regularly,

working remotely. The survey says much about what millennials want out of life, but it likewise speaks to what employers will have to do to attract and retain talented, college-educated employees. “The study provides proof that the next generation of employees and their technology demands will influence job decisions, hiring and a new age of work-life balance,” said Sujai Hajela, vice president and general manager of Cisco’s wireless networking business unit. “How businesses address these demands will inevitably affect their competitive advantage and HR success. It is not just a technology trend anymore – it’s a business trend.”



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