



“Happy About® Knowing What to Expect in 2008” Book Excerpt

Getting a Handle on the Year Ahead

By Mitchell Levy

**Subset of the book brought
to you by Happy About**



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Getting “Happy About Knowing What to Expect in 2008”
(<http://happyabout.info/economy.php>)

“Happy About Knowing What to Expect in 2008” can be purchased as an eBook for \$11.95 or tradebook for \$19.95 at <http://happyabout.info/economy.php> or at other online and physical book stores.

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2008 Predictions

If this were not a presidential election year, we'd be uttering the "R" word for the first time in a decade. The U.S. economy is in serious trouble; huge budget deficit, sliding dollar, increased oil prices, high unemployment, and lack of a long-term focus on the fundamental components of prosperity (education, jobs, stable economic environment, etc.). Let's hope that the new president brings the tenacity and focus that allows us to get out of the downward spiral we've been in for the last decade.

Top Ten Trends for 2008

1. A Tough Year for the U.S. and the World Economy
2. Green is the New Black: Global Warming and Environmental Concerns Affect Businesses
3. The U.S. Dollar's Long-term Decline Continues
4. The Largest Asset Most People have Becomes Somewhat of a Liability!
5. The Internet Ride continues to thrill

6. Rise of 'Chindia' Continues to Threaten the U.S. as the Dominant World Power
7. Rapid Demographic Change and Ways to Reach Them: The Internet is Bringing about a Change in Marketing and Advertising
8. Ascendancy of the Mobile Sector
9. Market Pressures Foster More Innovation
10. Hi-Tech and Software Evolve Dramatically

Bonus trends:

1. Bio-Tech Brings Forth Good Promise
2. Predictions on U.S. Elections and Politics
3. Interesting Tidbits

Trends #1: A Tough Year for the U.S. and World Economy

**Ric Urrutia, CEO,
Taos Mountain
Software**

"The banking crisis will worsen considerably, forcing the Fed to continue to lower rates, making the dollar weaker relative to world currencies, and oil will go to \$120 a barrel."

**Allan Kramer,
Chairman of the
Board, Bridgebank**

"Overall, the economy in 2008 will be choppy and flat, at best. A worst case scenario, not unreasonable to expect, would be a mild recession."

**Brad Peppard,
Partner,
MarketingBank**

"Stagflation returns. Not since the early 1970s has the U.S. economy experienced the dual problems of inflation and slow economic growth. However, the explosive inflationary economic

policies of the GW Bush administration (high spending combined with low taxes) over the last six years, which have been offset by the deflationary impact of Chinese productivity in combination with their maintenance of an artificially low exchange rate, are finally going to hit home. Expect a couple of years of pain (at least), while the U.S. economy works its way out of the hole that has been dug."

**Eddy Coenye,
CEO, Nubiquity**

"The Western world will be in recession in 2008. Consolidation will be the way to maintain stability. Mergers will reach an all time high. Venture Capital will be hard to get in 2008, due to the economic slow down."

**Frank Slooman,
President & CEO,
Data Domain, Inc.**

"A severe economic slump, mostly affecting 'Walmart shoppers', widens the gap between the haves and have-nots. Causes: Oil prices, weak dollar, budget deficit, massive mortgage foreclosures, and the housing market continues to go down and sideways."

**Stewart L. Levine,
Esq., Co-Author,
'Collaboration 2.0'
(Publisher: Happy
About)**

"Unfortunately the U.S. will be challenged in 2008. Global political stature, balance of payments and deficits will weigh on the economy. The politics of the election and dissatisfaction with the current political climate will take a toll on the economy when coupled with the sub-prime collapse. It could be a very messy year. It reminds me of the early 1980's when the U.S. had lost its edge."

**Dennis, Former
CEO, Okidata
Corporation**

"The challenges of the financial industry are only in their infancy and I predict major write-offs and employee challenges in the first half of 2008."

<p>Jon William Toigo, CEO, Toigo Partners International</p>	<p>"The sub-prime lending fiasco will be the final nail in the coffin for the economy. A full-blown recession is imminent."</p>
<p>George L. Roman, Senior Enterprise Consultant, Rockville, MD</p>	<p>"The Fed will continue to print money like there's no tomorrow. Exports will rise and imported goods will get very expensive. Any further significant turbulence in the Middle East will send oil to \$150 a barrel."</p>
<p>Michael Drapkin, CEO, Drapkin Technology Corp.</p>	<p>"2008 will be a spotty and uneven year for the economy and business. The crash of the sub-prime mortgage market will continue unabated through the rest of the year, causing disruptions in the real estate market and continued free falls in property prices in the affected areas, as well as</p> <p>tightening of credit to mortgage seekers. The spike in oil prices will hit the gas pump, causing tightening of general consumer spending, which will both affect the retail markets and influence the presidential race, to the detriment of the Republican candidate, whoever that ends up being."</p>
<p>Mike Heintz, President, University Electric</p>	<p>"The outlook on next year's economy is that it will play out about the same as 2007. Small projects will be put on hold while larger ones will go ahead. I think we should see the upturn sometime in the 4th quarter next year. Look for a big holiday season of shopping as the election will be over and a new confidence is restored."</p>
<p>Rohit Talwar, CEO, Fast Future</p>	<p>"The U.S. economy will go into a downturn—if not a full recession—driven by a combination of a credit crunch and associated crisis in the banking system, selling of U.S. T-bills by foreign countries, declining value of the dollar, rising oil</p>

prices and a general loss of confidence in many markets. The rest of the world will follow the U.S. down at differing rates."

"Major banks globally will collapse and either be bailed out by the central banks or be forced to sell up or merge with other entities."

Trend #2: Green is the New Black: Global Warming and Environmental Concerns Affect Businesses

**Kurt Doelling, Vice
President Supply
Management, Sun
Microsystems, Inc.**

"In 2008, more and more companies will recognize the importance of deploying a green and socially responsible supply chain. A key element in creating green supply chains is the availability and acceptance of consistent industry standards. We are at a tipping point, ready to make a major ecological shift in the way business is conducted globally; but for this shift to be truly sustainable, we must also emphasize how it can also be profitable. A green supply chain has the potential to not only impact a company's environmental record, but also its bottom line."

**Ralph Marx, CEO,
Advocate Systems,
Inc.**

"The concept that we do have alternatives to oil will finally take hold. This will open doors for solutions that have not been even conceived as of yet. This shift from the question, 'Is it viable' to 'This is doable, now lets look at what really is viable' will spur a huge invention cycle and a wave of entrepreneurial ventures."

<p>Ian Browde, Global Village Idiot and Social Technologist</p>	<p>"Significant innovations in alternative energy, and hence, transportation and land use, will start to emerge as the majority of global society recognize that global warming is a more complex issue than 'the planet is getting warmer'. These innovations will help humanity recognize that our global system of transportation, energy use, and land development (including food and agriculture) are integrated and each affects the other."</p>
<p>Sheridan Tatsuno, Principal, Dreamscape Global</p>	<p>"\$100+ per barrel oil prices, combined with oil market volatility and growing concern over global warming, will lead to accelerated venture and corporate financing of alternative energies, lifestyle services, and business models. Example: Current moves to include externalities into pricing."</p>
<p>Anyck Turgeon, Chief of Market Strategy & Security at Crossroads Systems</p>	<p>"Providing renewable clean energy and water will become globally very important—starting in 2008."</p>
<p>Bobby Jadhav, CTO, Siterra</p>	<p>"Awareness to 'green living' and environmental friendliness will improve."</p>
<p>Brock Hinzmann, Technology Navigator, SRI Consulting Business Intelligence</p>	<p>"In 2008, a very large number of alternative renewable energy technology companies will be breaking ground or starting up production in such areas as thin-film solar cells, wind power, algae-based bio-fuels."</p>
<p>Rob Ingersoll, Contributor to Foolosophy (Publisher: Happy About)</p>	<p>"Alternate fuel vehicles will be seen popping up all over the country but big oil companies will try to squash the competition since they still have more than enough oil to keep people going for the next hundred years."</p>

**Buddy Arnheim,
Partner/Member of
Firm's Executive
Committee,
Perkins Coie LLP**

"Solar will become a major topic as the price of solar panels falls, and the efficiency of related technology (converters, etc.) improves."

**Catherine Kitcho,
The Launch
Doctor, and
Author, 'Happy
About Being a
Baby Boomer'
(Publisher: Happy
About)**

"Substantial venture capital investment will be targeted for renewable energy and the infrastructure required to develop, market, and deliver it."

**Peter Paul Roosen,
Author,
'Overcoming
Inventoritis: The
Silent Killer of
Innovation'
(Publisher: Happy
About)**

"Carbon dioxide is now being widely viewed as pollution rather than plant food. It is both. But the CO₂ that comes from burning fossil fuels comes in larger amounts than the planet can handle. It also comes with other surprises. There is more uranium and thorium waste produced in a coal-fired power plant than a nuclear plant of equivalent energy output uses as fuel. How's that for an argument in favor of nuclear energy?"

"The costs of industrial production are going to increasingly include the environmental costs. The traditional producer was only concerned about getting unwanted stuff up the smokestack, out the drainpipe or into a dump. Now they are going to retain ownership and title to the waste progressively longer. As part of this, the long-resisted carbon taxes are starting to appear."

**Ross Sedgewick,
Director, Global
Product Marketing,
Siemens
Enterprise
Communications**

"Even more focus on mainstreaming of green technologies, energy sources, and alternatives to burning fossil fuel and/or creating CO₂ emissions, which will start trickling down to most power/fuel consuming products in some way."

Sam Gill,
Co-Author,
'Climbing the
Ladder of
Business
Intelligence'
(Publisher: Happy
About)

"Green is going to be at the top of the agenda for the next decade as governments and industry move to implement the Kyoto Protocol."

Rob Ingersoll,
Contributor to
Foolosophy
(Publisher: Happy
About)

"The electric car will make a comeback in the next year with solar powered paint or panel on the car that will charge the vehicle as it's going to get a much longer time out of the batteries."

Trends #3:

The U.S. Dollar's Long-Term Decline Continues

Eddy Coenye,
CEO, Nubiquity

"The U.S. dollar will tumble to its lowest level since World War II. Gold price will exceed \$1400 per ounce."

G. Mark Towhey,
President, Towhey
Consulting Group
Inc.

"The biggest risk facing businesses globally in 2008 is the fast decline of the U.S. dollar. There are trillions and trillions of U.S. dollar bills stuffed into shoeboxes and under mattresses around the world. Each of these tiny pieces of paper represents an 'I.O.U.' from the people of the United States. Each of these dollars is basically a check—written by the U.S. in exchange for some foreign good or service. Unlike most checks, however, these dollars have never been returned to the bank to be cashed. Rather, they are hoarded and exchanged from hand to hand outside the country for further value. At this point, these trillions of dollars represent a massive liability in 'un-cashed checks' written by the U.S.

If the U.S. dollar loses its status as the 'most trusted currency' then these checks will begin finding their way back to the U.S. Treasury to be cashed. Promptly. Could the U.S. Treasury do so?"

**Barbara L. Harley,
Author,
'International
Business
Incubation for
Global Trade' (to
be released Winter
2008)**

"In 2008, the U.S. dollar will lose some of its ability to attract foreign currencies. The strength of the Euro and the positive impression of the new governments in France and Germany will siphon some of the currencies into the Euro. Since it will take the U.S. government at least twenty four months from now to significantly change its economic policies and rate of spending, the deficit will continue to weaken the dollar and the overall economy. A weak dollar may provide more export sales and may encourage more tourism into the U.S., but it will limit the ability of U.S. tourists to travel and shop abroad."

**Mahmood A. Khan,
Hewlett Packard
Services, Business
Strategy and
Implementation,
Application
Outsourcing and
EAS Practice
Principal**

"The dollar will be much lower, especially compared to Euro. This will spurt growth in exports of goods and services, especially in the area of computers, software, and health sciences related products."

**Stephen Ibaraki,
CIPS Fellow
(FCIPS)**

"When one of the world's largest holders of U.S. currency reserves, China, with well in excess of a trillion dollars, decides that there's a need to diversify, and then takes notice. Expect more pressures on the U.S. dollar providing new opportunities for those who watch carefully."

**Mark Rabkin, CEO,
Closet Factory of
Silicon Valley**

"The dollar will continue to weaken against foreign currencies through 2008."

**Anyck Turgeon,
Chief of Market
Strategy &
Security at
Crossroads
Systems**

"The Canadian dollar and the Euro will keep on gaining points over the U.S. dollar."

**Robert D. Cormia,
Associate
Professor, Foothill
College**

"We are in a quandary over inflation—as the price of oil is now somewhat tied to a declining dollar, which is tied to our debt, and flight from the dollar will have a further upwards pressure on oil prices. So our misdeeds at home (debt) affect currency, which affects the price of energy (oil and then gas), and flight from the dollar into metal commodities drives up gold, suggesting further we are in an inflationary period, when actually the value of the dollar is the real issue."

**Michael Britti,
CEO, TU Rental
Screening
Solutions**

"Long-term value of the dollar and its use as a 'reserve' in the global economy is far more important than any short-term market adjustment."

**Brad Peppard,
Partner,
MarketingBank**

"We will see a continuing weakness in the U.S. dollar. As the U.S. fights recession, the value of the dollar relative to foreign currencies will continue to fall. The only forces supporting it will be the relatively inflationary policies of our primary trading partners. No doubt some European countries will take cover in the weak dollar to avoid dealing with their internal problems (specifically the costs of current social welfare programs) as aggressively as they might otherwise. Still, at the end of the day, we are still a ways off from the bottom of the dollar versus the Euro, and an even longer way off from the bottom versus the Yuan."

**Catherine Kitcho,
The Launch
Doctor, Author,
'Happy About
Being a Baby
Boomer'
(Publisher: Happy
About)**

"The U.S. Dollar's current decline in world markets will lead to the beginning of a reversal in offshoring because companies will find American employees to be affordable again."

**Ian Browde, Global
Village Idiot and
Social
Technologist**

"U.S. dollar weakens: Increasingly large economies, corporations, and private individuals will shift significant aspects of their finances away from the U.S. dollar, causing it to weaken further. At the same time, in the margins but increasingly present, alternatives to the global money system will start getting publicity. These exchange systems will include barter but they will be more innovative than just local trading and they'll be tried out in virtual environments like Second Life."

Trend #4: The Largest Asset Most People have Becomes Somewhat of a Liability!

**Jon William Toigo,
CEO, Toigo
Partners
International**

"We will begin to see the largest up tick in foreclosures on private property since the Depression as the economy slows, layoffs accelerate, and homeowners can't keep up the payments on properties they purchased during the housing valuation bubble."

Dave Nielsen, Director, ISV & Developer Program, Strike Iron	"National housing sales/prices continue to drop ~10% spurred on by the credit crisis and a downturn in the job market. The bottom doesn't come until 2009. Some micro-regional pockets like Silicon Valley increase by 10%."
Mark Moore, CEO, Omni Agri Resources LLC	"The housing slowdown will continue through 2008 and turn around starting in 2009. It will be the determining factor for the health of the economy."
George L. Roman, Senior Enterprise Consultant, Rockville, MD	"The sub-prime mess is worse than it seems. Lots of people who thought they had built a large equity stake in their homes will learn that amount has shriveled up or even gone negative. Spending will dry up and we'll see a recession."
Allan Kramer, Chairman of the Board, Bridgebank	"The real estate market will continue to slide with further fallout from the sub-prime loan situation."
Johnny Khamis, Author, 'Costi and the Raindrop Adventure' (Publisher: Happy About)	"Housing prices will continue to go down but at a slower pace."
Mahmood A. Khan, Hewlett Packard Services, Business Strategy and Implementation, Application Outsourcing and EAS Practice Principal	"The financial Industry will bounce back towards the later half of the years due to careful lowering of interest rate step-by-step and getting closer to 2%. This will lead to stabilizing of housing markets and growth."
Mark Rabkin, CEO, Closet Factory of Silicon Valley	"Housing prices will continue to fall but this will be healthy as real estate has been over-valued for several years."

**Michael Britti,
CEO, TU Rental
Screening
Solutions**

"The 'solutions' created by politicians in D.C. and the states will be worse for the economy than the actual sub-prime meltdown and adjustments in real estate value."

**Phillip Howells,
Self-Employed**

"Driven probably by the U.S. weakening economy, the UK house price increase rate will slow and the economy will suffer as people begin to realize they have debt they cannot repay."

**Robert Klag,
Co-Author,
'Apartment
Management'
(Publisher: Happy
About)**

"The sub-prime lending issue is expected to impact the real estate markets. Strict credit evaluation has reduced the liquidity in capital markets and will hold down cap rates for properties. We expect to see greater demand for apartments which will drive rent increases over the next year. Maybe next year."

Trend #5: The Internet ride continues to thrill

**Jim Sterne,
Chairman,
[http://WebAnalytics
Association.org](http://WebAnalyticsAssociation.org)**

"Social media moves from life as a curiosity to a competitive edge. What was exciting for kids and a necessity for students has crept into the business world as a collaboration tool. Companies that get it will allow it and their employees will be more productive."

**Sheridan Tatsuno,
Principal,
Dreamscape
Global**

"Social networking for enterprises will lead to new collaboration systems and business models. Example: iPhone and smartphone social networking apps for field sales and fleet management."

**Gemma Lim,
Co-Author,
'Apartment
Management'
(Publisher: Happy
About)**

"Sales2.0 will take off. More deals will be closed without any face-to-face interaction but instead through relationships developed over the Web. A leader in this revolution is Webex.com's web-touch sales model, which has been the key to the company's 100X revenue growth."

**Richard Simoni,
Partner, Asset
Management
Company**

"In 2008, we'll see a large number of the Web 2.0 companies funded in the past 4 years go out of business, as they fail to catch on in a big enough way and run short of funding. These failures will be largely under the radar, as the media doesn't generally cover 15-employee companies that fail. There will also be a handful of spectacular Web 2.0 successes, which will garner substantially more attention than the failures. And, if the broader equity markets remain long-term positive, we will see the return of the dot-com IPO, based largely on the promise of future monetization of a large user base."

**Phillip Howells,
Self-Employed**

"The Internet and social networking activities will become ever more pervasive and we will be aware of an increasingly 'virtual living' option in life!"

**Bryan D. Stolle,
Partner | MDV -
Mohr, Davidow
Ventures**

"Enterprise use of cloud-computing (aka: utility computing) will have crossed 'the chasm' and entered the tornado as Geoffrey Moore likes to say. From utility models like Amazon's S3, development/hosting platforms like Force.com, or application providers like NetSuite, Salesforce, Omniture, etc., enterprise computing outside the four walls will become the de facto standard."

**Bobby Jadhav,
CTO, Siterra**

"Social and consumer software will make big strides both on platform and applications space."

<p>Peter Paul Roosen, Author, 'Overcoming Inventoritis: The Silent Killer of Innovation' (Publisher: Happy About)</p>	<p>"While the Internet continues to bring more of the world into the growing community, it will become more regionalized in 2008. In well-established markets search engines will return increasingly regionalized results as commercial interests continue to take greater control of this powerful media."</p>
<p>Jean Paul Jacob, IBM Research Emeritus and Visiting Scholar at U.C. Berkeley</p>	<p>"Too many bytes are being created for business and by business. The Internet knows everything but tells us almost nothing. We will see new ways to search for information with a strong component of 'social networks and their wikis', some of which will be economic forecasters. In education, the Horizon Report is a good example of a social network producing a wiki of technological forecasts for education. It is only a matter of months before other fields, including business/economy catch up."</p>
<p>Brock Hinzmann, Technology Navigator, SRI Consulting Business Intelligence</p>	<p>"Google, Microsoft, and other providers of real-world mapping data and who have introduced easy-to-use 3-D computer-aided design software for use by average consumers, will form partnerships and adapt the technology to form practical mashups in virtual worlds. Small enterprises will be able to leverage mashups into real business opportunities that expand their normal geographical limitations."</p>
<p>Bill Cullifer, Executive Director, World Organization of Webmasters (WOW)</p>	<p>"Microsoft will start paying consumer users sizable cash incentives and rebates to switch from Google search to MSN Search. As a result, shares of Google will dip."</p>

Peter Paul Roosen,
Author,
'Overcoming
Inventoritis: The
Silent Killer of
Innovation'
(Publisher: Happy
About)

"Blogging will reach its peak in 2008 if it hasn't already."

Buddy Arnheim,
Partner/Member of
Firm's Executive
Committee,
Perkins Coie LLP

"Online shopping is going to hit a record this winter, only to be surpassed next year beyond expectations."

Trend #6: Rise of 'Chindia' Continues to Threaten the U.S. as the Dominant World Power

Mitchell Levy,
CEO & Publisher,
Happy About

"A couple years ago, I thought it would be 10-20 years before the U.S. is not considered the #1 world economic power. Now, I think it will happen in the next 5 years."

Stephen Ibaraki,
CIPS Fellow
(FCIPS)

"China—through its double-digit GDP continuing growth, rapidly expanding consumer base, world's largest manufacturing base, and market potential of the U.S. and the European Union times two—represents both a resource opportunity and draw on the world. This will continue to drive resource economies."

Deepika Bajaj,
Founder and CEO,
Invincibelle

"Asia becomes a force to reckon with in the world of business. Emerging countries like India and China will foster entrepreneurship and develop

products to serve the local markets. Examples are Baidu.com: China's lead search engine; and Reliance: India's largest telecom provider."

**Stephen Ibaraki,
CIPS Fellow
(FCIPS)**

"With 700,000 engineering and science graduates a year, the largest representation of graduate students, China is destined to be the innovation leader for the world and in the medium term. Overall Asia will have 90% of the world's engineers and scientists in just a few years. This represents a tremendous opportunity for innovation and investment. The future is grassroots-driven thought leadership and collaboration enabled by the pervasive use of the Internet, on mobile platforms, and by an entrepreneurial population base, which honors diligence, hard work, sacrifice, and scholarship. With Internet usage soon to be the world's largest, cell phone usage larger than the next three countries combined, China is perfectly situated to lead this revolution. Watch for the rise of 'Global Giants' from China impacting every major sector—the shift from West to East is happening and it's now."

**Barbara L. Harley,
Author,
'International
Business
Incubation for
Global Trade' (to
be released Winter
2008)**

"In 2008, the trend of far fewer international attendees at U.S. universities and research institutions will continue because alternative locations (such as Australia, Brazil, China, Sweden, UK) are working hard at recruiting and providing easier immigration processes."

**Axel Kloth, CTO,
Parimics Inc.**

"The U.S. economy will see a strange phenomenon in which its local economy seems to recover, but by year's end (2008) the devaluation of the Dollar and the resulting rise of all other currencies will lead to near-collapse of the U.S. economy, and the rise of India and China to economic superpowers will continue

without the need for the U.S. market. The U.S. of A will then completely reverse course and de-globalize to save its local economy, with a new theory of economics (more precisely: only macroeconomics) behind it."

**G. Mark Towhey,
President, Towhey
Consulting Group
Inc.**

"The Chinese government has already voiced its quiet threat to liquidate some of its U.S. denominated foreign reserves for more stable currencies. While the Chinese threat is mere posturing at this stage, since unwinding their U.S. positions would further devalue the dollar (and their own positions), it is indicative of a broader move with, ultimately, disastrous consequences for the U.S. economy—and much of the western world."

**Stephen Ibaraki,
CIPS Fellow
(FCIPS)**

"Expect more examples of short-term 1 trillion-dollar-market capitalization companies coming from China [PetroChina is just the first]. However, in the medium term, the short term promise will build into long-term reality. This represents a unique opportunity for West and East."

**Rohit Talwar, CEO,
Fast Future**

China and India will slow their rates of economic growth but still grow at over 7%."

**Peter C Harrison,
Chief Executive
Officer,
GlobalLogic Inc**

"Any new government immigration legislation that may materialize in 2008 will have little to no effect on the pace of offshoring."

"China will continue to grow as a percentage of total U.S. IT outsourcing, but will still be only a small fraction work sent to India."

**Ralph Marx, CEO,
Advocate Systems,
Inc.**

"Economies worldwide were on a tear last year, raising questions about the continued dominance of the U.S as an economic super power. This will be the year where the list of winners and losers starts to take shape. For instance, once oil comes back down to reasonable prices, will Russia really have a second act in its playbook? No matter how things shake out, it is clear that one can no longer ignore the rest of the world when planning for business growth and expansion."

**Peter C Harrison,
Chief Executive
Officer,
GlobalLogic Inc.**

"Growth of outsourced R&D will continue to outpace the growth of the overall offshoring sector."

**Dennis, Former
CEO, Okidata
Corporation**

"The Olympics will show case the changing China to the world, a new realization for many."

**Phil Hood,
Principal,
Transcend
Strategy Group**

"At least two Fortune 500 companies will be bought by Chinese companies."

Trend #7: Rapid Demographic Change and Ways to Reach Them: The Internet is Bringing about a Change in Marketing and Advertising

**Ian Browde, Global
Village Idiot and
Social
Technologist**

"Citizen Press and the beginning of the decline of the aligned media: where new forms of news services will arise on the Internet and people will increasingly get their news from real people experiencing real stories in their own

environments, and contributing text, images, and even video clips via mobile devices and digital cameras. This will herald the loss of power of the media like the major newspapers and TV stations that are all but owned by private interests."

**Jim Sterne,
Chairman,
<http://WebAnalyticsAssociation.org>**

"Pay-per-click search marketing continues to be a money magnet. Newsworthy? Not really. More marketing companies are finally getting to it. More marketers are finally getting the hang of it. More people are going to use web analytics and figure out how to optimize their ROI."

**Michael Silton,
CEO, Rainmaker**

"Pay-per-click will evolve to pay-per-sale."

**Catherine Kitcho,
The Launch
Doctor, and
Author, 'Happy
About Being a
Baby Boomer:
Facing Our
Newfound
Longevity'
(Publisher: Happy
About)**

"The TV and film industry will (finally!) wake up and realize that the currently coveted 18 to 49 demographic is actually smaller than the 50+ audience that is expanding due to 78 million aging Baby Boomers. Studios will begin targeting more of their films and programming to older audiences."

**Jim Sterne,
Chairman,
<http://WebAnalyticsAssociation.org>**

"Widgets will be the latest, cool marketing technique but will be massively difficult to master. Can you spell 'viral software application'?"

**Janek Kaliczak,
Senior Partner,
Designing
Hyper-Spectral
Cameras, NSKR
(Research and
Development
Group)**

"With over 150 million copies of World of Warcraft out there and up to 5-million people online worldwide, how are advertisers going to reach a generation of viewers who do not watch TV, read a paper or own a telephone? My prediction here is there is going to be a lot of smooth talking going on in boardrooms to try and correct this problem. Just think of the \$10+ plus a month per online subscriber per month."

Trend #8: Ascendency of the Mobile Sector

**Rohit Talwar, CEO,
Fast Future**

"The mobile phone will increasingly become our 'remote control for life'—gradually replacing laptops—aided by projection screens and keyboards and an increasing array of functionality."

**Janek Kaliczak,
Senior Partner,
Designing
Hyper-Spectral
Cameras, NSKR
(Research and
Development
Group)**

"Phone cameras will achieve full motion video recording and hi-resolution images with simple editing for both. We should thank Philippe Kahn for his invention here."

**David H. Deans,
Managing Director,
GeoActive Group
U.S.A.**

"The formation of the Open Handset Alliance will free the North American and European mobile Internet consumer experience from the prior limitations of the wireless service provider's restrictive walled-gardens. These previously handicapped markets will now be able to catch up with the mobile multimedia global market leaders (in Japan and South Korea)."

**James E. Biorge,
Chairman/CEO,
LibertySmart**

"The rising cost of fuel with reduced computer prices will encourage home and mobile office models that are dependent upon increased security systems that authenticate the access by device and user to enterprise systems from anywhere at anytime."

**Bobby Jadhav,
CTO, Siterra**

"We will see a Mobile Internet (may be WiMAX) and related devices/applications."

Dr. Gregory Alan Bolcer, VP Engineering, High Tower Software Inc.

"Cellphones will include WiMAX and VoIP as standard features."

Janek Kaliczak, Senior Partner, Designing Hyper-Spectral Cameras, NSKR (Research and Development Group)

"State Public utilities commissions are going to be facing a problem as more people switch over from land lines to cell phones and web phones. Congress would be committing political suicide if they tried to TAX or even change the way it is happening now."

Trend #9: Market Pressures Generate More Innovation

Deepika Bajaj, Founder and CEO, Invincibelle

"Consumers will lead the next level of innovation. We observed the rise of consumer identity with Internet. Many consumers are used to getting things for free online and pay for things that increase their capacity to work and play. No doubt, Google is the darling of consumers and businesses."

James E. Biorge, Chairman/CEO, LibertySmart

"Look forward to seeing how the creative American mind finds ways around these challenges and proves that challenges are the mother of invention."

Barbara L. Harley, Author, 'International Business Incubation for Global Trade' (to be released Winter 2008)

"The size of U.S. markets and the exceptional investment opportunities for new companies and innovative technologies will continue to attract businesses despite the general negative feelings expressed."

**Jean Paul Jacob,
IBM Research
Emeritus and
Visiting Scholar at
U.C. Berkeley**

"Business and the economy will start catching up with the fact that in our services economy, the competitive advantage is given by innovation, and new companies and consultancies will appear in the marketplace, helping business innovate."

**William Toigo,
CEO, Toigo
Partners
International**

"'Do more with less' will become the driving mantra in business information technology. Businesses will become much more concerned about how they are managing infrastructure and data within the context of three objectives: driving labor costs out of operations, deferring more technology acquisition, and 'greening' (reducing power consumption) in data centers."

**Ross Sedgewick,
Director, Global
Product Marketing,
Siemens
Enterprise
Communications**

"Consumers will backlash against being overrun by 7x24 communications technology, and that will impact work life as well as people's realization that always being connected really means distractions, fragmented focus, interruptions, and ultimately attention deficit and lost productivity."

**Deepika Bajaj,
Founder and CEO,
Invincibelle**

"Gen Y will need more meaning at work. They will demand training and more responsibility and more time. They will prefer working virtually and in international locations. This generation is now entering the work force and has more opportunities than any generation before them. The high turnover in these 20-somethings has already made companies like Deloitte evaluate work-life balance programs."

**Anyck Turgeon,
Chief of Market
Strategy &
Security at
Crossroads
Systems**

"Entrepreneurship will be on the rise in the U.S.A. as employees will be pressed to work longer hours without much pay raises, given this recession."

Trend #10: Hi-Tech and Software Evolve Dramatically

**Bob Worrall, CIO,
Sun Microsystems**

"With the IT industry poised to take advantage of more network-based, secure application services, the role of IT will change significantly. The traditional roles of applications developers and operations support staff will give way to roles such as vendor management, contracts administration, and communications. Equally important, the business analyst will continue to be a vital role within the department. However, that role will focus less on the actual design of technological solutions and more on the definition of clear business requirements, which will be built and operated by trusted partners and delivered as services over the Internet."

**Bryan D. Stolle,
Partner | MDV -
Mohr, Davidow
Ventures**

"Enterprise IT spending will accelerate, driven by line of business executives who need solutions now, going outside constrained corporate IT groups to solutions offered in the cloud (e.g.: SaaS, Outsourced Business Process suppliers, etc.)."

**Robert D. Cormia,
Associate
Professor, Foothill
College**

"Virtualization continues to drive the desktop/network environment, and virtual communities comes into the mainstream from interpersonal (long distance) business."

**Jean Paul Jacob,
IBM Research
Emeritus and
Visiting Scholar at
U.C. Berkeley**

"A new technology will find its place in the 'spectrum of intimacy' in communications where e-mail is at one extreme and face-to-face meeting at the other extreme. New technologies

	to occupy vacant positions in the communications spectrum of intimacy are 3D Virtual Worlds."
Axel Kloth, CTO, Parimics Inc	"Multi-Core CPUs (more precisely: homogeneous multi-core CPUs) will be not only in the desktop and laptop, they'll penetrate the embedded space too."
Dr. Gregory Alan Bolcer, VP Engineering, High Tower Software Inc.	"Class action lawsuits on behalf of users will finally overwhelm IT bad practices for storage and handling of sensitive customer data as the number of data loss incidents explodes exponentially."
Anyck Turgeon, Chief of Market Strategy & Security at Crossroads Systems	"Data breaches will keep on increasing and costing much to so-called 'advanced' nations as companies and the financial world are focusing on short-term profits."
Dr. Gregory Alan Bolcer, VP Engineering, High Tower Software Inc.	"Intrusion detection systems will grow up from focusing on down-in-the-trenches, real-time detection to focus more on broad management and integration of security data, events, and incidents across all types of hardware and software deployed in a business."
Axel Kloth, CTO, Parimics Inc.	"The current model of writing, testing, and deploying SW on these new multi-core CPUs completely breaks since the resulting code does not show performance advantages over single-core CPUs, but requires a lot of hand-coding of OS and application layer software to just balance the load."

**Ralph Marx, CEO,
Advocate Systems,
Inc.**

"One could describe Open Source software as a 'Two heads are better than one' concept on steroids. The remaining stumbling block is to create a fair system that properly rewards the efforts of the brains and creativity that go into pure inventing with the stifling effects that patents can cause to overall technological progress, and thus, the advancement of society as a whole. This year will be the year where we make some major strides in this area. Expect influence from many sectors ranging from Google to the courts."

**George L. Roman,
Senior Enterprise
Consultant,
Rockville, MD**

"Oracle will accelerate its domination of the enterprise space. They've shown the world that they can skillfully integrate high value-add acquisitions and deliver on the service infrastructure required to support them."

**Peter Ostrow,
President and
CEO, Technical
Communities, Inc.**

"Apple eliminates DRM altogether from iTUNES song downloads."

**George L. Roman,
Senior Enterprise
Consultant,
Rockville, MD**

"Apple will prove to be the Linux-on-the-desktop solution that all the Open Source advocates wish they had. Apple will see 20% market share of the desktop by year end."

Bonus Trend #1: On U.S. elections and politics

**Jim O'Toole,
Daniels
Distinguished
Professor of
Business Ethics,
Daniels College of
Business,
University of
Denver**

"The Democrats will win the Presidency and secure both houses of Congress next November. Both as a cause, and as a result, there will be increasing pressure to clean up the excesses of Wall Street. When President Sarkozy of France spoke to the joint session of Congress about those excesses, he was expressing what most people around the world, including the majority of Americans, feel. Now, the debate is public and it will grow, and the salaries of CEOs of large corporations will be the immediate subject of criticism."

**Dave Nielsen,
Director, ISV &
Developer
Program, Strike
Iron**

"Democrats take the White House and stock market drops 10% at the end of the year, ending a 6 year bull market and setting the tone for a 2009 bear market."

**Evelyn Preston,
Author, 'Memoirs
of the Money Lady'
(Publisher: Happy
About)**

"With recession threatening, American voters will finally raise their collective voice and loudly demand that a new President and do-nothing Congress find realistic, bi-partisan solutions to the rising health care, energy, and tax burdens."

**Ric Urrutia, CEO,
Taos Mountain
Software**

"In November, Hillary will be elected as our first female president."

**Anyck Turgeon,
Chief of Market
Strategy &
Security at
Crossroads
Systems**

"U.S.A. launches a stronger war against illegal immigrants and limits entrance of legal immigrants."

**Frank Slooman,
President & CEO,
Data Domain, Inc.**

"Continued quagmire in Iran and Afghanistan, more Islamic militant activity, including new terrorist attacks in Europe and North America."

**Peter Paul Roosen,
Author,
'Overcoming
Inventoritis: The
Silent Killer of
Innovation'
(Publisher: Happy
About)**

"The American empire reached its peak just before U.S. troops crossed the border into Iraq. 2008 will see further realignment and relative declines as the rest of the world challenges the U.S. position. The U.S. military will need to maintain its strong presence in the Middle East to prevent the euro and other currencies from taking over the oil business."

Bonus Trend #2: Biotech brings forth good promise

**Buddy Arnheim,
Partner/Member of
Firm's Executive
Committee,
Perkins Coie LLP**

"Pharma related will be under considerably regulatory pressure, despite the emergence of some very interesting drugs. Good time to buy those stocks."

**Claes Gustafsson,
VP Sales &
Marketing, DNA2.0**

"We will see the first publication of an organism with a completely synthetic chromosome. It will create significant media attention and large interest in synthetic biology."

**Bryan D. Stolle,
Partner | MDV -
Mohr, Davidow
Ventures**

"Personalized medicine will impact in a positive way a majority of people in 2008, through better diagnosis and choice of more effective therapeutics."

**Brock Hinzmann,
Technology
Navigator, SRI
Consulting
Business
Intelligence**

"Neurological research will result in some new therapy within the next year. It could be curing a sleep disorder, migraine headaches, some neurological disease, or the ability to recover some lost capability due to a sensory loss or brain damage. It might be in combination with a chemical or an implant, but ideally it will be a noninvasive technique that does not need a lengthy FDA approval period to reach the market. So many people are conducting research on the brain that I believe something will pop out. Gamer interfaces have already been introduced that use brain waves. This area will grow."

Bonus Trend #3: Interesting Tidbits

**Peter Ostrow,
President and
CEO, Technical
Communities, Inc.**

"Yahoo is acquired or merges with an entity that is as large as or larger than Yahoo."

**Rohit Talwar, CEO,
Fast Future**

"Investor interest will increasingly shift to post-conflict nations in Africa such as Angola and the oil rich central Asian countries such as Kazakhstan, Turkmenistan, and Uzbekistan."

**Mark Moore, CEO,
Omni Agri
Resources LLC**

"The U.S. GDP will be 1.5-2.5%. Inflation will stay in check (2%) but unemployment will rise above 5%."

**Michael Silton,
CEO, Rainmaker**

"Pay for performance will become the norm for outsourcing relationships."

Dr. Ivan Misner, Founder and Chairman, BNI	"Online and face-to-face networking will continue to flourish. Online networking works, but relationships must still be part of the process. The more 'high tech' business owners become, the more and more they really need to foster those 'high touch' opportunities that face-to-face networking affords."
James E. Biorge, Chairman/CEO, LibertySmart	"The out of control costs for healthcare will motivate development of technology that optimizes consumer driven healthcare models, preventing the disaster of government intrusion while creating healthier and more productive employees capable of standing up against global competition."
Dr. Ivan Misner, Founder and Chairman, BNI	"Small companies will continue to have the edge over big companies relating to business networking. The problem is—big companies don't effectively add referral marketing into the process. When it comes to developing social capital and the networking process, small business is king."
Sheridan Tatsuno, Principal, Dreamscape Global	"The Hollywood writers strike will drag on for months, pushing more production overseas and creating opportunities for digital distributors."
Frank Sloatman, President & CEO, Data Domain, Inc.	"Environmental activism steps up: hybrids, bottled water, recycling."
Ian Browde, Global Village Idiot and Social Technologist	"Privatization of military systems—a softer way of saying mercenary military systems—will become more of an issue as various 'wars' against drugs, immigrants, Iraqis, Afghans, etc., get outsourced."

**Dennis, Former
CEO, Okidata
Corporation**

"Tourism in the U.S.A. will have a major boost in 2008 due to currency imbalance with the rest of the world."

CONCLUSION

I have had the privilege and pleasure of talking annually to thousands of business executives who share their views and predictions on the next year's economy. As detailed in Chapter 2, you can see that the accuracy of my predictions has been precise (with the exception of the year 2002). As you plan for the year's activities, taking these predictions into consideration will allow you to prepare, plan, and execute more effectively.



About the Author

Mitchell Levy is President & CEO of ECnow.com, a management-consulting firm he founded in 1997. Through it he has created and managed various vehicles (including CEOnetworking, the Silicon Valley Executive Business Program, the Value Framework® Institute, and Happy About®) to help hundreds of corporations and thousands of individuals. He is also on the Board of Directors of Rainmaker Systems (NASDAQ: RMKR). He is a world-recognized author and leader in e-commerce, Internet marketing, and business trends and has spoken extensively in the US and around the world. Previously, he was the conference chair at four Comdex conferences, founded and operated the E-Commerce Management Program at San Jose State University and spent nine years at Sun Microsystems, the last four of which he ran the E-Commerce component of Sun's Supply Chain.

He has trained, educated, and coached thousands of individuals and truly enjoys putting tools in the hands of individuals to allow them to create their own success. Key areas he helps others include:

- Business Model Creation, Management, and Evolution
- Business Transformation
- Public Speaking

- Physical and Virtual Team Building and Management
- Physical and On-line Business Networking

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<http://happyabout.info/linkedinhelp.php>
- Expert Product Management:
<http://happyabout.info/expertproductmanagement.php>
- Rule#1: Stop Talking:
<http://happyabout.info/listenerspress/stoptalking.php>
- Scrappy Project Management:
<http://happyabout.info/scrappyabout/project-management.php>
- Offshoring Secrets:
<http://happyabout.info/offshoring-secrets.php>
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