

Microsoft: Life between rock and hard place

By *sjinsjca*

Created 05/04/2008 - 8:16pm

Submitted by sjinsjca on Saturday 5th of April 2008 08:16:12 PM Filed under [News](#) [1]

The "other than" at the beginning of the following ZDnet article is the interesting part, because that's where the action is that took Microsoft and the whole PC industry totally by surprise in recent months.

MS is in an interesting place, between the proverbial rock and hard place. On the one hand, if the customer is always right, then XP should continue to be an option, because many PC buyers want it (or more succinctly, don't want Vista). On the other hand are dozens of reasons to kill XP right-now-soonest, ranging from its patch-upon-patch security issues and MS' obligation to track with the rollout of new chips and other hardware and software architectures, which might not be possible on the creaking XP foundation.

For "ultra-low-cost" PCs, that last is less of an issue, since those machines are basically equivalent to 2002-class PCs and a fine fit for XP. But even they won't be sitting still. XP is almost seven years old, an antique. It will need continuing development if MS doesn't want to salt its fields in the ULCPC market forever.

And it is the security and robustness issues of XP that will be the big headaches for Microsoft as it attempts to serve the ULCPC market with XP. Page 102 of Scott's Big Book of Pithy Pronouncements states, "The Great Unfunded Liability of high-tech business is: support." Here MS is obligated to support an increasingly problematic product at the bottom end of the market where gross margins are wafer-thin and the competition is free. Big strategic mismatch!

And it will also be interesting to see if "ultra-low-cost-PC" buyers really do drink the kool-aid and pay a 20-30% premium for XP vs. Linux (cf. <http://www.laptopmag.com/review/laptops/2gopc.aspx>). For something like the Eee, Cloudbook or gPC, that's about \$100 on top of a \$300-500 pricetag for the machine with Linux. And that cost increment is just the beginning, as the bundled software (e.g., MS Works) offers a pale approximation of the functionality of the stuff that comes with those machines' Linux distros. Certainly, such a user could seek out free XP-compatible downloads of OpenOffice, ClamAV anti-virus and other software that the Linux users enjoy and which you can bet MS will not include, but anyone dumb enough to pay a 20-30% premium for XP will probably insist on the real MS Office, and a name-brand anti-virus utility, and so forth. So their \$100 premium quickly becomes a \$300-400 premium, and voila: you've doubled the price of your Eee, Cloudbook or gPC. Idiocy!

And I'd bet that MS will festoon its entry-level XP offering with all sorts of third-party trialware and other crap in an effort to make XP's continuing existence more economically viable. That stuff is a huge turnoff for the user and a real mismatch with the lean hardware and slim storage of the ultra-low-cost PCs. Idiocy upon idiocy, then: there's no such annoyance with the Linux-based ULCPCs... though it could happen.

--Scott Jordan

San Jose

=====

<http://blogs.zdnet.com/microsoft/?p=1312&tag=nl.e622>

Microsoft: June 30 Windows XP cut-off set in stone

Posted by Mary Jo Foley @ 11:09 am

Microsoft made it official on April 3: There will be no new reprieves for Windows XP (other than on Ultra Low-Cost PCs).

Some customers and partners had been hoping the company might extend again the deadline for all PC makers to be allowed to preload Windows XP, rather than Windows Vista, on new PCs. But today, Microsoft officials said the current June 30, 2008 cut-off date would remain in place for the vast majority of machines.

[snip]

[News](#)

Source URL: <http://www.tuxmachines.org/node/25704>

Links:

[1] <http://www.tuxmachines.org/taxonomy/term/56>