



(Don't be) Shocked by the New!

AUTHOR // PETER KARCHER

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Heard of 3D printing? Sure you have! They're those whiz bang machines that build little models which you see at your kids' school's open day to prove how tech savvy the school is.

But did you know there is an Australian tech startup whose capability of 3D printing rocket engines has attracted interest from NASA?

How about the internet? "Um, Yes" I hear you say? "I can click on the Safari icon thank you very much!" Well then, how about the Internet of Things? By 2020, it is estimated that between 25 million and 50 million physical objects will be connected and able to interact with the Internet.

We're not talking just your table or smartphone. Everything from your (soon to be driverless) car, your home appliances, through to city infrastructure and industrial equipment will be able to receive and monitor data from the net and react appropriately.

Holograms? They've been talking about that since Star Trek in the 1960s. It'll never happen. Well, as it happens, Kevin Spacey appear in November, via hologram, at the Australian National Conference for Superannuation Funds in Brisbane.

It is trite to say that technology changes fast, but the digital revolution is throwing up challenges for business as well, and on a scale that has not been seen before. Below are just a couple of "must know" technology topics for business.

THE CLOUD

Until now, many businesses have been wary of using cloud services, mainly on account of reliability and security concerns. But this seems to be changing, with leading analyst Gartner predicting spending on cloud infrastructure to increase by 32.8% in 2015.

"The cloud", in its simplest form, represents outsourced IT infrastructure. That is, you are using servers owned by someone else, housed in a data centre somewhere, rather than servers you own which sit in your office. That is what is meant by the term "IaaS" (Infrastructure as a Service), but there are other types of cloud offering, such as "SaaS" (Software as a Service), where you effectively access a vendor's software over the internet, rather than download it to your servers. Microsoft Office 365, for example, allows SaaS access to many of Microsoft's well known software applications.

While the scalability and cost effectiveness of cloud services are hard to dispute, concerns about potential downtime and allowing sensitive data into the control of others, sometimes in unknown locations, is understandable.

However, many commentators now say that the cloud is often more reliable and secure than on premise hardware. Massive cloud providers like Amazon, Microsoft and Google live or die by their reputations and invest huge sums of money on fail safes for their data centres, including data encryption, backup power sources

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and physical security, far more than the average business could spend in comparison. Most standard cloud data storage arrangements are unlikely to constitute a "disclosure" under Australian privacy laws, so regulatory concerns can be less significant than you might think.

DISRUPTION, DISRUPTION EVERYWHERE!

At the time of writing, the UberX ride sharing service had just been legalised in New South Wales and Western Australia. This epitome of disruptive business models has not only reshaped the market, but forced regulatory change to legitimise itself.

The disruptive influences of technology are being felt from Airbnb in the accommodation sector, to roboadvice businesses in wealth management, but we are seeing it affect our clients across all industries. And it is not just tech startups who can innovate. Remember Nokia and Blackberry?

Companies with huge resources who lost their market leading position, not to upstarts like Uber, but to established rivals Apple and Samsung. Established businesses ignore the potential impact of new technology

on their markets at their peril, but the likes of Apple show that mature businesses can innovate, despite the inertia that sometimes comes with size, regulatory obligations and complex corporate governance.

So start thinking disruptively. If this doesn't come naturally, then there is plenty of literature out there to get the mental juices flowing,. We recommend an article published by the Business Insider Australia, entitled "The 8 ways to disrupt traditional businesses and steal markets".

WE'LL BE CANVASSING THESE ISSUES AND MORE AT OUR SUCCEEDING IN A DIGITAL ECONOMY SYDNEY EVENT ON 17 MARCH 2016. FOR FULL DETAIL, PLEASE VISIT CLARKEKANN.COM.AU

FOR MORE INFORMATION, PLEASE CONTACT:



PETER KARCHER // Partner

T 612 8235 1218

E p.karcher@clarkekann.com.au