

**Thank God It's Friday!**

**January 8, 2010**



#### iPhone vs. NEXUS

Phone follies heated up on Wall Street this week as Google introduced its new NEXUS ONE smart phone to compete directly with Apple's iconic iPhone. Apple shrugged off the competition for three reasons: Its upcoming new TABLET...Its amazing success with KINDLE-for-the-iPhone...and its growing customer brand loyalty which surpasses anyone's wildest dreams. And the name NEXUS doesn't have a ring to it.

The most notable element to the new GOOGLE phone is how it will be sold: initially only through a new Google web site — [google.com/phone](http://google.com/phone) — and it can be

bought "unlocked," meaning not tied to any particular carrier. This is huge game changer in the wonderful world of cell phones because it means Google is trying to morph its strong customer loyalty to possibly change the balance of power in the wireless industry. This strategy could overturn the way cellular carriers largely control which handsets are available for users entails some risks.

Analysts say Google hopes to make its site a one-stop shopping place for Android phones and carrier sign-up agreements. Its new online store could compete with Best Buy, Amazon and Wal-Mart. Time will tell if the wizards of online search will use this store to collect customer loyalty and goodwill and make them a power broker among carriers in wireless sales. In other words, when customers become Google loyalists rather than Verizon or T-Mobile loyalists, Google could possibly approach the phone companies making them compete for the huge customer base.

Both GOOGLE and APPLE are our dynamic stock picks for 2010 tech investing, as they have been for over two years. Both companies have the deep pockets to grow their businesses and create new distribution models – cash alone in Google's coffers tops \$12 Billion and Apple's cash drawer boasts \$5 Billion.

Speaking of tech breakthroughs, today my bond book went "live" on Amazon's popular Kindle site. Take a look. The humble author appreciates your sponsorship. It is probably the most exciting thing I've done in my business career and its fun! Search for the title: ABCs Of Bonds. On its first day the first buyer generously gave a 5-star review – honest!

By: Jude Bedell