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The KIT – Knowledge & Information Technology

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In This Issue

["AI Inside": Intel Buys Vertex.AI](#)

[The End of Landline Telephony](#)

[Software, Power and Politics](#)

[Blockchain Mining vs. the Public Good](#)

[Seen Recently](#)



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→ **AI Inside**

Intel announced on August 16 that it had acquired Seattle-based startup Vertex.AI, which is building an open-source deep learning (i.e., neural network) engine called PlaidML. Vertex, which only consists of seven people, will join a prior acquisition, Movidius, within Intel AI Product Group, created last year.

Now that CPUs have become commodities, Intel is increasingly focusing on "data-centric" computing. The strategy behind the Vertex acquisition appears related to edge computing, the ability to process data close to IoT devices rather than in the cloud.

→ **The End of Landline Telephony**

France has announced that it will stop installing new landlines on November 15. Existing landlines will be supported for a while, but there will be a progressive phase-out. Pilot projects have already been run in two Brittany towns to convert all phone service to VoIP, meaning that people who did not yet have Internet service at home need to get it.

Operators in other countries are doing (or trying to do) the same thing, in particular AT&T in the U.S., which has pushed legislation in 21 states to allow it to discontinue the old service (costly to maintain for them) starting in 2020. Some concerns remain: What happens in a power outage? Does an Internet modem offer the same accurate localization of the origin of an emergency call if the caller is unable to provide the information? Will senior citizens be able to manage the transition? Will this also affect business services? And what about small businesses that still rely on faxing documents, since fax machines require landlines? The transition will probably not be as smooth as the telecom companies wish.

→ **Software, Power and Politics**

A very interesting paper by three researchers from Australia, presented at the 22nd International Conference on Evaluation and Assessment in Software Engineering (EASE '18, held in New Zealand at the end of June), is entitled "[Power and Politics of User Involvement in Software Development.](#)" The authors present a study that reveals the influence of internal politics over the decision-making process, the resulting dissatisfaction of participants, and ultimately a greater risk of project failure.

→ **Blockchain Mining vs. the Public Good**

The "proof of work" algorithms that must be executed in order to validate blockchain transactions require a lot of computation, and this in turn means electrical power. Mining one bitcoin consumes between 20 and 40 megawatt-hours (MWh), depending on whom you read (and on the generation of mining computer used). At the average electricity rate in the U.S., this means as much as \$5000. However, certain locations have much lower electricity costs, for example because they have municipal hydroelectric plants. This has caused "miners" to move to those locations, and now the consequences and the backlash have started.



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Our colleague Jason McC. Smith sent us this note:

"The Chelan County (in Washington State) Public Utility District has taken the unusual step of banning blockchain mining. My hometown, Wenatchee, WA, is one of the top three mining sites in the world because of cheap electricity and empty climate-controlled fruit warehouses. The mines were going in so fast, and sucking so much power at once, that it was causing brownouts *next to the dams.*"

Last March, the city of Plattsburgh, NY, voted to place an 18-month moratorium on new cryptocurrency mines, because the increased power consumption had exceeded the town's local hydroelectric plant capacity and caused electricity rates to rise for the entire population.

➔ Seen Recently...

"The term 'cloud' is very misleading. It makes you think 'Ooh, my stuff is up in the atmosphere, floating around, being protected by Jesus.' "

-- Australian comedian Kitty Flanagan, in a viral [YouTube video](#) (warning: adult language included)
Thanks to Dr. Nick Stavros for spotting this.

"Juicero is still the greatest example of Silicon Valley stupidity."

-- Claire Reilly, in a brilliantly sarcastic [CNet commentary](#) about the failure of hyped-up connected products that are "the answer to a question everyone realized they maybe, sorta, hadn't been asking."