

New phones will centralize communication



PC TALK
You can now forget your pager, your laptop, your cell phone, scheduling calendar...even your little black book. All those gadgets and functions can now be shrunk down and put into a palm-sized personal communicator, a lot like we see in Star Trek reruns.

Think I'm having a high tech hallucination? If so, you clearly haven't heard of PCS.

You will. The television ad campaigns are about to be unleashed, the billboards are being erected and the hype is happening. Right here in the Motor City.

PCS, for Personal Communications System, is here big time. What is it? For starters it's the replacement for cellular telephones. Within three or four years tops, I predict the standard analog type cell phones most of us carry around will be replaced by PCS phones.

In fact, I did just that this week, signing up for a new PCS-based phone and handing my trusty old analog Motorola handheld cellular over to my wife, Mrs. PC Mike.

But PCS is really much more than a new-fangled phone. It uses digital wireless technology that employs new communications efficiencies to squeeze more data onto the radio signal. That means that besides making telephone calls on your PCS phone, you can receive pages, get e-mail and text-messages, even have such extra services as caller ID to let you know who is calling you.

They come with built in address books and will soon even be able to show you your daily appointments.

In addition to all that, PCS phones are much clearer. They sound terrific. There's little drop-out, or static noise interference. PCS phones are digital. That means your voice is encoded or broken down into a series of numbers which are then translated back into audio signals on the receiving end. Thus, PCS conversations are secure and private, not nearly as susceptible to eavesdropping or cloning as the analog cell phones we're used to that can be clearly monitored by radio scanners.

There's one other big improvement with PCS. You get much longer battery life. The Qualcomm PCS telephone I'm using, for example, gets about five hours of talk time and up to 70 hours of stand-by time. That means I can leave it on almost all the time and not have to worry about having enough juice to get me through the day.

Telephone companies across the country are jumping on the PCS bandwagon. In the Detroit market, for example, AT&T, Ameritech and Sprint are all investing mightily. I've tried out all three systems over the past week and have been impressed.

I really like the idea of getting my e-mail over my phone. Most advanced in that regard is AT&T. You can directly send e-mail to an AT&T PCS customer by using the phone number as the address in a regular e-mail program or by accessing the messaging area of the AT&T Web site (www.attws.com).

Ameritech calls its PCS system "ClearPath" and has a similar option through its Web site (<http://clearpath.acswireless.com>) and Sprint (www.sprintpcs.com).

How about price? That's another plus.

PC Mike's Dynamic Page

The online home of High Tech Expert Mike Wendland

com

Computer/Net News you can use!

Personal Investment Software keeps Wall Street busy

With Wall Street's wild ups and downs, interest in personal investing has never been so high. And one reason for those record highs and sudden drops... according to analysts... is the growing number of people who handle their own buying and selling with their personal computers. Read Mike's take on the popular "Window on Wall Street" software package in his High Tech Talk report as seen on CNBC and NBC-TV stations this week.

Document: Date

PCMike: You can check out Wendland's Web site at www.pcmike.com.

Because digital systems are new, all three companies are doing all they can to lure charter subscribers with great rates. Sprint has an \$89.95 a month price that gives 800 minutes of airtime with no long distance charges. Their normal rate is 20-cents a minute when calling in the PCS service area.

Ameritech offers free PCS phones with a two year contract and rates as low as 22-cents a minute, depending on how much airtime you use every month. AT&T has a flat \$69.95 monthly fee for 760 minutes of airtime.

Digital prices are for using the carrier's digital PCS system.

And you shouldn't let those prices or free phones be the major determining factor in deciding on a system.

First, you better check out the PCS coverage area. Make sure you're in range of a digital cell at work, home and other locations where you're most apt to be making wireless calls.

A normal analog cell phone tower has about a 12-mile range. PCS digital antennas cover smaller areas, typically from six to eight miles. So for saturation coverage, more PCS digital antennas are needed. And each carrier has to have its own antenna on its own tower.

That's cause for lots of controversy throughout the suburbs as communities begin to complain about landscapes cluttered with towers from all the competing wireless carriers.

All three companies are scrambling to get digital antenna towers installed and running throughout Southeastern Michigan. In my tests over the past week, I found scattered holes in all three systems throughout the metro area.

Usually, these were small little pockets. You drive out of them almost before you realize you had lost digital service. All three carriers say they know exactly where these dead zones are and are working to fill them in by summer.

Generally, though, reliable digital coverage now extends from just south of Detroit to Ann Arbor on the west, Pontiac on the north and Mt. Clemens on the east. By the end of 1998, solid coverage is promised to extend to Lansing, up towards Saginaw and

over to Port Huron.

When you are outside of a PCS tower's coverage, the phone looks for an analog cellular signal and switches to that mode. But that can be a major cost consideration. Sprint and AT&T have considerably smaller cellular systems in place in Southeastern Michigan than Ameritech's. Thus, they've had to negotiate roaming rates with other providers to link up with their analog, or traditional service. Those roaming rates can add up. If digital service isn't available and the PCS phone switches over to analog cellular, you could get stung with as much as a 69-cents-a-minute charge.

Because Ameritech already has some 270 cellular towers up and running around metro Detroit, it was pretty easy for them to add the digital antennas on their existing towers, thus giving them a quick edge over the other two services. Ameritech also charges the same for analog and its "ClearPath" PCS, at prices as low as 22-cents-a-minute, depending on what package you select.

I ended up signing-on with Ameritech's ClearPath.

I tried AT&T for two days and decided it wasn't for me. I found AT&T's coverage in the Detroit area to be most spotty of the three. To be fair, AT&T has only been up with PCS here for a month. But I don't want to wait for them to put new towers online.

Traveling from one end of the metro area to another, with identical Qualcomm PCS phones in hand -- one on Ameritech's ClearPath system, the other on Sprint's PCS system -- I found Ameritech consistently had the strongest signal in the most places.

So, make your choice based on your own travel patterns and situations.

However you choose, it's hard to go wrong with PCS.

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Mittra from page E5

income of \$22,000, you're in the 15 percent tax bracket.

But if you have \$35,000 of taxable income, you pay 15 percent on the first \$24,450 and 28 percent on the remaining \$10,550.

In this case, your marginal tax bracket -- the highest level at which your income from mutual funds and other sources can be taxed -- is 28 percent.

But you do get a break here. While all your dividend, interest and short-term capital gains are taxed at your marginal tax bracket, long-term capital gain taxes are capped at 20 percent.

Therefore, even if your marginal tax bracket is 39.6 percent, your tax rate on long-term capital gains will never exceed 20 percent. It could, however, be lower, if your marginal tax

bracket is lower than 15 percent.

Here is an example of how timing can affect taxes on the sale of mutual fund shares. If you bought 100 shares of ABC mutual funds for \$20 a share in and sold them six months later, for \$22 a share, you would owe taxes on your \$200 short-term gain. If you have a marginal tax bracket of 31 percent, the amount would be \$62.

However, if you held on to the shares and made the sale more than 18 months after the purchase date, your profit would be considered a long-term gain. It therefore, would be taxed at the maximum capital gains rate of 20 percent, meaning that you would pay only \$40 on the \$200 gain.

Crowley's from page E5

positive. Winkelmann has always stood for quality, fashion and value apparel for the career female customer. We are happy to continue this tremendous franchise," Callahan said.

Callahan went on to state "This is a further opportunity to

expand our customer base and product offerings without any material increase in central office expense. We look forward to the integration of the Winkelmann chain into the new Crowley's."

Sales from page E5

For November, gift retailers led Michigan's retail industry, with 73 percent reporting sales increases.

They were followed by jewelers, at 63 percent.

The Michigan Retailers Association is the unified voice

of retailing in Michigan and the nation's largest state trade association of general merchandise retailers.

MRA's 4,600 retail business members operate more than 9,000 stores across the state.

IRA from page E5

and tax situation.

Your financial advisor can help determine your eligibility and whether the Roth IRA fits within your long-term financial strategy.

Because this can be a complex decision, it's best to consult with a professional to make sure you make an informed decision about which IRA is appropriate for you.

• Tell me how this gift keeps on giving.

You must do your part to make sure you reap the ultimate rewards from this gift. By making contributions (up to \$2,000) to your Roth IRA each year, you do end up "paying yourself." And make time your friend.

For example, say you're 30 and your Roth IRA investments earn 10 percent a year. If you make contributions of \$2,000 for the next 35 years, you could have nearly \$600,000 (almost \$530,000 in tax-free earnings) by the time you retire at 65.

• Is there a warranty?

Well, no. Like with all investments, your money is at risk. However, the Contributory Roth

IRA allows you to withdraw what you put in without paying taxes, whenever you want. (You would have to pay income taxes -- and possibly penalty taxes -- on any earnings withdrawn prematurely; but not on your own contributions.)

• Not to be greedy, but are there any other goodies in that stocking?

There is a little extra thrown in -- Education IRA. On top of your \$2,000 contribution to your Roth IRA, you can add \$500 per year for each of your children. The money grows, and, when your child reaches age 18, it can be withdrawn to help finance the cost of higher education.

• Is there anyone who should say "no thanks" to such a gift?

If you're not willing to wait at least five years -- or if you don't have a specified good reason for withdrawing the money -- it's best to pass on the offer.

are you on-line yet?

<http://oeonline.com>

Maybe you're using your computer to write the great American novel, or play cool games, or keep track of your inventory, or tackle some spread sheets. So maybe it's time for you to expand your horizons. Go global. You know, hit the Internet. Check out news, information and entertainment in your own backyard and around the world. Internet access through Observer & Eccentric On-Line! isn't going to cost you a bundle, either.

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