

Success (sort of). And now?

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We are now approaching our first full week with an investment, and I think this calls for a celebration. What?! I hear you cry. After last week - one of the worst weeks for the world economy and certainly for the LSE in a very long time, most city bankers have been left crying into their caviar. But for the three of us we have several things to be thankful for. Firstly, although we are not quite at break even with our Qconnectis shares, we are far from disaster. This is strange, because normally when given any kind of money or responsibility we have squandered it on, for example, buying as many drinking straws as possible and connecting them all together to see if we could break the world record. This went well, until someone discovered that the world record for the longest straw was about 8 miles and we had only bought about 300 straws (and about 7kg of chocolate raisins). Never mind we said - good effort. The second thing we can be thankful for is that we are not the subject of any kind fraud investigation - again a miracle considering our past record (NB Ben and Scott would like me to mention at this point that it was all a misunderstanding - that money was only resting in our accounts). Anyway, I am wandering somewhat from the point. I think after this week of epic success, we should be looking to the future, and in particular into which company we will be investing our next sum of money. After much research I have decided that I know nothing about mining, oil, the pharmaceuticals industry, manufacturing, banking and finance, the media, real estate or in fact most other sectors of the market you could care to mention, which leaves us with technology. Being a child of the late 1980s, brought up on a diet of 486s, the Sega Master System and all sorts of other technological wizardry, I can claim at least to know my way around this particular market. However, the most difficult hurdle to overcome in terms of investment in this sector must be discovering which direction technology is moving before it happens - people who invested heavily in the mini-disc just before the mp3 revolution will be aware of this. As far as I understand things at the moment, we are entering the wireless era. The HD movement is well and truly underway, and the war of the formats between HD-DVD and BluRay is all but over - or it will be in the near future when all or most things will be on solid-state storage or streamed over the internet. By far the most exciting glimpse of the technological future that I have seen recently is the move towards polymer and silicon printing. This involves replacing current circuit board production techniques with a system that should eventually cut costs, but more importantly reduce size, give increased flexibility and open up a huge number of new possibilities for microelectronics. The latest figures suggest that the amount of money spent on research in this sector doubled last year, as did the number of companies participating. Strangely, considering how many new applications this could include, people seem to be most excited about the prospect of integrating computers with items of clothing. As far as I can see, all this will do is open up a whole raft of new excuses from schoolchildren along the lines of 'I can't come to school today miss - my coat has crashed.' Certainly if Microsoft stick their great big corporate size nines in, people will be faced with endless questions such as 'Are you sure you want to open your pocket?', only to be faced with a dialogue box saying 'Cannot find OpenPocket.exe' at which point both sleeves fall off. This would clearly be ridiculous. But I have the good fortune to be able to see past all this to some more useful advances. Couple this technology with the introduction of more advanced 'E-ink' screens and it could spell the end of the newspaper as we know it. It could also have a dramatic effect on the size and portability of mobile phones, laptops and the increasingly popular 'eBook' devices. So watch this space - I will be putting my best researching hat on over the next few weeks to see if I can find a company worth investing in.