TUESDAY MORNING: BRITTLE, TWO

Yesterday I talked about the shift toward mobile computing centered on smartphones, moving from PCs. Behind that transition, out of sight of the public, is the cloud which supports this shift. Content and applications are increasingly stored not on the user's device but in a server (read: data farm) accessed over the internet.

One manifestation of the shift is the largest technology merger ever – computer manufacturer Dell's $70B acquisition of storage company EMC. Dell's PC sales have been slowly falling over the last handful of years, not unexpected due to the maturity of the market and the shift to mobile devices. Servers have been a large part of Dell's profits for years, but many opportunities often ended up with competitor EMC when Dell quoted storage. Mobile users need much more remote computing and storage – servers and storage in the cloud – which EMC's storage area network (SAN) products provide. This made EMC an appetizing fit to augment Dell's server offerings while offsetting the slowly fading desktop computer sales.

With the acquisition, Dell Technology (the new name for the merged companies) now competes more squarely against Hewlett-Packard, which also sells both desktop computers and enterprise storage.

HP, however, split into two companies late last year. One manufactures desktop and other smaller computing devices (HP), the other sells servers and storage products (HP Enterprise Business). One might wonder if HP was preparing to spin off the portion of the business that makes PCs just as its competitor IBM did in 2005 when it spun off its PC division to Chinese manufacturer Lenovo.

Media will say with the EMC acquisition that Dell is positioned for better end-to-end service

– but with so much computing now done on smartphones, this is not true. Dell and its competitor HP are only offering up to the smartphone.

Speaking of smartphones…

Suspect ordered to open Apple iPhone with Touch ID
29-year-old Paystar Bkhchadzhyan, a small-time crook charged with identity theft, was ordered by U.S. Magistrate Judge Alicia Rosenberg to swipe an iPhone seized from her boyfriend's apartment in order to unlock it.

It's not clear whether the iPhone has been identified as belonging to Bkhchadzhyan based on multiple reports, only that she may have "control over" the device. Nor is it clear – since she has already pleaded no contest to the charge against her – if the iPhone's contents will be used against her, or against her boyfriend.

It's also not clear why law enforcement hasn't used the "gummy bear technique" to open the phone, which would not force Bkhchadzhyan to lift a finger but instead use fingerprints already provided as evidence, bypassing any question of Fifth Amendment violations. Is this simple technique too much effort or too complicated for today's police force?

DISH TV techs to offer Apple iPhone repair service
Not authorized by Apple, mind you, but DISH TV will offer new service to their customers who use iPhones, including battery and screen replacements. The company anticipates offering the same limited repair services to Android users in the near future. This says something about the transition of content consumption from TV to mobile devices, and the use of mobile devices as TV and content controllers.

LuxLeakers in court this week – Luxembourg's version of Panama Papers
Antoine Deltour and Raphael Halet, former PricewaterhouseCoopers' employees, appear in

court this week on charges they stole and leaked documents on many of PwC's corporate clients – Accenture, Burberry, Icap, Ikea, Walt Disney Co., Heinz, JP Morgan, FedEx, Microsoft Corp.'s Skype, PepsiCo Inc., Procter & Gamble, Shire Pharmaceuticals to name a few. The documents outline the tax avoidance/evasion strategies employed by these firms with PwC's assistance and Luxembourg's implicit or tacit approval. This case should have as much impact as the Panama Papers as the corporations involved are quite large and the Luxembourg government is implicated.

Australia: Your human rights abuses suck, but we Americans have no room to talk

If you don't watch Australian politics, you should. Aussies have forced approximate 900 refugees to remain indefinitely on Manus Island of Papua New Guinea and the island country of Nauru, which are little more than rocks in the middle of the ocean with penal colonies masquerading as a refugee 'welcome centers.' The conditions have been wretched – and they must be if an outlet like Foreign Policy calls Australia's practice 'intolerable cruelty.' Their captivity is now illegal according to PNG's court, but the refugees are left without recourse. Two refugees have immolated themselves within the last week out of desperation. But Americans have not demanded Australia take the refugees because it would mean having to take some refugees here, too. Oh, and Gitmo – can't point to island-based human holding pens without allowing other countries to point to Gitmo. Or our immigration detention and deportation processes.

That last bit – both of the immolated refugees were not offered immediate health care – is so disgusting and disheartening I can't come up with anything more to write. Hope for a better day tomorrow, see you in the morning.