



E-COMMERCE INNOVATIONS

By THOMAS FREY OF THE DAVINCI INSTITUTE

The following E-commerce technologies are currently being developed to meet the consumer's need for easier "virtual" shopping on the Internet.

PRE-PAID CREDIT CARDS

There's a lot of anxiety by people over using credit cards on the Internet. This is probably the #1 reason for many to hesitate doing their shopping this way.

A pre-paid credit card in small amounts of \$10 or \$20 would make it so that people would feel much freer to purchase things over the Internet. This would benefit the many who need credit such as those with bad credit, foreigners, kids and others. The number of people willing to buy this way would increase dramatically. For merchants, there can only be an upside to it because there would more available money on the Internet.

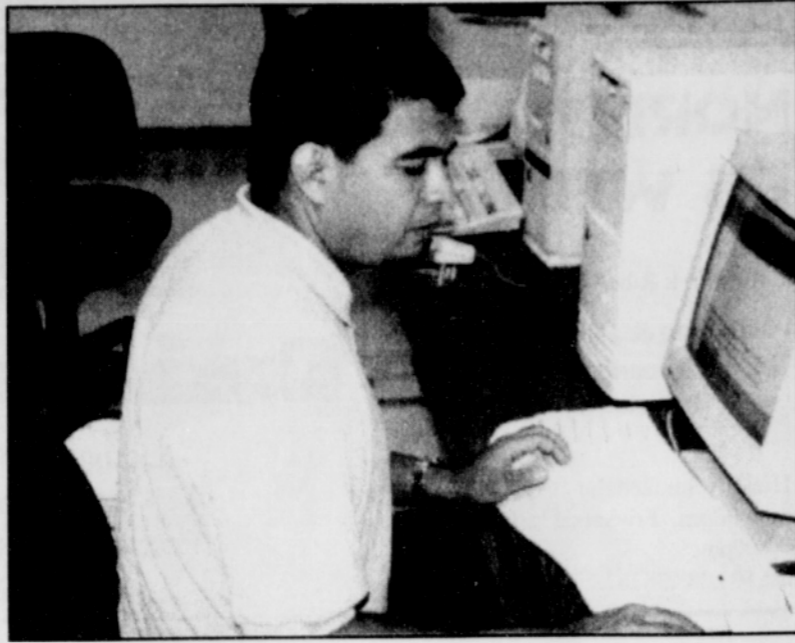
Currently, the company, E-charge.com has figured out how to make purchases over the Internet and have it charged to your telephone bill.

The main complication involved in setting up a pre-paid credit card is the extra number of digits required, making it technically complicated and substantially costly to deal with. The merchants and bankers would have to be set up to receive a credit card with 20 or more digits on it.

SMART AGENTS

The Smart Agents is an online technology for searching out the best deal for the consumer. As an example, if someone was going to buy a new refrigerator, they could program their Smart Agent to go out there and put in what features, style and brand names they want. The Smart Agent would go around to all of the Web sites and negotiate a deal on behalf of that consumer.

This technology comes in handy if a city, county or state is putting out a



request for proposals and they want people to bid on it. They could send out the Smart Agent program on the Internet and it would automatically go out to people and work with them to get their bid on the proposal and actually bargain back and forth between two people as a way to get the lowest dollar.

There are those who don't like this approach.

One of the problems with selling online is that the philosophy has always been thin-margins, high volume. You are working with a big market and you cut your cost down so that you're making small profits on every one that's sold. It's a cut-throat business where people are trying to build customer bases, trying to build a good number of web hits. They are actually selling products at a loss so that they can get the number of web hits up to as high as possible thinking that in the future, they're going to be able to sell products that are more profitable. That's not been proven yet. There's a lot of games being played on the Internet right now just to build your customer base, to build brand and name recognition.

THE E-COMMERCE MAIL-BOX

When the husband and wife are both working and there's nobody home to receive deliveries, people don't buy things over the Internet because there's not an easy way for things to get delivered. You don't want to wait at the doorstep for the delivery guy to show up.

An inventor named David Porter has developed a E-commerce mailbox called the "Smart Box". This is an intelligent delivery box where if you get groceries delivered, it keeps things at the right temperature and the delivery people can access it 24 hours a day. There are several different prototypes for this "Smart Box". It sits in front of your house and are designed to not be too obtrusive such as the bench seat model or the collapsible type. Such an invention is one of the missing links to the E-commerce industry. This may be the next major appliance that everyone gets. The "Smart Box" is not available yet. To learn more about this go to www.smartbox.com on the Internet.

Thomas Frey, a former IBM engineer, is senior researcher and co-founder of the DaVinci Institute, a future-studies organization that concentrates on inventions and technology. His website is www.mammoth.org/~davinci.



City of

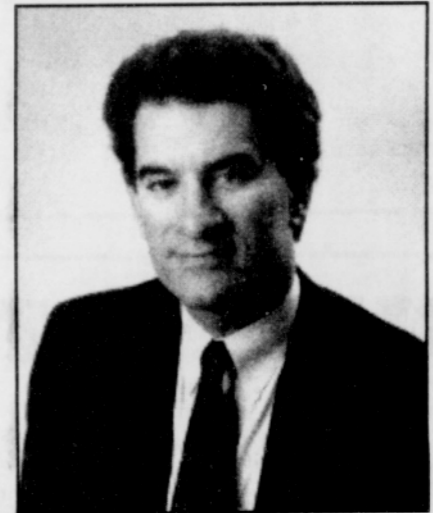
PORTLAND, OREGON

OFFICE OF PUBLIC UTILITIES

The City of Portland is working with minority, women and emerging small business entrepreneurs to enhance employment opportunities.

We join in the celebration of *Minority Business Development Week*, an opportunity to acknowledge the successes that provide role models for our youth.

We are committed to the availability of *training* as well as the use of the *purchasing power* of the City.



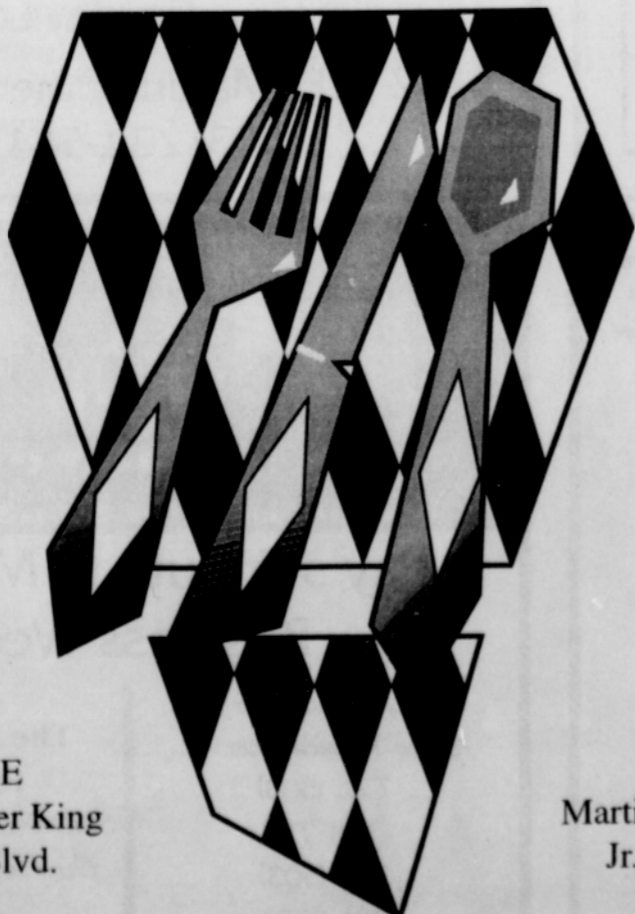
Jim Francesconi
1221 S.W. Fourth Avenue
Portland, Oregon 97204

(503) 823-3008
(503) 823-3017 - FAX

POPEYES

CHICKEN & BISCUITS

Salutes Minority Business Week



3120 NE
Martin Luther King
Jr. King Blvd.

5949 NE
Martin Luther King
Jr. King Blvd.



Portland Parks and Recreation is pleased to participate in this Special Edition of The Portland Observer. Even though this is a Special Relationship with The Portland Observer. Portland Parks and Recreation receives a very high approval rating from the Citizens of Portland, your coverage of our plans and events is an important Contributor. Thanks for the Support and the Great work that you do.....



Charles Jordan