Navigating Uncharted Waters in Cyberspace

I'd like to share with you a vision of the future . It takes place in cyberspace, and it's coming soon to a computer near you. Whether you like it or not, and whether you're ready or not, the Internet is changing the way business is conducted.

My vision is filled not only with online information, but also with online transactions. By now we've all heard the success stories of cybersales pioneers such as *Amazon.com* and Dell Computers, who have capitalized on the Internet's ability to reach the masses. Today, however, this quick and easy way to reach the consumers of mainstream products such as books, CDs and videos is fast becoming the way to reach industrial buyers as well.

The question is whether manufacturers of industrial goods, such as gears, can follow the *Amazon.com* model and set up online purchasing systems through their Web sites. For some, the answer is still probably no. But there are a number of stocking distributors and manufacturers of catalog gears who have already added e-commerce to their sales repertoires. A case in point is the Web site of W. W. Grainger, Inc., the well-known catalog supplier of industrial goods including gears. The site at *www.grainger.com* offers online purchasing of any item found in the company's catalog.

However, a system that's simple and elegant for buying CDs or even stock gears breaks down when you're selling custom gears or other more substantial products. The kind of customer looking for these products will always need a more personal relationship with his supplier. He'll want to see what he's buying and meet the people he's buying from.

Many of you are this type of customer, especially when it comes time to buy major items like machine tools. Face-to-face contact is what makes trade shows like IMTS and the upcoming Gear Expo 99 so important. You can get important personal contact with many suppliers in one place. You can see the machines in action and judge one against the other.

Much of this personal side of the business will become easier to conduct electronically as computers become more powerful and our access to the Internet becomes faster. Instead of just reading about a new machine, we'll be able to see videos of it in operation. We'll be able to walk around a virtual version of the machine, press the buttons and make it go. Maybe we'll even be able to cut virtual gears online. Perhaps a real salesperson will be able to lead a whole team of us on a virtual tour of the machine and his company's manufacturing facility. We'll probably be able to see his face, and he'll see ours. We'll ask questions and he'll answer them in real time. We'll both save a lot of time and money.
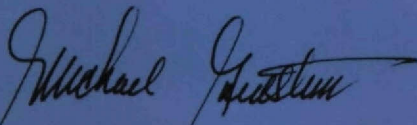
My vision includes all of this and much more. Most of these ideas are already possible. Some will become practical very soon. Once upon a time, even the fax machine seemed like an expensive toy. Now hardly a business survives without it. The same will hold true for much of this emerging Internet technology. Of course, some of these ideas will probably go the way of the Telex machine and exist only long enough to be replaced by something better.

E-mail and the Web have become the "something better" of today. By now, most of you have personal or business e-mail accounts. You've surfed the Web, and you've become familiar with the Internet. But the best of today's tools continue to evolve, and the pace of change, both in hardware and software, is faster than ever. Learning how your company can best use the Internet is an incremental process. Continually building on your knowledge and familiarizing yourself with the latest technologies now is inexpensive time well spent when you consider the possible long-term implications of a competitor who's using his Web site to showcase his products *and sell them online* without ever leaving his office. You don't want to be communicating with stone tablets and chisels when your competition is videoconferencing and leading virtual tours.

Most companies use their Web sites today as electronic versions of their printed materials. Having this information available 24 hours a day from anywhere in the world certainly has its advantages, but this is only the beginning. In my vision, company Web sites look less like online brochures and more like store fronts and showrooms, a place to do business. At your Web site, you'll develop relationships, albeit remotely, with far-flung customers, and you'll do more and more of your company's business.

We're investing considerable effort into this year's *Show Central*, our 3D version of AGMA's Gear Expo 99. It will be up and running at *www.geartechnology.com* by May 1. You'll have to download a small piece of software to fully explore *Show Central*, but we're confident that when you visit, you'll see how powerful an electronic showroom—or better yet, a whole shopping mall full of them—could be for buyers of machine tools. Experiencing *Show Central* as potential buyers will also give you some ideas about how you might be able to implement these technologies for **your** customers on geartechnology.com, powertransmission.com or your own Web site.

Show Central is not yet quite as advanced as my vision of the future, but our first step in that direction should show you enough that you and your company will be convinced to take the next step with us.

Sincerely,
Michael Goldstein, Publisher and Editor-in-Chief