

# Forbes

## THE COVER

### 140 Welcome to my store

Bill Gates wants to be your shopkeeper on the Web. Can he outsell Yahoo! and AOL?  
By Eric Nee

## ALSO ON THE COVER

### 50 Glut check time

Asia's got all supply and no demand, which means its goods are now U.S.-bound.  
By Andrew Tanzer and Neil Weinberg

### 132 Games dealers play

IBM, Compaq and HP are in a bind they just can't escape.  
By Daniel Lyons

## MANAGEMENT, STRATEGIES, TRENDS

### 52 The Archimedes of Wall Street

John Meriwether's magic touch was little more than nerve-racking leverage.  
By Robert Lenzner

### 54 Too much doodle

3M's still stuck on Post-it notes in a changing world.  
By Michelle Conlin

### 55 Silicon Valley goes gray

VCs are on the prowl for CEO vets to run startups.  
By Julie Pitta

### 56 Lucky Luciano?

Benetton takes its colorful look to, of all stores, Sears.  
By Silvia Sansoni

### 62 Cutlets and couture

Shopping for steak and that little black dress at the mall.  
By Carrie Coolidge

### 64 King of the grocers

At Safeway, profitability is in the details, details, details.  
By Kelly Barron

### 68 Down to the wireless

Constellation plays it slow with a Third World strategy.  
By Peter Spiegel

### 70 Ski bum!

What's good for Vail's Adam Aron is bad for the locals.  
By Christopher Palmeri

### 74 Prior restraint

Untold story! Alfred Sloan's masterpiece almost wasn't.  
By Dan Seligman

### 82 Out of Omaha

The obscure tax attorney who became a telecom titan.  
By John Gorham

### 86 Other people's money

Why "junk loans" are fueling a Las Vegas building boom.  
By Seth Lubove

### 108 Startup City

For the entrepreneurial, it's better to do it in Austin.  
By Daniel Fisher

### 112 Numb in Namibia

To many, Don Braden proves you can't trust a car dealer.  
By Pranay Gupte

### 135 Give us your waste

How Carlsbad, N.M. got the WIPing it wanted.  
By William P. Barrett

### 136 Deconstructing Oscar

Coastal Corp.'s David Arledge is no Oscar Wyatt.  
By Christopher Palmeri

## ENTREPRENEURS

### 116 Fishing for a future

A Scottish fly-rod maker angles for an advantage.  
By Richard C. Morais

### 116 Money troubles?

What's the outcome of all the poorly performing IPOs?  
By Rita Koselka

### 117 Picasso pawnshops

When cash gets tight, try borrowing on the wall art.  
By Robert Goff

### 118 Boss wanted

How two telecom guys got the right man for the job.  
By Stephan Herrera

### 122 Got organic milk?

The cows at Horizon do everything au naturel—and we mean everything.  
By Christopher Palmeri

## INTERNATIONAL

### 88 The global touch

In VTech's Asian equation, one plus one equals three.  
By Andrew Tanzer

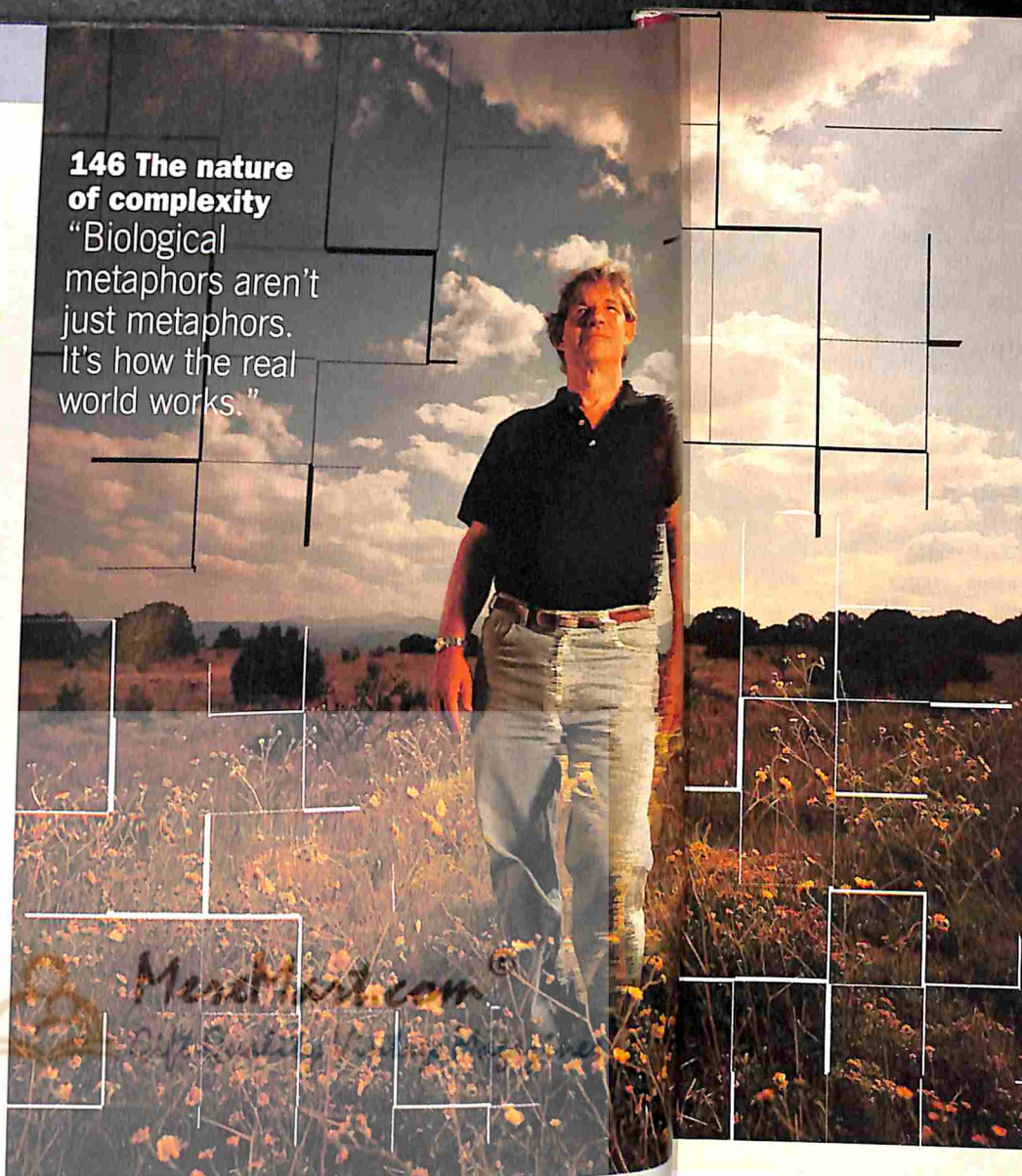
## CHARTICLE

### 60 College-level math

Trustees cry poverty, even as their endowments soar.  
By Peter Brimelow

## 146 The nature of complexity

"Biological metaphors aren't just metaphors. It's how the real world works."



## DEPARTMENTS

- 14 Side Lines
- 16 Follow-Through
- 16 Flashbacks
- 22 On My Mind
- 26 Readers Say
- 31 Fact and Comment
- 36 Other Comments
- 41 Commentary
- 43 Digital Rules
- 47 Transparent Eyeball
- 48 Economic Forecast
- 48 Forbes Index
- 178 Thoughts

## 8 Editorial Index

## MONEY & INVESTMENTS

### 156 The Funds

#### Global safety

Vanguard Horizon offers shelter in a troubled world.  
By James M. Clash

### 157 The Funds

#### It's a cheap world

Buying nations at a discount.  
By Thomas Easton

### 158 Statistical Spotlight

Molotov cocktails  
With their volatile ingredients, these stocks could blow.  
By Robert Cyran

### 160 Taxing Matters

#### Giving the IRS the slip

Set up a family partnership and slash your estate taxes.  
By Janet Novack

### 163 The Forbes/Barr

#### Wall Street Review

#### 164 Commodities Review

### 166 Streetwalker

Trans World Entertainment; stock buybacks; energy stocks.

## INVESTMENT COLUMNISTS

### 168 The contrarian

David Dreman

### 169 Capital markets

Marilyn Cohen

### 170 Market trends

Martin Sosnoff

### 171 Stock trends

Robert S. Salomon Jr.

## TECHNOLOGY

### 146 Complex thinking

Biologists are finding their way into the oddest places.  
By Zina Moukheiber

### 150 Staying Healthy

Viagra for diabetes?  
There's more hype than hope in many new products.  
By Alexandra Alger

### 154 The end of tyranny

Scrap computers and bring on the "information appliances."  
By Stephen Manes

## COLUMNISTS

### 59 Close to home

Jennifer Roback Morse

### 107 Management strategies

James Champy

### 152 Volatility and the laws of physics

Peter Huber



## 154 PCs no more

Bring on the "information appliances."



The coming world capacity glut

IBM, Compaq, HP:  
Big three in a bind

October 19, 1998  
www.forbes.com

\$4.95 (Canada \$5.95)

# Forbes

Can Microsoft  
be the  
Wal-Mart  
of the Web?

Welcome  
to my store!

