



## TELECOM

## Exodus

Nearly 10 years ago, after leaving an engineering job at Nortel, Russian émigré Greg Shenkman (left) noticed a gap – a “rat’s hole that nobody wanted” – between telephone support centers and associated computer systems. To fill the gap, he cofounded Genesys Telecommunications with CTO Alec Miloslavsky (right), building it into a 600-person global company. Analysts now say that Genesys’ rat hole – computer-telephony integration – will be worth US\$6 billion by 2000, but Shenkman will be a spectator then: The company announced in July that he was stepping down as president.

Here’s his legacy: When a call comes in to a Genesys client (including Sony, Charles Schwab, American Airlines-SABRE, and top telcos), the firm’s software identifies the caller before


anyone picks up the line and records the transmission – with all relevant caller info – to the appropriate department. Not the sexiest application, perhaps, but it allowed Genesys to realize revenues of \$85 million in 1997.

If the Genesys story suggests the immigrant’s American Dream, Shenkman’s departure (CFO Michael McCloskey took his place) shifts the plot line to another familiar narrative: what happens when the founder makes way for the accountants?

“Sometimes young entrepreneurs are not what a company needs,” 36-year-old Shenkman reflects. “It just came to such a time.” Though Shenkman wouldn’t say what he plans to do next, he did make it clear he isn’t suffering burnout: “I’m not the founder who sits on the porch. I have a fire in my belly.” – *Kaitlin Quist*

## FUTURES MARKETS

## Helmut Kohl’s Bull Run



Last month, we imagined MTVfn tracking culture bonds – asset-backed securities based on the earnings of pop stars (see “Gold Into Led,” *Wired* 6.09, page 77). Now it appears political junkies won’t be left out. At [www.wahlstreet.de/](http://www.wahlstreet.de/), virtual shares of political parties get traded; in fact, German voters have already gotten a taste of what tomorrow’s elections might be like. – *Brad Wieners*

## ECOMMERCE

## Smartcards Multiply

Smartcards may not be in every wallet yet, but neither have they died on the vine. True, their use is more concentrated in Europe, where single-application (telephone) cards are ubiquitous. Still, they’re growing like weeds stateside in closed systems such as university campuses, military bases, and transit lines, where the cards not only store credits for copy machines, pay phones, or subway rides, but also serve as a photo ID, library card, building-access card, and health and meal card all in one.

For smartcards to gain mass acceptance, says Cynthia Bengier, Mondex USA’s director of strategy and product management, “I think ecash alone isn’t enough. To change someone’s behavior about something that’s so deeply inbred as the way we exchange currency takes a little bit more, and that’s why additional applications push users to change behavior.”

Of course, it’s not just consumers who have limited the demand for smartcards. The advantage – besides greater security –

that may finally sell bankers on smartcards is *float*. From the moment that a consumer downloads monetary value onto a card, the instant the merchant contacts the bank to exchange the ecash for real dollars, the value of the card is in float – that is, available to the bank. This factor could create what the suits call a win-win situation.

Neither multiple use nor float is reflected in the latest usage numbers (see chart below); clearly more people are seeing the potential of smartcards. – *Matthai Chakko Kuru*

Worldwide Chip-Card Market (millions of units)

	1997	2002
Public pay-phone cards	650.8	2,572.6
Wireless comm cards	68.8	330.1
Financial cards	67.6	726.0
Health cards	50.5	180.3
Pay TV cards	37.8	66.9
Transport cards	15.7	308.1
ID cards	13.7	274.2
IT cards	0.005	41.1
Other cards	57.5	217.2
Total	962.4	4,716.5

SOURCE: DATA