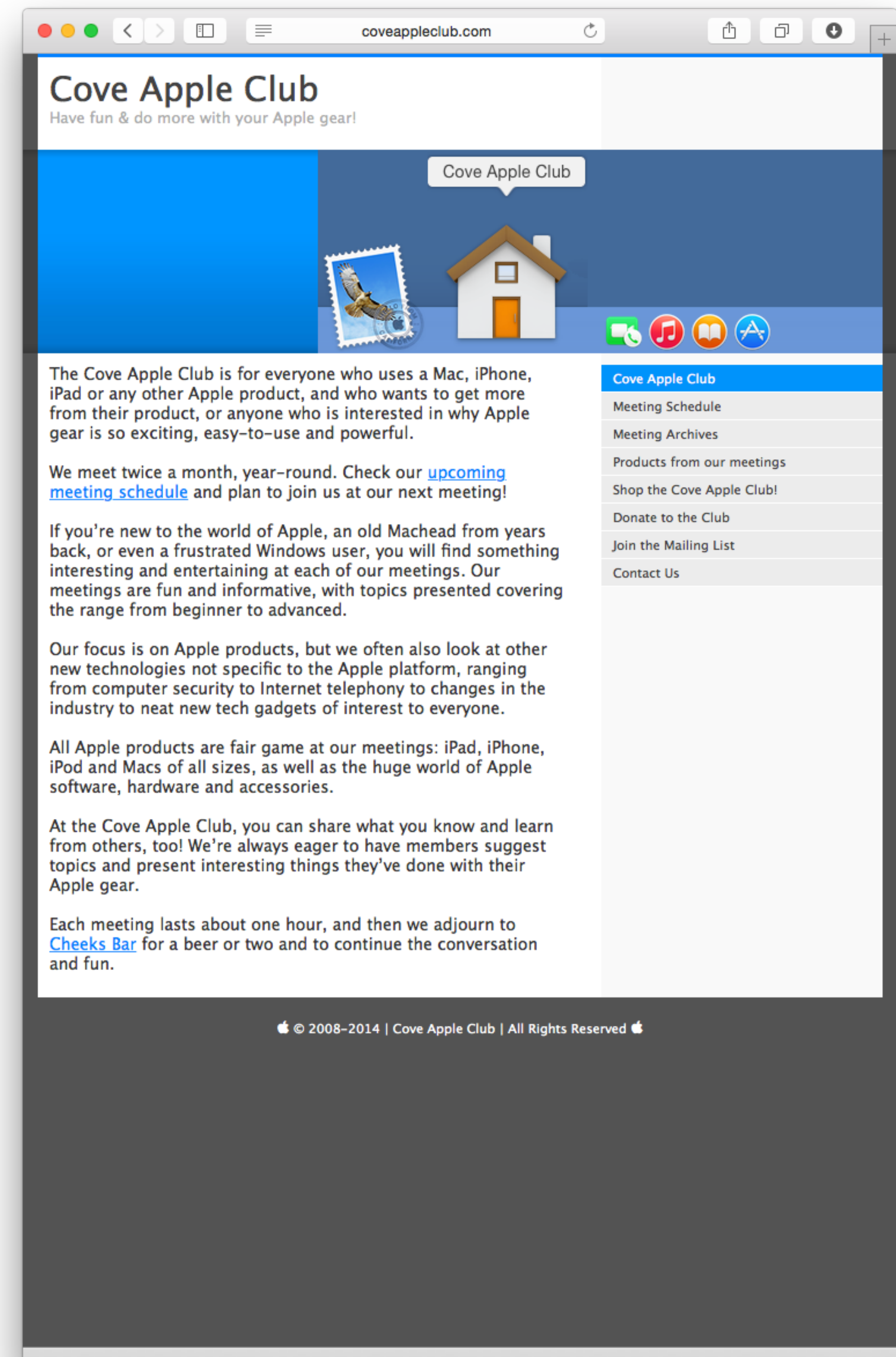


Cove Apple Club

October 22, 2014



COVEAPPLECLUB.COM





coveappleclub.com



Cove Apple Club

Have fun & do more with your Apple gear!

Cove Apple Club



The Cove Apple Club is for everyone who uses a Mac, iPhone, iPad or any other Apple product, and who wants to get more from their product, or anyone who is interested in why Apple gear is so exciting, easy-to-use and powerful.

We meet twice a month, year-round. Check our [upcoming meeting schedule](#) and plan to join us at our next meeting!

If you're new to the world of Apple, an old Machead from years back, or even a frustrated Windows user, you will find something interesting and entertaining at each of our meetings. Our meetings are fun and informative, with topics presented covering

Cove Apple Club

Meeting Schedule

Meeting Archives

Products from our meetings

[Shop the Cove Apple Club!](#)

Donate to the Club




Join the Mailing List

Contact Us

Cove Apple Club

Have fun & do more with your Apple gear!

Cove Apple Club



The next time you need some new Mac gear, start your online shopping session with the link to Amazon on this page. Your purchase will earn a little money for the Cove Apple Club, which we save up all year for a big Holiday Party for all members of the club! We update club members on the earnings every month.

So be sure to click the Amazon logo below when you need to shop for Mac products online...and "give back" to the Cove Apple Club -- without costing you an extra cent! Thanks!

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All from Earth's
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Need a Web site? Want your own email domain?

The Cove Apple Club uses and recommends [1&1 Internet](#).
Unlimited hosting plans and personal email domains from \$0.99/month with 24/7 live telephone support.

1&1


1&1 MY WEBSITE

✓ Hundreds of industries

✓ Includes text and images

✓ Make changes anytime

✓ Integrate Facebook and Twitter



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club! We update club members on the earnings every month.

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Since Our Last Meeting

Earnings Report Totals

[Glossary](#)

October 7, 2014 to October 21, 2014

	Items Shipped	Revenue	Advertising Fees
Total Amazon.com Items Shipped	17	\$506.90	\$28.54
Total Third Party Items Shipped 	39	\$740.71	\$38.67
Total Items Shipped	56	\$1,247.61	\$67.21
Total Items Returned	-1	-\$3.99	-\$0.20
Total Refunds	0	\$0.00	\$0.00
TOTAL ADVERTISING FEES	55	\$1,243.62	\$67.01

2014 YTD

Earnings Report Totals

[Glossary](#)

January 1, 2014 to October 21, 2014

	Items Shipped	Revenue	Advertising Fees
Total Amazon.com Items Shipped	653	\$16,943.25	\$845.97
Total Third Party Items Shipped 	548	\$10,497.12	\$612.23
Total Items Shipped	1201	\$27,440.37	\$1,458.20
Total Items Returned	-6	-\$153.94	-\$6.81
Total Refunds	0	\$0.00	\$0.00
TOTAL ADVERTISING FEES	1195	\$27,286.43	\$1,451.39

Tonight's Topics

- Jef Presents A Dingus
- Apple In The News
- Fresh Meat: New Products Update
- Impressions from a Yosemite “Freshie”
- Apple Pay
- Project Boondoggle

AAPL 4Q14 Results

- Revenue of \$42.1B vs. guidance of \$37-\$40B, up 13% YOY
- Profit of \$7.7B, up 12% YOY
- Gross margin of 38% vs. guidance of 37%-38%
- Cash dividend of \$0.47/share to be paid on 11/13 to SOR as of 11/10
- 1Q15 guidance of \$63.5-\$66.5B revenue, gross margin 37%-38%

AAPL 4Q14 Notes

- Highest Mac sales since Mac was introduced in 1984: 5.52 million units, up 21% YOY vs. PC market dropping by 2%
- Mac took over #2-by-revenue spot in Apple's mix, resulting in overachievement in revenue and profit vs. guidance
- Shipped 39.3 million iPhones in the quarter; iPhone 6/6 Plus only available for 9 days in the quarter, without China and 36 additional countries added since EOQ

AAPL 4Q14 Notes

- That's means Apple is building, shipping and delivering 5 new iPhones ***per second***, all day, every day, all over the world — and it's not nearly enough to meet demand
- Tim calls demand for new new iPhones “staggering,” backlog is “significant,” no way to tell what the actual demand is right now because supply and demand are so far out of balance; “selling everything we can make”
- Revenue beat was due to higher mix of iPhone 6 Plus and 2,000,000 more Macs sold than expected

AAPL 4Q14 Notes

- App store revenue grew 36% YOY
- Apple retail store revenue grew 15%, to \$5.1B; plans to open a new store every two weeks in FY15, 75% of them outside the US
- Apple acquired seven companies in the quarter
- Big expectations for Apple Pay, which went live on Monday with iOS 8.1

AAPL 4Q14 Notes

- Apple's iTunes Store, which they run at break-even just to support device sales and the device ecosystem, is now a bigger business than that done by companies in the bottom 2/3 of the Fortune 500
- Apple has delivered 237,000,000 iPads in its first four years; **twice as many** as iPhone units in its first four years
- Apple will soon ship its **2-billionth** iOS device — iPhone/iPad — from a standing start in 2007
- Almost half of iPhone 6 Plus buyers are new-to-iPhone, new-to-Apple, and coming from Android — and that's **before** China lit up
- Meanwhile, Samsung had a disastrous quarter; profit dropped 60%; said “said it is responding with a new smartphone lineup that will include new mid-range and low-end devices, which would make Samsung's products more competitive in markets such as China.” — Yep, that's the answer!

And then...

- Tim casually noted that Apple will buy back an additional \$17-billion of their own stock on the open market
- Apple has bought back an astounding \$45-billion of their own stock since 1Q14, and plans to buy a total of \$100-billion before 4Q15
- This made almost no news; an unnamed loser in Canada is famous worldwide for almost breaking his thumbs trying to bend an iPhone 6 three weeks ago.

AAPL Milestones Since 1997

If You Had Bought AAPL When...	Date	AAPL Price Then	AAPL Price Now	% Gain
Steve Jobs Return to Apple	2/15/1997	\$2.38	\$102.99	4227.31%
iPod Introduced	10/23/2001	\$2.73	\$102.99	3672.53%
iPhone Introduced	1/9/2007	\$12.35	\$102.99	733.93%
Cove Apple Club Founded	1/21/2007	\$12.45	\$102.99	727.23%
M&M's Broker Told Us to Sell All Our Apple Stock Just After We Retired	11/6/2008	\$14.16	\$102.99	627.33%
Post-Recession Low	11/20/2008	\$11.50	\$102.99	795.57%
iPad Introduced	1/27/2010	\$29.55	\$102.99	248.53%
Tim Cook Named CEO	8/24/2011	\$53.74	\$102.99	91.64%
Steve Jobs Dies	10/4/2011	\$54.04	\$102.99	90.58%
2012 Year-End Close	12/31/2012	\$57.86	\$102.99	78.00%
2013 Year-End Close	12/31/2013	\$80.15	\$102.99	28.50%
7-for-1 Stock Split Announced	4/23/2014	\$74.96	\$102.99	37.39%
Apple Watch, Apple Pay, iPhone 6 Announced	9/9/2014	\$97.99	\$102.99	5.10%

*AAPL touched an all-time record high of \$**104.11** today at 11:36am on no news*

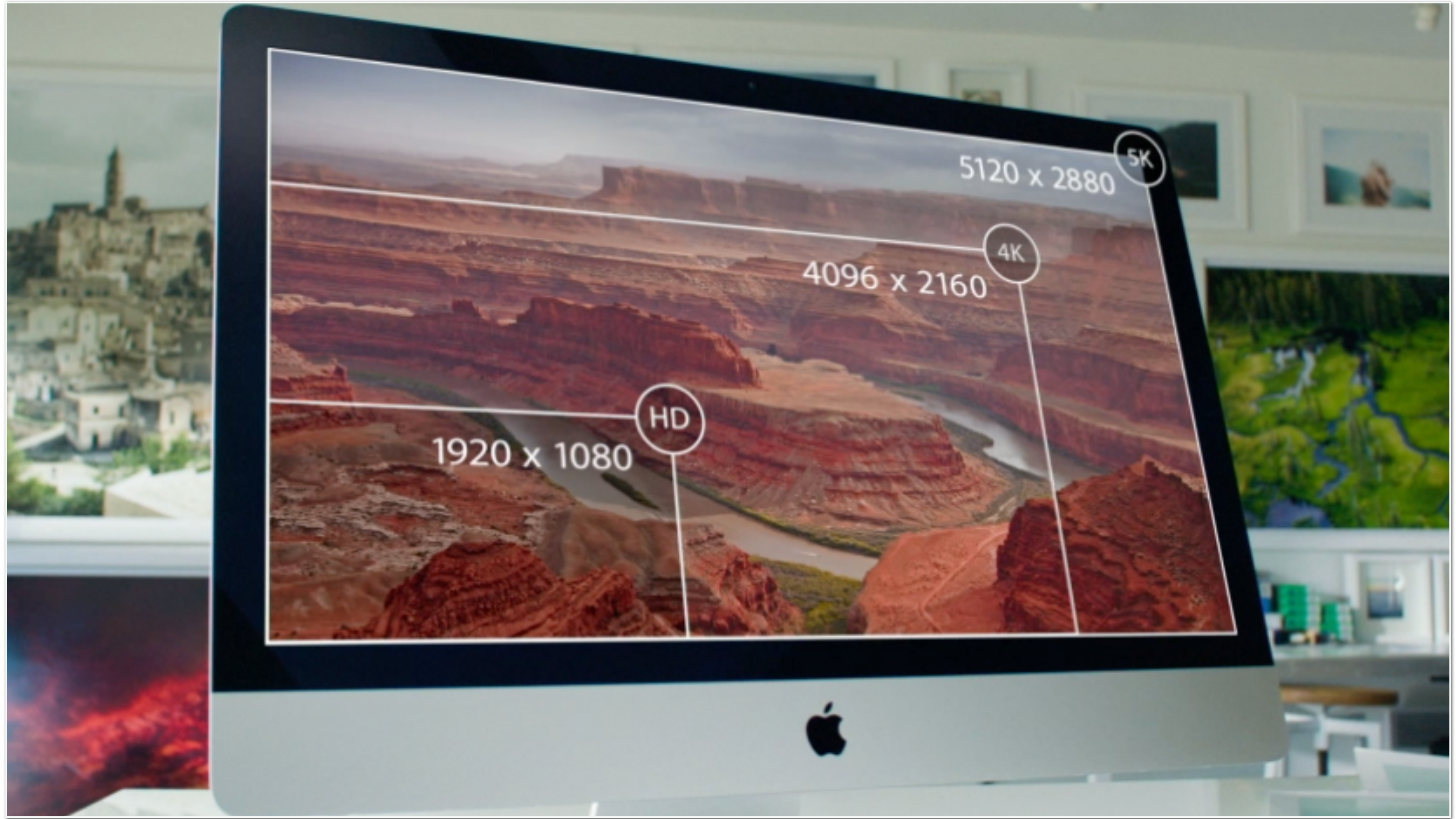
Updated 10/22/14
source: NASDAQ, Apple
Share prices split-adjusted

And This Just In:

- OS X 10.10 Yosemite dropped on Thursday — free
- New versions of iWork apps: Pages, Keynote & Numbers
- iCloud Drive in Yosemite
- iOS 8.1 with Apple Pay, Camera Roll, SMS Relay & iCloud Photo Library Beta dropped on Monday — free
- New iPads, new Mac mini & new 27” iMac with 5K Retina Display
 - ...all since last Thursday!



New 27" iMac with Retina 5K Display



5120 x 2880

5K

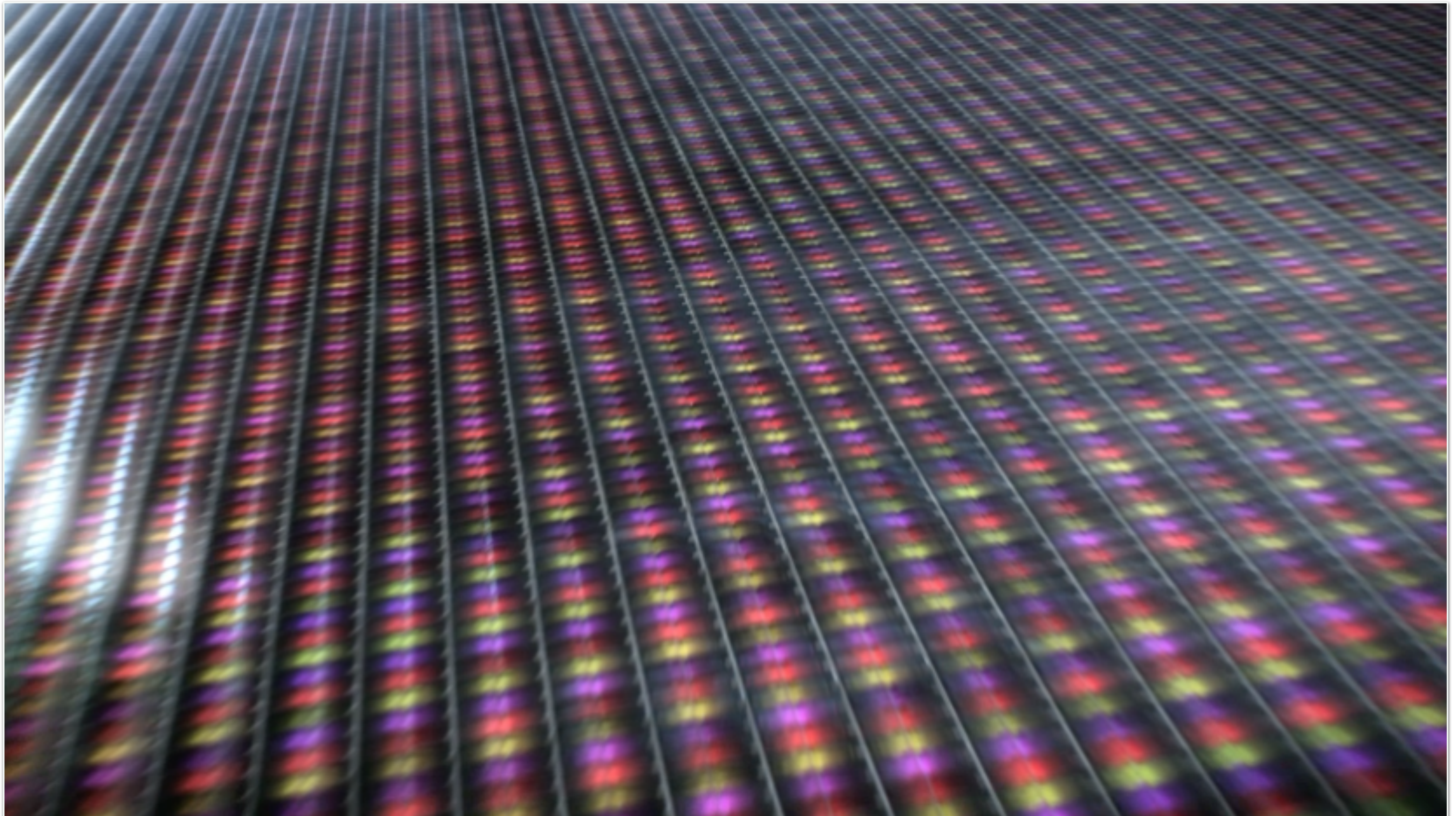
4096 x 2160

4K

1920 x 1080

HD









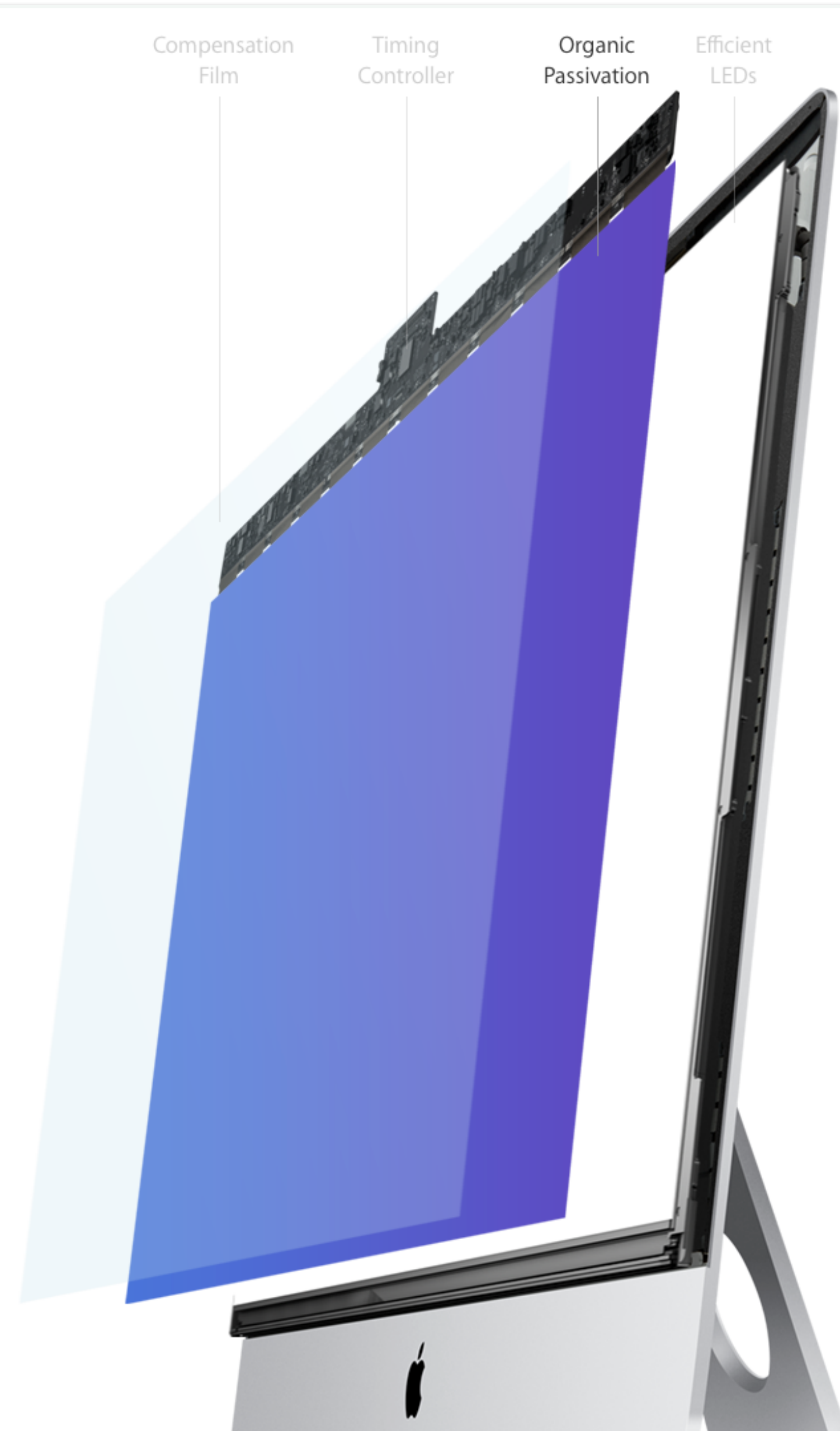
Powering 4x
more pixels
with 30 percent
less power.

Highly efficient LEDs.

Powering so many pixels without overheating the display — or compromising the thin iMac design — required more energy efficiency. So we switched to highly efficient LEDs for the new iMac with Retina 5K display, reducing power consumption while maintaining our high standard for display brightness.

Organic passivation.

With four times as many pixels within the same 27-inch screen, clear communication required organic passivation, or “overpass” technology, an innovation introduced in iPad with Retina display. It separates the pixels from the signals that tell them when and how to light up — preventing any “cross-talk,” or interference, that could result from putting so





27" iMac with 5K Retina Display vs. Original Mac Display



27" iMac with 5K Retina Display vs. Original Mac Display

Web Demo



...but here's the kookie thing about it:

- A 4K HDTV will knock you back about \$3,000, but have 20% less resolution, and is not a computer
- Dell will soon start shipping a 27-inch 5K standalone display, **which will sell for \$2,499**
- The new 27" iMac with Retina 5K Display will sell for \$2,499 — **and it comes with a free iMac inside**





Impressions from a Yosemite “Freshie”

Mike's Yosemite Freshie

- 27" Mid-2010 iMac, 3.2Ghz Intel Core i3, 16Gb/1Tb
- Originally came installed with Leopard
- Five subsequent “over-the-top” OS X upgrades: Lion, Snow Leopard, Lion, Mountain Lion, Mavericks
- This is my “daily driver” production machine used for everything
- Bought new July 2010 for \$1,649
- Never a moment's trouble from it; runs faster today than the day I unpacked it; not a ding-dong thing wrong with it



Pre-Freshie Observations

- 480Gb of data, photos, documents, video, music, archives
- 6Gb of add-on apps
- Boots in about 45 seconds
- App performance is excellent
- Fan runs almost constantly
- Some “spinning beach balls” during heavy CPU loads

Packing the Parachutes

- Prepared for Freshie with four redundant backups:
 - Time Machine
 - Daily whole-disk bootable clone via Carbon Copy Cloner
 - Off-site whole-disk backup via BackBlaze
 - Second external HD backup of entire Home Folder (488Gb)

Plan Your Work, Work Your Plan

- Followed all my steps from last month's Yosemite Freshie handout
- Created a bootable Yosemite Installer on an 8Gb SD card
- Rebooted into the Yosemite Installer
- Chose Disk Utility → Erase Disk, reformat & partition
- Let the Yosemite Installer do its thing, booted up at 6pm



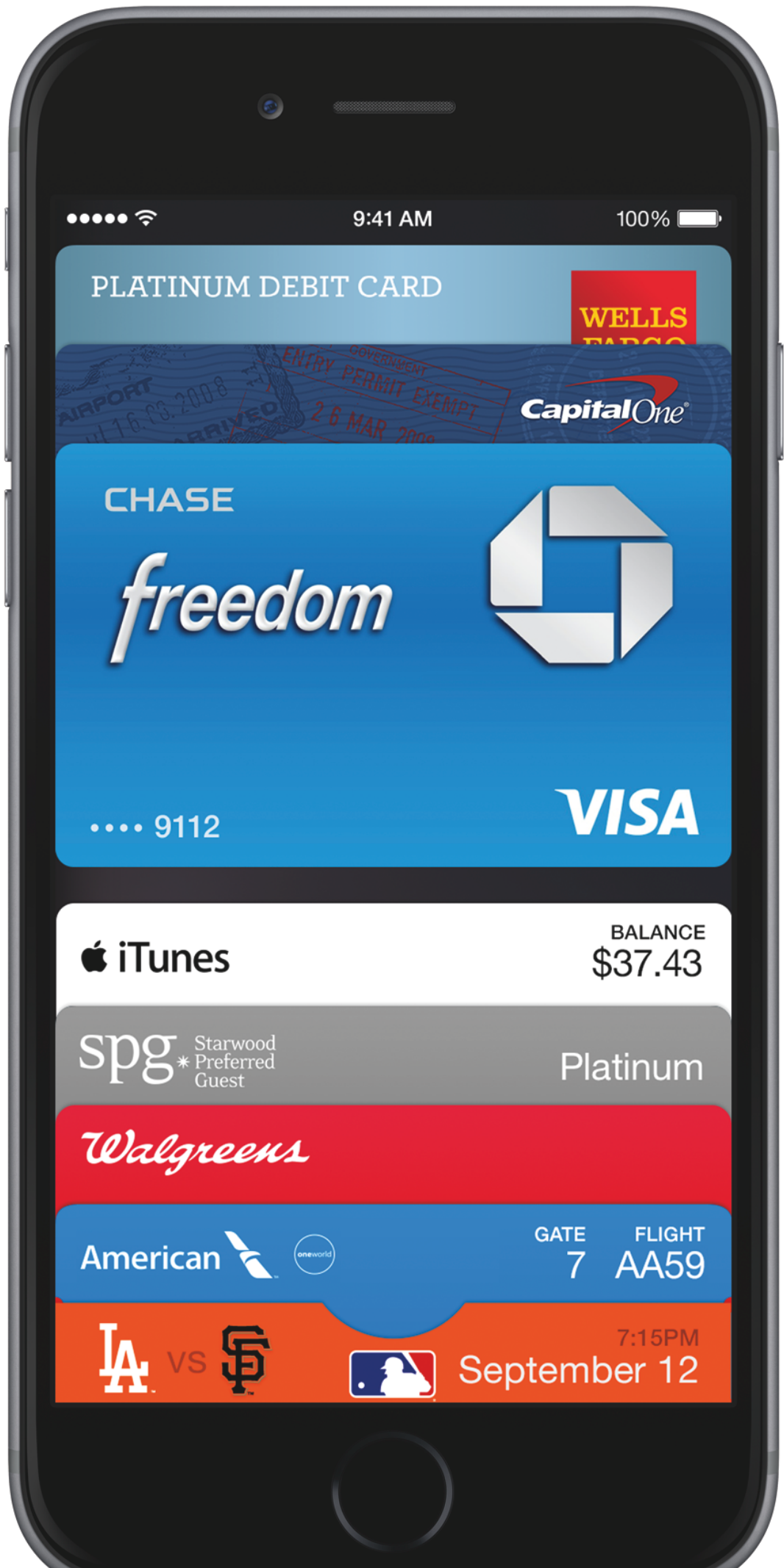
- Installer began at 6:07
- Installer restarted at 6:38
- Yosemite Freshie complete at 6:43

Data Migration & Mop-Up

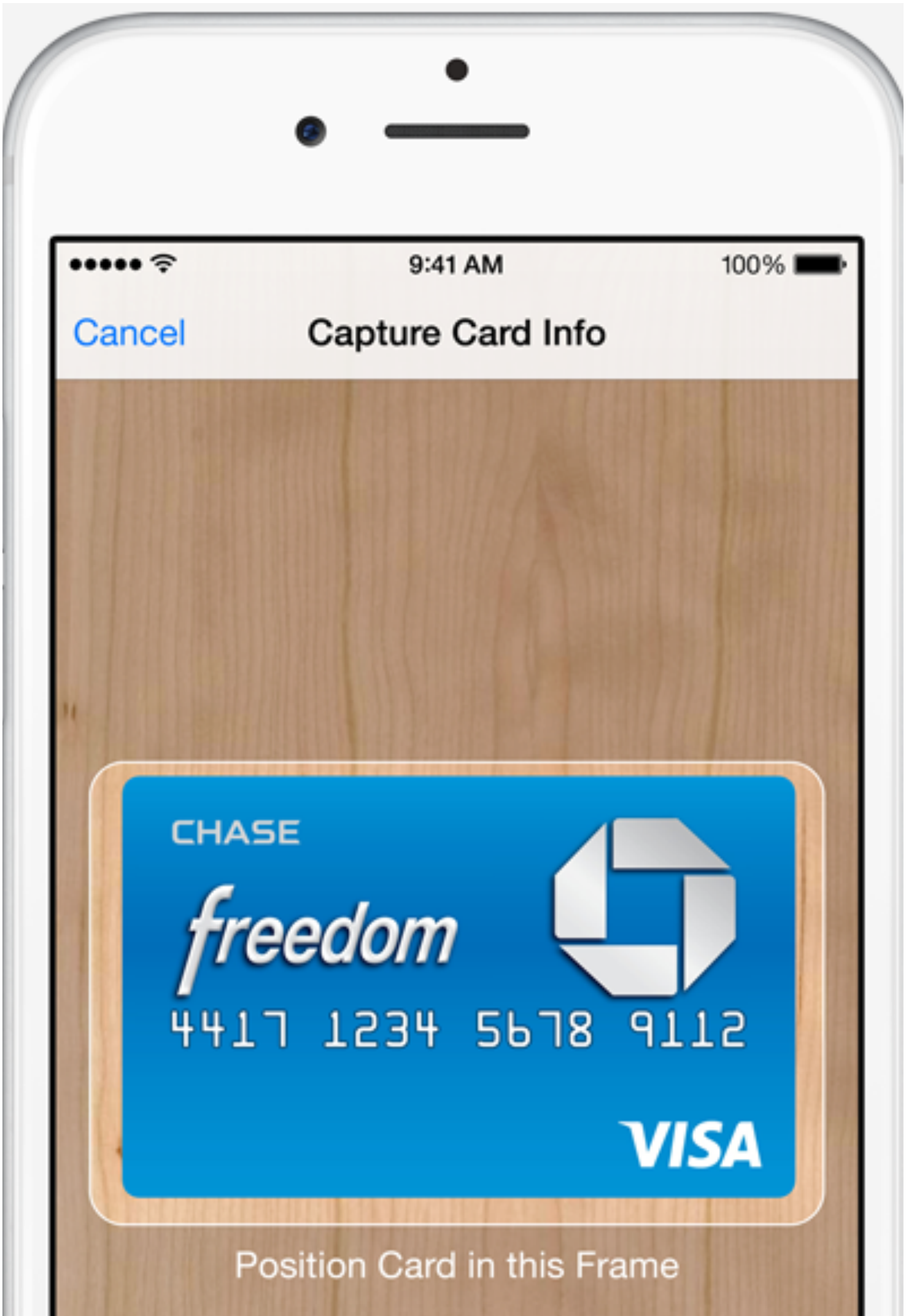
- Migrated my 480Gb of data back one folder at a time from the external daily clone over the next three hours
- Re-installed a dozen essential apps: 1Password, iWork, TextExpander, Dropbox, Evernote, Fantastical, Skitch, Aperture, SOMA FM, RapidWeaver, Pixelmator, etc. — most from Mac App Store
- Re-authorize iTunes, iTunes Match, iCloud, Mail download (1Gb), etc.

Results

- A new iMac
- Boots in 21 seconds, fans never switch on
- Apps launch MUCH quicker
- A fresh, clean, “new-iMac” fragrance permeates the whole office
- Thank you, Tim, Craig & the whole Apple crew! 😊
- Remember, friends: buying Apple doesn't cost — ***it PAYS!***



Apple Pay



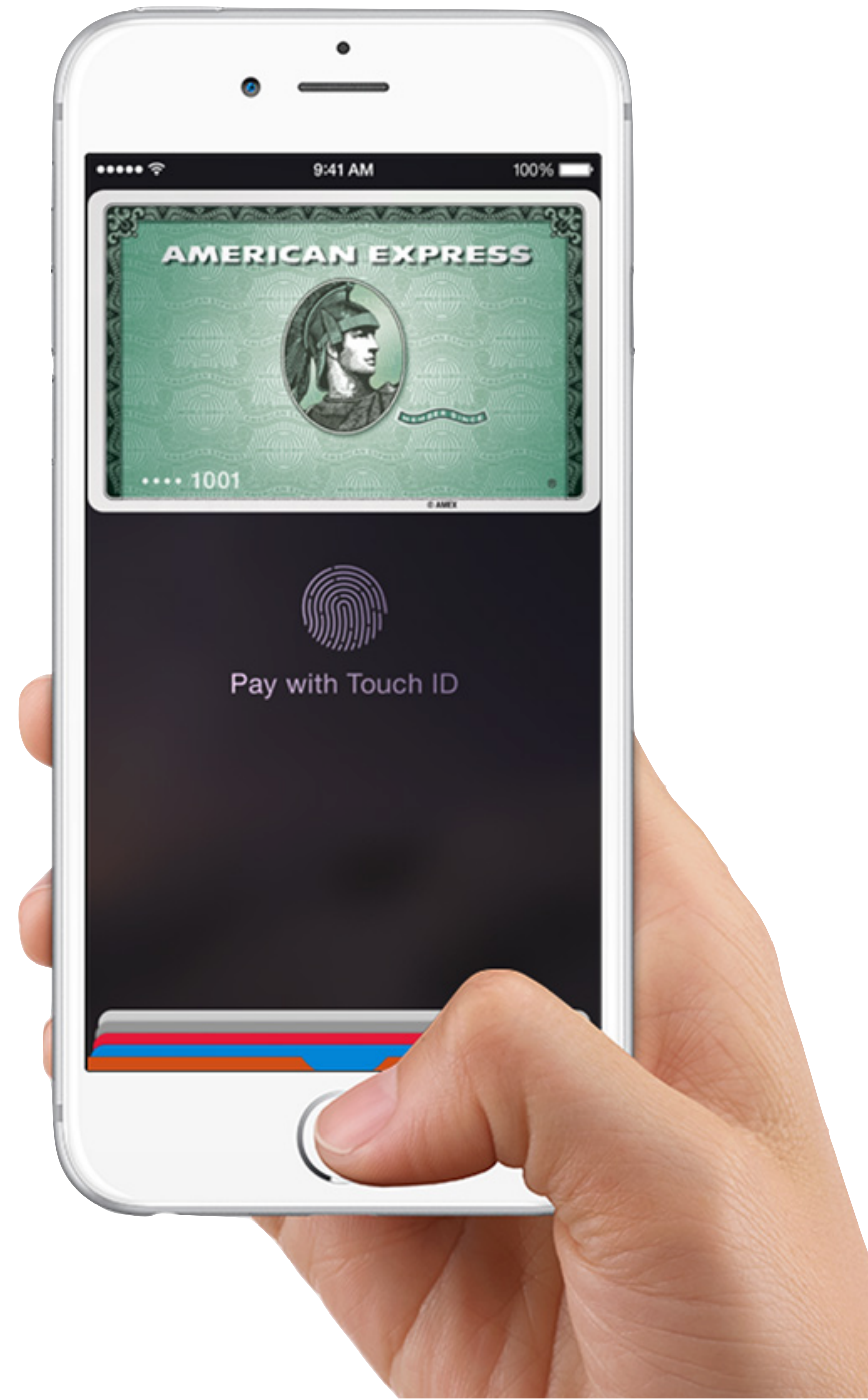
Apple Pay

- Introduced with iPhone 6/iPhone 6 Plus and iOS 8.1
- Also works with iPad Air 2 & iPad mini 3 (Touch ID required)
- Works offline (in shops) and online (checkout at online retailers)
- Launch support: 250,000 retail stores & 21 major banks already onboard
- No one wants to bet against Apple on this



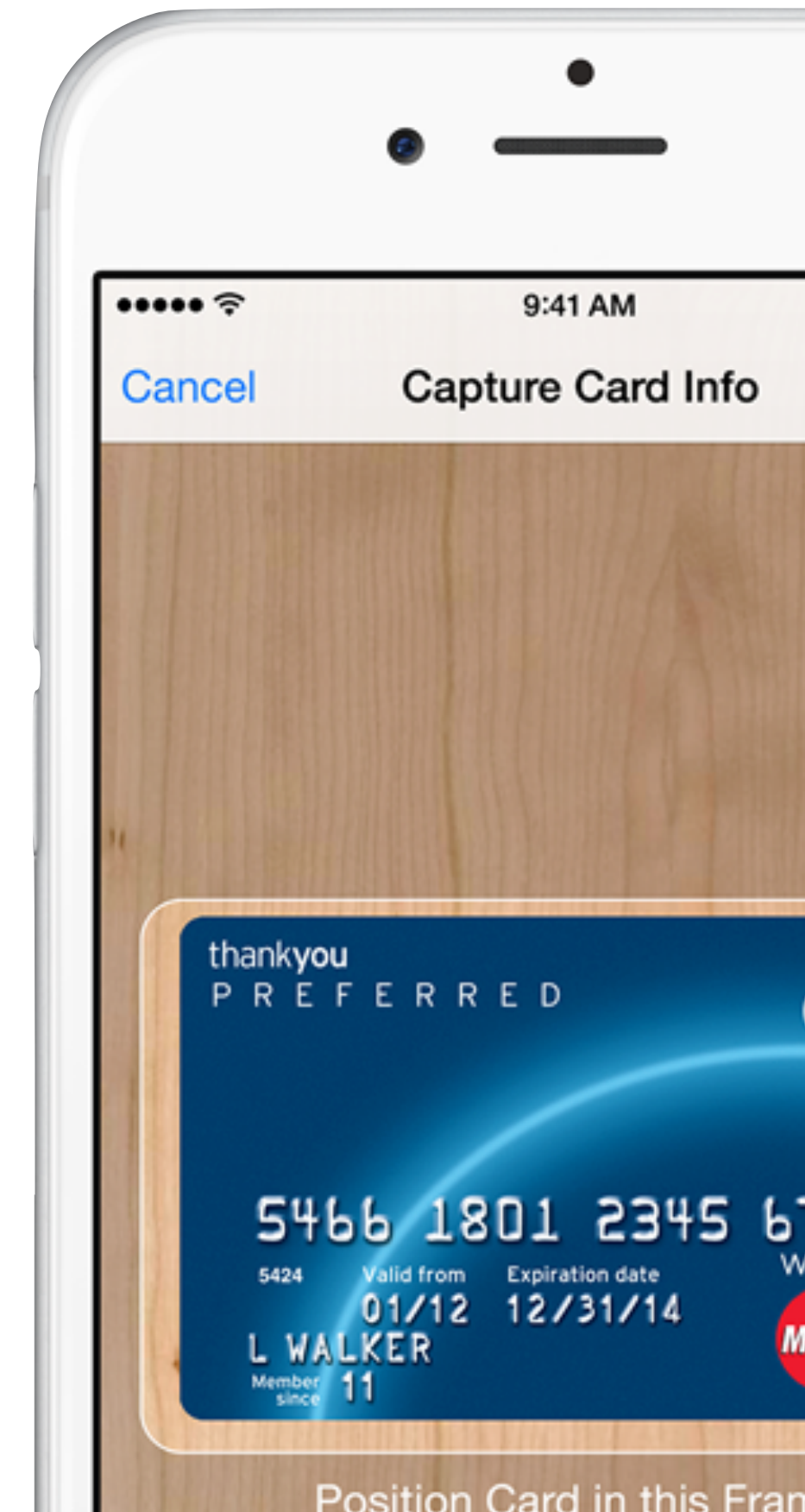
Apple Pay

- Combines NFC (near-field communications), Touch ID, Secure Enclave and Device Account Number
- Your info is never sent to Apple; your actual account info is never sent off the phone
- Apple does not charge customers anything for this
- Retailers get quick, fraud-proof, hassle-free acceptance, processing & payment



Apple Pay

- Combines NFC (near-field communications), Touch ID, Secure Enclave and Device Account Number
- Your info is never sent to Apple; your actual account info is never sent off the phone; transaction data never sent to Apple
- Apple does not charge customers anything for Apple Pay
- Retailers get quick, fraud-proof, hassle-free acceptance, processing & payment



Chase

October 22, 2014 at 3:42 PM

C

To: Mike

Your Chase card ending in 5 has been added to Apple Pay



Thank you for adding your Chase card ending in 5 to Apple Pay™. You can now use your device to make contactless purchases at participating merchants wherever your Visa card is accepted today. You can also shop and check out using your device wherever you see the Apple Pay™ logo.

You are getting a unique Device Account Number:

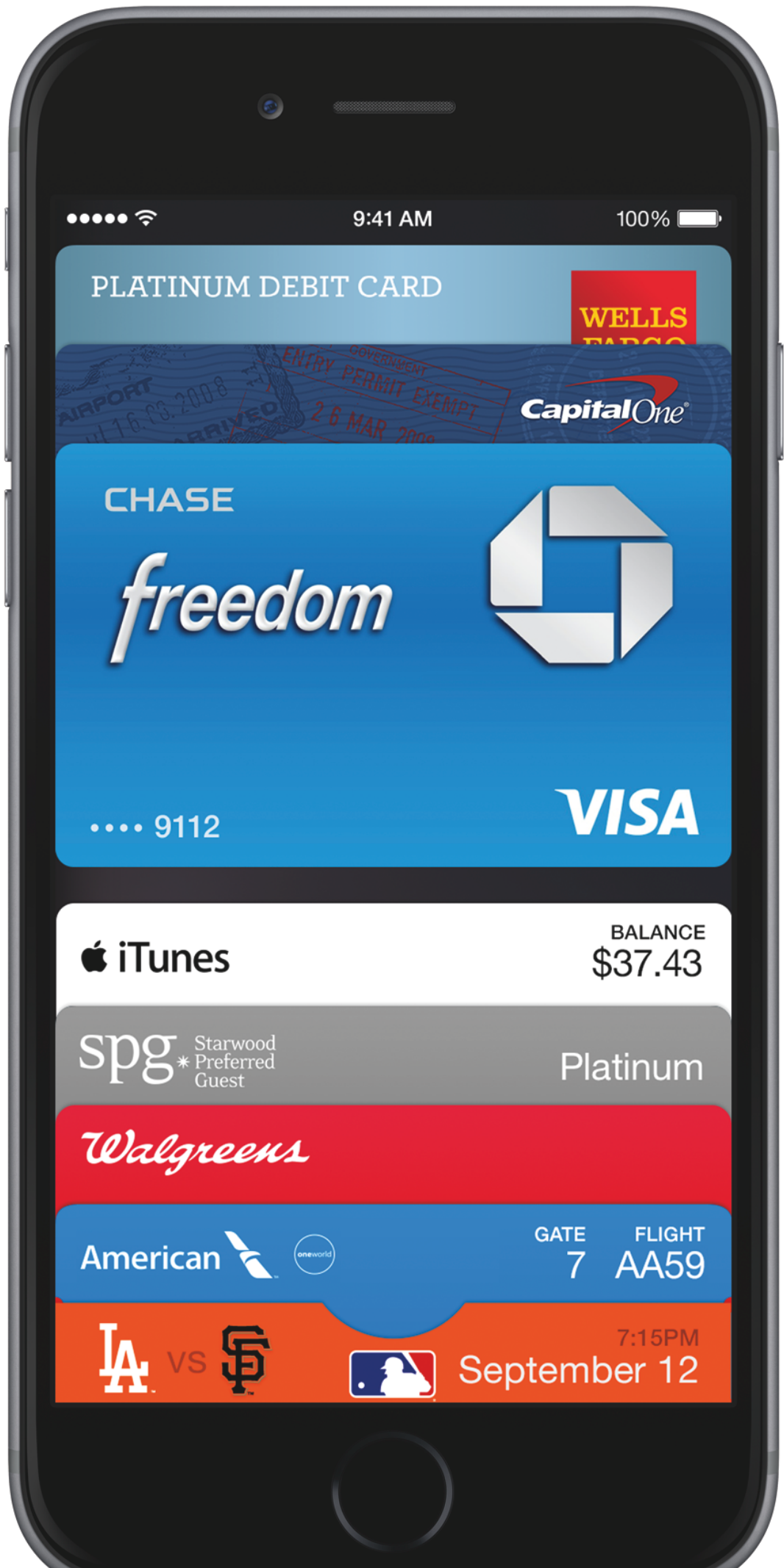
In your Apple Pay account, you'll see a unique Device Account Number listed under your card number. This new number improves security because it is only used with your device. You should use this number whenever an Apple Pay merchant asks for the last 4 digits of your card number.

If you did not add this card in Apple Pay, please call us at the phone number listed on the back of your card or on a billing statement.

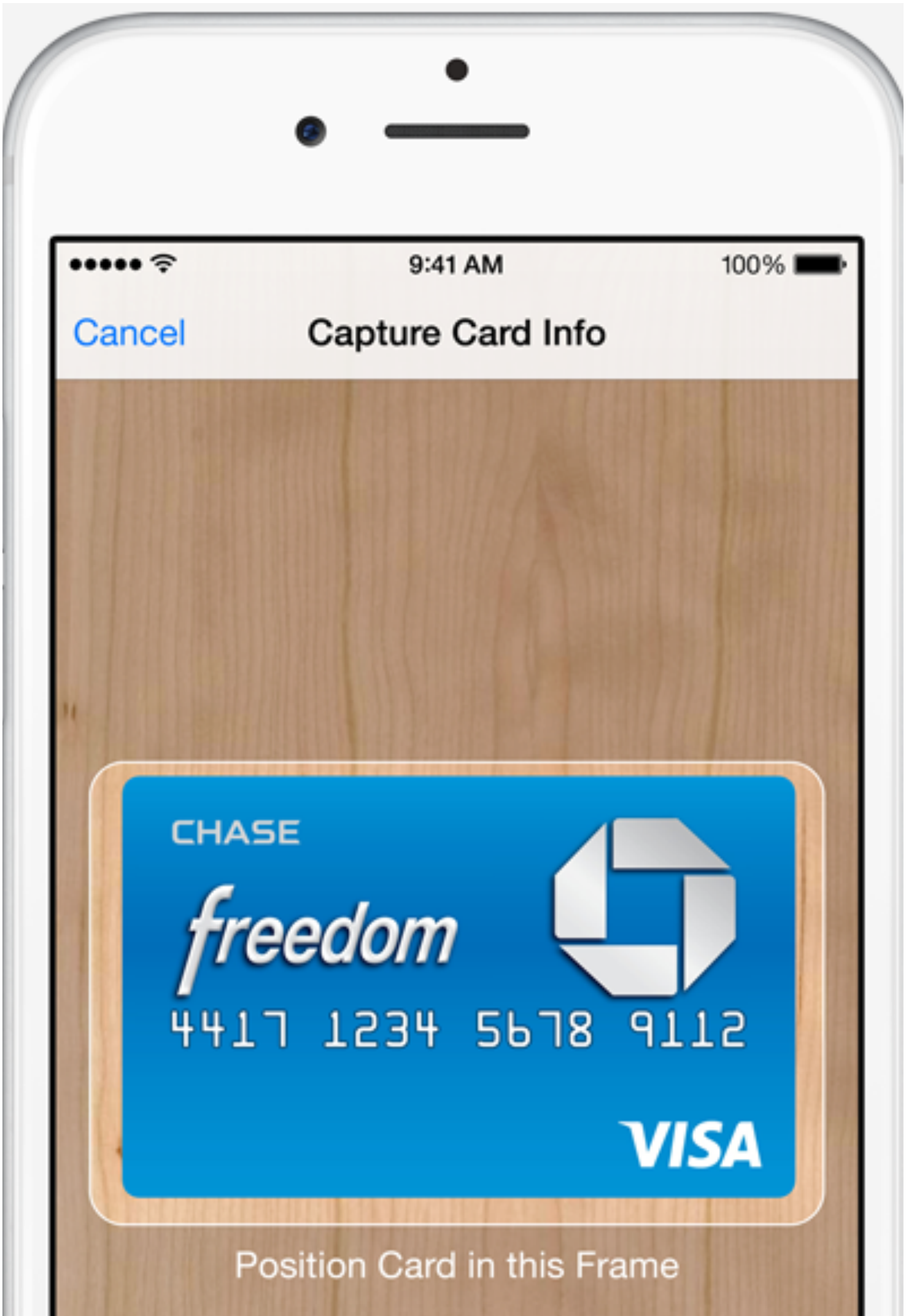
We appreciate your business and trust.

Sincerely,

Chase Customer Care



Demo!



Cove Apple Club Calendar Update



NOV

12

Cove Apple Club
7:00 PM - 8:15 PM



NOV

26

Cove Apple Club
7:00 PM - 8:15 PM

DEC

10

Cove Apple Club
7:00 PM - 8:15 PM

DEC

17

Holiday Party

5:00 PM - 9:00 PM



DEC

24

Cove Apple Club
7:00 PM - 8:15 PM

Shall We?

