

**T**he "Millennium Bug" (a.k.a. YK2) is getting closer, and like a hungry June beetle, chomps away at the time the computer industry has to solve a potentially devastating computer glitch.

This seemingly simple problem is the result of a surprising lack of foresight by computer programmers during the industry's initial heyday.

"Currently, most computer operating systems and applications software only store the last two digits of the year (98) with the century (19) generally implied," explains Karen Kerrigan of the Small Business Survival Committee, Washington, D.C.

"Thirty years ago, hardware was expensive and storage capacity limited, thus the two-digit practice became the norm. What was a best practice for the industry back then, now will make the year 2000 (00) indistinguishable from the current century," says Kerrigan.

This is one expensive problem. In May, service giant Waste Management had to take a pretax charge of \$70 million to \$90 million for costs related to the software bug.

It cut its quarterly dividend from 17 cents to a penny in a cost-saving measure. It's dropped its in-house strategy to eliminate the problem, and will follow parent USA Waste Service, Inc.'s plan.

Fortune Publisher Steve Forbes, in a heads-up memo to Congress and business and conservative leaders, says technical corrections to the bug will cost between \$300 billion to \$600 billion globally.

The Year 2000 Information Center—[www.year2000.com](http://www.year2000.com)—provides a forum for information and discussion about the year 2000 problem and possible solutions. The site lists more than 100 vendors who say they can help cure the bug.

One of the experts in this area is Peter de Jager of de Jager & Company, Limited, co-author of "Managing 00: Surviving the Year 2000 Com-

puting Crisis," (John Wiley & Sons, 1997).

"In a world of business problems, the Year 2000 problem is unique," says de Jager, "Every modern company is affected by it, must fix it, and shares exactly the same immovable, uncaring deadline."

If your fiscal year begins sometime around mid-1999, your troubles are even closer.

This problem goes beyond employee problems or payroll problems or scheduling problems. Instead, it is related to *all* of them.

If your business software is year 2000 compliant, you're halfway there, says Jon Huntress, writer/producer for the Tanagra Corp., sponsors of the year 2000 web site. Huntress likens it to a winter storm that will eventually pass, but only if you are prepared for a flurry of confusion.

"If you are planning for your business to survive a week-long blizzard, you're probably going to be all right," says Huntress. But you have to be certain your suppliers are up to speed.

"Find another way to get to your customers. Make sure that your product and money can come in, and your product can go out.

"You have to look at every single supplier, and your bank. They should have asked about your year 2000 plan by now. I would stockpile chemicals to make sure I had a little extra. Don't rely on 'just in time' delivery."

"Many small companies with newer PCs may not experience any problems," says Brandon Uttley of software provider Alydaar.

"Larger companies, however, with networked systems should consult with their software providers to determine what programs may cause problems. They may also contact companies like Alydaar to determine the need for a risk assessment."

And we hear it's a good idea to check with your attorney about your potential liabilities related to this problem.

Visit the year 2000 web site at [www.year2000.com](http://www.year2000.com) for a list of software providers and more information on the bug. **LM**

## A bug like no other



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