BILL GATES:

Well, good morning. I'm excited to be here and show to you some of the things that software is going to be doing to really revolutionize not only advertising, but the whole way people consume media, the way they communicate, and the way they create.

It's a thrilling time, because the advances that we've had over the last 20 years are just the foundation we're using to take pretty dramatic leaps forward. In some ways, what we've done today is very small compared to what will be achieved over the next 10 years. And I want to give you a sense of it in all the different domains, whether it's TV, reading, commerce -- all the ways that people gather information -- how software advances will change that, and faster than ever before.

Now, the thing that allows us to move at this dramatic speed is the advances in the underlying platform, hardware and software. The chips themselves continue to be subject to the exponential improvement, doubling in power every two years. So you see something like, hey, carrying around the music that you enjoy. Five years ago that just wasn't possible. [If you] have a large hard disk, it would have been very, very expensive. Well, that's changed so that now flash memory is getting cheap enough that you don't even need a hard disk. You can carry a very small device around, and it's quite adequate. Actually that, the capacity of those devices is doubling in an even shorter time than the normal two-year period.

Now it's to the point where even video can be carried around. But with video you might think, well, that's hard to set up. It takes a long time to transfer the information you have to cable it up. That's very complex. In fact, wireless technology, so-called ultra wide-band technology, will allow multiple-gigabyte transfer speeds over the next couple of years. So something like pointing to a show, saying, "Hey, here's my device 10 feet away -- just send it over to that thing" -- that will become something that happens very, very rapidly. So fairly dramatic changes in the how we look at these things. Even something as basic as phone numbers where you have to know my mobile phone, my work phone. When somebody calls up you have to decide do you want to have a little recording that explains why you're not there? All of those things have been based on a non-digital approach; that is, the PBX in your office that requires -- when phones are removed or features are changed, it's very complicated. That too is being pulled onto the Internet -- pulled into a pure digital form where when you want to contact someone you just say you want to call them, and then they can decide, based on who you are, is it forwarded to their various phone numbers, and what kind of information is made available to you. So the digitization process has finally gotten to the point where it's not just the screen-based information; it's the way you connect up for voice, the way you connect up for TV, the way you connect up for all the marketplaces in the world -- the product catalogue is up-to-date, deep information, community-type information moving to this digital environment.

It means big change in the form factor, and we need to add to the input techniques that we've had -- getting a keyboard onto little phones -- yes, there's been good work on that. But in the long run you need both speech and pen-based input to complement the idea of using the keyboard. And when you call up directory assistance, a company we acquired recently has the software technology that you can take that query and give you the phone number. Well, now, think if you call up that company -- or any time you're on your phone, or even when you're on your PC, and you just want not a specific business, but information about a set of businesses: you know, what are the pizza stores that are nearby or gift shops that might have some type of product? The idea of directory assistance and search really becomes essentially one application, not two different things. And voice is the quickest and easiest entry into that type of capability.

As devices get smaller, we can make them far more pervasive. In fact, the dream of a Tablet device that a student can carry around, and dispense