**EXHIBIT 1.6**

| CHARACTERISTIC | MAGIC | TECHNOLOGY |
|---|---|---|
| Ancillary Uses | Few | Many |
| Compatibility | Low | High |
| Complexity | High | Low |
| Configuration Time | High | Low |
| Cost | Variable/High | Fixed/Low |
| Deliverable | Prototype | Commodity |
| Economies of Scale | Low | High |
| Expectation | Variable | Known |
| Goal | Capability | Profitably |
| Installed Base | Small | Large |
| Marginal Cost | High | Low |
| Mechanism of Action | Unknown | Known |
| Perception | Emotive | Logical |
| Paradigm | Art | Science |
| Price | High | Low |
| Repeatability | Low | High |
| Resource Requirements | High/Variable | Low/Fixed |
| ROI | Unknown/Variable | Known/Fixed |
| Scalability | Low | High |
| Training Requirements | High | Moderate/Low |
| Usability | Single Event | Continuous |

## Knowledge Management Isn't Perfect—Yet

In most organizations, Knowledge Management is a work-in-progress, with some subtle and some obvious imperfections. For example, the transfer of data, information, and knowledge from person to person, person to computer system, or one generation of employees to the next is an imperfect process that rarely occurs smoothly and always involves loss of information. Loss of information happens when recording standards shift, when a longer-lasting storage medium requires transfer of information, when data must be migrated between storage locations or translated from one form of representation to another, and when the computer hardware used to interpret the data becomes obsolete.