

is planned obsolescence real?



Author: Tio and Colin

Review: Ray

Proofread: Ray

Design: Tio

**Year:** 2013

## Summary:

We are all familiar with seeing a new smartphone coming out every six months to a year, but is this all part of some shady plan to keep consumers buying products, or is it just a normal part of everyday business? Due to largely to the economics education administered in schools, many people have become familiar with the concept of the Law of Supply and Demand. This concept is heavily discussed in schools across the world and is often depicted as the lifeblood of the economy in a capitalistic monetary system. It is said to be the backbone which holds up its very structure. We are also taught that the health of the economy is dependent on consumer spending and that without it, the economy would stagnate. Without consumer spending, the whole money system would fail; this would have disastrous effects on many areas of social life that make our lives convenient and comfortable. However, this is only partially true. Forget what you were told about economics in school. 'The Law of Supply and Demand' does not exist - it's a myth. Allow me to explain.

When people buy products, the respective businesses and corporations experience an increase in sales and revenue. This signals to them that their products are in demand. The revenue generated from sales enables these businesses to pay their employees, who then spend that money on more goods and services provided to them by other businesses and corporations, and these establishments begin to create more goods and services in anticipation that customers will continue to buy (*supply*). It's a cyclical process. However, in truth, demand is an illusion. Think about it... factories do not produce goods in order to keep up with a real-time demand.

When a person wants a car, auto manufacturers and dealerships do not assemble one for the customer made-to-order. The cars are already made, despite there being a demand or not. This holds true with every product on the market. Toy factories do not wait to assemble children's toys until a parent requests one, any more than cell phone companies wait for a customer to request a new cell phone to be made. Therefore, what is referred to as "demand" is actually a model, based primarily on past sales *trends*, that predicts future sales without anticipating any unexpected socioeconomic changes that could potentially disrupt business. If suddenly the people stopped buying a particular item, thousands upon thousands of products could find their way to a landfill. This is because machines in most modern facilities are automated and are only designed to create a product and work continuously, not account for actual demand. If demand were accurate, there would be no reason to discard perfectly good merchandise. Everything would be accounted for (unless the product was defective).



The idea of working to eliminate waste is not really considered at all by corporations. The money that will be made from selling products is the goal, while waste is only minimized out of fear of wasteful spending (reduction of profit). Factors like environmental impact of waste handling, product necessity, or improvements and upgrades are not considered in evaluating the consequences of waste. This is because corporations want to ensure constant revenue.

This means corporations have to find ways of persuading consumers to continue buying their products, which also increases the demand for their products. This demand is artificially created in several ways: through planned obsolescence (products with short lifespans), by trying to manipulate public opinion through advertising (people who buy things are happy, beautiful, and fulfilled), by pulling at emotional strings or selling fear (fashion and beauty products), and by anyone else pushing hard to make a buck (Reebok's Easy-Tone Shoe Line). That is putting it as simply as I can.



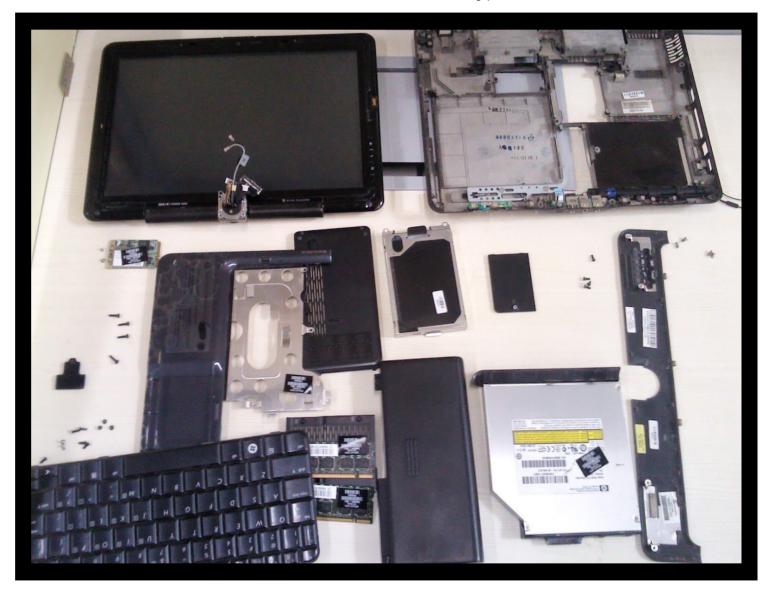
One of the most common ways of ensuring that customers keep spending money is through planned obsolescence. For those who are not familiar with this notion, planned obsolescence is the idea (or method) of purposely designing a product to wear down, break, lack compatibility with other devices, and/or become obsolete or out-of-fashion after a relatively short period of time. In other words, if I make a smartphone, I will design it so it breaks down after—lets say—one year or so, which means that you'll need to buy a new one from me every year. This way, I can keep my business flowing by making and selling more smartphones. I could also make the smartphone non-upgradeable, so that when a new camera comes out, you cannot replace your smartphone's camera with the new one. You will have to buy an entire new smartphone instead.

Another type of planned obsolescence is to make a product seem out of fashion. For instance, I can advertise my new phone to look superior to the old one and make the old one look awful, even though there is little difference between their functionalities.

We are all familiar with seeing a new smartphone coming out every six months to a year, but is this all part of some shady plan to keep consumers buying products, or is it just a normal part of everyday business?



I started to think about this when I realized how slow all my new computers had become after just one year of use. It did not matter which operating system was installed, they just became slower and slower in a very short period of time. One time, I attempted to disassemble my HP laptop to clean it of the dust that accumulated inside and often caused overheating. I started the job, and soon I realized I needed two types of screwdrivers



A minute later, that had increased to five different types of screwdrivers because the screws were all different types. I ended up using no fewer than eight different screwdrivers to access the cooler. Luckily for me, my father had all the screwdrivers in the world, even for screws that are not even invented yet:). But I was shocked because there is no reason at all in my mind to have all these different screws for the same purpose. I later asked my father (an engineer) if these various types of screws serve different functions, and he, just as surprised as myself, said that they don't.

This got me thinking about other products. I realized that old bicycles, such as the ones that my father has had since the 70's, surpass the new 21th century bicycles that I had. Though my father's bicycles were far older than mine, they require less maintenance than my "newer" bikes, which need repairs every few months after their first year of use.

Another example is with all the printers that I have had over the years. I never understood why it often costs more to buy new ink cartridges than to buy a new printer with ink cartridges included. Another issue is when one of the color cartridges became low on ink (but not entirely empty), it would prevent me from printing with any of the other colors... That is either a very stupid design, or purposeful. Additionally, some printer makers add a timer to their cartridges so they 'expire', even if there is still plenty of ink remaining. (source)



By the way, right now I am using an ASUS laptop (this model) for which I cannot access its parts easily. So if I ever want to clean it from dust so it doesn't overheat, there is a lot of work for me to do that or anything else except for exchanging RAM chips and hard drives. Likewise, on my sister's tablet, I had to resort to 'non-official' methods to manually upgrade its old, lagging Android operating system in order to make it compatible with the latest apps, because the company that made the tablet decided to make it non-upgradable.

I first heard of the term "planned obsolescence" from Jacque Fresco in one of the Zeitgeist films, and I admit, it sounded a bit like a conspiracy theory to me. I mean, is it really possible that this world is so awful that it creates products that break down on purpose for mere business profit?

Well, I did my own investigation and what I found was really surprising to me.

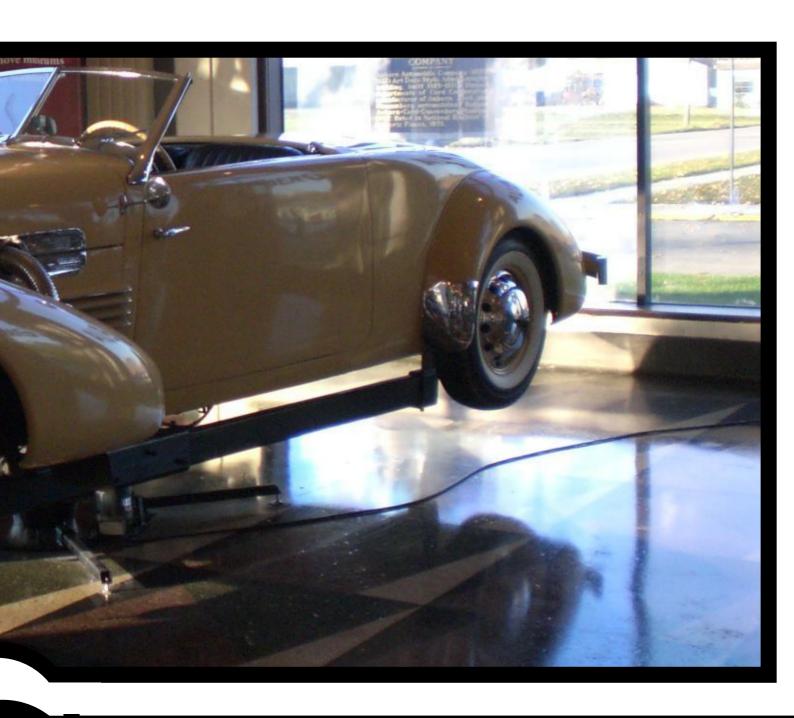
In 1924, when the American national automobile market began reaching saturation, the head of <u>General Motors</u> suggested to change the design of their cars each year in order to convince people to buy a new one every year. This really sounds like a conspiracy theory, but it's not.



The interesting part here is that this concept was borrowed from the bicycle industry, which was already using the same tactic.(source)

This idea turned out to be very profitable for GM, which surpassed every other automotive company on the market at the time. Small companies could not keep up with this aggressive tactic, so they went bankrupt.

<u>Henry Ford</u>, a major name in car manufacturing at that time, did not agree with this practice. He wanted to design simple and cost efficient cars. But guess what? General Motors surpassed Ford's sales in 1931 and became the dominant company in the industry thereafter.



That same year, another group of people, applying similar ideas of planned obsolescence, created light bulbs that were only designed to last 1000 hours. They had nothing to lose or fear, I suppose, since they had not had any competition at all for the previous 20 years.

They were accused of holding back technological developments that could increase the lifespan of the light bulb. What is amazing is that their association levied fines on their own member's bulbs found to surpass the 1000-hour mark. So if you tried to make a better light bulb, you were made to pay a fine. The people behind this plan claimed that it was to optimize most bulbs, and that a longer lifetime could be obtained only at the expense of efficiency, since progressively more heat and less light is obtained as the lifespan is increased, resulting in wasted electricity. Of course, some argued to the contrary. (source)

Ok, that may be true. Maybe they really did need to limit light bulb life-spans in order to optimize their efficiency. How should I know? The main point here is to show that it is possible to intentionally design things to last only a certain amount of time before they break down.



In 1932, as a response to the first major depression, a type of crisis where the people's invented game (the money game) doesn't work as planned, some proposed a plan that would have the government impose a legal obsolescence on consumer goods to stimulate and perpetuate consumption.

Brooks Stevens, "a major force in industrial design" (as New York Times describes him), later popularized this idea even more. By his definition, planned obsolescence is "instilling in the buyer the desire to own something a little newer, a little better, a little sooner than is necessary."

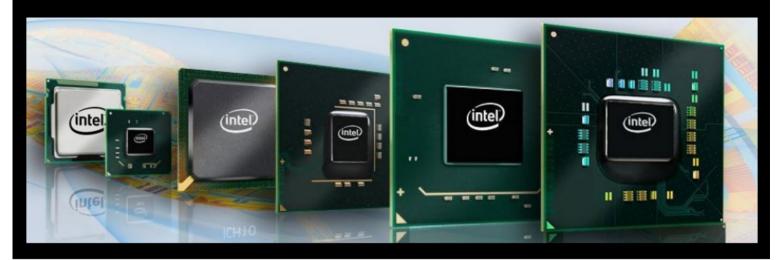


As <u>Wikipedia</u> states: "A common method of deliberately limiting a product's useful life is to use inferior materials in critical areas." For instance, screws can be made with a soft metal that easily wears down, products that use batteries that cannot be easily replaced, or requiring batteries that are custom made and can only be replaced by a specific company (usually the original manufacturer).

"Planned obsolescence is sometimes achieved by placing a heat-sensitive component adjacent to a component that is expected to get hot. A common example is LCD screens with heat-sensitive electrolytic capacitors placed next to power components that may warm up to 100 °C or hotter; this heat greatly reduces the lifespan of the electrolytic capacitor. Often, the goal of these designs is to make the cost of repairs comparable to the replacement cost, or to prevent any form of servicing of the product at all. In 2012, Toshiba was criticized for issuing cease-and-desist letters to the owner of a website that hosted its copyrighted repair manuals, to the detriment of the independent and home repair market." (source)

## DID YOU KNOW THAT INTEL WORKS ON THE PRODUCTION OF THE NEXT GENERATION OF PC CHIPS BEFORE IT HAS EVEN BEGUN TO MARKET THE LAST ONE IT CREATED?

IT IS LIKE THEY SOMEHOW KNOW THAT PEOPLE WILL BUY
THE NEXT ONE, TOO :). (source)



If you want to change your iPhone's battery, you need a <u>special screwdriver</u>, because the battery is encased into the phone. More than that, it'll cost you around \$79, just \$20 short of the typical subsidized price for a new iPhone 5C. Another thing that iPhone users complain about is that upgrading to a newer operating system on older iPhones makes them slower, and it is extremely difficult to<u>revert back</u> to the older, better-functioning software. That is, it is better to buy the new iPhone if you want to upgrade. (<u>source</u>) Of course I cannot tell for sure whether or not Apple is really engaging in "planned obsolescence", but their product designs and actions arouse suspicion when you know they can be made better.

When a person purchases a computer, the buyer expects their investment to last for a few years, at least this was the case over the last decade or so. But recently computer companies have stepped up their quotas and sales. These days, computers need to be replaced at a far more rapid rate than in past years. We are told that this is because the speed of innovation or technology is increasing so rapidly. But again, this is only partially true.

Many programmers purposely make computer software which can only be run on certain operating systems. Therefore, the consumer has no choice but to go out to the store and buy a brand-new computer, despite the fact that their old computer works just fine. Computers are expensive and the annoyance of planned obsolescence turns out to be quite a financial disaster when a person wishes to upgrade their computer, but ends up having to purchase a brand-new one.



If you have any experience with computers at all, you're likely familiar with software updates. Recently, I had to purchased a new Apple MacBook Pro. I previously had the original MacBook, but in wishing to incorporate new programs into my old computer, such as Dragon Dictate, I was hit with the realization that my computer was far too outdated to support it. Over the five years since I had purchased it, the Apple operating system had gone through "Snow Leopard" and "Tiger" versions, and had recently introduced "Lion". The programs I required were only available on the new Lion operating system. However, because the operating system on my old laptop was non-upgradable, I had no choice but to purchase a whole new computer, even though there was absolutely nothing wrong with my old MacBook to begin with; it still runs fine to this day. So the question is, why did Apple Computers need to upgrade through multiple operating systems? Why not simply continue to upgrade Snow Leopard and eliminate the need for all the excess waste resulting from outdated software, hardware, and even entire computers? The answer is again simple. Apple Computers needs to constantly generate revenue to outdo their competitors. This is a very smart business plan for corporations, but it is also extremely wasteful and unnecessarily complex, and is something that we can move past now due to what could be achieved with our present level of technology.

Of course it is sometimes hard, if not impossible, to tell when a company deliberately does something like this for profit. I showed you some companies that are highly suspected of using planned obsolescence but don't admit it, but some other companies may be more open about the topic.

Whatever the case may be, there is no doubt that this strategy can be very profitable for business and even harmful if not adopted, as one Canadian company learned firsthand. The company built an armed vehicle for the Canadian army 14 years ago, and they did a pretty good job.



So good, in fact, that when they unveiled a more recent and improved model to the military, with the hopes of selling the new vehicles for a \$2.1 billion contract, the Canadian army said 'we don't need them. The old ones are quite good.':) That company lost 2.1 billion dollars because its' products were too well-made. So, it's important to understand that, in today's monetary system, a business can go bankrupt if they produce great products that do not need maintenance or replacement for many years. (source)

The thing is, this idea of planned obsolescence cannot be properly defined because you cannot know the actual intent of companies. They can adopt this strategy, while at the same time not admitting it. How can you say to Apple that they are using this tactic when they use special screws for their cases, when they can say: "Well, that's our design"? At first I thought it might be just an idea with no real basis in reality, but now there is no doubt in my mind that planned obsolescence is just a marketing strategy that some, perhaps many, adopt.

When I look around, I see lots of cars and many new ones for sale, and I wonder what is so *new* about the *new* ones. The same thing goes for computers, smartphones, and many other products. All of the people that I know use their smartphones for simple internet services like facebook, email, and some other basic functions, not for resource-hungry games or apps, yet many usually buy the latest models. Why are they replacing perfectly good smartphones every time a new one is released? I used to have the coolest phones in the town. When the new and cool Nokia NGage came out, I was the first one to have it. Until 2007 or so, I was obsessed with mobile phones until I realized that they are all basically the same. After that, I stopped upgrading my phone everytime a new one came out. The reason I had bought so many was because of the social context: mostly advertising.

Think about fashion. Clothes are basically all the same. No new feature to any new cloths. They are purely aesthetic bags with legs and arms, yet people constantly change clothes because of subjective, fashion-driven motives. If you produce laptops and make their power plugs different every 5 years or so, but maintain the same voltage and functionality, then your actions are inhumane because someone who has an older laptop may not be able to find a replacement power cable, rendering such old models completely unusable.

What is even more scary is the huge waste of resources. Changing fashion and gadgets because they are not "cool" anymore, or purposely designed to fail, produces so much waste.

So all in all, it is true that we live in a world run by primitive monkeys for their own personal profit who use many psychological strategies to make you buy their products: "It's too ugly; you need a more beautiful one", "It's not fashionable", "It's not that good", and so on. But all of this is the fault of the game the monkeys play in the concrete jungle - the money game which rewards you for such actions and even punishes you when you don't follow them.



Think about it. There are so many products in the world, like cars in showrooms, smartphones, tablets and pc's in stores, batteries, furniture, and so on. Companies have to find ways to sell these products or else they will not make a profit, or even go bankrupt. Of course they will all try to make you buy them using many various tactics.

This monetary system could not work if suddenly products were made so well that people won't buy new ones for years. That's the sad truth and this is why the game that we play now is no longer sustainable.

RECOMMENDED DOCUMENTARY: "THE LIGHT BULB CONSPIRACY"



## WWW.TROMSITE.COM

support us 💙

