INPUT

PRODUCTION WORK ORDER

(Please fill out both sides)

DATE IN: 9/25/89 DATE DUE: PROJECT CODE: CSPE

AUTHORIZED BY: K. CARTER ☒ NEW ☐ REPEAT ☐ REPEAT W/CHANGE

WORK SPECIFICATIONS

DATE OF PRESENTATION:

Additional Information

- ☐ 35mm Slides
- ☐ Foils
- ☐ Exhibits
- ☐ Questionnaire
- ☐ Letter
- ☐ Business Card
- ☐ Note Paper
- ☒ Newsletter SERVICE UPDATE (OCT.)
- ☐ News Release
- ☐ Form
- ☐ Brochure
- ☐ Cover Design
- ☐ Other

Number of pages submitted Text

Graphics

SPECIAL INSTRUCTIONS

PRINTING SPECIFICATIONS

Quantity/Slides/Foils

Quantity/Hard Copy

Paper Size X

Finished Size X

Number of Pages

- ☐ Outside Printer
- ☐ Photocopy
- ☐ Single side
- ☐ Double side
- ☐ Three hole punch
- ☐ Velobind punch
- ☐ Trim to X
- ☐ Binding
- ☐ Cover
- ☐ Paper Color
- ☐ Ink Color
- ☐ Copyright Paper
- ☐ Fold ☐ 1/2 fold ☐ 1/3 fold
- ☐ Pad
- ☐ Saddle Stitch
- ☐ Box
- ☐ Shrink Wrap
- ☐ Staple ☐ Corner ☐ 2 on side

MAILING SPECIFICATIONS

Envelope: ☐ No. 10 ☐ 9 x 12 ☐ 10 x 13 ☐ Reply Envelope Quantity

☐ First Class ☐ Bulk ☐ Address Labels (Zip Code Order)

Enclosures:

- ☐ Letter
- ☐ Questionnaire
- ☐ Newsletter
- ☐ News Release
- ☐ Form
- ☐ Brochure
- ☐ Business Reply Envelope
- ☐ Other

Distribution: Quantity

- ☐ Initial Mailing
- ☐ Shelf Stock
- ☐ NJ
- ☐ DC
- ☐ London
- ☐ Paris
- ☐ Japan

TOTAL

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QUALITY CONTROL
PROOFREADING SIGNOFF

DESCRIPTION Service update

PROJECT CODE CSPE

AUTHOR Ken Carter

DATE TO PROOFREADER	TO BE PROOFED BY	INITIAL	DATE
10 ~~9~~/6/89	HG	HG	10/6
10/25	HG	HG	10/25
FINAL Q.C.			

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INPUT® Service Update

Route:

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A Publication from INPUT's **Customer Service Programme—Europe**

August 1989

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Thomainfor Acquires Control Data's European TPM Business

On June 14 1989, Control Data Corporation and Thomson-CSF announced that Control Data had sold its European third-party maintenance (TPM) business to Thomainfor, a fully owned subsidiary of Thomson-CSF. The operation, which had revenues of $35 million in 1988, supplied computer maintenance services for computer products made by a number of manufacturers, primarily Digital and IBM. Control Data will continue to provide maintenance for its Cyber product range. Business operations acquired by Thomainfor are active in France, the United Kingdom, West Germany and Austria.

Commenting on the acquisition, Roger Chevrel, Chairman of Thomainfor and Director of Thomson-CSF, DCS division, said: "For Thomainfor, the acquisition of this activity is an integral part of a development strategy that will consolidate its industrial dimension, establish its European base, and enlarge its multiconstructor expertise."

Thomainfor views the acquisition as providing a platform on which to build for the future at a Pan-European level.

Continued on page 2

Thormainfor...from page 1

Thomainfor claims that it will be able to capitalize on a multivendor competence that is second to none. The main features of competence claimed are:

- Wide range of equipment maintained
- Diversified sites and networks
- Consideration of the emerging software dimension in maintenance
- Technological and logistic resources
- High-quality services

Thomainfor's approach to service partnership is illustrated by Exhibit A—a motif that is used in a Thomainfor brochure.

Following the announcement, Thomainfor profiled a projection for the company in 1990.

- $103 million Revenue
- 600 Staff

Details relating to this 1990 projection are illustrated in Exhibit B, which shows the Pan-European extent of Thomainfor's operations, and Exhibit C, which illustrates growth between 1987 and 1990. The high growth between 1988 and 1989 is a result of the acquisition of Control Data's European TPM business.

> “ Acquisition...an integral part of a development strategy ”

These projections have been made by Thomainfor based on its definition of third-party maintenance (TPM). This definition is at variance with that used by INPUT. INPUT's definition of third-party maintenance is revenue that accrues from maintenance of computer equipment totally independent of product sales activities. Thomainfor's revenue related to TPM is therefore overstated in terms of INPUT's definition, due to not being totally within the TPM market sector as defined by INPUT, who estimate approximately 60% of revenue as being within that sector.

◆◆◆

...Exclusive Interview

Following Thomainfor's acquisition of Control Data's TPM business in Europe, INPUT was fortunate to obtain an exclusive interview with Francois Millot, General Manager in France. The objective was to learn more about Thomainfor's plans and strategies.

INPUT - What are your current service offerings, specifically in terms of manufacturers' equipment?

M. MILLOT - We intend to cover the major manufacturers—IBM, DIGITAL, and Bull in

Exhibit A

THOMAINFOR PARTNERSHIP STRATEGY—RELY ON COMPETANCE AND STRENGTH

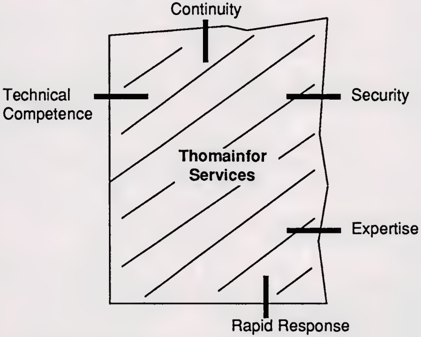
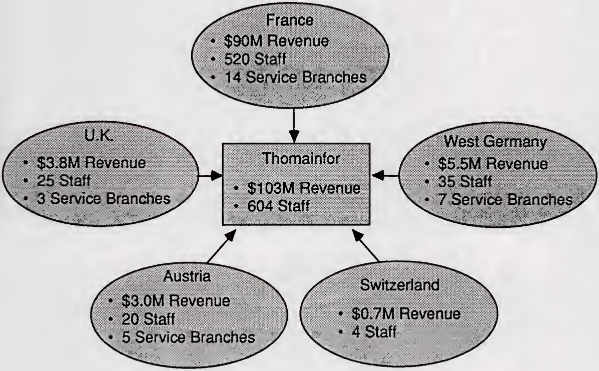


Exhibit B

THOMAINFOR PROJECTIONS FOR 1990


France
• $90M Revenue
• 520 Staff
• 14 Service Branches
U.K.
• $3.8M Revenue
• 25 Staff
• 3 Service Branches
Thomainfor
• $103M Revenue
• 604 Staff
West Germany
• $5.5M Revenue
• 35 Staff
• 7 Service Branches
Austria
• $3.0M Revenue
• 20 Staff
• 5 Service Branches
Switzerland
• $0.7M Revenue
• 4 Staff

Note: Currency conversions and rounding by INPUT.

France—and to adopt a very strong position on UNIX equipment.

In each manufacturer's range our service is geared towards the mini range. For example: Bull, MITRA SOLAR, MINI 6, SPS7, DPS7 and DPX7, IBM 43XX Digital PDP, Micro Vax, Vax 7XX and Vax 8XX.

INPUT - You do not mention micros.

M. MILLOT - This strategy is reinforced by what we call a "participative approach". By this we mean that we can give better pricing to those of our clients able to play a part in the maintenance, after having determined with them exactly what their capabilities are. This allows us to adjust our pricing to the reliability of the equipment.

INPUT - How would you describe the type of customers you target?

M. MILLOT - We are not very keen to have small customers. We aim at targeting the medium-sized or larger customers, whatever their need is (minis, micros ...).

INPUT - And in terms of geographic coverage?

M. MILLOT - As you have been able to see from the acquisition of Control Data TPM activities, we are resolutely looking towards the European market. We would like to reach critical size (between $6.5M and $8M) in each of the European countries in which we are already established. Regarding the other countries, our first objective is to have a presence in each EEC country—with special focus on Spain, the Netherlands, Belgium and Italy.

INPUT - Could you explain why you have decided not to look towards the US market?

M. MILLOT - Let me say first that the cost of acquiring companies there (USA) is very high. Also, the US is a fragmented

Continued on page 4

Thormainfor...from page 3

market, competition is fierce and there is no customer loyalty. Also, we perceive less need for software support in the USA, whereas supporting both software and hardware is one of our strengths.

INPUT - In terms of competition, what are your concerns?

M. MILLOT - Above all it is the hardware manufacturers. We do not worry about the commercial aggressiveness of other TPM companies. On the contrary the manufacturers represent a major part of the competition; it is obvious that they will position themselves as independent maintainers.

INPUT - Referring to your comment about "commercial aggressiveness" of other TPM companies, do you mean that there is a risk of degrading quality while competing on prices?

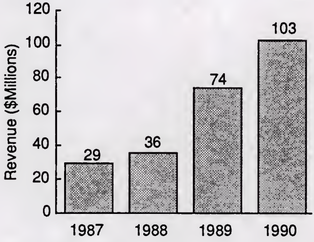
M. MILLOT - Yes, because if the services quality of independent maintenance degrades, it is the total image of independent maintenance that degrades.

INPUT - Would you say that we are currently in that situation?

M. MILLOT - We do not know. Let me clarify the statement to make sure there is no misunderstanding. We do not want to make a case against anybody based on assumptions.
Some of those (TPM) companies have introduced products/services—for which the level of expertise, or needs in terms of parts, is critical—without the necessary thoroughness of approach. This is what can cause concern and dissatisfaction among users.

Exhibit C

THE GROWTH OF THOMAINFOR



Note: Currency conversions and rounding by INPUT

> “ Thomainfor projects $103 million revenue in 1990 ”

INPUT - Some companies have started in independent maintenance activities even though it was not their original background. For example, Granada and, here in France, Concept with Spectral and MIS acquisitions. How does Thomainfor view that situation and what would be the likely impact on your own strategies?

M. MILLOT - Concept, as far as we know, has treated maintenance as part of an overall approach in the banking business—including software, products and services.

Granada has entered a start-up activity in terms of cash only (investment funds according to INPUT); although Granada is improving the structure of its organisation now.

The process for Thomainfor is different and can be explained in three words: "Service, Technical Expertise and Independence".

INPUT - What is your biggest concern relative to the market in France?

M. MILLOT - Thomainfor strategy is more open than that of our competitors. This means that we are able to face many different problems.

The other side of the coin is that we do not know the required

levels of investment. However, what we do know is they are already high and will for sure be even higher in the future.

INPUT - Thank you very much for your time and comments. What would be your overall conclusion?

M. MILLOT - There is a basic inevitability in competition between independent maintenance companies and manufacturers regarding the evolution of service on heterogeneous sites—even though the manufacturers' involvement may be based on user requirements.

A question raised is: What will be the likely result of this competition—will it be conflicting or will it be positive?

Our view is that partnerships between manufacturers and independent companies should not be excluded. This is probably the way to a better future. ■

Granada Gains Key Contract

Granada Computer Services, Europe's largest independent maintenance company, gained a key contract recently. Granada was awarded a UK Ministry of Defence (MOD) contract for the HMS Centurian Naval Base at Gosport near Portsmouth. ICL also made a joint approach with Amdahl and another independent maintenance company, Sorbus, for this contract. ■

Interest in Disaster Recovery Increases

In the last issue of *Service Update*, INPUT reported entry by IBM into the Disaster Recovery Service (DRS) market in the USA, and also IBM activities in West Germany. The DRS market seems to be attracting attention from a number of companies.

Camino Resources of Los Angeles and Global Marine of Houston are now joining forces to offer a DRS service in the USA. They intend to offer a "Hot Site" service for IBM mainframes, eventually in a US-wide service, that provides a replacement configuration in 5 days and a movable cold site in 14 days.

Comdisco Disaster Recovery Services, a US market leader, has formed a joint venture with Ageris SA Paris. The resulting new joint-venture company, with 50% ownership from each partner, intends to provide Disaster Recovery and contingency planning services to IBM and Digital users in France. An objective of the new company is to position itself to play a major role at the European level in 1992 when harmonisation of Europe will form the "Single European Market". ■

New UNISYS Contracts

UNISYS has developed a new Customer Agreement format in the UK, the objective of which is to streamline and simplify the contractual process by providing a full portfolio at the time of sale. The strategy is based on providing the customer with a contract package of products and services offering a total solution to customer needs at the time of equipment sale.

The contract package contains both general and specific terms and conditions relating to not only the products sold, but also a full portfolio of service offerings. All items contained within the package form the basis of options and are listed on a single form, entitled Customer Agreement. At the time of equipment sale, the customer can select additional options required (such as service), and when completed the Customer Agreement requires only one customer signature on one document to cover all selected options.

Options available for the customer to choose from are listed in Exhibit D. In the event that the customer wishes to purchase additional UNISYS equipment, the existing Customer Agreement can be updated to accommodate this.

Continued on page 6

UNISYS...from page 5

The contract package presented to the customer contains inserts related to each individual element of purchase, as illustrated in Exhibit D. These inserts cover in detail each item in the Customer Agreement Schedule, including the main terms and conditions relating to the overall agreement and the individual terms and conditions for each of the individual elements of the package.

> “ UNISYS streamlines customer contracts in the UK ”

Some of the items covered in the individual schedules are listed in Exhibit E.

UNISYS claims that the new Customer Agreement will simplify and streamline administration and make the process of acquiring and using UNISYS products and services much simpler for the customer. Previously, the customer would have been required to undertake separate contracts and agreements for each product or service purchased.

The Customer Agreement package also provides a sales opportunity by presenting the full depth of support available from UNISYS at the time of purchasing negotiations. UNISYS considers this to be an important element of the strategy.

Exhibit D

UNISYS CUSTOMER AGREEMENT OPTIONS

- Equipment sale
- Equipment maintenance services
- Software services
- Software licenses
- À la carte services
- Remote support services
- Professional services
- Rental

Exhibit E

CONTRACT SYNOPSIS

- Definitions
- Delivery and installation
- Payment terms
- Customer responsibility
- Licenses
- Warranties
- Liability
- Patents

The new Customer Agreement refers to sales made by UNISYS direct to the end user. At the same time as this launch, UNISYS has developed an additional document whereby a third-party reseller can offer à la carte services to customers requiring UNISYS service on equipment sold through third-party channels. ■

Hewlett-Packard Launches Enhanced Software Support Services in Europe

In the last issue of *Service Update*, June 1989, INPUT featured the opening of Hewlett-Packard's new Headquarters for Worldwide Customer Support near San Francisco. In conjunction with that opening, Hewlett-Packard also announced a new customer support programme in the USA.

A similar programme has now been launched in Europe—Hewlett-Packard Enhanced Software Support Services, which was announced in June 1989.

This new programme claims to offer new ways for users to increase productivity and simplify investment in support resources by:

- Providing features and flexibility that reduce the time taken to locate important information
- Increasing system performance and uptime
- Streamlining administration

The enhanced software support services redefine software support into three lines, or levels, of support, as follows:

- HP BasicLine—a new basic level of support
- HP ResponseLine—response-centre level of support
- HP TeamLine—account consultant level of software support

HP BasicLine is a self-support level of service that provides a foundation for Hewlett-Packard's array of support services and gives the user a software support information advantage. This advantage is achieved through electronic access to Hewlett-Packard's worldwide support information databases. Keyword and menu-driven search facilities provide access to a worldwide bank of problem-solving information with the objective of increasing system uptime and user productivity. Access is also provided to Software Status bulletins, the most recent Engineering Notes and Application Notes. In addition, an on-line news page provides information on Hewlett-Packard products, support services and training classes.

> “ HP BasicLine—gives the user a software support information advantage ”

HP BasicLine is available 7 days per week during normal business hours.

Software updates are available as an option to HP BasicLine support. This option provides software updates that repair known defects; many also include enhancements. As software updates are released, they are sent directly to the user, who has the additional flexibility of sharing software materials between supported systems.

HP ResponseLine includes all the features of BasicLine, plus some additions, including telephone assistance with questions concerning software usage, documentation and problem resolution. ResponseLine provides guaranteed response times and hours of coverage.

- Extended hours provide additional coverage to match the period provided by enhanced Hardware Support. Experts at the Response Centres are available when needed, irrespective of the time of day. Telephone assistance is available 24 hours per day for HP 3000 MPE and XL, HP-UX operating system software, HP 3000 system interrupts, and selected HP 3000 data communications software. In addition, HP Desk-Manager Software is supported 24 hours a day Monday through Friday and 8 hours per day on weekends.
- Through HP ResponseLine, the HP Supportline gives electronic access to support information databases and allows the user to submit electronic service requests. The user can request a 2-hour or next-day electronic re-

Continued on page 8

HP ...from page 7

- sponse to fit in with work schedules and eliminate telephone tag.

- HP PowerPatch tapes can be ordered through ResponseLine. These are proactive software patch tapes available on selected systems for no extra charge. PowerPatch applies known solutions to problems other users have experienced. By taking this preventive maintenance approach, users can assist the smooth running of their systems.

- Escalation procedures are provided for use in situations where telephone assistance cannot resolve a particular problem. ResponseLine can mobilise additional resources and specialists to analyse software problems, implement solutions and monitor results until the problem is resolved.

- Remote Diagnostics can be implemented through ResponseLine when needed by using a modem. Through this medium the ability to resolve problems quickly is enhanced.

HP TeamLine includes all the features of BasicLine and ResponseLine, plus some additional features. With TeamLine a Hewlett-Packard support consultant provides the user with close personal attention to maximise the effectiveness of the user's resources and system. TeamLine is the highest level of support provided; through this medium the consultant is required to understand the user's business goals, operating environment and applications. The support consultant works directly with the user to tailor support to the user's specific needs.

> “ HP ResponseLine—the user's direct line to worldwide expertise ”

- Management reviews are held with the objective of maximising productivity and performance, including performance and design issues, back-up and security procedures, and system administration and operations. Critical open support and technical issues are also included.

- Advance planning assistance is provided to users with the objective of planning for growth and development of the user's system resources.

- Enhanced guidance and assistance is available, specifically in the area of highly technical applications. This assistance provides technical guidance and planning assistance. One objective is to focus on technical and support activities that impact system performance and availability. The support consultant can assist with evaluating the impact of new software releases on the user's applications.

- A number of optional enhancements are also available.

Hewlett-Packard, in announcing Enhanced Software Support Services, has also simplified the ordering structure, claiming that it is now easier for users to order and budget for support. Each product has one price. Support prices are tiered; material prices are standardised to simplify the price structure.

Services can be ordered by a product number and an option defined by the user's system. The user receives a full software package specifically for his or her system. For material updates, users order the operating system update for their system, and then product updates based on the quantity of software products licensed for the system. Hewlett-Packard will then ship updates based on specific software configurations. ■

> “ HP TeamLine—Users team up with HP for personalised assistance ”

Assistance is given to develop a comprehensive system growth path in terms of procedures for implementing new systems, software and technology, and for future computing and support needs.

News from the USA

Digital Announces New Desktop Service Solutions

Digital has extended its enterprise to include wide multivendor support offerings to the desktop environment in the USA. Desktop Service Solutions, a new programme designed to provide comprehensive hardware and software services for the desktop environment, was announced in June.

What is significant about this new offering is that the new service provides formal coverage for all brands of personal computers (PCs) and popular third-party PC software—not just Digital products. Also significant is the fact that this set of offerings provides comprehensive hardware, software and networking support through all phases of a product lifecycle—from planning and design to implementation and ongoing management. Digital sees a promising market in providing desktop solutions, and expects its new service to be a profitable venture. A new dedicated desktop service delivery organisation has been put in place to support the new service offerings.

Desktop Service Solutions consists of a number of components that are charged separately. These are Start-Up Services (installation and staging), Direct Access Advisory Services (telephone and remote support), on-site or centralised service Facility Maintenance Services, and Integration Services.

Start-Up Services consist of installation and staging services. Installation services, available for a fixed per-event fee during normal business hours with two-day response, are provided for workstations, microcomputers, terminals, printers, add-on options, and operating systems. Staging involves preassembly and verification of desktop equipment and applications that are conducted off-site and then fully set up at the user's location. This service is offered at a flat per-event fee during normal business hours with negotiated response. End-user orientation training is provided with both installation and staging services.

Direct Access Advisory Services include telephone support for use assistance and problem resolution. Popular desktop software supported by Digital includes Lotus Symphony, Microsoft Word, dBase, Lotus 123, Paradox, Autocad and MacWrite. The advisory service includes support for popular operating systems such as MS-DOS, OS/2 and MAC-DOS, as well as LAN networking software, including Novell Netware, 3 Com 3 PLUS and 3+Open, and Appletalk.

A remote-access diagnostic feature is also available for customers using a third-party software package that provides copy screen imaging capability. These services, available for both single-user and networked environments, are offered on a contract basis charged at a fixed fee per block of time.

Desktop Maintenance Services, available on an annual contract basis, consist of multivendor remedial services provided on-site or through a carry-in service at a designated location on the customer's site. This service is limited to customers with a minimum of 500 units at one location. Standard Digital services are available for installations with fewer than 500 units.

Desktop Integration Services provide configuration, installation and verification of Digital and non-Digital network solutions, including hardware and software. This service is offered at an hourly rate with a fixed minimum charge.

By introducing these multivendor software and hardware services, Digital has, in INPUT's opinion, entered a challenging arena in terms of logistics and operations. Digital has also broadened the mission of the service organisation to include planning, user education and user operation assistance. ■

News from the USA

IBM Announces Selective Price Increases for Maintenance

IBM notified US customers in early May that maintenance prices were being increased, effective 1 September, for selected monthly billed products and would be effective with the commencement of the next billing period on or after 1 September for annual-billed products. The effective date for state and local government customers is September 1 or the beginning of the customer's next fiscal year after 1 June 1989, whichever is later. The average increases and the products with price changes are shown in Exhibit at right.

On 24 July 1989, IBM announced further maintenance price rises in the USA. This refers to a 3% rise in most maintenance agreement, additional maintenance, monthly usage and per-call rates. No further details are available at present. ■

Monthly Billed Products	
Point of Sale (3583, 3684)	7%
Document processor (3694)	10%
Direct Access (3370, 3375, 9335)	10%
System 36 processor	10%
Annual-Billed Products	
Displays (3180, 3191, 3194)	10%

News from the USA

IBM Announces Custom Migration Support—Data Facility Storage Management Subsystem

IBM's National Service Division (NSD) announced a new offering on June 6, 1989 that puts it clearly in the area of user operations support for a fee.

The Custom Migration Support - Data Facility Storage Management Subsystem (DFSMS*) offering is a comprehensive support package designed to accelerate the utilization of the MVS/ESA* environment with IBM system-managed storage. These comprehensive services will expedite the migration to the system-managed storage environment by providing the customer with detailed migration plans and storage management skills. On-site services include assistance with mapping the current system, migration planning, and application migration. Remote Support Services include a DFSMS electronic forum, telephone help-desk support, an executive newsletter, and critical defect notification for the Data Facility family of products and RACF.

IBM has established a Migration Competency Center in San Jose, CA under NSD management and has staffed it with 50 people from IBM's General Products Division, NSD's software skill pool, and some outside professional I/S hires.

Migration Competency Center personnel will be at the customer site to initiate migration planning efforts and to collect the data necessary to complete an analysis of the existing storage environment. IBM will utilize proprietary software and services to ease and simplify migration and will perform an analysis utilizing simulation techniques.

Customers will have the capability, through the IBM specialist, to request different simulations to develop the optimal storage configuration. IBM expects to average about three on-site visits with each customer.

This is a generic offering with a 12-month term, and the price varies from $80,000 to $170,000 per processor depending on the size of the processor. The offering should be attractive to customers needing migration support to the MVS/ESA* environment. It should benefit IBM by speeding up customers' moves to new applications and by providing a profit opportunity not only on the service offering but also on new products needed by the new applications.

* DFSMS and MVS/ESA are IBM trademarks. ■

Snippets

- In the last *Service Update,* INPUT reported that Xerox had taken over Dell service contracts previously held by BULL HN. INPUT should have stated that this activity was restricted to the USA—not Europe.

- IBM UK is claiming that the AS 400 is showing a considerable reduction in downtime compared with System 38. A reduction of 75% is quoted. IBM also claims that hardware maintenance costs are also significantly reduced, quoting 4% of running costs, compared with the industry average, which is typically 10%-12%, based on INPUT user research data.

- One example of service extending its boundaries is provided in an announcement from Siemens, which is extending service operations into the USSR. Siemens has set up a joint-servicing venture with Soyuzmedtechnica, which is Moscow based, to service its medical equipment in the USSR. Siemens is reported to be investing $3 million in the new company, Siemens-Soyuzmedtechnica.

- In an attempt to achieve higher customer satisfaction ratings from the midrange systems sector, IBM is reported to be involved in discussions with the British Standards Association (BSI). Discussions are aimed at a new version of the service quality standard B5750 (ISO 9000), which will hopefully act as a bridge until Pan-European standards are fully agreed upon. IBM is also encouraging its agents to apply for certification and has implemented a separate initiative to double the number of agent training days from 5,000 to 10,000, even though the number of agents will drop.

- In addition to INPUT's announcement of a new UNISYS Customer Agreement (contained elsewhere in this issue of *Service Update*), UNISYS in the USA is offering a new surety support and maintenance contract. This contract, for the first time, covers both hardware and software in the same contract and offers four levels of service, ranging from basic telephone help to full on-site support. Initially these new contracts are for only the 'U' Series UNIX products but will be expanded to cover other products later in the year.

- A $15 million three-year contract has been awarded to NCR for maintenance of Xscribe Corp. computer-automated transcription equipment in the USA. ■

An Addition to INPUT Europe Customer Services Team

Roger Joynson joined INPUT on 3rd July as a Senior Research Analyst with the CSP team.

Roger was educated at Newcastle University where he gained a degree in economics. He then spent three years with ICL, most recently with the Financial Services Division. ■

About INPUT

INPUT provides planning information, analysis, and recommendations to managers and executives in the information processing industries. Through market research, technology forecasting, and competitive analysis, INPUT supports client management in making informed decisions.

Continuous-information advisory services, proprietary research/consulting, merger/acquisition assistance, and multiclient studies are provided to users and vendors of information systems and services (software, processing services, turnkey systems, systems integration, professional services, communications, systems/software maintenance and support).

Many of INPUT's professional staff members have more than 20 years' experience in their areas of specialisation. Most have held senior management positions in operations, marketing, or planning. This expertise enables INPUT to supply practical solutions to complex business problems.

Formed as a privately held corporation in 1974, INPUT has become a leading international research and consulting firm. Clients include more than 100 of the world's largest and most technically advanced companies.

INPUT OFFICES

North America

Headquarters
1280 Villa Street
Mountain View, CA 94041-1194
(415) 961-3300
Telex 171407 Fax (415) 961-3966

New York
959 Route 46 East, Suite 201
Parsippany, NJ 07054
(201) 299-6999
Telex 134630 Fax (201) 263-8341

Washington, D.C.
8298 Old Courthouse Road
Vienna, VA 22182
(703) 847-6870 Fax (703) 847-6872

International

Europe
Piccadilly House
33/37 Regent Street
London SW1Y 4NF, England
(01) 493-9335
Telex 27113 Fax (01) 629-0179

Paris
29 rue de Leningrad
75008 Paris, France
(16) 44-80-48-43
Fax (16) 44-80-40-23

Japan
FKI, Future Knowledge Institute
Saida Building,
4-6, Kanda Sakuma-cho
Chiyoda-ku,
Tokyo 101, Japan
(03) 864-4026 Fax (03) 864-4114

INPUT® Service Update

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A Publication from INPUT's **Customer Service Programme—Europe**

April 1989

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2 ....Apricot Computers Increases Its Stake in DDT to 29.75%

2 ....Company Profile: Geveke Electronics

3 ....Unisys Offers A la Carte Services

Philips Business Systems Enters the Third-Party Maintenance Arena...

Philips Business Systems recently announced its plans of entering the third-party maintenance market. Although this represents a new move by Philips, the company had until now been servicing equipment not manufactured by itself for customers who had Philips equipment under maintenance.

Philips' third-party maintenance activities will be centered around servicing PCs, minis, ATMs and PABXs. The new division will be headed by Bob McCoig whose main responsibilities will be in the marketing of customer service and third-party maintenance. ■

Rank Xerox Executives Earn 2.5% Extra ...

Last year, Rank Xerox announced its intentions to link managers' pay rises to the degree of customer satisfaction and customer loyalty. In order to do this, over 1,000 Rank Xerox customers participated in an independent survey throughout Europe. Customer loyalty was measured by calculating the proportion of products with customers at the start of the year which were still with the customers by the year's end.

Target levels for customer satisfaction and customer loyalty were established at 85%, with salary rises based on the degree to which this benchmark was exceeded. As a result of this survey, 135 Rank Xerox executives earned an extra 2.5%. The success of the scheme has led Rank Xerox to extend the plan to a broader cross-section of the company's employees. ■

Company Profile: GEVEKE ELECTRONICS

Company Update

Geveke Electronics, a subsidiary of the Dutch Getronics Holdings, has been operating as a third-party maintenance (TPM) vendor in the Netherlands since 1977. Geveke has concentrated its efforts primarily in the Benelux market where in 1986 it opened its first office outside the Netherlands in Belgium. Geveke's plans are to continue expanding in the European TPM market. In April 1989, Geveke will be opening a new subsidiary in Barcelona (Spain).

Geveke's European TPM revenues in 1988 totalled $28 million, and the company anticipates revenues to increase by 15% in 1989.

Maintenance Operations

Geveke's operation has 400 service personnel dedicated to field service operations. Geveke offers all types of support services, ranging from depot repair to time & materials and the provision of on-site engineers, but over 50% of the company's business is derived from contract customers. Service coverage in the Netherlands and Belgium is national with six service centres in the Netherlands and four service centres in Belgium.

Although the only service offered by Geveke Electronics is maintenance, through other subsidiaries of Getronics, Geveke is able to offer its Dutch client base a wide range of services. One such service is cabling and installation, primarily for networks, carried out by Electronic Engineering. Furbex, another company in the Getronics group, supplies low-cost service for PC repair and carries out tests and modifications as well as offering computer brokerage and refurbishment services.

Service Coverage

About 55% of Geveke's revenues are derived from the IBM and compatible PC marketplace; 20% from the maintenance of networks; 15% from peripheral maintenance; and 10% from servicing of IBM and MAI minicomputers. Geveke, however, plans to expand its mini computer maintenance operations and will add DEC (Microvax) and Wang to its portfolio in 1989.

Services provided by Geveke include: planning, consultancy, application software support, system software support, network support, system configuration, installation and de-installation services.

Competitive Focus

Geveke originated its third-party offerings within the PC compatible and network support marketplace and continues to maintain its primary presence within this arena. Over the past few years, Geveke has expanded its product menu to include minicomputers but does not as yet envisage entering the mainframe maintenance market.

Geveke believes that its success in TPM can be attributed to its ability to offer a comprehensive range of services within the Getronics Group without the need for subcontracting.

Geveke feels its primary competition is coming from manufacturers, IBM in particular.

Apricot Computers Increases Its Stake in DDT to 29.75%

Apricot Computers which last year took a 20% stake in the shares of DDT Group has now increased its share to 29.75%. This follows Apricot Computers' intentions to enter the third-party maintenance market, although rumors of Apricot taking over DDT have so far been denied by both companies. ■

Geveke considers this competition to be "unhealthy" as it involves an aggressive price-cutting policy by the manufacturers to the point where profit margins can no longer be sustained.

A strategy that is now being pursued by Geveke is cooperation with manufacturers by means of "sharing" contracts, with each side concentrating on what it does best. ■

Unisys Offers A la Carte Services ...

Unisys has recently announced the introduction of a new service offering. A la Carte, aimed at tailoring maintenance to match user needs, is a total maintenance and service package based on four incremental levels of support. A la Carte is designed to give customers a comprehensive choice of services ranging from telephone help to full on-site support covering both hardware and software (see Exhibit A).

Exhibit A

UNISYS A LA CARTE SERVICE

- Service 200 - Telephone Support
- Service 300 - Depot Repair
- Service 600 - Contracted On-Site Repair
- Service 700 - Guaranteed Systems Availability

The four levels of Unisys' A la Carte services include:

SERVICE 200 provides telephone support for problem solution during normal working hours. In the event that a problem cannot be solved over the telephone, further assistance will be provided by an on-site visit charged at a preferential rate. Service 200 automatically entitles users to system updates on Unisys supported system software at a nominal charge. Service 200 also provides users with regular briefing on new hardware and system software products.

SERVICE 300 is essentially a depot repair service for hardware at a Unisys Support Centre. This option also provides users with systems software error corrections, priority on-site maintenance (fixed fee) and hardware updates. All services available under Service 200 are also provided to Service 300 users.

SERVICE 600 is an on-site, or whenever possible, a remote access service. Other services included are: regular systems checks, preventive maintenance, system software updates and reliability improvements. All services available under Service 200 and 300 are also included.

SERVICE 700 is the highest level of service guaranteeing the highest possible system availability. System availability is guaranteed depending on the type of system, configuration and operation. In addition to services offered under A la Carte 200, 300 and 600, Service 700 also offers guaranteed response time (agreed with the customer), workthrough beyond normal working hours and free site surveys to ensure that foreseeable problems are identified and remedied. ■

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INPUT OFFICES

North America

Headquarters
1280 Villa Street
Mountain View, CA 94041-1194
(415) 961-3300
Telex 171407 Fax (415) 961-3966

New York
280 North Central Avenue, Suite 303
Hartsdale, NY 10530-1894
(914) 682-8880 Fax (914) 682-8479

959 Route 46 East, Suite 201
Parsippany, NJ 07054
(201) 299-6999
Telex 134630 Fax (201) 263-8341

Washington, D.C.
8298 Old Courthouse Road
Vienna, VA 22182
(703) 847-6870 Fax (703) 847-6872

International

Europe
Piccadilly House
33/37 Regent Street
London SW1Y 4NF, England
(01) 493-9335
Telex 27113 Fax (01) 629-0179

Paris
29 rue de Leningrad
75008 Paris, France
(16) 44-80-48-43
Fax (16) 44-80-40-23

Japan
FKI, Future Knowledge Institute
Saida Building,
4-6, Kanda Sakuma-cho
Chiyoda-ku,
Tokyo 101, Japan
(03) 864-4026 Fax (03) 864-4114

INPUT® Service Update

Route:

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Management Buy Out Forms New Independent Fourth-Party Maintenance Company

A new fourth-party maintenance company has been formed following a management buy out of Rank Xerox (UK) Ltd's, St. Helens Photocopier Refurbishment Division. The new company, appropriately named 4PM Ltd, will operate within the independent fourth-party maintenance market.

The management buy out was led by Richard Grace of Rank Xerox (UK) Ltd and Patrick Renn of British Olivetti Ltd, involving the business assets associated with refurbishing and an existing work force of approximately 58 people. The two leaders of the management buy out will head up the new company as joint Managing Directors; Richard Grace will be responsible for sales and marketing and Patrick Renn for operations. The management team will be joined by John Bache OBE, ex-director of both IBM and ICL. Together with two senior managers of the division the management team has taken a substantial equity stake in the new venture, with additional funding provided by clearing banks.

The new company, 4PM Ltd, has secured a three-year contract with Rank Xerox UK worth in excess of £3 million and intends to diversify the business within the growing high technology fourth-party maintenance sector. In a statement, Richard Grace said "we are a new and significant entrant in this growing market. Our skill base and comprehensive plant makes us very competitive from day one in both price and quality for volume repairs and refurbishment of high technology equipment."

Following announcement of the management buy out, INPUT spoke to Richard Grace, one of the leaders of the buy out and

Continued on page 2

Fourth-Party...from page 1

joint Managing Director of 4PM Ltd, to obtain further details and an insight to future plans.

In making the acquisition, 4PM has bought a facility which has been progressively developed over the last 15 years, including a ready-made base of skills and experience. Richard profiled fourth-party maintenance as follows:

- Space intensive
- People intensive
- Skill intensive

Operations of 4PM Ltd are centred in St. Helens Merseyside, near Liverpool. The facility is adjacent to the M62 motorway for good access and transportation and also close to the Freeport of Liverpool. The plant comprises 28,000 square feet (approximately 2,800 square metres) of factory and office space and costs are claimed to be substantially lower than those in the South East of England (currently £2 per square foot per annum was quoted). Availability of skilled labour is also much better in the Merseyside area.

> “ £3 million contract with Rank Xerox ”

Annual revenue is quoted as being £2.0 million and the new management is projecting growth at 30% per annum. At present, the sole source of income is derived from Rank Xerox but the company plans to diversify to include other manufacturers product ranges. The company's refurbishing activities cover three market segments.

- Photocopiers
- Information Systems Hardware (i.e., small computer systems)
- Office Electronics (i.e., fax machines)

Exhibit A

NEW U.K. FOURTH-PARTY MAINTENANCE COMPANY

- 4 PM Ltd.
- Buy out from Rank Xerox
- Mature operation
- Forecast 30% growth
- Refurbish to "as new" standard
- Future diversification planned

Refurbishment of information systems hardware is estimated to provide 30% of company revenue with a growth factor projected in excess of 30%. Facilities include the capability to refurbish equipment to an "as new" standard, including cosmetics. To achieve this the company has:

- Full painting facilities
- Cleaning equipment that has the ability to "wash" complete equipment such as small computers, using an immersion technique. A dehumidifier is then employed to dry the equipment to a level which satisfies safety standards.
- A process for returning clear plastic to "as new" condition by removing scratches and other blemishes
- Screen printing for the replacement of lettering/ logos etc., and re-badging if required

Although 4PM Ltd has the capability to repair and refurbish complete small computer systems, including printed circuit boards, Richard Grace stressed that the company has no plans to start repair or refurbish of disc drives. This work will be subcontracted to a specialist company.

The company can be contacted at:

4PM Ltd
LEA GREEN ROAD
LEA GREEN
ST. HELENS
MERSEYSIDE
WA9 4QF
TELEPHONE: 44(UK) 0744 814645 ■

Management Buy Out at Meridian

Closely following on the heals of the management buy out of Rank Xerox Merseyside refurbishing operations, Meridian Computer Engineering has also gone through a management buy out.

A £1.5 million management buy out of Meridian Computer Engineering was led by David Donovan (UK Managing Director) and Daniel Schneider (French Managing Director). The newly formed company is called ITM. The original company is reported to have lost £100,000 per year in the UK, although the French operations were profitable.

Former owner, Meridian, has been looking to buy third-party maintenance companies for some time but found that after recent acquisitions by Granada only smaller companies remained. After trying to acquire businesses, the company concluded that a policy of acquisitions would take too long to complete.

The UK operations of Meridian Computer Engineering were reported in 1988 by INPUT as forecasting revenues of £5.0 million for that year, having achieved £3.8 million in 1987. The company employed 45 people of which 35 were engineering staff and operated from three services centres.

The new company plans to expand its IBM mainframe and mid-range maintenance and service business. ■

Apricot Offer for DDT Accepted

In the last issue of *Service Update*, INPUT reported that Apricot Computers had increased its stake in the DDT Group to a 29.75% shareholding. Although at that time takeover rumours were denied by both companies, INPUT can now report that Apricot has received acceptance of an £8 million offer for the DDT Group. Acceptance is from holders of 95% of the stock.

Although a rival bid from Vistec was already on the table when Apricot made its approach, this "all paper" bid faltered. Vistec decided that it would not add a cash alternative to the terms of its offer. Initially favouring the Vistec offer, DDT recommended that the Apricot bid be accepted by shareholders.

Apricot Profits Fall

Two weeks after acceptance by DDT stockholders of the Apricot bid the company confirmed a sharp fall in profits for 1989. This does not infer a connection of course.

Apricot confirmed that full-year profits will fall by 25% to $6 million. The major reasons given were a shortage of components which held up shipments of new products in the third quarter, and a downturn in orders that reduced the financial systems division profits by 65%. The computer systems division profits were reduced by 61% as well as a reduction in international sales.

Apricot anticipates that sales of its new Qi machine will help improve this situation.

However, Apricot Computer Services' profits increased by 40% in the second half of 1989 to £3.4 million. ■

Changes at Spanish TPM Companies

At the recent (19/20 April) INPUT Customer Services Conference in London, there was some confusion over the ownership of two Spanish TPM companies, MORSA and ELTEC.

INPUT has checked and found the following:

First, ELTEC acquired a 100% ownership of MORSA early this year. Then, AGBA the Barcelona Water Authority (the previous owners of MORSA), in April of this year, took a 45% shareholding in ELTEC—which owned 100% of MORSA.

For the present time, the two companies will continue to trade under separate names, and although ELTEC currently has no plans to completely merge the two companies under one name, INPUT believes that eventually this will happen.

The combination of ELTEC and MORSA is forecasting revenues of PTA 1600 million in 1989 and

Continued on page 4

Changes...from page 3

the group now employs a total of 200 people. Originally, the strength and activities of ELTEC were within the banking and financial sector. Combining with MORSA will allow diversification into other markets. Banking and finance still contribute just under 50% of the revenues.

Complementing ELTEC's presence in the banking and finance sector is MORSA's specialisation in the servicing of microcomputers and the non-banking sectors. The revenues of the combined group are 100% derived from third-party maintenance. ■

IBM Moves into Disaster Recovery

For the first time IBM has launched a disaster recovery service (DRS) in the USA. The announcement covers backup services for medium-range and large-systems users in the event of unplanned down time. Users can subscribe to the Business Recovery Service for periods ranging between one, and five years with charges of between $500 and $4000 per month. Initially, IBM will have three mainframes and a mini available in Florida and is planning a second operation for New Jersey later in the year.

This has been termed "IBM's long awaited move" into the business. However, INPUT believes that IBM Germany is already in the disaster recovery market. Recent information indicates that IBM Germany has approximately 13 customers and are using the 4381 to provide DRS in the "mobile" sector of the market.

Nevertheless, the announcement by IBM in the USA could be significant. ■

Cable News

A new company, MBA Cables, was launched in the UK in March by the computer brokers MBA. The new company is to provide low-cost cabling for mid-range computer installations.

Cabling, it is claimed, can add 30% or more to the cost of a medium- or large-range system. MBA estimates that since the AS 400 was launched in the UK, just less than a year ago, the UK cabling market for that machine has reached £60 million.

The company has acquired distribution rights for a range of cable and communications products. These are based on unshielded twisted-pair (telephone) cable. This type of cable offers a number of advantages over conventional types. In the past, some mid-range IBM and Wang systems have been cabled using coaxial or twinaxial cabling which can cause problems when adding new terminals or running cable through hostile environments (using armoured cables). Such problems include cost and installation difficulties.

MBA claims that twisted-pair cables negotiate corners more easily and do not need recabling for different manufacturers' hardware. Terminals can be connected to sockets, similar to telephone points, and once the cabling system has been installed, it can be used regardless of changes to the computer system. An office cabled for an IBM system can be reconfigured for another manufacturer's system in hours.

Initial cabling offerings reflect the strength of the parent company, MBA, in the mid-range IBM leasing market. The company is City of London based, an area which is considered to have the highest concentration of IBM mid-range systems in the world.

Sales will be direct to cabling companies and MBA Cables is forecasting a first year turnover of £1 million. Two dealers were already appointed in March, out of a planned 50 dealers over the next two years.

More Cables

BICC is expected to almost double the size of its US operations through a proposed acquisition of Brintec, a USA cable manufacturer. The offer values Brintec at $177 million and although the company has experienced declining profits in the last two years, first quarter performance looked much more promising and could herald a revival. ■

Snippets

- IBM France has signed a joint maintenance contract with Telic Alcatel. This agreement allows the two companies to offer combined support services to common sites. The agreement extends to IBM 9370, AS400 and System/3X and Telic 2600, Opus 300 and Opus 4000 telephone systems.

- Tulip Computers has signed an agreement with Sorbus. Sorbus will provide on-site maintenance for all systems sold within the UK under a six month warranty programme, with a user option to extend the contract to two years. This agreement is similar to one signed previously in France.

- In a recent reorganisation, Granada has reduced the number of UK board members by four and also the support staff by 20. These moves are said to form a part of a rationalisation programme.

- In the USA, IBM is allowing authorised dealers to market its maintenance and technical support services to PC customers. Under the terms of the Entry Systems Service Amendment, dealers can combine IBM service with their own maintenance and technical support offerings to customers. This is part of a plan by IBM to enhance the services to dealers and turn them into "mini franchises."

- Xerox has taken over Dell service contracts that were previously held by BULL HN. Dell is now offering a five-year Xerox service option with all PCs. First year service costs are "bundled" in the price of the PC with subsequent years being charged separately. The Xerox service extends the original Bull offering to include on-site installation for DOS and UNIX sites. Xerox has 1400 engineers that are dedicated to Dell activities.

- A shareholder rights plan to protect shareholders from a takeover bid or a single company gaining a 20% holding has been announced by Sun Microsystems.

- Hewlett Packard has appointed David Perozek to take charge of the newly acquired Apollo. He replaces Apollo's CEO Thomas Vanderslice who is leaving the company. Apollo will become an HP division within the workstation group. Mr. Vanderslice is expected to receive multimillion dollar compensation and will continue to offer consultancy services to his former company.

- Digital has announced a pay freeze for all 73,000 US employees. The freeze will start at the beginning of the new fiscal year on 2 July and will be reviewed in September. This move is in response to a softening of the US market and low profitability in the US.

- A recent report from the Inter-regional European Consumer Institute included a look at "value for money" in personal and semi-professional computers, for 21 models in four countries. Spain was reported to offer the lowest value for the money, the computers are 52% more expensive and offer less quality for the price compared to the rest of Europe. The best prices were found in West Germany.

  One reason given for the situation in Spain was the need for all computer technology to be imported, therefore pushing up prices. Prices in Spain have, however, shown large reductions since 1987. ■

News from the U.S.A.

Hewlett-Packard Opens New HQ for Worldwide Customer Support Operations

In April this year, Hewlett-Packard opened a new headquarters facility for its Worldwide Customer Support Operations near San Francisco. This new facility is linked with 32 response centres and will manage the activities of close to 400 support offices worldwide.

Housed within the 450,000 square foot (approximately 45,000 square meters) facility are:

- HP Response Centre
- Customer Education
- Multivendor Support Division
- Application Support Division
- Four Support R&D Activities

The vice-president and general manager of Worldwide Customer Support, Mike Leavell, conjectured that Hewlett-Packard is the first organisation to pursue the strategy of integrating service operations through a unified worldwide organisation,. Five elements of support have been unified and integrated.

- Hardware Maintenance
- Software Support
- Customer Education
- Network Support
- Professional Services

The support centre's activities are linked with those of 32 response centres worldwide, allowing Hewlett-Packard to offer 24-hour access to response centre support worldwide.

Twenty-four hour access is achieved by routing "out of hours" problem calls to response centres in other time zones that are operating within their normal working hours (support and electronic data base documentation are provided in English). The facility boasts some 1,100 professional staff who provide support and educational services to Hewlett-Packard customers.

Housed within the new facility is the Hewlett-Packard Response Centre, that provides problem resolutions for applications software, plus complete software and network diagnosis.

Multivendor Support Operations are headed by David Carver and provide TPM service for multivendor installations. Through this Multivendor Support Operation Hewlett-Packard hopes to extend services beyond the "second and-a-half" party maintenance level of support currently being offered by Digital and IBM by actively marketing its TPM services. Hewlett-Packard is currently only bidding for large contracts.

> “ 24 hour worldwide access to response centres ”

> “ Commitment to support excellence ”

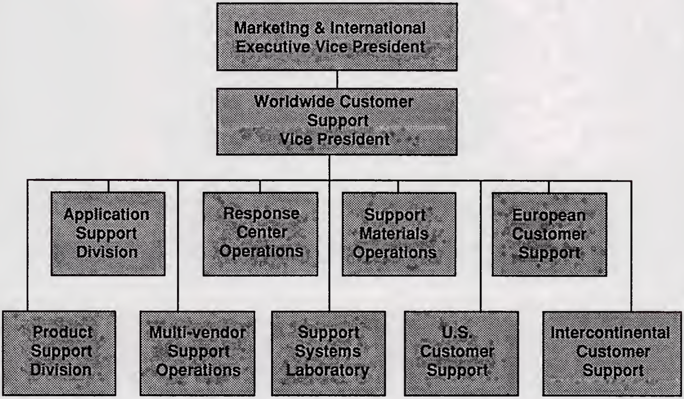
The Application Support Division provides support for Hewlett-Packard application software products. Included in the services provided by this division are contractual software support, customer education, performance tools, implementation assistance, and consulting. The Product Support Division is responsible for Hewlett-Packard's products, systems and network-maintenance programmes.

The Systems Support Laboratory performs research and development related to customer sup-

Exhibit B

HP WORLDWIDE CUSTOMER SUPPORT OPERATIONS

A Commitment to Support Excellence


Marketing & International Executive Vice President
Worldwide Customer Support Vice President
Application Support Division
Response Center Operations
Support Materials Operations
European Customer Support
Product Support Division
Multi-vendor Support Operations
Support Systems Laboratory
U.S. Customer Support
Intercontinental Customer Support

port. The laboratory develops management information systems (dispatching, tracking contracts, quoting and ordering) to support Hewlett-Packard field personnel. The Application Support Division, Product Support Division and Response Centre Operations also maintain R & D development laboratories for on-going enhancement of support products and service delivery methods.

Exhibit B illustrates Hewlett-Packard's Worldwide Customer Support Operations organisational structure.

In conjunction with opening of the Worldwide Customer Support Operations headquarters, Hewlett-Packard also announced a new customer support programme. This new programme expands response centre coverage hours, offers a new electronic database and revises Hewlett-Packard's tri-level software support services.

Announcement of the new programme within Europe is likely to follow that in the U.S.A. INPUT plans to profile the European announcement in the next issue of *Service Update.* ■

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INPUT OFFICES

North America

Headquarters
1280 Villa Street
Mountain View, CA 94041-1194
(415) 961-3300
Telex 171407 Fax (415) 961-3966

New York
959 Route 46 East, Suite 201
Parsippany, NJ 07054
(201) 299-6999
Telex 134630 Fax (201) 263-8341

Washington, D.C.
8298 Old Courthouse Road
Vienna, VA 22182
(703) 847-6870 Fax (703) 847-6872

International

Europe
Piccadilly House
33/37 Regent Street
London SW1Y 4NF, England
(01) 493-9335
Telex 27113 Fax (01) 629-0179

Paris
29 rue de Leningrad
75008 Paris, France
(16) 44-80-48-43
Fax (16) 44-80-40-23

Japan
FKI, Future Knowledge Institute
Saida Building,
4-6, Kanda Sakuma-cho
Chiyoda-ku,
Tokyo 101, Japan
(03) 864-4026 Fax (03) 864-4114

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– REPORT –
PRODUCTION QC SCHEDULE

Program: CSPE
Program Year: 1989
Report: SERVICE UPDATE JUNE 89
Project Code: CUSR
Author: K. CARTER EE#
QC Performed By:

		Date Sent	Initial	Date Rcvd	Initial	
RESEARCH	1. Author's MSWord Draft to QC	26/5/89				
	2. QC'd Draft to Author					
	3. Revised Draft to QC (If Required)					
	4. QC'd Revised Draft to Author					
GRAPHICS/PRODUCTION	5. Final MSWord Draft to Report Production ☐ Printed Written Draft ☐ MSWord Disk ☐ Exhibits ☐ Abstract ☐ Transmittal Letter ☐ Thank-You Package Transmittal Letter ☐ Interview Respondent Name/Address List ☐ Press Release Draft ☐ INPUT/OUTPUT Article Draft ☐ Questionnaire Blank ☐ Reverse Side of Form Completed	[illegible]	[illegible]	5/30	AJ	
	6. First Draft to Proofreader	5/31	LK	6/2	[illegible]	
	7. First MAC MSWord Draft to Author	6/6	AJ	6/7	FAX/KC	
	8. First Draft to Production			6/5	LK	
	9. Second Draft to Proofreader	6/5	AJ	6/5	AJ	
	11. Second Draft to Production	6/5	AJ	6/6	C.W.	
	12. Final Page Maker Draft to Proofreader	6/14	AJ	6/14	AJ	
	13. Final Draft to Author	6/13	AJ	FAX	KC	6/14
	14. Final Report to Printer	6/14	AJ			
	15. Report to UK ☐ Client ☐					
	16. Thank-You Package Shipped					

Dist: ORIG: Report Draft/Orig. File COPY: Fulfill./Shipping

ADM400/01
3/89

Original Artwork located

in UK flat drawer

CQSR - Newsletter

INPUT®

– REPORT –
PRODUCTION QC SCHEDULE

Program: CSPE **Program Year:** 1989

Report: SERVICE UPDATE AUGUST 89 **Project Code:** CQSR

Author: K. CARTER EE# **QC Performed By:**

		Date Sent	Initial	Date Rcvd	Initial
RESEARCH	1. Author's MSWord Draft to QC	28/7/89			
	2. QC'd Draft to Author				
	3. Revised Draft to QC (If Required)				
	4. QC'd Revised Draft to Author				
GRAPHICS/PRODUCTION	5. Final MSWord Draft to Report Production ☐ Printed Written Draft ☐ MSWord Disk ☐ Exhibits ☐ Abstract ☐ Transmittal Letter ☐ Thank-You Package Transmittal Letter ☐ Interview Respondent Name/Address List ☐ Press Release Draft ☐ INPUT/OUTPUT Article Draft ☐ Questionnaire Blank ☐ Brochure (to sell report) ☐ Reverse Side of Form Completed			8/1	AJ
	6. First Draft to Proofreader	8/1	AJ	8/1	AR
	7. First MAC MSWord Draft to Author	8/1	AR	8/8	AJ
	8. First Draft to Production	8/1	AJ	8/3	HG
	9. Second Draft to Proofreader	8/3 8/6	HG HG		
	11. Second Draft to Production	8/9	AJ	8/9	C.W
	12. Final Page Maker Draft to Proofreader			8/10	AR
	13. Final Draft to Author	8/10	LK	FAX	8/11
	14. Final Report to Printer				
	15. Report to UK ☐ Client ☐				
	16. Thank-You Package Shipped				

Dist: ORIG: Report Draft/Orig. File COPY: Fulfill./Shipping

ADM400/01
5/89

– REPORT –
PRINTING/BINDING SPECIFICATIONS

AUTHOR PLEASE COMPLETE:

Project Code: CQSR

Cover Type: Velobind—Hard Cover ☐ Soft Cover ☐ Window ☐ Softbind/Stitched ☐

Cover Title—Exactly how it is to appear on the report cover:
(Maximum 41 letters, spaces, and punctuation)

Front: 1st Line

2nd Line

3rd Line

Spine:(1 Line)

Estimated number of pages: <100 ☑

100-150 ☐

>150 ☐

Executive Overviews:
No. required for Thank-You packages:

Program Manager Approval: Peter Lines Date: 28.7.89.

FULFILLMENT/PRODUCTION PLEASE COMPLETE:

1. REPORTS:	Fulfillment		2. EXECUTIVE OVERVIEWS for Thank-You packages	Fulfillment
	Stock			Stock
	TOTAL			TOTAL

4. Binding: Cover Color Divider Color

5. Date Shipped:

ADM400/02
3/89

FAX TRANSMITTAL FORM

INPUT
PICCADILLY HOUSE
33/37 REGENT STREET, LONDON SW1Y 4NF
TEL: (01) 493 9335 TELEX: 27113
FAX: (01) 629 0179

DESTINATION : INPUT MV

FAX NUMBER : 0101 – 415 – 961 – 3966

ATTENTION : ANDREA JERIS

Telephone Number/Location ____

NUMBER OF PAGES: 1 of 3

CONFIDENTIAL CORRESPONDENCE: YES ____ NO ✓

URGENT : YES ✓ NO ____

DESCRIPTION

- SERVICE UPDATE NEWS LETTER
  MANY THANKS, WELL DONE.
- QUANTITY LOOKS OK TO ME.
  11 PAGES + 1 FOR INPUT INFO
- HAVE ENCLOSED 1 PAGE OF MINOR CORRECTIONS.
- SORRY ABOUT NOT SENDING FRENCH EXHIBIT, IT IS NOW ATTACHED.

Best Regards

****

FROM : KEN CARTER

DATE : 11 AUGUST 1989

INPUT:

Project Charge Code: CSPE

Thormainfor...from page 1

Thomainfor claims that it will be able to capitalize on a multivendor competence that is second to none. The main features of competence claimed are:

- Wide range of equipment maintained
- Diversified sites and networks
- Consideration of the emerging software dimension in maintenance
- Technological and logistic resources
- High-quality services

> “ Acquisition...an integral part of a development strategy ”

Thomainfor's approach to service partnership is illustrated by Exhibit A—a motif that is used in a Thomainfor brochure.

Following the announcement, Thomainfor profiled a projection for the company in 1990.

- $103 million Revenue
- 600 Staff

Details relating to this 1990 projection are illustrated in Exhibit B, which shows the Pan-European extent of Thomainfor's operations, and Exhibit C, which illustrates growth between 1987 and 1990. The high growth between 1988 and 1989 is a result of the acquisition of Control Data's European TPM business.

These projections have been made by Thomainfor based on its definition of third-party maintenance (TPM). This definition is at variance with that used by INPUT. INPUT's definition of third-party maintenance is revenue that accrues from maintenance of computer equipment totally independent of product sales activities. Thomainfor's revenue related to TPM is therefore overstated in terms of INPUT's definition, due to not being totally within the TPM market sector as defined by INPUT, ~~which~~ who estimated approximately 60% of revenue as being within that sector.

◆◆◆

...Exclusive Interview

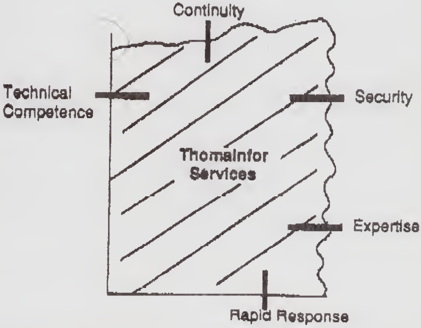
Following Thomainfor's acquisition of Control Data's TPM business in Europe, INPUT was fortunate to obtain an exclusive interview with Francois Millot, General Manager in France. The objective was to learn more about Thomainfor's plans and strategies.

INPUT - What are your current service offerings, specifically in terms of manufacturers' equipment?

M. MILLOT - We intend to cover the major manufacturers—IBM, DIGITAL, and Bull in

Exhibit A

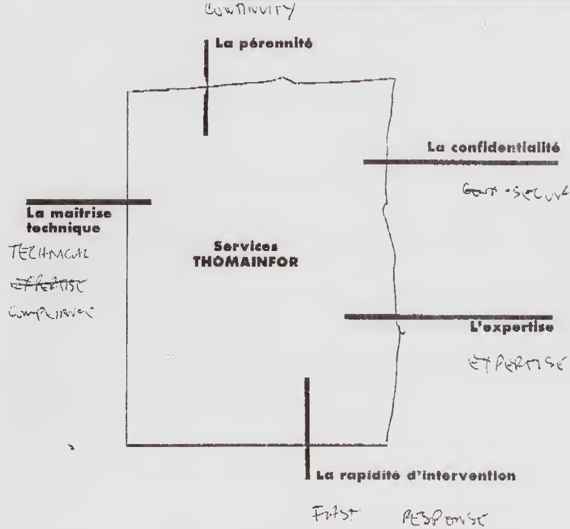
THOMAINFOR PARTNERSHIP STRATEGY—RELY ON COMPETANCE AND STRENGTH



THOMAINFOR STRATEGY

Thomainfor. Un qui met sa et sa force à

[redacted]


CONTINUITY
La péronnité
La confidentialité
GOVT SECURITY
La maitrise technique
TECHNICAL
~~EXPERTISE~~
COMPETENCE
Services THOMAINFOR
L'expertise
EXPERTISE
La rapidité d'intervention
FAST RESPONSE

FAX TRANSMITTAL FORM

INPUT
PICCADILLY HOUSE
33/37 REGENT STREET, LONDON SW1Y 4NF
TEL: (01) 493 9335 TELEX. 27113
FAX: (01) 629 0179

DESTINATION : INPUT MV
FAX NUMBER : 0101 415 961 3966
ATTENTION : ANDREA JERRIS
Telephone Number/Location

NUMBER OF PAGES: 1 of 8
CONFIDENTIAL CORRESPONDENCE: YES ____ NO ✓
URGENT : YES ✓ NO ____

DESCRIPTION
SERVICE UPDATE - PLEASE SEE ATTACHED

WILL CALL YOU LATER TODAY TO DISCUSS

****

FROM : KEN CARTER
DATE : 9 AUGUST 1989
INPUT:
Project Charge Code: CSPE

ANDREA — SERVICE UPDATE

SORRY ABOUT YOUR FRUSTRATION, LET ME TRY TO EASE IT SOMEWHAT.

IDEAS FOR NEWSLETTER, AIMED AT EXPANDING TO 12 PAGES.

1 ADD TWO EXHIBITS TO THOMAINFOR. ATTACHED AS ITEMS Ⓐ AND Ⓑ

PLUS TWO MINOR ADDITIONS TO SCRIPT TO COVER THESE – INSERTS X AND Y

2 ONE CORRECTION TO SCRIPT, MARKED ON PAGE INCLUDED (MY MISTAKE!)

3 BY ALL MEANS MOVE "GRANADA" AND "DISASTER RECOVERY" IF THIS HELPS.

YOU MAY ALSO BE ABLE TO ADD THE PULL QUOTE AFTER THE MOVE.

4 UNISYS ARTICLE.

CAN YOU DO THE FOLLOWING :-

SPREAD THE ARTICLE OVER 1½ PAGES (FACING?) BY

(a) SPREADING EXHIBIT TO SPAN TWO COLUMNS.

(b) PUT BACK IN ADDITIONAL EXHIBIT AND PULL QUOTE WITH THIS EXHIBIT ALSO SPANNING TWO COLUMNS

5 ADD TO "NEWS FROM USA" THE INCLUDED HIJACK FROM US NEWS LETTER – "IBM ANNOUNCES CUSTOM MIGRATION SUPPORT ———— (item Ⓒ).

IF THIS WORKS WE HAVE 12 PAGES, ALLOWING ONE FOR INPUT DATA.

BEST REGARDS

Ken.

9 Aug 1989

INSERT X.

Thomainfor's approach to service partnership is illustrated by Exhibit ? - a motif that is used in a Thomainfor brochure.

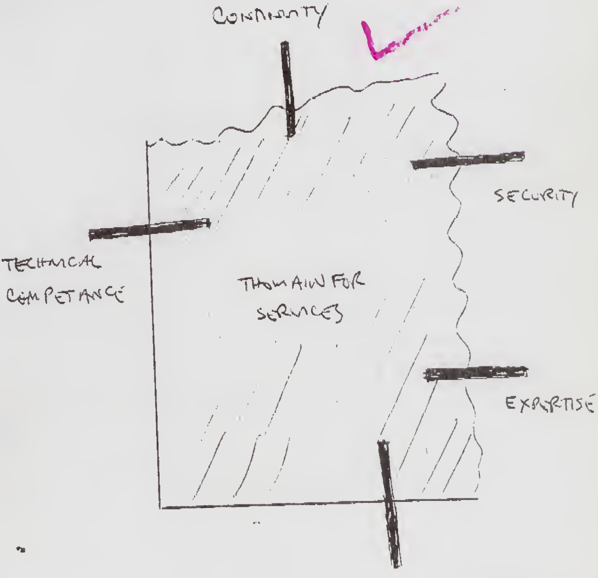
INSERT Y

, and Exhibit ? which illustrates growth between 1987 and 1990. The high growth between 1988 and 1989 is a result of ~~the~~ aquisition of Control Data's European TPM business

ITEM Ⓐ

EXHIBIT ?

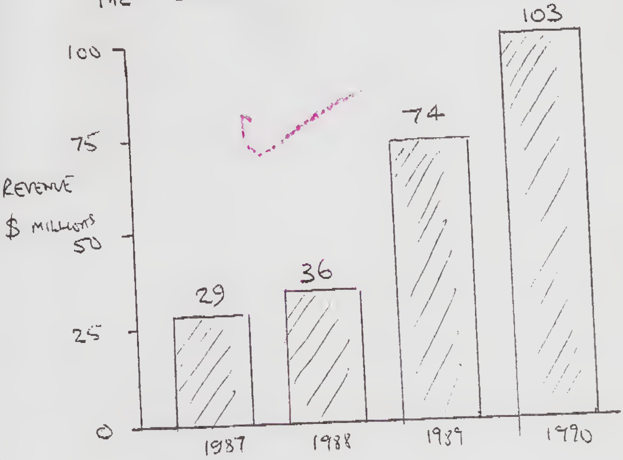
THOMAINFOR PARTNERSHIP STRATEGY
--- RELY ON COMPETANCE
AND STRENGHT


COMMUNITY
SECURITY
TECHNICAL COMPETANCE
THOMAINFOR SERVICES
EXPERTISE
RAPID RESPONSE

ITEM (B)

EXHIBIT ?

THE GROWTH OF THOMAINFOR



NOTE: CURRENCY CONVERSIONS AND ROUNDING BY INPUT

Thormainfor...from page 1

Thomainfor claims that it will be able to capitalize on a multivendor competence that is second to none. The main features of competence claimed are:

- Wide range of equipment maintained
- Diversified sites and networks
- Consideration of the emerging software dimension in maintenance
- Technological and logistic resources
- High-quality services

INSERT
X

" Acquisition...an integral part of a development strategy "

Following the announcement, Thomainfor profiled a projection for the company in 1990.

- $~~130~~ 103 million Revenue
- 600 Staff

Details relating to this 1990 projection are illustrated in Exhibit A, which shows the Pan-European extent of Thomainfor's operations.

INSERT
Y

These projections have been made by Thomainfor based on its definition of third-party maintenance. This definition is at variance with that used by INPUT. INPUT's definition of third-party maintenance (TPM) is revenue that accrues from maintenance of computer equipment totally independent of product sales activities. Thomainfor's revenue related to TPM is therefore overstated in terms of INPUT's definition, due to not being totally within the TPM market sector as defined by INPUT, who estimate approximately 60% of revenue as being within that sector.

◆◆◆

...Exclusive Interview

Following Thomainfor's acquisition of Control Data's TPM business in Europe, INPUT was fortunate to obtain an exclusive interview with Francois Millot, General Manager in France. The objective was to learn more about Thomainfor's plans and strategies.

" Thomainfor projects $103M revenue in 1990 "

INPUT - What are your current service offerings, specifically in terms of manufacturers' equipment?

M. MILLOT - We intend to cover the major manufacturers—IBM, DIGITAL, and Bull in France—and to adopt a very strong position on UNIX equipment.

In each manufacturer's range our service is geared towards the mini range. For example: Bull, MITRA SOLAR, MINI 6, SPS7, DPS7 and DPX7, IBM 43XX Digital PDP, Micro Vax, Vax 7XX and Vax 8XX.

INPUT - You do not mention micros.

M. MILLOT - This strategy is reinforced by what we call a "participative approach". By this we mean that we can give better pricing to those of our clients able to play a part in the maintenance, after having determined with them exactly what their capabilities are. This allows us to adjust our pricing to the reliability of the equipment.

INPUT - How would you describe the type of customers you target?

M. MILLOT - We are not very keen to have small customers. We aim at targeting the medium- sized or larger customers, whatever their need is (minis, micros ...).

INPUT - And in terms of geographic coverage?

M. MILLOT - As you have been able to see from the acquisition of Control Data TPM activities, we are resolutely looking towards the European market. We would like to reach critical size (between $6.5M and $8M) in each of the European countries in which we are already established. Regarding the other countries, our first objective is to have a presence in each EEC country—with special

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ITEM (C)

NEWS FROM USA

IBM Announces Custom Migration Support—Data Facility Storage Management Subsystem

IBM's National Service Division (NSD) announced a new offering on June 6, 1989 that puts them clearly in the area of user operations support for a fee.

The Custom Migration Support - Data Facility Storage Management Subsystem (DFSMS*) offering is a comprehensive support package designed to accelerate the utilization of the MVS/ESA* environment with IBM system-managed storage. These comprehensive services will expedite the migration to the system-managed storage environment by providing the customer with detailed migration plans and storage management skills. On-site services include assistance with mapping the current system, migration planning, and application migration. Remote Support Services include a DFSMS electronic forum, telephone helpdesk support, an executive newsletter, and critical defect notification for the Data Facility family of products and RACF.

IBM has established a Migration Competency Center in San Jose, CA under NSD management and has staffed it with 50 people from IBM's General Products Division, NSD's software skill pool, and some outside professional I/S hires.

Migration Competency Center personnel will be at the customer site to initiate migration planning efforts and to collect the data necessary to complete an analysis of the existing storage environment. IBM will utilize proprietary software and services to ease and simplify migration and will perform an analysis utilizing simulation techniques. Customers will have the capability, through the IBM specialist, to request different simulations to develop the optimal storage configuration. IBM expects to average about three on-site visits with each customer.

This is a generic offering with a 12-month term, and the price varies from $80,000 to $170,000 per processor depending on the size of the processor. The offering should be attractive to customers needing migration support to the MVS/ESA* environment. It should benefit IBM by speeding up customers' moves to new applications and by providing a profit opportunity not only on the service offering but also on new products needed by the new applications.

* DFSMS and MVS/ESA are IBM trademarks! ■