In 1969, Cincom sold eight copies of TOTAL. The following year it sold 38. In 1971, the number of sales increased to 60 and began to take off rapidly from there. By 1977, TOTAL had generated more than $50 million in revenue. By 1980 it had earned $100 million, the highest dollar amount achieved by a single software product from an independent vendor at that time. TOTAL surpassed the $500 million mark in 1991.

Pioneering Platform Independence

Another significant innovation that emerged from Cincom's early experience with TOTAL was platform independence. Originally TOTAL was designed to run on IBM hardware, but it quickly became apparent that there was a whole world of potential clients who were using other vendors' hardware. By the time TOTAL 2 was released in 1970, there were versions to support RCA TDOS, Honeywell Mod 1 and Mod 2, as well as IBM DOS and IBM OS systems. The TOTAL 2 manual had grown to be approximately a quarter of an inch thick, consisting of a combination of computer printouts and typed pages. By the mid '70s, Cincom was using the phrase "TOTAL Availability" to describe the range of hardware and operating systems on which the product would run. Besides

IBM, RCA, and Honeywell, TOTAL ran on Univac, Siemens, NCR, Prime, DEC, CDC, and many other platforms.

That tradition of platform independence continues today and has evolved into the open systems approach that provides for the integrated enterprise, enterprise-wide management of information, from desktop to data center. In actuality, almost 20 years before the idea of open systems and software interoperability became popular, Cincom was establishing open and interoperable database software as a revolutionary software industry first.

Pioneering Data Independence

Dale Potter, who first joined Cincom in 1970, recalls that TOTAL was the first program that allowed the user to change record sizes and edit record fields without changing the actual program. It effectively

Dale Potter

separated the input/output functions from the program itself. That, coupled with other innovations, made it an eye opener for some of the those working in the database field at the time. Many years later the software industry came to call this concept Data

Part One:
The Early Years

1975
Ventures Group develops Interactive Query Language (IQL) (also called T-ASK) for Harris.
Cincom becomes first software company to provide a relational view of the data structure.

TOTAL
Success

Independence, but it was Cincom which innovated this important concept well before anyone else followed.

Bill Dorece, for example, was working for J. I. Case in 1971 when he was asked to evaluate TOTAL. After seeing what it could do, Dorece wrote a letter to Tom Nies commenting on how powerful the product was and expressing his admiration for it. Nies was similarly impressed with Dorece, and in 1972 he was hired as a system engineer for the Chicago office. In reality, there was no Chicago office. The company simply had a small closet where they stored materials. Other than that, there was nothing—no phone, no clerical help, not even a mailing address. Soon, though, they acquired an answering service, then a mailing address, and quickly a staff of bright, highly motivated people— all of whom were selling and installing TOTAL.

It was not unusual to be hired one day and given a TOTAL manual the next with instructions to install it. That happened to Mike Welsh, among others. In September 1971, RCA announced that it was going out

Tom Nies and Bill Dorece at Cincom Prom

of the computer business. Welsh, who was working for RCA, barely had time to wonder where he would find work before he had a call from Cincom, offering him a job. "I didn't have any interest in software, though," Welsh recalls, "because I just knew it couldn't be profitable."

Doug Hughes and Tom Richley somehow managed to persuade Welsh that there might be a future in software, and he joined Cincom. His first day on the job he was given a TOTAL manual, a set of the card decks, and sent out to install it on an RCA computer. The next day he was sent to Pittsburgh to install an OS version and to teach the class. "From that day on," Welsh says, "I was literally someplace new every day, either doing a presale demonstration or an installation and training class on TOTAL. It was nonstop."

By October 1971, when Cincom was three years old, TOTAL 4 was already widely used. The Honeywell version had already evolved into a separate product, while the basic 4.0 release supported IBM OS and DOS, and also supported RCA.

Later, TOTAL 5/6 was created. A legend within the company, which may be exaggerated, claimed that Richley wrote the

Courage, Creativity
and Commitment

25 Years in the
Pursuit of Excellence

1975
Quixote Club formed.

code completely in a single weekend, without sleep. Every company has stories like that, stories that add romance to the corporate history. It's probably better not to look too closely at such stories, but simply enjoy them for their mythic qualities.

Regardless of its true origins, TOTAL 5/6 responded to client requests for an online version of TOTAL that would allow multiple tasks to access the database concurrently. Today, over 20 years later, products such as Oracle and Sybase advertise these "new features" recently added to their products.

TOTAL 5/6 was packaged together with TOTAL 4. Clients could choose either 4 or 5/6, but in choosing TOTAL 5/6 they got 4 with it. TOTAL 5/6 was essentially a serially reusable TOTAL 4 with a system on the front end to queue up requests. TOTAL was single threaded during each function. After each was complete, it would check to see if there were any new requests that had arrived while the earlier one was being processed. Although primitive by today's standards, in its time TOTAL 5/6 was a sensation. It provided online access and operated at what was then incredible speed. Once again technological leadership gave the company an opportunity to exploit value selling to the fullest.

Pioneering Customer Service

Ron Weeks, who had joined the company in June 1970, when most of the revenue still came from custom programming, also contributed to the evolution of TOTAL. After a brief apprenticeship under Jan Litton and Doug Hughes, he began working in client services and became a field system engineer. But he was quickly called upon to write code for a maintenance release of TOTAL. It was called the 1/20 release because it

Ron Weeks

was released on January 20, 1972. The next maintenance release he worked on became TOTAL 6.0, which was released in June of 1973.

Weeks also worked on developing the first TP monitor for TOTAL, and was well into helping to write one when Cincom acquired the ENVIRON/1 product and people. That left him without a task, so he was assigned to provide technical support for the TOTAL product line. He was set up in a tiny office in the basement of the Alms Hotel, across the street from the office on Victory Parkway. He had a small desk and a phone, and just waited for people to call in with

1975
Marketing Division formed.

Part One:
The Early Years
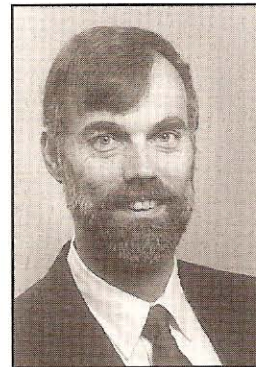
TOTAL
Success

questions or problems. He would diagnose the problem, then turn it over to a group of developers to fix.

Weeks was probably the first "customer service department" in the software industry. But if he wasn't the first, he was certainly the one who functioned under some of the most unusual circumstances. The Alms Hotel was being remodeled, and while he was talking on the phone to clients it wasn't unusual for there to be loud crashes in the background, thuds that made the foundations shake, dust fly everywhere, and plaster fall from the ceiling. The final moment occurred one day when a wrecking ball came through the wall while he was trying to resolve a TOTAL problem. At that point, customer service was relocated.

TOTAL/7 was begun in late 1974 and was released in December 1976. This version created many firsts for database management. Unfortunately, there were aspects of the product's record format that made it incompatible with all other

TOTALs. Upgrading was a serious problem. TOTAL 8 solved those problems, offering complete compatibility, consistent file organization, and additional functionality. TOTAL 8 was the culmination of TOTAL development and the transition point to a new generation of database products.

But TOTAL itself was a pioneering product. TOTAL was the system that created the database industry, and led to quick growth and profitability for Cincom. But TOTAL in isolation was not as powerful as it could be when combined with other functions, the kind that Cincom introduced with other early products, ENVIRON/1 and SOCRATES®. The goal was to provide an ever more total solution. A much broader product line was the answer.

Early in the database industry, Tom Nies was quoted as saying, "Database per se is passé." Today, some 15 to 20 years later, many of the open Client/Server database companies are now also coming to that same conclusion.

> *TOTAL itself was a pioneering product. It was the system that created the database industry.*

1975
Design phase of Data Dictionary completed.
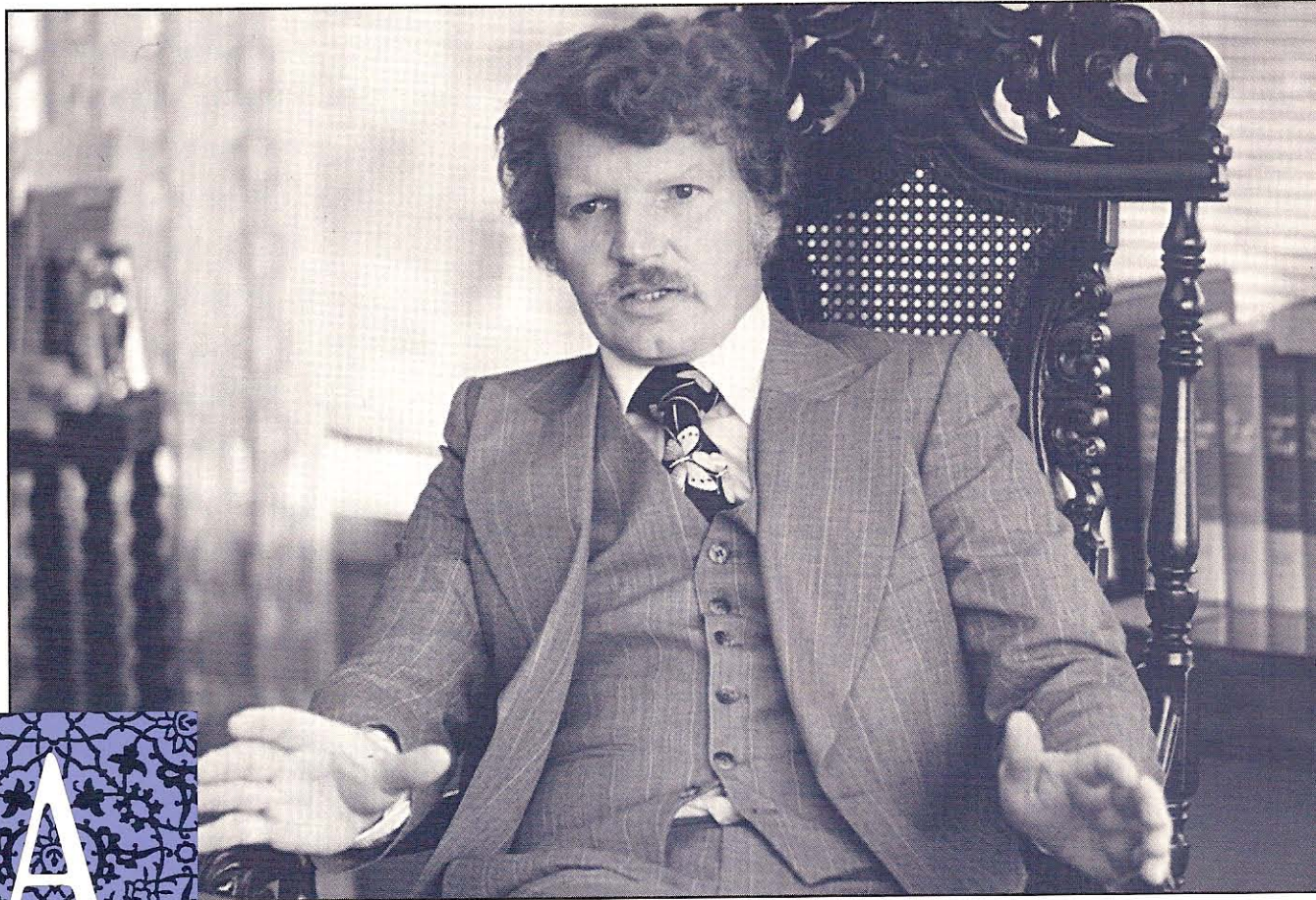
As Tom Nies stated in an interview in 1977, Cincom's concept of management is one that balances between conservative control and aggressive growth. This means that while flexibility is to be moved to optimum, so too is control. With too much control, flexibility is inhibited; too much flexibility and soon the organization flies out of control. Both growth and a sense of responsibility to clients and Cincomers must be effectively balanced. This involves investing heavily in research and development, and constantly striving to provide complete solutions to as many clients as possible, while also ensuring that adequate profitability is maintained at all phases of the corporate growth cycle.

There is nothing more difficult to attempt, more perilous to conduct, or more uncertain in its success than to take the lead in the introduction of the new order of things.

—Niccolo Machiavelli

Cincom's heavy emphasis on research and development could be seen right from the start in its staff mix. "When I joined in 1971, we were very heavily R&D-oriented," says Stanley Sewall. "About half of Cincom's employees were in research and development."

This focus on research and on seeking new developments brought about the introduction of ENVIRON/1, a control system for teleprocessing networks. The system was acquired at the beginning of 1972, together with its programming staff, as a complete package, some time before ENVIRON/1 was truly ready for the market. The introduction of ENVIRON/1 made Cincom the first software vendor to provide integrated database/data communications software in its product line. With this innovative offering, Cincom introduced the virtual paging technique to the IBM marketplace—three years ahead of IBM.

The Origins of ENVIRON/1: Deja Vu

The origins of ENVIRON/1 are interesting, in part because they sound so familiar.

With ENVIRON/1, Cincom introduced the virtual paging technique to the IBM marketplace—three years ahead of IBM.

Kent Salmond was an IBM systems engineer and a recognized expert in online systems. He was aware of the innovative American Airlines reservation system, SABRE, and the basic strategy that had been used in it to create an online environment for reservation agents. The developers of that system had pioneered a programming concept in which the program code was divided into thousands of small units of code which could be pulled into the memory at high speed and with high efficiency. Salmond thought the concept had great potential as the basis for an IBM software product. However, duplicating the experience of Nies, Richley, and Bogardus, Salmond tried unsuccessfully for months to convince IBM to investigate the concept.

Finally, in 1966, discouraged by the resistance he had encountered, Salmond left IBM and joined a company in Sunnyvale, California, one that seemed more receptive to new ideas. The company, ISS, provided the financial backing to develop Salmond's ideas for an online product, naming it ENVIRON/1.

Courage and
Commitment

25 Years in the
Pursuit of Excellence

1975
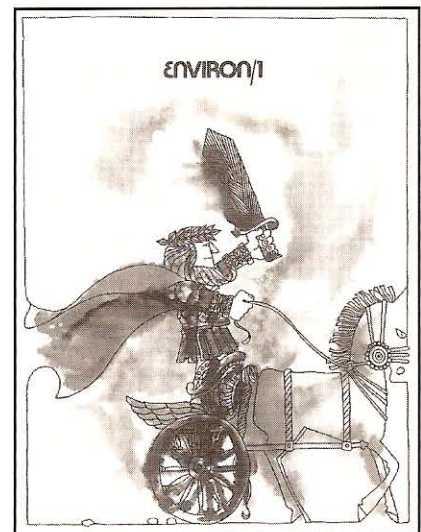TOTAL/7 (SIEMENS Series) developed.

Unfortunately, ISS really wasn't a good fit for ENVIRON/1. As a hardware manufacturer, they were unable to provide the type of marketing the product needed to reach its target audience in the user community. Later, Itel, a computer leasing firm also managed by Ex-IBMers, acquired ISS. True to their IBM heritage, they wanted nothing to do with software and issued an edict that ENVIRON/1 was to be abandoned or, if possible, sold off. So Salmond persuaded them to sell ENVIRON/1 to a company that was committed to bringing his dream to the marketplace, a company that understood the potential of software. That company, of course, was Cincom.

Cincom not only bought the product, it committed to the ENVIRON/1 people and customers as well. The total purchase price was $100,000, and an agreement to fulfill all outstanding commitments. The ENVIRON/1 group that joined Cincom remained in their Sunnyvale location, outside of San Francisco. The original group consisted of about 50 people, but almost all of them left before Cincom was able to complete the transaction. All that remained of the original group was a project leader, six programmers, and two clerical personnel. So Cincom had a huge amount of work to do and prior commitments to meet with barely a skeletal staff remaining. A daunting task. But then, Cincom has always thrived on daunting tasks.

ENVIRON/1 was an online operating system, complete with data management. When ISS tried to take ENVIRON/1 to the market, it was the very first operating system not offered by a hardware vendor; therefore, there were some challenges to successfully marketing the product. It would be ten more years before Microsoft's DOS was jointly promoted by Microsoft and IBM. The computer user community in 1972 was horrified by the thought of using an operating system not provided by its hardware vendor. Because of this, Cincom felt it was necessary to market ENVIRON/1 in simpler terms. Therefore, instead of positioning ENVIRON/1 as an operating system it was marketed as a system for terminal monitoring and task management.

1976 ENVIRON/1

product brochure

1975
TOTAL/7 (ICL) developed.

Part One:
The Early Years

Energizing
ENVIRON/1

Once again, Cincom was a market *driver*, promoting virtual paged systems years before anyone else had even heard of the concept, into a marketplace which, until then, did not exist.

Combined with TOTAL, these systems were the first and only database/data communications systems available for IBM's 360/370 DOS machines. ENVIRON/1's key benefit was that it enabled the client to deal with the central computer from a remote location through an online, interactive environment with virtual paged software mechanisms, while maintaining the integrity and availability of the online database, at very low overall costs.

The TOTAL and ENVIRON/1 combination gave Cincom another strong claim on software industry leadership. The package also served as the nucleus for Cincom's expanding range of information system software products and services. Later, that range was extended with products such as

When there are too many priorities, there are no priorities.

SOCRATES, TIS, SUPRA, Net/Master, and MANTIS, to name just a few. Initially, though, ENVIRON/1 simply offered clients tremendous power, great simplicity and very low overall cost. That was more than enough to make it a big success. The concept of greater value and lower cost which was initiated with TOTAL, was amplified and extended with ENVIRON/1.

TOTAL and ENVIRON/1 formed the foundation for a multitude of revolutionary new technologies yet to come. Cincom continued to seek solutions to keep pace with clients' needs and thus outperform those offered by the competition. That meant constant change to gain continuous improvement and a dedication to concentrated excellence—providing clearly superior products supported by the highest quality service.

The ENVIRON/1 acquisition was probably also the first acquisition of another software organization. This was many years before Computer Associates formulated the

Courage and
Commitment

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Pursuit of Excellence

1975
TOTAL/7 (Univac VS/9) developed.

strategy of corporate acquisitions as its growth path. Why didn't Cincom follow up on the ENVIRON/1 acquisition and preempt Computer Associates as the growth-by-acquisition organization? Three possible reasons come to mind. First, integrating the ENVIRON/1 staff into the Cincom corporate culture proved to be a challenging task. At the same time, the rapid growth of TOTAL and ENVIRON/1 placed heavy demands on the company's resources, leaving little energy to divert into a growth-by-acquisition strategy. Moreover, as competition from IBM and others later developed in the database field, had Cincom chosen to acquire other diverse companies, it may have had to give up its database endeavors. Finally, Cincom's commitments to its clients prevented diversion of resources away from supporting the core products. Keeping promises already made took precedence over simply buying other software firms.

When asked why Cincom had not followed up its success with the ENVIRON/1 acquisition and rapidly grown through additional acquisitions, as Computer Associates did, Tom Nies responded, "Our goal was concentrated excellence in the field of database and information systems delivery. We always felt that to continually improve

quality, we had to avoid doing too many different things at one time. When there are too many priorities, there are no priorities. We felt that being better was more important than being bigger. It's true that Computer Associates has become a very rich and very large company. But Computer Associates does not lead the rankings in client satisfaction nor in leading edge technology. Our goal has always been to be number one in client success and client satisfaction, not in corporate size. We figure that if we help our clients achieve success, our corporate growth will do quite well also."
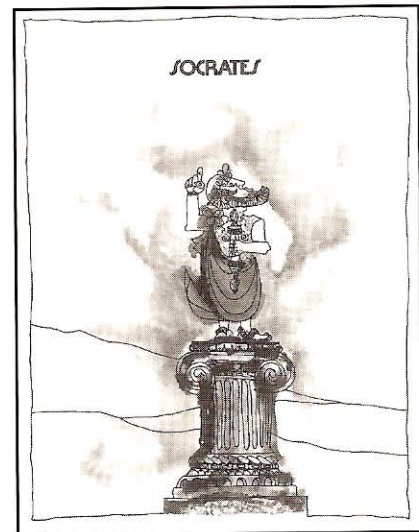
1977 SOCRATES product brochure

From its inception, Cincom felt that there were things far more important than being bigger or richer.

The Wisdom of SOCRATES®

Another important product introduced during Cincom's first years in operation was SOCRATES. It was a retrieval system

1975
By establishing Cincom Australia, and later, Cincom New Zealand and Cincom Japan, Cincom becomes the first American system software firm to recognize the importance of the Asia Pacific markets.

that allowed clients to obtain quick, meaningful reports out of the TOTAL database system. Like the famous philosopher who gained knowledge and shared that knowledge with students by asking questions, Cincom's SOCRATES gave users access to information and the ability to implement it in a useful way: asking questions and quickly receiving information, or data-in-context, from their database.

Cincom Systems now leads in the world of Data Base and On-Line Control Systems.

Cincom Systems Inc: We create efficiency.

The origins of SOCRATES can be traced to a relationship with Amherst College, an early client and one that continues to use
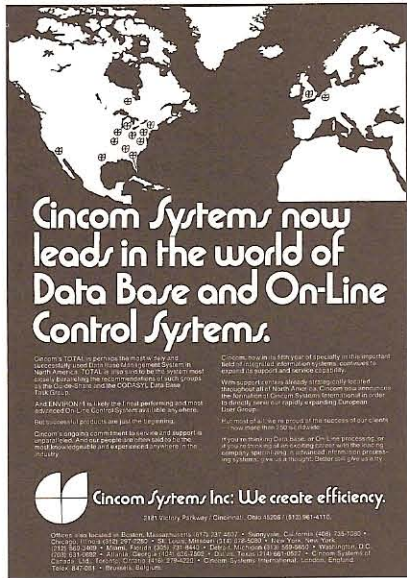
Cincom products to this day. A member of the Amherst College community, Jim Oakey, had written a prototype report writer for the college. Joining the Cincom team, Oakey moved to Cincinnati, where he worked on developing the report writer along with Cincom's R&D group. His

early work evolved into the SOCRATES product and later into the retrieval function in subsequent Cincom database products.

The SOCRATES report writer project began in 1972 and was ready for release 1.0 the following year, making Cincom the first vendor to integrate a report writing and extraction system with database management software. The product evolved as TOTAL had, with new features being added regularly.

Cincom's early introduction and commitment to innovative technology like ENVIRON/1 and SOCRATES illustrate a key point. For Cincom, "good enough" has never been good enough. The company has always built upon its successes—always striving to be an ever better software firm, delivering ever better solutions. Pursuing perfection means delivering the very highest quality "TOTAL Solution" to its clients. Those efforts have paid off with growth and success beyond the wildest "impossible dreams," including expansion into the global marketplace and success on virtually every continent of the globe.
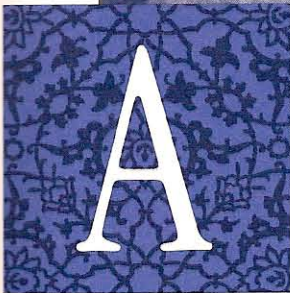
Being "good enough" has never been good enough.

1976
Cincom pioneers the Distributed Data Base processing area by making minicomputer data base
software available for the DEC user base.

A nother early Cincomer was an IBM veteran named Wally Muir. Muir had joined IBM in 1961, and had worked in the Cincinnati branch in a variety of positions. When Nies, Richley, and Bogardus left IBM, Muir watched their efforts with interest—and perhaps a little envy.

Muir joined Cincom in April 1969 and quickly became one of Cincom's most popular people. This was due in part to his naturally outgoing personality, and maybe a little to the fact that he was co-owner of The Blind Lemon, a local bistro. Muir's apartment in Mt. Adams became a kind of haven for Cincomers coming into town for quick meetings or brief training stints. And The Blind Lemon became a favorite spot for tired Cincomers to go after a long day's work, and a place where those returning from international travel could share their stories.

The only limits to our realization of tomorrow will be our doubts of today.

—Franklin D. Roosevelt

Photo above: Tom Nies and Wally Muir

Cincom had by now evolved into a company that was selling solutions, using the product TOTAL, rather than selling just consulting services. Muir loved the challenge, and a challenge it was.

Wally Muir

"The first thing we had to do," he recalls, "was explain to potential clients why it made any sense for them to spend any money at all on our product." IBM still claimed to be offering software free, bundled with the purchase of a computer. And many of the clients had programmers on their payroll. Why should customers buy a copy of TOTAL at a cost of $25,000 to $50,000?

"We had to sell the technological merits of the software conceptually, then sell them on the values they could obtain from using it," Muir explains. "First, we would address the underlying theory that made our product so much better. Then we would tell them about the performance improvements and the reduced maintenance costs they would incur from using TOTAL."

The idea even then was greater value, lower cost. This selling approach shaped the early days of the software industry, although no one embraced the "greater-value, lower-cost strategy as completely as Cincom. TOTAL was being sold on the basis of the product's robustness, as a tool to simplify the task of managing data, and on the economic values delivered from these functionalities, all at a very low cost.

Cincom's marketing strategy and sales efforts received a tremendous boost when IBM settled a federal antitrust case out of court. Although IBM won its case, as part of the resolution it unbundled its software. In the past, IBM had always bundled the costs of providing technical service, training, installation, maintenance, and software into the price of buying a computer. Now IBM itemized the costs of the various services and systems they were providing. This opened opportunities for the whole industry and led to the creation of hundreds of new companies and the infusion of immense amounts of capital into the software industry. By this time IBM had begun to realize the true costs of software and had started to recognize its potential as a revenue source as well.

Cincom had evolved into a company that was selling solutions.

1976
Cincom makes the first application package integrated with Data Base/Data Communications
foundation modules available with MRPS.

Another factor that further aided the selling of TOTAL was that Cincom now had a few reference accounts—companies with good reputations whose highly successful use of TOTAL added credibility to the product. To leverage the value of those accounts, and to help users better contribute to setting direction and priority, Cincom began sponsoring user group meetings. These quarterly meetings held in each Cincom sales territory pioneered the concept of user groups within the industry, and established a pattern of close, two-way communication between clients and the company. The goal was to synthesize users' wants and needs through the collaborative efforts of many leading-edge clients, all helping to define future directions and priorities. The effect was twofold: the user groups further established Cincom as a market driver, and they furthered its reputation of being market driven, or responsive to user needs.

Selling by Education

To reach as many potential clients as possible with Cincom's limited resources, the company developed a number of innovative techniques. One of those approaches was to hold seminars on the subject of database technology. The topic was a hot one, and the seminars often drew as many as a hundred attendees. As a result, the slim sales force was able to do the equivalent of many months' work in a single day.

Of course, to be effective the seminars had to offer quality information and be professionally conducted.

Terry Booth, a former Cincomer, recalls his first exposure to a Cincom seminar: "The most persuasive presentation I ever saw was the sales presentation I attended for the TOTAL database system. It was interesting. Amusing. One that most of the people in the audience related to."

By using such innovative techniques, the company maximized its resources. "The objective was to sell by education," said Nies. "By helping potential clients to better understand their true *needs,* we were able to shape their *wants* as well."

"In 'knowledge transference' there are many steps... Communication must be clear, concise, complete and consistent..."

CincomWorld
June 1981

1976
Cincom signs agreement with Harris.

Part One:
The Early Years

Selling on a
Shoestring

"We rather quickly achieved a significant market share," Muir recalls, "even though we had fewer sales people in our whole company than IBM had in just their Cincinnati branch." Cincom was demonstrating through results that *applied* knowledge is power.

Owning Submarkets

Another marketing policy established during the first four years was to open new offices as quickly as competent people could be found to staff them. The strategy in opening offices was to put them in secondary areas (St. Louis or Pittsburgh, for example, rather than Los Angeles or New York) where the initial competition was less intense and a small firm like Cincom could gain some visibility. The strategy here was to try to own submarkets, rather than share larger ones. Once a client base and credibility were established, the secondary area was used to launch a marketing attack on the major markets in adjacent regions.

In 1972 when the company had just 87 employees, offices in Canada and England were opened. Meanwhile, a small office was also opened in Brazil to do business with a subsidiary of United States Steel, an important early client.

Applied knowledge is power.

Pioneering Innovations

Cincom pioneered many other innovations in sales and marketing techniques:

- Developing a standardized presentation instead of the extemporaneous sales talks typical of the industry.

- Focusing on educating the prospect as the first step in the sales cycle, rather than trying to sell products the client did not understand and did not yet necessarily feel the need for.

- Creating intensive localized marketing with offices in secondary cities, rather than basing all sales operations out of one or two major offices (as most other software firms then did.)

- Selling an integrated product line, a suite of products, to a single client, leveraging the functionality and fit of the various products working together. From its beginnings Cincom always wanted to offer clients a "suite deal." But, low cost was just a part of this deal; greater value was always the primary emphasis.

- Opening up non-IBM markets and developing cooperative marketing agreements with major hardware vendors, starting with Honeywell in 1972. Cincom introduced the idea of open portable systems about 20 years before this became a hot topic in the

software field. At the same time, Cincom sought to own these submarkets.

Moving On, Moving Up, Moving In

Clearly, the marketing strategies were successful. The company more than doubled its revenues every year for the first few years, growing so rapidly that it had soon filled up all the available space in the Victory Parkway building and was renting additional space wherever it could be found. In 1974, Cincom purchased a building at 2300 Montana Avenue, which became its world headquarters. By this time, Cincom revenues had grown seventyfold from the $155,000 generated just five years earlier. Cincom was even then planning for growth and expansion in its facilities well beyond what anyone back then may have ever imagined possible.

Moving into the new building was something of an adventure in its own right. Ron Weeks, who had been through a less-than-thrilling tenure at the Alms Hotel, recalls walking into the Montana Avenue space and thinking how cavernous it looked. The floors were empty, cables were hanging from the ceiling, there were no walls or partitions. "Over the next year,"

Growing means the ability to deal with bigger, more complex problems.

he recalls "we constructed the building around us as we worked in it."

The company initially occupied less than two floors of the new building, renting space to a variety of other businesses, including the Pete Rose Enterprise's Chocola beverage company. But regardless of the other tenants, moving to Montana Avenue was symbolically important for Cincom. It demonstrated the young company's financial strength and its staying power.

Tom Nies in front of 2300 Montana Avenue

In 1981, Dr. Ichak Adizes wrote in *Corporate Lifecycles,* "Growing means the ability to deal with bigger, more complex problems. The function of leadership, then, is to manage the organization in such a way that it is able to move to the next more demanding stage of the lifecycle." He also wrote that "the job of management is not to create a situation where there are no problems at all, but to *lead* the organization to prime and, in doing so, to exchange one set of problems for another." Stephen R. Covey in *The Seven Habits of Highly Effective People* made a similar point: "We began to realize that if we wanted to change the situation, we first had to change ourselves."

We must now carry ourselves with such dignity that should Cincom live for 1000 years, future historians will say that this was our finest hour.

At the time of the company's move to Montana Avenue, Tom Nies continued to remind Cincomers that "growth needs people, and people need growth."

Covey once wrote that "leadership deals with direction. Management deals with speed, coordination, logistics in going in that direction... We manage things. We lead

people." Since Cincom's success indicated the company was headed in the right direction, the objective now was for Nies to continue to lead the way, while the managers and executives successfully dealt with speed, coordination and logistics.

In this environment of constant change and growth, there was a threat, one which Dr. Adizes discussed later. "In times of change," he wrote, "the organizational culture will retreat to the previous stage in the lifecycle." But Nies abhorred the idea of regression, and urged his managers "to manage the organization in such a way that it is able to move to the next, more demanding stage of the life cycle."

Throughout the 1970s and well into the 1980s Cincom became an outstanding example of succeeding in this process of trading smaller problems for bigger, more complex ones. Following the seventyfold growth of revenues in its first five years, Cincom was to quadruple its revenues, from 1974's $7 million net revenue base to

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Courage, Creativity
and Commitment

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25 Years in the
Pursuit of Excellence

1976
First terminals used in-house by Directory Maintenance group.

about $30 million in 1979. Then, in the next five years, through 1984, Cincom tripled its revenues to about $90 million. Not only was all this occurring while Cincom was significantly increasing the investments needed to expand its product line and its worldwide organization, but also greatly expanding its profitability and financial resources.

For example, while Cincom was able to generate only about half a million in operating profits through the first five years ending in 1974, net revenues quadrupled in the next five years and operating profits grew twentyfold to about $10 million. In the following five years, ending in 1984, even with relatively immense investments being made to further fuel growth of the marketing and sales system and the massive R&D efforts, Cincom was able to increase profit generation still further to produce over a $12 million dollar profit. Even though this part of the adventure comes later, the necessary foundations were already laid as Cincom was moving into the "cavernous" building at 2300 Montana.

In 1974 Tom Nies' annual report to Cincomers concluded with this summary:

This then is the basic strategy for the upcoming year: aggressive growth and improved efficiencies within reasonable constraints. This is almost certain to be our very best year ever. We are now poised on the brink of opportunity. But this harvest will not come easy. Nothing of any true worth or significance comes easy. As I have attempted to report, there most surely will be some very difficult and trying times ahead for us as we pursue our corporate destiny.

But all things can be accomplished—no matter how difficult. And we will achieve the objectives outlined in this report. True, the objectives are demanding, but it is also true that the more difficult the task, the greater the degree of satisfaction upon accomplishment. At this time in our history, it may be apt to paraphrase Winston Churchill: We must now carry ourselves with such bearing and dignity, exert such diligence and resourcefulness, that should Cincom live for 1000 years, our future historians will say that this was our finest hour.

Many, even today, may feel that those times were Cincom's "finest hour." So very much was accomplished with so very little, and so much of the foundation was already laid all around the world—yet still the greatest growth period lies ahead.

The
Era
of Expansion

*"Mighty things
from small
beginnings grow."*
–John Dryden (1631-1700)

W ith several successful new product offerings and a growing nationwide network, Cincom was primed to venture beyond its home boundaries and explore new and exciting global opportunities.

Nature does not

require that we

be perfect;

it requires only

that we grow.

—Rollo May

Photo above: Cincom Systems of Canada, Ltd., Mississauga office

As Cincom moved into the 1970s, its focus expanded beyond the intensive effort in research and development toward accelerating marketing and sales growth. To bring the focus necessary to produce the results it wanted, Cincom targeted several major companies worldwide. The goal, according to Nies, was to sell the maximum number of solutions to a large number of installations. The goal was also to sell where there was significant growth potential beyond the initial penetration. To capture this objective, Cincom coined the slogan "Penetrate and Radiate." The strategy would be to "penetrate" the account with one or more products, and later "radiate" throughout the organization with new products, added locations, upgrades and enhancements.

Crossing into Canada

Cincom's international growth began with America's neighbor to the north, Canada. In 1970, Canadians Ian MacLachlan and Mike Hunt were working in the data processing department of the University of Guelph in Ontario. MacLachlan's task at the time was to research the software market for the best available data management package for the department. Tom Richley and Walt Muir, representing a young company in Cincinnati called Cincom, approached them, eager to sell their TOTAL software product to the university. "We had already decided to choose IBM as the vendor," MacLachlan said, "but we thought it wouldn't hurt to give Richley and Muir a chance."

Ian MacLachlan

After the presentation, MacLachlan and Hunt were sold on TOTAL, so much so that soon they were doing a sales job of their own—to Cincom. When the two Canadians saw what TOTAL could do for their organization, they decided to do more than just utilize the system for the university. They wanted to get in on the action themselves and help other organizations gain similar benefits. MacLachlan, who was working on an MBA in marketing, had already set his sights beyond the university. He planned to venture out with a business of his own eventually. The strategy he and Hunt came up with was to turn his MBA thesis into a business plan for establishing a software company in Canada, a franchise operation with an agency-type agreement for selling Cincom products throughout Canada and the British Commonwealth.

With their ambitious proposal in hand, MacLachlan and Hunt decided to present it to Nies and his staff. They set off, driving down Highway 410 from the university in the midst of terrible snowstorms. Their destination: Cincinnati, Ohio.

It was not an easy journey. "On the way down, the highway was closed due to the weather so we had to stay overnight in Toledo until the roads cleared," MacLachlan said. "But we ventured on, determined that the trip would be worth the time and trouble."

When they finally arrived in Cincinnati, they were surprised to find that the company that produced such an impressive product line was itself so small. Nevertheless, they were determined to make a deal and aggressively pitched their proposal.

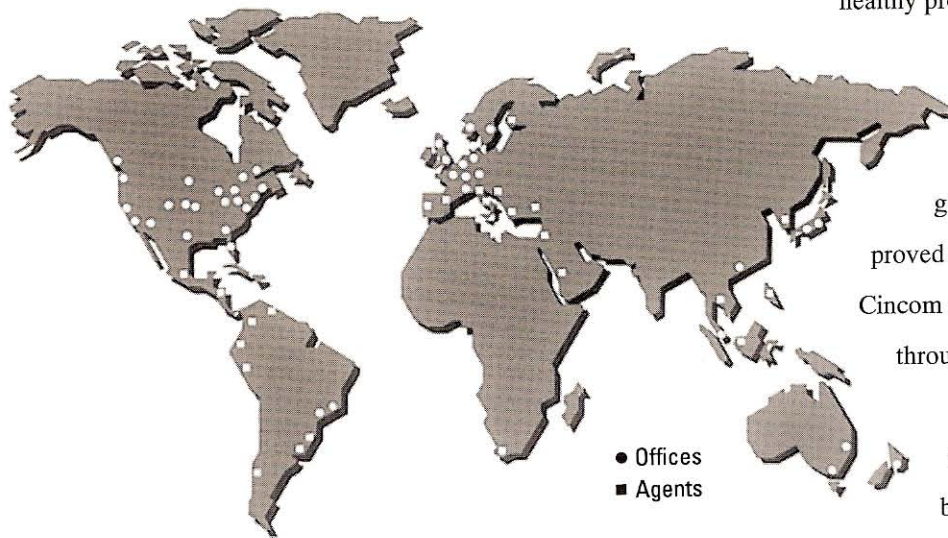"Cincom rejected our idea," according to MacLachlan. "We were politely asked to leave."

Still, MacLachlan and Hunt remained determined. They returned to Canada, refigured their financial forecasts, and ventured back to Cincinnati two months later. Again they were rejected. Cincom was not interested in offering franchises in key markets such as Canada and the British Commonwealth where there would be little control over quality or vendor commitment. But there was another option.

Nies was interested in gaining experience in foreign operations, and shared with the Canadians his plans for opening European operations in 1972. Instead of offering them their own business, he proposed they join the Cincom staff and head Cincom Canada, which would be formed as a wholly owned subsidiary of Cincom USA. The idea was, effectively, to be in business as entrepreneurs, but not completely by themselves. Under this arrangement, in addition to the Cincom product line, they would also have Cincom technical and financial support available as they built the Canadian operation.

Cincom coined the slogan, "Penetrate and Radiate."

Part Two:
The Era of Expansion

1977
Cincom and NCR sign worldwide agreement.

Crossing the
Boundaries

Now it was MacLachlan and Hunt's turn to reject the offer. Later, after much conversation between themselves, they reconsidered the offer and joined Cincom. So began Cincom's first international venture, and with it the birth of a concept— an international "federation of national corporations."

But instead, by the end of 1971, there were eleven more TOTAL installations, just in Canada. The concept of financial support during a formative period had worked, and by 1972, the team had its first break-even year. By 1974, Cincom Canada was able to contribute over one million dollars in royalties to its parent company and record a healthy profit in its own right. This willingness to stay the course through difficult start-up times, and to trust good people to do a good job, proved successful repeatedly as Cincom established operations throughout the world.

- Offices
- Agents

Cincom Canada began with a modest corner office in a Toronto shopping center. After struggling for several months, the new endeavor finally began to take off.

"It was a good thing that we accepted Nies' offer," MacLachlan said. "When we proposed our franchise idea, our numbers were all wrong. We would have been bankrupt in eight months."

Canada's lifestyle has always been influenced by the U.S. in terms of its economy and culture, sometimes in spite of Canadians' efforts to limit that influence. So it is not surprising that a company like Cincom, particularly when it uses locals to provide all the management, would prosper in Canada just as it had in the U.S. The approach used in Canada was followed for all of Cincom's subsequent international operations—build strong, local organizations, using local talent and management, but providing products, services and initial financial

1977
Word processing equipment installed for technical documentation.

support from an organization with global reach and global interests.

Cincom's Canadian operation pioneered the explosive international growth of the software industry that occurred in the 1980s. Cincom adopted the concept "think globally, act locally" well before others did, including many of the largest multi-national firms, and many of industry's leading thinkers. In fact, Cincom adopted the "think globally, act locally" concept even before this slogan was formulated and promulgated by those who form economic and political thought. In its international arrangements, Cincom paved the way for hundreds of software firms that followed.

"Canada's industrial and technological growth is due in part to the influence of many U.S. corporations with Canadian subsidiaries," Canadian Cincomer Richard Collins told *CincomWorld* in the early 1980s.

Richard Collins

Today, Collins heads the Canadian operations. "Since 80 percent of the population in Canada lives within 100 miles of the U.S. border,

influence from U.S.-based companies is extensive, affecting most of the population."

The Canadian Cincomers certainly lived up to the U.S. company's reputation for courage and commitment. And hard work, too. Perhaps the best way to illustrate the dedication of employees during this period is to describe a long, cold sales trip through Canada taken by Cincomers in 1972.

Gerry Nelson, then a new employee from the Dallas office, needed to learn more about the TOTAL product so he could sell it with confidence. It was decided that the best training he could receive would be to accompany Hunt, MacLachlan, and Michael Warren for a series of sales seminars they were giving across Canada. What the enthusiastic young Texan didn't count on was a journey that would involve the group in terrible blizzards, ice-packed roads, icy fogs, temperatures as low as 50 degrees below zero, a disabled train, and, to top it all, a Canadian airline strike.

Nelson was sent to a ski resort in the Quebec area for his initial training. So far it didn't seem like such a bad deal. Then the foursome started out to deliver the seminars. At that moment, the Canadian air traffic controllers went out on strike. Undaunted,

1977
Cincom signs contract with Coast College to develop Query.

Part Two:
The Era of Expansion

Crossing the Boundaries

the Cincomers drove to Buffalo, New York, caught a plane that took them to North Dakota, rented a car, and then drove on to Winnipeg. By that time it was too late to call all of their attendees to confirm the next day's sessions, so they simply decided to do two sessions the next day. They did one in the morning for those who showed up. But they also called the people who had assumed the seminar would be canceled, and held a second seminar in the afternoon for them.

As the weather conditions worsened, they decided it would be more prudent to take a train. But, due to the air controllers strike, the train was sold out. Not a seat was available on any train anywhere in Canada.

"No problem," said Hunt. "We'll just rent a whole train car." That would have worked if a car had been available.

Eventually, through salesmanship and luck, they ended up with two berths and two
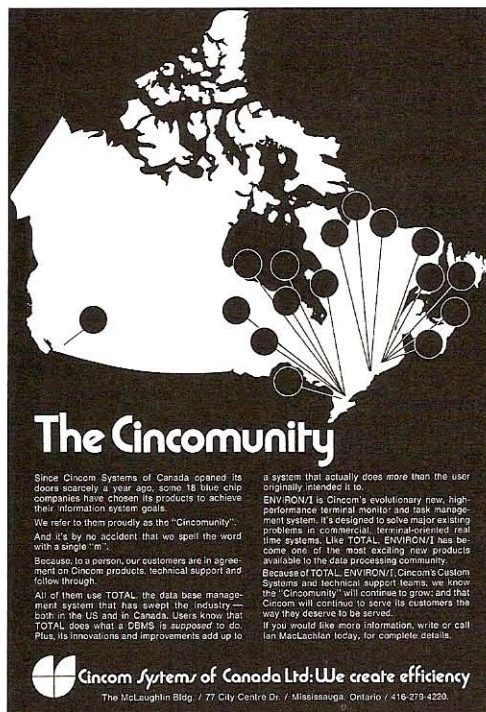
seats, so they could take turns sleeping, had they been able to sleep. But, because the whole train was in a party mood, there was little sleep for these travelers.

The train headed west out of Winnipeg, but outside a little village became stuck. The rail line had snapped because of an avalanche and services to the train were severed because of the cold. One kind of service didn't get curtailed, though. MacLachlan noticed Eskimo children kept coming out of the village, almost like a relay, over to the train, where they seemed to engage the passengers in conversation, then go back. It didn't take too long to find out that a lively commerce was proceeding in spirits.

When the foursome eventually got to Calgary, they repeated the process of holding double sessions while they called attendees. From there Hunt and Warren went on to Vancouver by renting a car and

Cincom's Canadian office locations

1977
Project team developed in California.

driving down through Montana since they still couldn't fly out. They had all had enough of the train.

Meanwhile, MacLachlan and Nelson needed to get back home. They decided to rent a car to make a flight connection in the U.S. Unfortunately, they couldn't get a rental, because all cars were long gone, so they were instead subjected to a "sardine-packed" station wagon ride along windy, ice-packed roads with a Canadian traveler who insisted on driving 90 miles per hour. They made their flight connection in one piece, and just one severe thunderstorm and one freak snowstorm later, they finally arrived home safely.

The truly amazing part of the story is that in the midst all of these troubles, the four managed to give several successful seminars along the road. They never gave up on their mission to spread the word about Cincom across the frozen Canadian plains. Evidently, the whatever-it-takes attitude was inherent in the Canadian Cincomers, too.

So began Cincom's first international venture. And with it the birth of a concept: an international "federation of national corporations."

Perhaps it was this introduction to the Cincom belief that "perseverance pays" that so impressed the new recruit, Gerry Nelson. Later, he was able to sell Cincom's TOTAL database technologies so successfully that he acquired seven different new account installations of Cincom's TOTAL database in a single month. This is a record for Cincom, and most likely a mainframe industry record that stands to this day.

"We owe our success to a very loyal client base and a group of very loyal Cincomers," MacLachlan said. "From the beginning, the Canadian project was backed by invaluable support from Cincinnati people. We also were fortunate to assemble a highly skilled staff of local people who proved themselves to be towers of strength."

Those very same type of comments were to be repeated over and over again as the Cincom mystique and success spread throughout the world.

Part Two:
The Era of Expansion

1977
LMS developed.

Crossing the
Boundaries
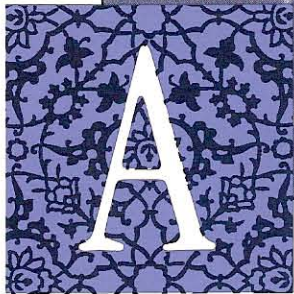
About the same time Cincom was crossing the border into Canada, the company was on the receiving end of a golden opportunity to introduce Cincom to Europe. The U.S. Department of Commerce asked Cincom, along with several other companies, to go on an overseas trade mission to explore opportunities for U.S. businesses in Europe. Since Cincom wanted to find out if it could sell software products in this market, a journey across the Atlantic to Europe was planned.

The game is well worth the candle that may have to be burned far into the night. There is no feeling like the feeling of success.

—J. Paul Getty

Photo above: International flags surrounding the Cincom flag at the 20 Years in Europe Conference

Mike Ehrensberger, earlier a Cincom client, then a Cincom system consultant who had been with the company for about one year, accompanied Nies on this first European mission. Ehrensberger was to serve as technical support for the sales presentations. Nies himself was to act as the salesman, presenting products to representatives from major companies. One of their first sales calls: the 3M subsidiary in Paris.

As Ehrensberger recalls, the trip began with a less-than-smooth start. "We landed in Paris, tired and unkempt after flying the entire night," he said. "When we arrived at the hotel where we were supposed to stay, we found out our rooms were not available."

They were running out of time. The meeting with 3M was fast approaching. After sleeping in their clothes on the plane, these Cincomers were in no shape to meet with executives from one of the world's largest companies. With no time to lose, they rushed to the common restroom of the hotel to change clothes and shave.

Mike Ehrensberger

"The experience changed me forever."

Although they went to the meeting in wrinkled suits, the sales presentation went as smooth as silk. Later, 3M became Cincom's first European client, and eventually used TOTAL at about half a dozen major sites throughout Europe and the Asia/Pacific region.

The next stop was Milan. As before, Nies conducted the sales presentations. However, on the second day, he did something unexpected. Nies joined Ehrensberger for breakfast before going to the next meeting. Suddenly, Nies handed him the car keys and said, "You're doing the presentations." Ehrensberger had never given a sales presentation before so he wasn't sure he could do the job. After all, it was Nies who was the charismatic salesman. Ehrensberger was a programmer with a strictly technical background.

"But Nies' confidence in *me* gave me the confidence to carry on with the presentation," Ehrensberger said. Because of this experience, he soon became a very effective presenter and became a regular member of a seminar presentation team which introduced Cincom to new clients all over the world.

Courage, Creativity
and Commitment

25 Years in the
Pursuit of Excellence

1977
Release 3.1 SOCRATES developed.

The two went on to Rome, then split up on the next leg of the trip. Ehrensberger ventured off on his own to promote Cincom in Spain, while Nies went his separate way to England and Wales, where British Steel was the first British company visited by Cincom. Soon it became one of the first British clients.

"The experience changed me forever," Ehrensberger said. "It gave me the opportunity to stretch."

Nies' belief that people had potential far beyond what they ever imagined had proven true once again, as it was to do for thousands of other Cincomers in later years. The key, of course, was for Cincom to create the opportunity and to encourage and support the participation. The individual would do the rest.

Ehrensberger said that Nies chose to give him this opportunity because of Nies' commitment to helping employees grow, a long-held philosophy, and one of the core values in the organization. By offering everything from tuition subsidies to in-house training, Cincom has always been a place where people not only can grow, but are encouraged and stimulated to do so. In Ehrensberger's case, Nies one day had him giving the presentations while Nies stood by in reserve if needed. When Ehrensberger passed this test with flying colors, Nies left him to handle a number of calls alone while Nies went on to cover other accounts. This method of accelerating the growth of its people enabled Cincom to multiply itself over and over again in the years ahead; and it also helped Cincomers to personally grow beyond their wildest imaginings. "Exceeding Expectations" for Cincom has always meant a lot more than just exceeding sales quotas or profit goals.

People seemed to be almost as committed to Cincom as they were to their own families.

An International Family

The 1970s were exciting years for Cincomers. The group, which was considerably smaller than today, felt almost like family. "Like the software industry itself, the Cincom staff was young," Ehrensberger said. "Almost everyone was in their mid-twenties to mid-thirties."

The industry was in its infancy, and like an infant, growth and change came quickly. And, in terms of their careers, most Cincomers were in their infancy, as well. The excitement of new accomplishments and opportunities daily permeated Cincom offices.

People seemed to be almost as committed to Cincom as they were to their own families. According to Ehrensberger, employees handled their budgets as though they were spending their own money. Because of the company's small size and the dynamic nature of the industry, Cincomers felt a real sense of accomplishment in their work, a sense that they were truly making a difference.

These experiences helped to form and cement the strong bond that exists among Cincomers around the world today. It also helped bring Cincomers together as the company ventured outside the U.S. and began to expand around the globe.

The timing was right to venture overseas. In the early 1970s, many of the largest American corporations, backed by a healthy world economy and a stable dollar, began to expand their operations internationally. Cincom clients 3M and Eli Lilly were among the many corporate giants jumping on the global business bandwagon.

To operate efficiently on an international scale, these large corporations could benefit from standardization, particularly in the data processing area. Many of them chose Cincom as their universal systems software supplier. To best pursue these potential opportunities, it was determined that it was time for Cincom to begin moving operations further into the international market. Cincom wanted to be already in place when the large international firms began to internationalize their software directions.

The "Maiden" Voyage into Europe

In a sense, Cincom's first office in a European market began with a wrong turn on the road leading out of Heathrow Airport. In 1972, Michael Hunt was chosen to open an office in London, England. Driving his rental car from the airport, he made a wrong turn and ended up in a small, quaint town outside of London called Maidenhead. Thus, the company's first overseas venture could be thought of as a "maiden" voyage into the European market.

Making the most of every opportunity as Cincomers were always encouraged to do, Hunt decided to look around the village and

liked what he saw. Housing and office space were much less expensive than in a big city like London. It looked like an attractive place to do business. It was convenient to the airport. So in 1972, Cincom set up its first overseas office in the then little-known community of Maidenhead, England. Today, an amazing number of software companies are located in or near Maidenhead. Why? Perhaps because that was where Cincom started, so it must be the right place. Today, the Maidenhead area has become the UK's equivalent of Silicon Valley. Even if Cincom got to Maidenhead by making a wrong turn, no one else seemed to realize it. Many others followed Cincom's lead into this part of the world.

Hunt hired his first employee, Maggie Childs, to manage the office. Then he started recruiting top sales and marketing people to join the UK team. "We brought in a lot of outstanding people. Many are still with Cincom, providing technical and managerial leadership," Hunt said. "There were many key people who grew with the opportunity we brought over. Cincom was a great training organization." Of course, this concept of being a great training organization was one of the key ideas that Nies had brought with him from IBM.

Thousands upon thousands of persons have benefited from Cincom training since its beginning. This idea of helping people to develop themselves has always been a central and abiding principle of Cincom.

It was only natural that the same kind of closeness that existed back in the States extended across the ocean. Hunt remembers that in the early years, Cincom flew the entire European staff to Cincinnati to attend one of the company's annual business kick-offs. The event was a combination of a sales meeting, social events and revival, of sorts. Events like these helped strengthen employee bonds across the world. "One of Cincom's strengths was that everyone got on so well," Maggie Childs commented recently. This type of camaraderie fit the Cincom belief that business is built on relationships based on trust, respect and responsibility—additional key principles since Cincom's first days.

This office in a quaint little town started a string of successes that helped make Cincom into one of the most successful software suppliers in Europe today. Later on, lavishly financed competition would arrive—IBM and ICL (International Computing Limited), and a host of other software competitors. But the UK office continued to hold its ground and prosper.

Cincom was a pioneer in the foreign software market.

Outstanding staff and a superior product, TOTAL, were the key ingredients to the operation's success. Every employee believed strongly in the company and its product. "It was almost a religion," Hunt said. "We ate, drank, slept and lived Cincom."

This enthusiasm and dedication can be illustrated by an early sales effort to land a huge client, British Steel. The client had been working with IBM for more than a year to resolve its database problems. By then, TOTAL was gaining recognition as the most advanced widely accepted integrated database management system in the industry, so it was not difficult to obtain a meeting. After seeing an advertisement for TOTAL, British Steel representatives invited Hunt to their offices to make a presentation.

For 45 minutes, Hunt listened to the client to determine their needs. Then he did more than give them a sales pitch. He actually designed a complete database system to meet their needs and finished it *before*

Cincom's solution selling even today still shines as unique in the industry.

lunch. Cincom was able to design in a few hours with TOTAL what IBM hadn't been able to do in a year. Needless to say, British Steel was sold and has become a valued long-term client.

But the key here was not only the power of TOTAL, nor the insights and skills of Hunt; rather, the key concept here was Cincom's method of solution selling, which insisted that Cincomers first do all they can to understand the client's problem, before prescribing the solution. With competitors' naive, ill-trained sales representatives so eager to present their products first and ask questions later or never, Cincom's solution selling, based on client counseling, even today still shines as unique in the industry.

Later, British Steel increased its database commitment by purchasing ENVIRON/1. Cincom's British office made the sale... with a little help from a friend. Jack Hunter, who managed British Steel's Llanwern location, was a technical person at

heart. To learn more about the industry, he went to the United States to attend one of Cincom's "Knockabouts"—an early form of user group meetings. It was there that he discovered ENVIRON/1.

"When he returned home, he contacted Hunt in the British office and told him that he wanted the system added on to TOTAL," said Cincomer Peter Breeze. "The trouble was, Cincom's UK office had never heard of the product before." That problem was quickly overcome, however, and British Steel became the first TOTAL and ENVIRON/1 user outside of the United States.

Peter Breeze

These international user-group meetings produced hundreds of similar situations. Events such as these gave Cincom users a chance to exchange information about their successes with products. Armed with new information, and encouraged by the enthusiasm of other users, many participants left the meeting ready to expand their usage of other Cincom products. Often the Cincom sales reps were treated to clients who were so impressed with the enthusiasm and successes proclaimed by other users that they were already presold. This concept of selling through education is still one of Cincom's most effective means of solution selling and value based marketing.

Breeze himself had worked for one of Cincom's clients, Brooke Bond Oxo, before joining the company. Like Hunter, he was extremely impressed with Cincom's products—so impressed, that he left his job to come on board. Cincom has gained many valuable employees in this manner. In fact, hundreds of Cincomers were introduced to the company as former clients.

It seemed like more and more people were discovering the power of TOTAL and the quality of Cincom. But no one had any idea just how far the word had spread until one day in 1973, when two Arab men came into the Maidenhead office determined to buy the TOTAL system on the spot. One of them pulled out a huge stack of thousand dollar bills and began counting them out. They paid for it in cash and left.

Sales did not always go that smoothly, however. In fact, sometimes Hunt's

"It was almost a religion. We ate, drank, slept and lived Cincom."

1978
Query and Directory Maintenance demonstrated at Knockabout.

persistence got him in trouble. During one sales presentation, Hunt and Michael Cocks simply would not give up when a potential client said he was not interested. The client kept declining and the determined Cincom sales team kept pushing. Annoyed, the client finally called for security and had the two men physically thrown out of the building.

According to Hunt, "Cincom's products usually sold themselves. Thanks to their power, they took a complex area and made it simple. They were so flexible you were able to easily add on to existing systems, and you could change the database on the fly without even recompiling the application programs."

The British operation, still located in Maidenhead, now has plenty of stiff competition. But Cincom's very first European office continues to play a vital role, serving hundreds of clients across England and almost every year proving to be Cincom's largest and most profitable operation outside of America.

The accomplishments of those in the Maidenhead office take on new significance when you consider that Cincom was essentially a pioneer in the foreign software market. Cincom was the first U.S. software company to enter the European market. But this first bold step was only the beginning of a long, prosperous journey toward meeting clients' needs around the globe.

Cincom Firsts

Cincom established a number of firsts with each country it entered, paving the way for a slew of competitors.

"Nies was a visionary regarding foreign markets," said Ehrensberger. "We were first to go to Europe, first to go to Australia and first to go to Japan. He was thinking globally at a time when that just wasn't done."

What's more, the approach Cincom took was to build strong local teams, rather than importing management from the United States. By respecting local culture and building a true local presence, Cincom avoided creating the ill will that some other U.S.-based computer and software firms later engendered. Instead, Cincom is typically seen as a local company, backed by a global organization.

At the same period, Cincom introduced a number of other marketing and sales innovations to the young industry. For

example, Cincom was the first company to conform to standard pricing, an unusual move during that time. "Nies would walk away from business rather than cut price," Hunt said. But Cincom didn't attempt to overcharge, either, as was so commonly done by almost all other software firms. Cincom's goal was then, as it is today, fair and just prices for all clients, large and small. This goal was based on uniform pricing and packaging worldwide.

Cincom also was the first (even before IBM) to offer rental software license options. Besides providing a steady cash flow, rental options gave clients the ability to readily upgrade to new and replacement technologies with minimum capital outlay and maximum flexibility. Cincom gained as well. Through rental agreements, the company received a rapidly growing rental income base providing stability and security in difficult times. This allowed more predictable revenue forecasts, and less volatile income over the long term. Of course, the key to the rental concept was keeping the clients satisfied so that they would renew their agreements year after year. Cincom's faith in its products and its ability to satisfy the client proved to be well placed.

Today, these marketing strategies and an emphasis on consistent sales policies are more common in the software industry. Industry giants now spend millions of dollars on marketing and sales to gain an edge in the huge software market. But back then, Cincom's investment in aggressively marketing its products, like its penetration of foreign markets and its consistency in pricing, was quite a novelty.

These are but a few examples of Cincom leadership that began in the early seventies and that continues today. "Seldom does one find such diverse areas of leadership within an organization," wrote Nies in the early 1980s. "Not even with a firm so excellent as IBM, where one can clearly see leadership in the concept of service, emphasis on sales, and in the rental usage of computers, do we see as many diverse areas of leadership."

This kind of leadership in products, services, policies and strategies inspired other software companies to follow Cincom's lead not only to Maidenhead, but later around the globe.

20 Years in Europe

Conference staff

Expanding Globally: Brussels

With country-wide success in England, the company proceeded to make its way across the European map. Cincom opened an office in Brussels to handle accounts on the European continent. Again it was Michael Hunt who established the office and began assembling the team at what later became the European headquarters. One of the first people he brought on board was a young IBM employee based in Scandinavia— Robin Adair.

Contrary to the then stereotypical view of the region, there is much more to the Scandinavian economy than the fishing industry. Poised for growth, Scandinavia in the early '70s was shifting away from basic industries, such as shipping and heavy manufacturing, and quickly moving to more sophisticated activities requiring more technological know-how. The region was rapidly advancing in sophisticated technological fields, and needed expanded resources in data processing.

Robin Adair

"One of the exciting things about Cincom is the total lack of politics."

Robin Adair, a born and bred Englishman, had become quite familiar with Scandinavia and with Cincom's product, TOTAL. After all, he had been living in Sweden for the previous ten years, working for IBM, and he had seen TOTAL in action. "I was very impressed with TOTAL," Adair said. "I couldn't believe there was a product that was this good."

On a visit back to the United Kingdom, Adair happened to see an ad Hunt had placed for people to join the Cincom team in Brussels. Adair admired Cincom's work and felt he would be perfect for the job because of his many good connections in the Nordic countries. He decided to pursue the job.

Hunt hired Adair in September 1972. Adair wasted no time in getting started. On the very day he was hired, Adair met Hunt at Heathrow Airport in London. The two flew to Frankfurt, Germany to give a presentation to 3M about TOTAL and the move to Nordic countries. The company became the Sweden office's first client.

Later, Poul Spring was to manage the Cincom operations throughout Scandinavia. Spring began with SAS, then went to Control Data, then Univac. Since 1982 he's been with Cincom.
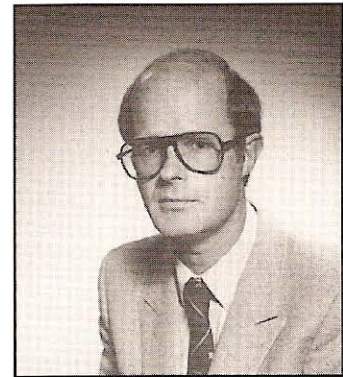
"I thought I'd stay for two or three years, learn about database, and then move on. But Cincom has given me so much opportunity, so much freedom to do so many things, that I've never wanted to leave," he explains.

Spring points out that one reason Cincom has succeeded is that it allows local people to figure out the best way to sell in their own markets—as long as they can do it in a way that retains consistency with Cincom standards and policies. Although people from the Nordic regions are all called Scandinavians, they are quite different from each other. There are three distinct languages, legislations, cultures, and attitudes at work. For instance, a Dane working in Stockholm may resort to English to be understood.

Robin Adair eventually moved beyond the Scandinavian operations, and ended up traveling around the world for Cincom. "The building-up period from 1973 to 1980 was fantastic fun, both domestically and internationally," Adair has said.

Fun, yes, but building business in Europe was a challenge, too. At the outset, most Europeans were unfamiliar with database technology. Before Cincom could sell products to this market, the company first had to help potential clients understand the concepts behind them. Basically, Cincom was, once again, establishing itself as the driver of the database market, much as it had done in the United States, selling and installing TOTAL all over the world.

"In the beginning, we had to go out as missionaries to explain the basic concept of database management," Adair said. "In most European markets, all Cincomers had to spend significant time educating their buyers. They just couldn't conceive of what we were able to do with TOTAL. We first had to convince them that this database technology would *work*."

Poul Spring

"I thought I'd stay for two or three years, learn about database, and then move on. But Cincom has given me so much opportunity, so much freedom to do so many exciting things, that I've never wanted to leave."

As a result, like many early Cincomers in the United States, members of the European Cincom team found themselves spending most of their time on the road, making presentations to potential clients about the basics of database technology first, and then about the power, flexibility and elegance of the TOTAL solution.

It seemed that just about everyone wanted to hear about database from Cincom. But Cincom was presenting much more than database insight. The company was also demonstrating the finest database management system and the best value available anywhere.

Adair himself went around the world giving such presentations. His travels took him from Tierra del Fuego to Trondholm, Norway, inside the Arctic Circle. "It was an extremely stimulating environment at Cincom," he said. "There was always something exciting happening."

Internationally, as in the United States, dedicated Cincomers made the company a success. "There was no such thing as a clock. People worked all the time. Everyone was very motivated. There were very few passengers," Adair said.

Adair also said the kind of closeness that developed among Cincomers those days is "a feeling you don't lose." Even though Cincomers were separated by thousands of miles and national boundaries, they still managed to maintain a close bond. Adair remembers when he and Cincomers Rick Warren, David Hall, Cathy Kent and Mike Hunt tracked down fellow Cincomer Daisy Bonjour halfway across Europe in a Paris restaurant just to phone her and wish her a happy birthday.

No matter what the title, everyone got along superbly. "One of the exciting things about Cincom is the total lack of politics," Adair said.

This type of camaraderie continued even as the company expanded further around the world.

Courage, Creativity
and Commitment

25 Years in the
Pursuit of Excellence

1979
Technical Writing Group formed.

A New Concept: International Licensees

Cincom continued to open new offices in different countries. But opening a branch office was not always a practical solution. Language differences, cultural barriers, and staffing demands sometimes made it difficult, if not impossible, to establish business as usual in certain countries.

There was a solution. Cincom would establish agents or licensees who contracted with Cincom to distribute and support the company's products in the countries where we wanted to do business, but for various reasons were unable to do so directly. The International Licensee Department (ILD) was formed in 1974 as part of the Brussels office. Later in 1979, Cincom also formed a Belgian/Swiss branch, a direct operation based in Brussels, serving Belgium, Switzerland and Luxembourg.

Robin Adair left his position as branch manager for the Nordic region to lead the Brussels ILD operation. Later, the ILD office was moved to Monaco.

In areas served by agents and licensees, contacts with clients in the area are generally handled by the agent, not by Cincom. However, Cincomers traveled the globe to offer support with installations and to solidify relationships with agents. While other U.S. businesses so often transfer employees to foreign offices to work, Cincom has always tried to hire agents (and employees of our direct international operations) who were born or raised in the region in which they are selling Cincom products. After all, who would know a country's language, customs, and business environment better than a native of the country?

In addition, Cincom has an interest in keeping Cincomers close to their families. Even though Cincom is committed to doing business globally, it has always sought to minimize relocation of Cincomers. This is always an important consideration when choosing locations for operations.

The first licensee operation was actually organized in 1973 in Holland, even before the Brussels office opened. Today, Cincom agents serve countries around the world including Italy, Greece, Spain, Portugal, Finland, the continent of Africa, the Indian subcontinent, the Middle East and Latin America.

Very few software companies have offered the type of support and commitment to expanding these international operations as have been offered by Cincom's ILD. Cincom has invested much time and money to help agents to be successful. While other companies quite often simply give agents products and price sheets, Cincom seems to create true partnerships by providing technical training and support, marketing materials and marketing consultation. Armed with these advantages,

the agents are free to sell Cincom products as appropriate for their unique locale and assume the role as Cincom ambassadors in their home markets.

Although Cincom's agents often market non-Cincom software products, they all seem to share a strong commitment to Cincom, and a special relationship with Cincom.

"One of the interesting things we observe in our travels is that many of our agents view themselves as Cincomers," Adair told *CincomWorld* in 1980. "In all our workings with our agents, we try to build a lasting relationship that will ensure our mutual success." Over and over again, this concept of relationship, the notion of a partnership, has been a key characteristic of Cincom's commitment to its allies, its clients and Cincomers alike.

The company has gone to great lengths to ensure this type of loyalty among Cincom agents and allies and to make them realize that they are truly part of the company. And they have had a few adventures along the way. At one point, Cincom played host to a group of senior personnel from the European agencies at a conference held in the Mount Kenya Safari Park in Africa. The group met in Nairobi, then were transported to the park for a three-day business conference.

After the conference, Cincom chartered a DC-3 to take them to Masai Mara, Kichwa Tenbo for a three-day safari, where they were driven around in Jeeps by tribal drivers. During the safari they had a close encounter of a frightening kind. They came upon a bull elephant and decided to stop and take pictures. Suddenly the elephant charged. The driver had to quickly reverse

to escape being trampled. Perhaps the experience made it seem a little less intimidating to go against IBM, and so many other much larger software firms as well.

Cincom concluded the conference with a formal dinner on the banks of the Mara River. Tables were spread with white linens and set with china. Suddenly, in the midst of this formal dinner and to the participants' utter astonishment, 30 Masai warriors in full battle dress leapt out and danced around their fire circle. A few of the Cincomers and agents had no idea whether this was entertainment or an attack!

While some encounters on these journeys were dangerous, others were just plain fun. It seems that although Cincomers work hard, they play hard too. In the mid-seventies, a group of Cincomers and agents were attending a sales conference at the San Miguel Hotel in Marbella, Spain, where they encountered a group of Basque doctors and their wives, also attending a conference.

The two groups began to socialize with exuberant games of water polo each day. On the last day of the conference, the Cincomers dressed in formal attire for the gala banquet being held that night. When they arrived at the dinner, Cincomers found that their Basque friends were having a formal dinner on the other side of the room. In between the two groups sat regular guests of the hotel.

Before they knew it, some of the doctors rushed toward the Cincom group, shaking champagne bottles and spraying the formally attired Cincomers. One thing led to another, and soon Cincomers were throwing fruitcakes, rolls and any other food or drink item available across the room toward the doctors' group. A full-fledged food fight erupted, and in its midst, Cincomer Alex Kuli split his pants. Undaunted, he spent the rest of the evening leading attacks and counterattacks, wrapped up like Lawrence of Arabia in a tablecloth.
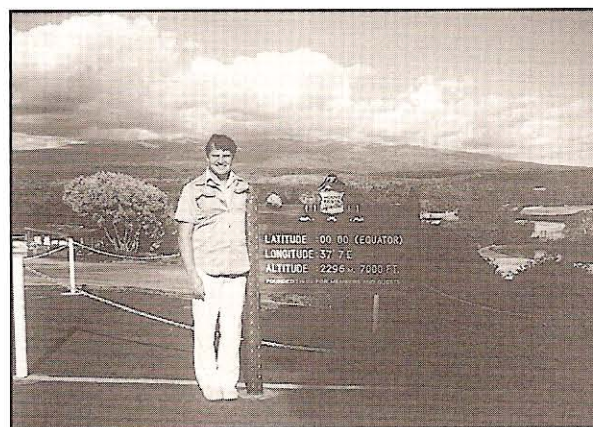
Tom Nies at Mt. Kenya Safari Club July 1984

There was also the Cruise of the Silver Miss, another sales conference, which brought Cincomers and agents to Nice, St. Tropez, Monaco and Cannes during the famous film festival. It was there that the group caught some glimpses of famous movie stars, while often being mistaken themselves as movie moguls, directors or actors.

During the cruise, Tom Nies gave a shipboard presentation to the assembled guests. The seas became heavy and the ship began to roll, but Nies persevered. Gradually, members of the audience began to slip away to find a necessary spot at the railings. Soon, there was almost no one left, except for Nies and one Portuguese agent who was also a sailor. No one else had kept their sea legs, or their dinners.

By 1980, the Licensee Division had opened offices in Latin America. Latin American operations have proved very profitable. By 1988, these operations were grossing $8 million annually. Cincom Brazil, a direct operation, had by the mid 1980s become the most successful software company in Brazil. That success is partly the result of Cincom's consistent policy of hiring locals rather than bringing Americans over to run foreign operations. Because of this practice, there has been a lack of government intervention that often plagues other foreign companies in Brazil.


Cincom Systems Agents Conference in Lima, Peru March 1983

Sometimes the company's success in Latin America led to more than just accolades. In 1983, Cincom was one of the companies presenting at a national computer conference in Lima, Peru.

At the conference, Cincom gave a blockbuster presentation on TIS (Cincom's newest database technology) that literally prompted competitor Cullinet to shut down its booth and leave the conference. Cincom and IBM were judged to have the best booths in the conference. So, Cincomers were invited to sit with Peruvian President Bellonde on the dignitaries' stand for the closing

ceremonies. During the ceremony, while Bellonde was speaking, guards rushed into the room and evacuated the building. The Cincomers had no idea what was going on.
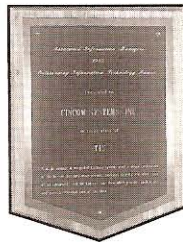
The next day, a newspaper article reported that a 15- to 20-pound bomb had been found on the wall directly behind Bellonde and the group of Cincomers. In the process of blowing away the competition, it seems, Cincom's people almost got blown away themselves.

History has a habit of repeating itself. In 1992, the 12th Latin American Agent Conference was held in Buenos Aires, Argentina. The Cincom coordinators, Nancy Simon and Brian Hewer, were undaunted by a bomb scare on the airplane as they arrived, then by a tornado that touched down in Buenos Aires. Four days

later, in the middle of a presentation by Tom Nies, everyone was evacuated to the parking lot by yet another bomb scare. There, in the parking lot in true Cincom style, unaided by his visual aids, Nies finished his presentation. After the bomb scare, all returned to the hotel and the other sessions continued as scheduled without further interruptions.

Bonjour, France!

While the Licensee Division was getting off to a great start, the company also began to look toward additional opportunities for direct European operations. One logical choice was France. French subsidiaries of other users were already using Cincom products. And although there were only four or five TOTAL installations in France, all of which were being supported out of the Maidenhead office, the French market held many possibilities. As a result, the Paris office opened in October 1974, headed by a bilingual Cincomer, Richard Warren.

Getting the direct operation off the ground was not an easy task. There were the usual challenges of working out of a country with a different culture, language and philosophy. "It's difficult to sell an American product in another cultural environment," Warren told *CincomWorld* in

Part Two: The Era of Expansion

1979
TOTAL CICS Comprehensive Support OS/VS1, MVS, DOS/VS developed.

Crossing the Pond...
and Beyond

a 1979 interview. However, that is one reason Cincom's local approach has always worked so well—they employ native-born citizens in every country where they operate.
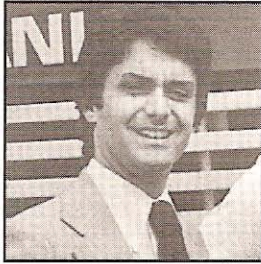
The French Government also posed some problems. In those days, government officials frowned on competition from non-French companies when they thought it might reduce business for national companies. Therefore, the government sometimes made it difficult, if not impossible, for foreign companies to establish a foothold in their country.

Richard Warren

But Cincom France was thoroughly French in many ways. And by 1975, the Paris office finally became incorporated and sales began. The eager staff immediately began to aggressively market the Cincom name with seminars, mailings, phone calls, public relations and advertisements. "The major push was to acquaint the French data processing industry with Cincom, and establish confidence in the company and its products," Warren said.

These early sales efforts were complicated by Cincom product names. TOTAL is also the name of a widely recognized French gasoline, so Cincom could only legally use the name DBMS TOTAL. Also, a French software company already had a database named SOCRATES, creating further problems.

Despite these difficulties, the team succeeded. At first, the nucleus of clients was American-based companies, 3M France and Parke Davis among others. Soon though, the Paris office developed a strong core of purely French clients. Perhaps the most influential and largest client was the Social Security Division of the French Health Ministry.

Government agencies in France had a problem when it came to purchasing software. They typically used two different types of computer hardware, IBM and the French government-supported Bull systems. Therefore, users often needed to buy two different, noncompatible software programs. These agencies were looking for one product that would work on both systems. In response, Cincom France formed the Bull Development Group in 1976 to develop software that would be compatible with both IBM and Bull

1979
Cincom becomes the first full-service software firm by offering both manufacturing and
financial application products as well as database and on-line system software products.

hardware. In France, Cincom's promotion of open, portable and interoperable software proved to be more than a decade ahead of the competition, and proved to be highly desirable to French clients. Soon Cincom "owned" the market for IBM/Bull compatible DBMS in proprietary environments.

The group developed a product to meet the Social Security Division's needs. After three years of impressive effort by the entire staff, the government agency decided to purchase 80 copies of TOTAL to run on their main computers. The efforts of the Bull Development Group, and Cincom's willingness to support local needs had been the determining factors. "Whatever it takes" had again proved to be a winning strategy.

Gerard Levy

Now, that government agency is one of Cincom's most important clients in France and in all of Europe for that matter. The Paris office has had other major government contracts since then, including the Treasury and Defense departments, demonstrating

France's growing acceptance of Cincom. Today, Cincom France has clients in nearly every industry with the vast majority in private industry and most government services. Clients include Alcatel, the AT&T of France, Moët & Chandon, Hennesy, 3M France, the French Social Security, and many others. Cincom's willingness to invest heavily in the early years, to develop a success over the longer term, had borne fruit once again.

Richard Riedel

But, Cincom France's success must also be attributed to its having a very strong team. The French staff, headed by Cincomers Gerard Levy, Richard Riedel and Noureddine Zidi, has extensive experience in the data processing field. Its success also rests on Cincom's ability to develop products and applications designed for local markets and its staff's familiarity with French culture. The Cincom culture and products are now well-received by the French, facilitating further success in the future.

Noureddine Zidi

Part Two: The Era of Expansion

1980
TOTAL becomes first software product recognized by ICP to exceed $100 million in sales.

Crossing the Pond... and Beyond

On to Italy

Italy was another successful stop on Cincom's tour around the world. A young entrepreneur named Alberto Gabbai was still in college when he approached Cincom about offering technical support to Cincom clients in Italy, which were being sold and supported out of the Maidenhead office.

Gabbai soon moved into supporting clients and providing help in selling to new accounts. At this time, Cincom was evaluating whether or not to set up a direct sales operation in Italy like those in England and France. After two years of doing business in the country, it was felt that an Italian licensee might be established. In 1974, Gabbai's then-small firm, called GRUPPO Formula, became allied with Cincom as its first Italian licensee.

Gabbai says that he has learned a lot from working with Cincom, especially in the area of marketing and sales. "Quality technology and competence come first. Marketing comes next, then management, then sales," he said. While it is difficult to prioritize such important

principles, Cincom has always attempted to emphasize all of them.

Using these formulas, Gabbai's Italian operation grew over the years and became very successful. Gabbai explains: "Many American companies came to Europe with an attitude that Europe was just another state or that international business is not real business," he said. "Cincom has never worked that way. Cincom has always seen Europe as unique." In fact, Cincom has never viewed any country, any situation, or any person as one to be exploited. To achieve success, Cincom stresses the continuing investment of time, energy and resources, confident that success follows commitment.

Regardless of personal style, all Cincom people seem to have the same basic values. Because of this, clients know that the company can be trusted."

Gabbai also points to Cincom's culture, "a culture of respect," as a reason the company has succeeded in Italy. "Regardless of personal style, all Cincom people seem to have the same basic values," he said. "Because of this, clients are loyal. They know that the company can be trusted. The principle is that once you have clients, you keep them loyal by keeping your promises."

Courage, Creativity
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25 Years in the
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1980
Technical publications writes first education package for ENV/DATA—first typeset manual.

Nies had summarized this view by saying, "If one understands what a human being is, then one cannot possibly deal with another on any basis other than respect. Since a nation is felt to be the sum of its people, it only follows that if one respects the person, then one must respect the person's country and culture as well."

Gabbai said that in the 18 years he has worked with Cincom, he has never had an American manager; he has always been managed and supported by European managers. He attributes this to Cincom's respect for local cultures.

Of course, the Italian office received help from its American allies. Especially in the early years, the American sales force often flew in to help with a sale. Gabbai would set up the appointments, a Cincomer would conduct the presentations, and Gabbai would translate. Over the years, more responsibility was gradually turned over to Gabbai and his staff. This goes along with the Cincom spirit of "passing the torch" and helping competent people accomplish the job themselves. The results have been outstanding. Today Cincom's Italian agent has a much larger operation than many of Cincom's direct national organizations.

Cincom Down Under

While the Italian operation was being established, Cincom was looking beyond Europe and setting its sites on yet another continent: Australia. Just as with the formation of the Canadian operation, Cincom began looking into an Australian

Tom and Suzanne Nies
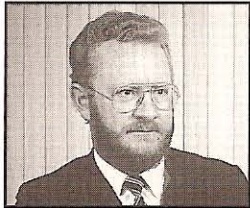on Harbor Cruise.
Sydney Harbour Bridge
in background.

operation because of the urgings of Ian MacLachlan. At a time that too many Americans still believed there was little in Australia but kangaroos and koala bears, MacLachlan convinced Nies to establish Cincom's Asia/Pacific operations in Australia.

Besides his business reasons, MacLachlan had personal reasons for wanting to set up in Australia. His wife, an "Aussie," was somewhat homesick for her native country and wanted to move back to help her aging parents.

Part Two: The Era
of Expansion

1980
West Coast Development group created.

Crossing the Pond...
and Beyond

In 1974, Cincom began research on Australia's potential for product and marketing support activities. The Australian branch, later known as Cincom Asia/Pacific, officially opened in August 1974, in Sydney, Australia. Later it expanded to serve New Zealand, Japan, and Southeast Asia.

MacLachlan took an interesting approach to finding quality staff members. He placed an ad in the paper inviting professionals to a seminar about database technology and asked all attendees to bring a resume. The effort paid off. The first two hires were Barry Sargeant, later to head international sales, and Alex Donaldson, later to lead engineering for Application Development Technologies.

Barry Sargeant

At first, though, it was uncertain if the operation itself would succeed. Australia was a long way off and Cincom had no clients there. Moreover, no other software company had yet gone "down under." For the first six months, Cincom had to pump money into the operation just to keep it afloat while MacLachlan and his staff tried to find clients.

Finally, the Aussies landed their first big client, the New Zealand Dairy Board, and brought in $80,000, just enough to make the operation profitable. Shortly after, Dale Potter chipped in by signing CalTex, a huge oil company, that became a major client in Australia and New Zealand over the years.

It took 11 months for the Australian operation to become self-sufficient, but soon business was booming. Other software companies followed Cincom to Australia, just because Cincom was there. One of the first to do so was Pansophic. At an executive conference in Australia, Nies happened to meet the president of Pansophic who asked why Cincom had decided to go to Australia. Nies replied that the company went "down under" because of MacLachlan, relating the story about MacLachlan's wife. In return, Nies asked why Pansophic had gone to Australia. "We went because you did," was the answer.

Early attempts at spreading the word on Cincom were not always successful. Sargeant remembers a public relations effort that literally "sunk." The Australian staff thought it would be a great idea to take journalists to a computer conference in a memorable way: by sailboat.

Courage, Creativity
and Commitment

25 Years in the
Pursuit of Excellence

1980
Cincom opens office in Sao Paulo, Brazil.

Unfortunately, the journalists would not remember the occasion fondly.

The boat's engine failed, then the sails blew out. The boat started sinking with everyone aboard praying they wouldn't drown. The water police rescued the group, but could not do anything to salvage Cincom's sailing reputation in the eyes of those journalists.

Alex Donaldson

Speaking of sinking, when it came to adjusting to his new position with Cincom, Alex Donaldson remembers the early days as "sink or swim." It wasn't unusual for early Cincomers to plunge into their jobs with virtually no training. The day after Donaldson was hired, for example, he was asked to give a TOTAL presentation to a client. Donaldson was given a manual and overheads and was told to teach a class on the product the next day. Later, when Donaldson was hiring people, he often used the same technique to determine how sharp candidates were. He would give them a manual on the first interview and ask them to make a presentation on the product during the second interview. Those who could do it had the potential, he felt, to be successful Cincomers.

Soon after his hiring, Donaldson flew to Cincinnati on a fact-finding mission where he took anything that wasn't nailed down to garner information about Cincom and its products.

Being able to explain complex database technologies to clients was a real plus in gaining clients. Donaldson relates a story of a new data processing manager who asked Donaldson for an explanation of TOTAL. The client said he wanted to know more about the system they were using. After Donaldson had answered questions for half an hour, the client told Donaldson they would stay with TOTAL instead of the replacement an IBM sales executive had recently urged. When Donaldson asked why, the manager replied that the IBM sales executive who had been pitching his company's product couldn't explain it.

Throughout the years, Cincom's influence in Australia has grown. In 1988, Cincom participated in the Australian government's program "Partnerships for Development." The program replaced deal-by-deal agreements

Cincom joins Australia's Partnership for Development program.

Photo below:

John Button,

John Starkey,

Steve Rudlin,

Tom Nies,

Paul Hargreaves

with a commitment to develop world-competitive, export-oriented business through local research and development and partnerships in Australia. Cincom became the first such software partner. Since then, Cincom has been one of the most dependable of all such partners in fulfilling its commitments to the Australian government.

Culture Shock: Japan

The Asia/Pacific region is both huge and complex. It covers one-third of the world and contains a myriad of languages, cultures, religions and politics. The region is also diverse in its level of technical advancement. Japan, of course, is recognized as one of the world's most advanced industrialized societies. Indonesia and Thailand, on the other hand, are just emerging as industrialized societies.

Cincom Tokyo office

In 1978, two new offices opened: New Zealand, with headquarters in the capital of Auckland, and Cincom Japan, with headquarters in Tokyo. Of the two, efforts in the Japanese market have understandably proven to be the most challenging and rewarding. Cincom saw a viable future in the Japanese market when it entered the region. The company would not only market software, but it also hoped to become a part of the Japanese government's planned growth for the software industry.

But entering the market posed some obstacles. In this small country known for its technological and business adeptness, old traditions were still highly regarded.

Cathy Kent, who was sent to Japan to handle installation support, experienced these cultural differences firsthand.
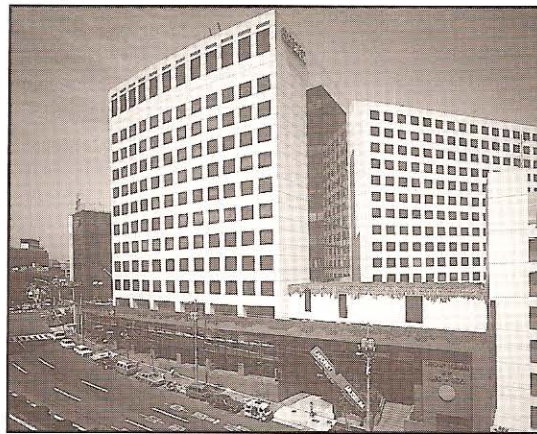
When she went to client Sanwa Bank to handle an installation, she found out she needed a middleman, Alex Donaldson, to communicate. The clients back then did not feel comfortable doing business with a woman. Instead, they chose to send telexes to Donaldson in Australia, who in turn relayed the information back to Kent on location in Japan.

1980
Minicomputer TOTAL developed for VAX.

"I spent three months helping to solve problems," Donaldson said. "On a good day there was three feet of telex. On a bad day there was fifteen feet."

Eventually Donaldson decided it would be easier to go to Japan to work directly with Sanwa personnel.

In addition to adapting to these cultural nuances, there are also language barriers to overcome. Translating various marketing and technical documentation into Japanese has been a major undertaking.

Kanji, a derivative of the Chinese character set, is different in every way from the Roman alphabet. Kanji script consists of about 5,000 unique characters. There are also two phonetic sets called Katakana and Hiragan which use 54 characters each. To successfully do business in this region, every piece of software has to be translated for the end user. In spite of these enormous obstacles, the effort soon proved to be well worth it.
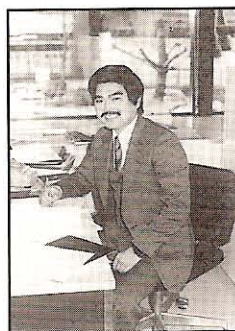
Hiroo Sakamoto

There are also differences in how the Japanese viewed the software business. At first, the Japanese market was wary of Cincom, according to Cincomer Hiroo Sakamoto. Many prospects were shocked by the concept of charges and annual usage fees.
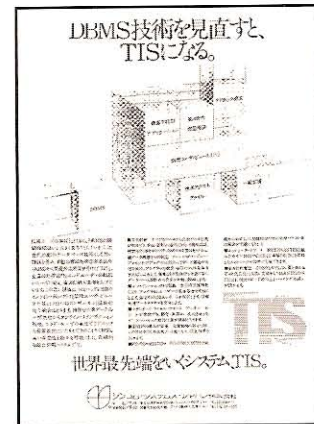
Japanese TIS advertisement
Nikkei Computers
October 1, 1984

"Until MANTIS was introduced to the market," Sakamoto explains, "the operation did not start to grow."

The plan to introduce MANTIS to Japan was looked upon with great hesitation. Back then, MANTIS did not have Japanese language support, so it could not be sold to the Japanese market. To overcome this resistance, Sakamoto was assigned to translate the product and take on all sales, marketing, installation and debugging tasks. If he failed, Cincom would drop MANTIS from the Japanese market. And should that happen, Cincom Japan had little hope of becoming profitable—or surviving.

Sakamoto was familiarized with the product in the "sink or swim" fashion familiar to many Cincomers. He flew to Cincinnati to bring MANTIS back with him. Ian MacLachlan assigned him the task