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ASHTON-TATE ANNOUNCES MULTIMATE REORGANIZATION; WORK FORCE TO BE REDUCED DUE TO JOB DUPLICATION

EAST HARTFORD, Conn., February 20, 1986 -- Officials of Ashton-Tate and the former MultiMate International Corporation today announced details of a reorganization plan in which MultiMate will be integrated into Ashton-Tate.

The plan, announced to MultiMate employees today, continues the MultiMate operation in East Hartford. Development, documentation, technical support, and some marketing activity will continue here for the MultiMate product line, including the best-selling MultiMate 3.3 Series and MultiMate Advantage word processing software packages.

The reorganization will result in personnel reductions at MultiMate over the next six months afrecting approximately 70 of the company's 196 employees. There will be no immediate layofts. The reductions, caused by job duplication, will occur largely in MultiMate's operations, marketing and financial departments. (Thirty members of MultiMate's sales force immediately joined the Ashton-Tate sales staft following completion of the acquisition in December 1985.) The combined development organizations began working together on future products at an Ashton-Tate development conference this month.

Employees to be afrected were notified today during private consultations with Ashton-Tate and MultiMate officials, in which details of a full wage continuation program -- including job counseling, placement, and benefit continuation -- were revealed.

"The assimilation of one company into a larger one is never an easy task, particularly when good employees must be told that their responsibilities overlap with those of others," said Roy E. Folk, executive vice president of marketing and strategic planning of Ashton-Tate. "While we have a fiduciary obligation to maintain a streamlined and efficient organization throughout Ashton-Tate, we have tried to be sensitive to the needs of these employees."

The severance program announced by Ashton-Tate includes:

- o <u>No Immediate Layoffs</u>: The personnel reductions will occur on a gradual basis.
- o <u>Wage Continuation</u>: Full wages will be paid for a fixed period after the end of employment, providing the employee remains at MultiMate through his or her full, agreed upon employment period. The employee also will be paid for all unused vacation time.
- o <u>Benefit Continuation</u>: Full benefits will be paid through the wage continuation period.
- o <u>Job Placement</u>: Ashton-Tate plans to offer job placement assistance for terminated employees, along with job counseling services. Ashton-Tate will inform MultiMate statt about new openings at its headquarters in Torrance, California, near Los Angeles, and will offer relocation assistance for successful applicants, including non-exempt (hourly) employees.

As part of the reorganization, Richard Lefebvre,
MultiMate's executive vice president and chief operating officer,
will remain with Ashton-Tate as a consultant. Wilton H. Jones,
president and chief executive officer, has gradually reduced his
responsibilities since the acquisition and has elected to end
his connection with the company on March 11 to pursue other
activities. A site administrator will oversee day-to-day
MultiMate operations with a staft of approximately 125 people
initially employed there.

"Ashton-Tate plans to continue to invest heavily in the areas of operation which will remain in East Hartford," Folk noted. "We expect that MultiMate will grow over time."

Under the reorganization plan, production, distribution, product management and marketing for the MultiMate line will be conducted at Ashton-Tate's headquarters in Torrance. Cross-training sessions have been completed for the already-combined Ashton-Tate/MultiMate sales force.

"The acquisition of MultiMate remains the largest ever in the microcomputer software industry, and this reorganization is only part of the tremendous task of combining MultiMate into Ashton-Tate," Folk said. "The integration of our sales forces means that MultiMate products will reach new distribution channels and new international markets. MultiMate's corporate accounts experience has already enriched our existing Corporate Emphasis Support Program, and will contribute to our continuing study of site licensing."

Ashton-Tate signed a letter of intent to acquire

MultiMate on July 30, 1985. The transaction was completed in
early December 1985 for approximately \$22 million in cash. With
the acquisition, Ashton-Tate now markets best-sellers in three
software categories: database management software, with the
industry-standard dBASE family of products; word processing, with
the MultiMate family; and integrated software, with Framework II.

Ashton-Tate is the world's second-largest microcomputer applications software company. For the nine-month period ended October 31, 1985, the company reported record revenues of \$80.0 million and record net income of \$10.6 million.

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