DIGITAL DIALOGUE

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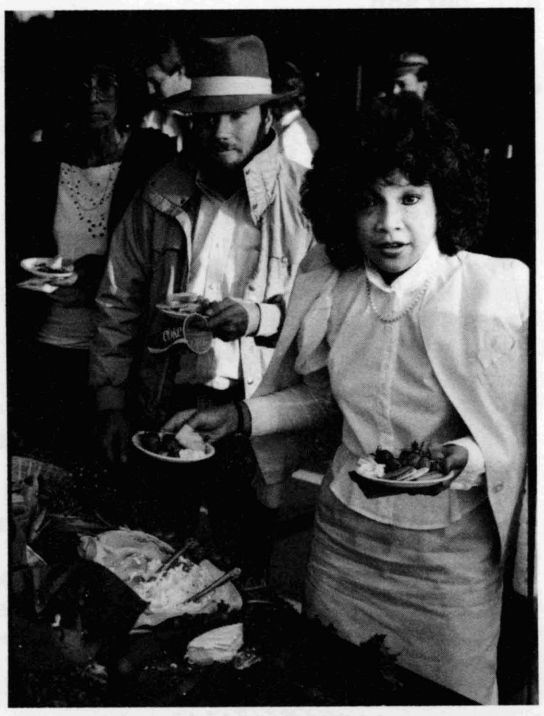
Company wraps up relocation



Annual Meeting

Employees at the Digital Research Annual Meeting in September heard President John Rowley review Fiscal Year 1984 and preview the company's objectives for Fiscal Year 1985. The report was followed by a skit centered around patients of Dr. Logo, a Drew Newton Slide Show and refreshments on the terraces.

Employees come 'home' from all over Peninsula

We've heard about it for months. We've waited, albeit impatiently. And now, at last, the time has arrived.

Digital Research is nearing the end of its year-long move to Garden Court.

Final preparations have been made for Finance and Administration staff to occupy Building C, a two story structure that also houses the computer facilities on the first floor. The F & A division is being moved in bits and pieces, but, relocation will be completed by the end of October.

The man responsible for the smooth, if somewhat prolonged, transition is Mark Staggs, manager of Facilities, who has worked under deadline to complete the relocation in an orderly and cost-effective manner. Mark acted swiftly to, as he fondly says, "close deals."

According to Mark, "Anyone can open a deal, but the real test is closing."

Mark wheeled and dealed to secure favorable contracts for Digital Research. He completed complex leasing arrangements involving five buildings. The result: Digital Research can leave behind problems associated with cramped quarters.

"The Manufacturing team was

see Garden Court, page 3

Halloween Party

Oct. 27

Hyatt Regency

StarLink™ gets big boost through Northern Telecom

These days Jim Solomon is walking tall. The Chicago-based sales rep has good reason to.

Jim played a central role in securing what has become the largest contract in the history of Digital Research. Briefly, he entered Digital Research into a long-term arrangement with Northern Telecom.

As a result, Northern Telecom announced in mid-September that it is bundling Digital Research's StarLink and Northern Telecom's Displayphone. Up to four Displayphones may be linked to a personal computer outfitted with StarLink. One user can perform communications procedures at the same time another user runs an accounting package.

The Displayphone combines a terminal and modem into a piece of hardware no larger than a toolbox. The package is sold through Northern Telecom's national accounts team.

The multimillion dollar deal involved months of patient prodding and sales savvy on the part of Jim, who has been with Digital Research about one year. Dave Smoot, director of central operations based in Chicago, explained that Jim pried open a window of opportunity that gives the company a stronger handhold in the communications industry.

"The feat was incredible in such a short period of time," said Dave. "These kinds of contracts usually take years to culminate. Backed by stong support from corporate headquarters and a solid product strategy, Jim completed negotiations in nine months."

See Contract, page 7

This hobby has Heidi jumping for joy

Heidi McRae leads a dual life. By day she plunges head first into the world of marketing as coordinator of advertising for Digital Research.

By night and on weekends Heidi shucks her corporate garb and slips into her duds. Then she visits a world where she is master of the ring. On a 10-acre ranch between Monterey and Salinas, Heidi leads her second life as horse trainer, rider and teacher par excellence.

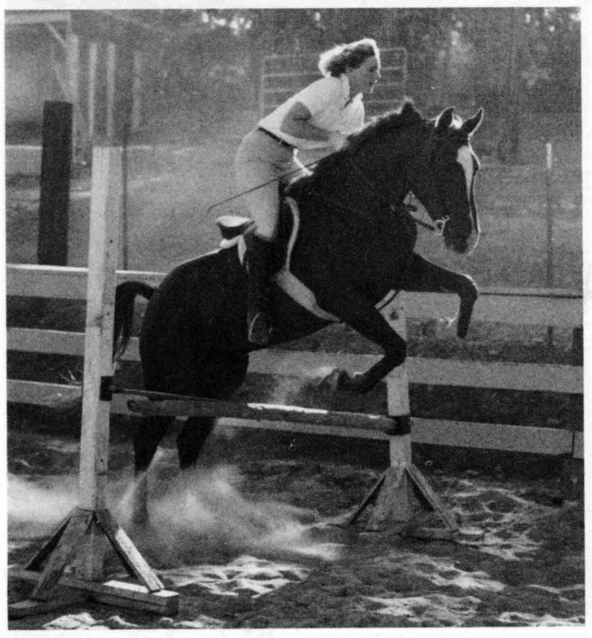
As Heidi explained, "I can never remember not knowing how to ride. My grandfather put me on a horse when I was two years old, and I've been riding ever since."

During the following 23 years Heidi has accumulated impressive credits inside and and outside the riding ring.

Outside the ring, she has earned the reputation as an efficient and talented caretaker of advertising programs. Shortly after she was hired in February, Heidi started a cooperative advertising program between Digital Research and its dealers. She now coordinates the company's advertising budget and -- her latest accomplishment -- placed an ad for Presentation Master on the inside cover of InfoWorld.

Inside the ring, Heidi's accomplishments with horsemanship began accumulating when she was no taller than the nape of a newborn filly. At 10, she won the team roping competition of the annual Junior Rodeo in Salinas. In those days Heidi formed a respected twosome with her grandfather, who encouraged the youngster to participate on the rodeo

see Horses, page 7



Heidi McRae teaches a young horse how to jump for competition.

Marketing gets ready for blitz at COMDEX

Digital Research is gearing up for a big splash at the COMDEX/-Fall '84 trade show, Las Vegas, Nov. 14 through 18.

Show fever typically reaches its peak a few weeks before the event. However, field sales personnel along with folks from field support and product marketing have spent months setting the stage for the Digital Research invasion of Las Vegas. They have been assisted by Lee Ure, trade show coordinator, and Connie Maysonave, trade show consultant,

"COMDEX/Fall is one of the largest trade shows of the year," said Judy Mervis who, as director of Corporate Communications, manages trade show responsibilities. "Vendors from around the world participate in COMDEX/Fall. It's an opportunity for us to showcase our dealer programs, new products and latest technology."

The marketing, engineering and sales staffs are particularly enthusiastic about the show of products for COMDEX/Fall. After a year of building and revising the product line, Digital Research plans to unveil a new line of software for the emerging generation of microcomputers.

Impressive displays are planned for hardware solutions (StarLink, Presentation Master)™, Concurrent™ DOS and a line of graphics products. As usual, Digital Research will host a press and customer breakfast to introduce the company's latest products and strategies.

Lee Ure, trade show coordinator, left, and Judy Mervis, director of Corporate Communications, have started packing the legendary trade show trunk for COMDEX/Fall'84.

Traditionally, COMDEX was offered for the benefit of dealers (COMputer DEalers EXposition). With more than 100,000 attendees, however, you can bet not all of the on-lookers work at retail stores. A fair number of visitors hail from high tech companies who want a look-see at new products and competition.

"COMDEX/Fall serves as a forum for establishing and reaffirming business relationships," said Judy. "We are letting our customers know that we are alive and well."

Community relations program provides help to local groups

Digital Research has grown into an international corporation but has not forgotten its roots. Here on the Monterey Peninisula, the company extends a helping hand to many organizations and groups.

The program, administered by Founder Dorothy McEwen and Administrative Assistant Nancy Beaton, began about 18 months ago. Since then, Digital Research has contributed to hundreds of community groups.

"We are interested in helping our community," Nancy said. "One of the ways we can do that is by supporting meaningful events and organizations."

Seldom do donations reap obvious public relations rewards, Nancy explained, mostly because we choose a low key approach for this program. Simply, donations are provided for the good of the community.

For instance, Digital Research has helped prop up the financially troubled California Repertory Theatre in Monterey with a contribution of $1000. Digital Research employees in groups of at least 15 people may attend performances at discount rates.

The California International Air Show in Salinas also was placed on the receiving end of Nancy's good judgement. The show organizers were sent $3,300 to help meet expenses of the annual event. From gate receipts, the show repays the full amount in the form of donations to organizations specified by Digital Research.

"We try to make donations to groups located on the Monterey Peninsula," Nancy said. "It's our way of showing our appreciation of this community and helps us contribute to the quality of life here."

Recently, Digital Research sponsored an advertisement on radio station KOCN warning motorists to watch out for children on bicycles.

Among the beneficiaries of Digital Research's community involvement in September: A local chapter of the Boys Club received $600, Federation of the Blind was sent $100, and Small World Children's Center in Pacific Grove was provided $250.

"We particularly like to help those organizations and events in which Digital Research people are involved," Nancy said.

Company donations to Peninsula organizations are coordinated by Nancy Beaton, administrative assistant in F&A.

Have a question?

Editor's note: The Q&A column will be a regular feature of Digital Dialogue. It is a forum to have your questions answered by management. If there is something specific you would like to know, submit your question(s) to Marie Hesling at Mail Stop 15 (soon to be C2E). She will solicit a response from the appropriate person.

What is the plan for completion of Building C?

According to Stan McKee, Building C will be completed in October. It will be ready for occupancy according to the following schedule:

Week of Oct. 15 -- Corporate Administration, Personnel, Legal, Order Processing

Week of Oct. 22 -- Accounting

Week of Oct. 29 -- Technical Publications

All departments should be moved by Nov. 1.

What are the criteria for reinstating vacation accruals?

Said John Rowley, "We are looking for two consecutive quarters with a strong financial performance. Q4FY84 is one quarter, so now all we need to do is bring in a strong Q1FY85. Let's all work together as a team to make it happen!

Can I use the VAX if I want to?

Yes. All Digital Research employees can use the VAX but first they need an account. Due to current limited space, all users must be able to show good reason as to why they need the account. For instance: for engineering development, applications or using electronic mail. Michelle Hixon in Data Processing can set up an account on any of the VAXes.

For those employees who are located in field offices, we are now connected to GTE Telenet. What this means is an employee who has a terminal and modem can dial in from any field office and connect with the VAXes in the Monterey home office. To set up an account, request VAX/VMS documentation. For information on GTE Telenet, call Michelle at 646-6461.

Can I use CompuServe or THE SOURCE from any desktop computer?

Yes, as long as you use a modem. But you must pay an initial subscription fee as well as a fee for connect time. Additionally, you will be billed at long distance rates for each call to the service. Also, a minimum service charge is billed by the service each month. Do not assume Digital Research will pay for the subscription. Check with your department manager for authorization.

What will happen to the building at 160 Central once Digital Research has vacated it?

According to Stan McKee, plans have been made to lease the site.

When can we expect stock option offers to be mailed this year?

The stock option grant procedure follows a standard aproval cycle culminating with review by the Board of Directors. Grants should be issued somewhat earlier this year than they were last year, with November as the target date.

Manufacturing plans move to Salinas

So long, Ice House. Hello, Salinas. Digital Research has found a new home for the Manufacturing arm of the company. By the beginning of December, all of Manufacturing's troops hope to be relocated in Salinas.

Lance Houseman, packaging supervisor, explains:

"We didn't want to wait until a crunch forced us into moving."

According to Frank Herold, materials manger, "Scheduling, controlling and the daily management of the operation are going to be significantly easier."

The entire Manufacturing staff have been frustrated by lack of space ever since Digital Research entered the market for hardware and software combinations. No one needs to be told that a box full of parts requires more room than a diskette.

The new Manufacturing facility is located south of Salinas at 1441 Schilling, off Abbott Street. It provides some 60,000 square feet for storage and assembly -- three times that of the Ice House.

"We've known for a long time that we needed to move into a larger facility," Lance explained. "We were completing paperwork to acquire a larger site when we entered the market for hardware add-ons."

The Digital Research Gold Card, Digital Research's first hardware add-on introduced in late 1983, precipitated the move to Salinas. The foot-long boards required large sturdy boxes to protect against damage during shipment and handling. Each box is stuffed with Styrofoam popcorn, which had to be stored in large quantities.

"The Digital Research Gold Card was a learning experience for us," Lance admitted.

All of the styrofoam, boxes and cards could not be squeezed into the overloaded Ice House. Besides, security for the expensive hardware became an issue. Finished and unfinished goods needed to be stored in a locked and guarded warehouse.

Then came Presentation Master and StarLink. Both products cost several times that of a Digital Research Gold Card. Both required more space per package than other products made. Greg Walberg, director of Manufacturing, was confronted by the increasing demand for both products, StarLink in particular.

Greg worked out some stopgap measures. A night watchman was hired to stand guard over products that filled the rafters and spilled out onto the docks at the Ice House.

A secondary assembly line was established in a warehouse across the street from the Ice House. Storage space for parts was rented in locations throughout the Monterey County. Components were kept in five warehouses, one as far away as Castroville.

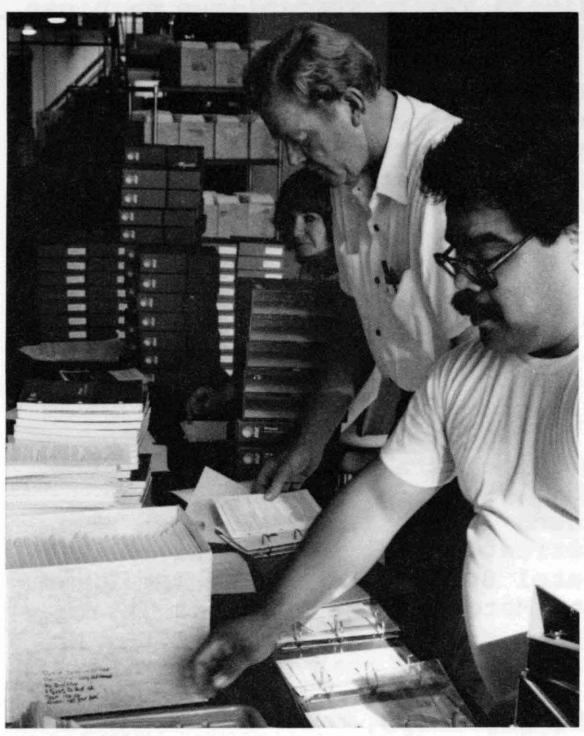
"Rented storage space increased the cost of finished goods," Greg said.

The inconvenience of traveling to and from rented space lengthened turn-around. Since parts were not stocked close at hand, products were assembled as orders arrived.

Now, parts and finished goods may be kept under the same roof. Products can be assembled before orders are booked. Turn-around times are expected to decrease from an average of four days to one, Greg said.

And there's additional benefit for the men and women on the assembly line. Said Lance, "Now we won't have to move palettes just to reach the bathrooms."

Getting from one point to another at the Ice House often has required moving a pallet or two from your path, as Orlando Williams demonstrates.



Rick Avellino, front, Dean Houston and Anne Dawes package DR Graph software into AT&T boxes. The software was part of a larger software order by AT&T, including graphics and languages.

Garden Court

from page 1

limited by its lack of space and the inability to store inventory," Mark explained. "The company as a whole was hindered by the difficulty of communicating among several different buildings located miles apart."

During the peak of its growth in 1983, Digital Research occupied 10 buildings throughout the Monterey Peninsula. The megadeal relocated Digital Research headquarters into three adjacent buildings at 60 Garden Court. Administrative Services and Facilities occupy an annex, a fourth building. And Manufacturing was provided a 60,000 square foot building in Salinas (see related story).

The movement of people and equipment required deft management on Mark's part. Departments were shuffled among an increasingly smaller number of buildings as leases expired.

"We tried to manage expenses as closely as possible," Mark explained. "There was no need to rush into the new facilities until the contracts expired and new leases commenced.

Construction crews at Garden Court put the finishing touches on one section at a time as Mark coordinated completion of each section with the relocation of departments.

At last, Digital Dialogue can provide a detailed list of locations for all departments. Getting the list required a bit of cajoling and some inside help from Marianne Brown, Mark's efficient secretary. Marianne has kept accurate records of Digital Research's migration and the day-to-day activities of her fleet-footed boss.

Here is a rundown on the location of departments:

Where departments are located at Garden Court

Building A

Support Services, first floor east
Quality Assurance, first floor west
Retail Marketing, third floor east
Retail Merchandising, third floor east
Graphics Marketing, third floor east
Hardware Marketing, third floor east
Corporate Communciations, third floor east
Operating Systems Marketing, third floor east

Building B

Graphics, first floor north
Special Projects, first floor sourth
Hardware Engineering, first floor south
Languages, second floor north
Operating Systems, second floor south
Documentation, entire third floor

Building C

Corporate Administration, second floor east
Personnel, second floor east
Legal, second floor east
Technical Publications, first floor east
Accounting, first floor east
Data Processing, first floor west

Conversation with the President ...

...on Digital Research and its strategy

During the past year Digital Research has focused on the OEM and retail markets. The year of transition culminated with a reorganization of the company into functional groups -- world trade, marketing, engineering, and finance and administration. In this conversation with Digital Dialogue, President John Rowley talks about the past year, changes within the organization and how trends in the industry affect Digital Research.

During 1984 Digital Research has experienced slower growth than in previous years and even some cutbacks in the company. How long do you expect that trend to continue?

There will be no further reorganization similar to that in early August. We have neared the end of trimming, and no more cutbacks are pending. The process of streamlining is an on-going job, however, and each division may find ways to improve efficiency. Employees with concerns about the direction of the company are welcomed to approach any level of management for answers to their questions.

How will the reorganization into four functional groups -- World Trade, Finance and Administration, Marketing and Engineering -- help you manage the company?

First, it allows me to focus on the business. The company is concentrating on being the best in a few areas rather than competing in many divergent fields.

Also, the reorganization helps me delegate responsibility with greater accountability than ever before. Since I have fewer people reporting to me, I can spend more time with each of them and devote more attention to each area.

Communication has already improved dramatically between myself and the divisional managers. Over the course of the year, communications should improve throughout all levels of the company.

How is Digital Research's business doing?

We are beginning to see a payback in the year-long transition from our traditional CP/M products to more competitive DOS and UNIX products. Our efforts will bear substantial fruit during the first quarter of fiscal year 1985.

The fourth quarter of fiscal year 1984 ranked as the second most profitable quarter in the history of Digital Research, behind the fourth quarter of 1983. Income was comprised mostly of revenue to OEM customers. Revenue also resulted from a new area of business involving long-term relationships with companies such as Atari, Northern Telecommunications and ICL.

The trend toward increased profitability must continue so Digital Research can provide greater job security for everyone within the company. Until then, we will stay on a path of fiscal moderation.

Could you elaborate on the strategic account alliances?

Several major OEMs around the world fall into a second tier of companies right below IBM and AT&T. In terms of size, their revenues usually fall between $3 billion and $10 billion a year. About 30 of these companies exist worldwide, and they are migrating their product lines into the microcomputer arena.

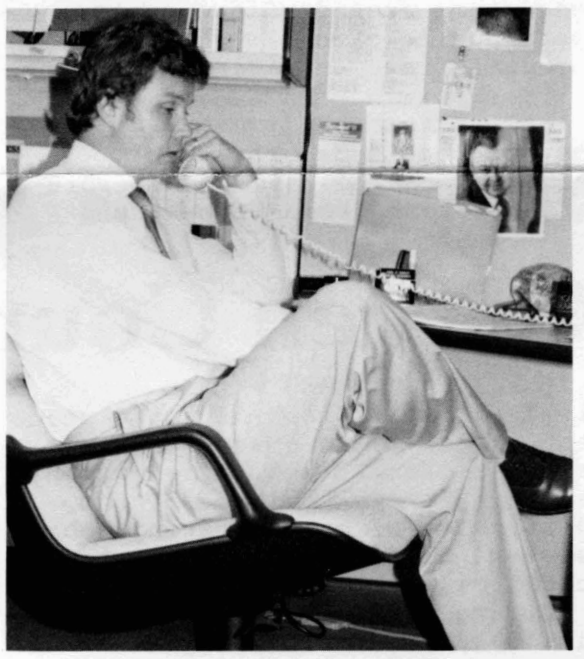
The companies realize they can't be successful producing just another personal computer. They have opted to form a partnership with the strongest independent supplier of systems software, which turns out to be Digital Research.

OEMs are commiting significant funds for development of many products on a long term schedule. Not surprisingly, operating systems, languages and graphics are the products most in demand by OEMs.

How did 1984 revenues compare with previous years?

Last year, the fourth quarter total was more than $13 million. This year we closed the fourth quarter at more than $17 million. Year-to-date, our revenues were about 55 million compared to $37 million in 1983 -- a respectable growth rate of 49 percent.

The company experienced compression on profit, as predicted, primarily because we were investing heavily in developing our product line. Development -- as measured in number of products -- hit an all-time high. Revenue from these new products is expected to bear fruit in fiscal '85.



How closely did we come to meeting our projections for FY84?

Our first projections were optimistic. We projected revenues almost double those of 1983. The shortfalls occurred primarily in the retail business market.

Original forecasts had expected retail business to account for more than one fourth of our revenues. Actual retail sales were 60 percent of the anticipated level.

The picture has changed now. We have two strong retail products in Presentation Master and StarLink. Other products, especially some in the graphics field, are emerging. Our entire line of products has undergone a metamorphosis during the past year. We are not the same company we were 12 months ago, and that is good news for our retail sales team.

What are the expectations of growth for Digital Research during the next few years?

We will continue to grow but at a slower rate than in the past, probably 30 to 35 percent per year. That rate is consistent with the systems software industry as a whole. We are in a leadership position today and will continue to hold a leadership share of the market.

Any growth above and beyond the projected rate will come from the introduction of commercial user solutions such as Starlink, Presentation Master and graphics products. Depending on our success in this market, the company may grow substantially more than predicted.

Where are we going with commercial applications?

Digital Research can be successful in the end user markets by focusing on emerging markets where we have a distinct competitive advantage.

Digital Research is focusing on the high end of the commmercial systems market and closely associated retail markets, including operating systems, languages, graphics and products such as StarLink and Presentation Master. Meanwhile, consumer markets will be reached through our OEM customers such as Atari.

Are we anticipating a strong market for graphics products in 1985?

Absolutely. The emergence of graphics-based applications ranks in significance with the changeover from an 8-bit to 16-bit market.

What are the trends in the industry, and how do they affect Digital Research?

First, the most significant trend in the industry is the gradual migration of the personal computer marketplace into what I call "applied microcomputers." General purpose computers are giving way to specialized machines which can perform general chores.

The IBM 3270 Personal Computer, an independent workstation that may be connected to a mainframe, was one of the first applied microcomputers. Others types now offered may be used for transaction processing, banking telestations and the integration of telephony and microprocessors. Digital Research provides the kind of systems software applicable to a variety of applied microcomputers.

Secondly, micrcomputers are undergoing a transition from the Intel 8086 chip architecture found in the IBM PC to more sophisticated designs such as the Intel 80286 used in the IBM PC/AT and Motorola MC68000 used in the Apple Macintosh. During 1985, we will see the rush of design activity for Concurrent DOS used on the new chips.

Third, systems software for new chips is more complex than ever. For example, the advent of the IBM PC/AT gave an official blessing to multitasking and a standard network architecture.

The acceptance of multitasking and networking has strengthened Digital Research's fundemental position. We spent the last two years developing technology suited to the emerging generation of microcomputers. We are firmly planted in the new market since no other independent company has devoted itself to building such products.

Fourth, pioneering work in graphics, first accomplished by Apple, is opening new opportunities. Digital Research is in a leadership role with similar graphics technology. Expect the graphics-based market to emerge in 1985 and mature during 1986 and 1987.

Security is an issue for all employees

By Tony Lopez

"Now, more than ever, it is the responsibility of each Digital Research employee to help protect personal and company property. During this time of construction and reorganization, each employee should be more conscious of possible security problems on a daily basis."

This is the advice of Pauline Collard, manager of the Administrative Services Department. Pauline has the responsibility of establishing as well as implementing a Digital Research security policy.

Digital Research security policy always has been that the company is not responsible for personal property that is stolen or damaged. With the cooperation of all employees, security problems can be kept to a minimum.

Each employee has been issued a burgundy and grey identification badge that has a personal photograph. All employees are encouraged to wear their badges while on company property.

Theresa Seidel designed the badge and Cynthia Barnes helped with the artwork. Theresa painstakingly developed the badge design after accumulating examples from several different companies. She then supervised the production of the badges.

Intitially, Administrative Services issued badges to each department by appointment. New employees are now processed for badges during their entrance orientation.

Under the proposed new security policy, management will be asked to be responsible for controling their own particular work areas. Employees must report any situations that may endanger personal or company property. They also will be responsible for securing all areas before and after regular business hours.

During non-business hours, security guards patrol all company buildings. Guards are requesting identification from employees entering and exiting company property. Thus, it has become increasingly important to wear your badge for identification.

As security receptionist, Julie Rodewald was responsible for issuing badges and monitoring visitors during working hours. Julie has been instrumental in drafting and enforcing proposed policies.

"Although Julie has been transfered to another position, the security measures implemented to date will be on-line," Pauline says. "Please bring to my attention any potential security problems and please take all personal property with you when you go home for the evening or on weekends."

Theresa Seidel, secretary in Manufacturing, designed the employee badge for Digital Research after studying tags from several different companies.

Softball teams finish fourth, fifth in league

Although neither of Digital Research's softball teams placed on top of their divisions in city league, some impressive performances were chalked up by players on The DREGs and Wally World.

Wally World finished the season in fourth place with a record of 4-6-1. Greg Walberg, team captain, had only one thing to say about the season: "Disappointing. We played in the competitive 'A"' Division of the league."

Greg's .441 batting average placed him tops among hitters for Wally World. He batted in 16 RBIs on 15 hits. Second to Greg was Gary Knott with a batting average of .419 and 10 RBIs. (Gary does not work for Digital Research but has played softball with Greg in other leagues.)

"We're looking forward to winter league," Greg said.

The DREGs finished fifth in the B-2 division with an 8-5 record. Gary Gysin wielded the biggest bat. He slammed 22 hits, 12 RBIs and four triples, and he concluded the season with a .733 batting average.

Second strongest hitter for the DREGs was David Scott with a .641 batting average, 25 hits and nine RBIs. Hal Steger placed third with a batting average of .521. He had 25 hits and 11 RBIs.

Note from Greg Walberg about Wally World: "The batting averages are a little bit low because of the quality of the players in the A League. In B League, the averages would be at least 200 points higher."

Subsequent note from Hal Steger about The DREGS: "The batting averages are low because of the quality of the players in the B League. In A League, the averages would be at least 300 points higher."

Note from the Editor: If you are wondering why the batting averages are so HIGH for both teams, batters are pitched to by members of their own team.

Batting averages

Wally World

	Average	Hits	RBIs	Doubles	Triples	HRs
Greg Walberg	.441	15	16	7	1	0
Gary Knott	.419	13	10	2	3	0
Rene Ramon	.400	12	6	2	0	1
George Chisolm	.375	12	3	1	3	0
Greg Tarola	.375	12	2	1	0	0
Mark Borofka	.344	11	7	2	0	0
Dan Jones	.263	10	1	0	0	0
Peter Bratton	.259	7	4	1	0	0
Mark Staggs	.233	7	3	1	1	0
Dave Borofka	.214	6	3	0	0	0

The DREGS

	Average	Hits	RBIs	Doubles	Triples	HRs
Gary Gysin	.733	22	12	4	1	1
David Scott	.641	25	9	0	1	0
Hal Steger	.521	25	11	3	1	0
Larry Towner	.500	20	5	1	4	0
Geoff Nicholls	.500	4	1	2	0	0
Bill Hertzing	.458	11	2	2	0	0
Mike Bailey	.457	21	12	2	0	1
Steve D'Annolfo	.450	9	2	1	0	0
Tom Saulpaugh	.419	13	9	1	1	2
Tom Mason	.372	16	3	1	0	0
Dave Beeman	.353	12	4	1	0	0
Chuck Carroll	.333	6	2	1	1	0

Out to lunch

By Susan Mullins

Where can I go for lunch today? I'm tired of sandwiches!

Where can I sit outside and enjoy some of this wonderful fall weather?

One of the Peninsula's newest offerings is the Monterey Market-Place, located behind Swensen's on Munras, where the Oz used to be. It is centrally located, just five to 10 minutes from Garden Court, and the perfect place to meet someone still working at the Central Avenue buildings.

Be aware that parking can be a problem between noon and 1 p.m. We parked at a neighboring hotel!

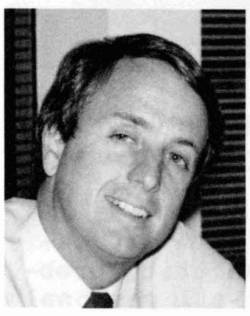
You can go as light or as heavy as your appetite dictates. The menu of regulars has a great variety, especially when it comes to salads, as well as the "special board." If you feel creative, you can visit the board and build a salad, a burrito or a burger!

Open and airy, the MarketPlace is relaxing -- without being too subdued -- with good food and service. Suits most budgets, too!

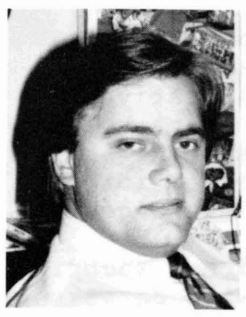
New vice presidents, managers announced

John Hiles, chief engineering officer, and **Dr. Fred Cutler**, director of marketing, have been promoted to the level of vice president of their divisions.

As vice president of engineering, John oversees the development of all commercial and retail products. The promotion came less than six months after John joined the company as chief engineering officer. He formerly worked as director of product development for Mead Data General, an Ohio-based company that provides on line informational services.



As vice president of marketing, Fred is responsible for all marketing and public relations. Reporting to him are product marketing managers, retail marketing specialists and Corporate Communications staff. Fred arrived at Digital Research in late 1983 as director of marketing for the Consumer Products Division. He was formerly the vice president of marketing for Mattel Electronics.



Meanwhile, **Don Glidewell** has been hired as budget manager. He is developing cash flow projections on a weekly and monthly cycle.

Further, Don intends to develop cost analysis to enable managers to project the costs of engineering contracts.

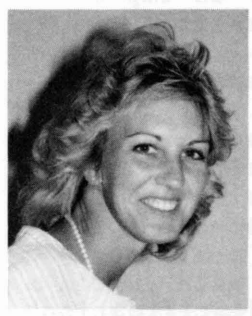
For the past five years, Don was a management advisory specialist for Brandon & Tibbs Accountants, a regional CPA firm in Monterey. Among his other duties were loan negotiations, forecasting, implementation of accounting systems and preparation of financial statements.

Don has taught accounting seminars for the local chapter of the Savings and Loan Association. He received a bachelor's degree in accounting from Arizona State University.

Richard Bennett, a specialist in operating systems and languages, has been hired as product manager of CBASIC®. Richard oversees the development of CBASIC for different microprocessors and computers.

The product manager came to Digital Research from Eaton Microlithography, a manufacturer of wafer fab instrumentation where he developed software for real-time processor control.

Richard also has worked as a project manager at Zilog, senior software engineer at Atari and research scientist at Lockheed. He earned a bachelor's degree and master's degree in electrical engineering from the Massachusetts Institute of Technology.



In the Publications Productions Department, **Becky Jones** was named editorial services manager. Becky oversees a group of six editors working on a variety of documentation from Concurrent PC-DOS to Digital Research FORTRAN 77.

Becky is a familiar face at Digital Research. She was hired in 1982 as an administrative assistant to President John Rowley. Later, she was named a consumer marketing specialist for Dr. Logo™.

Becky's new position was vacated by Suzanne Ferry, who accepted the job of documentation development manager at the Austin Development Center.

People in the News

Barbara O'Donnell of the Palo Alto office and **Bruce Cohen** of the Boston office ran in the San Francisco marathon in August.

If you are willing to represent Digital Research as a speaker at meetings of local user's groups, please contact **Nan Borreson.**

Sally Sawyer of the Chicago office was married in August.

Dan Simchuk reports that **Allan and Yolanda Valvano** (Allan is at the New Jersey branch) are the proud parents of yet another junior techie -- Joshua David. Keep watching this section for the continuing saga of how our group keeps growing, even without "approved requisitions."

Pete Gallanis became a TV star on a Chicago channel when he demonstrated numerous Digital Research products during a 2-hour broadcast this summer.

Joe Byrd, Joe Guzaitis, Jim Needham, Phil Balma and Kevin Wandryk are jointly writing a textbook on Concurrent PC-DOS version 3.2 The 250-page text which will be published by Prentice Hall in early 1985, is aimed at potential users to help them decide if they wish to purchase the system.

Margaret Munn married **Dan Davis** (former employee) on July 14. Went to Singapore, Hong Kong and Hawaii for their honeymoon. (Is this the first Dig' marriage?)

Several employees had babies during spring and the long, hot summer months. If you haven't heard about it before, here are some of the newborns and the proud parents: Matthew and Christopher, sons of Mark and Brenda Duchesne; Oliver, son of David and Emiko Govett; Anthony, son of Peter and Stacy Gallanis; Nick, son of Geoff and Debbie Daniels. What does that do to the male-female ratio?

• • • •

••VAX FACTS••

MOVE

As you are aware, the Data Processing move to 60 Garden Court went off without a hitch. Tom LaFleur, Rob Burton, John Stephens, John Pierce, John Hughes and Mick McGuire were all instrumental in its success. They deserve special thanks for a job well done.

DIAL-IN NUMBERS

Now that Data Processing has moved, the number to the dial-in modem has changed. The new number is 646-9646. If you have any problems dialing in, please contact the HOTLINE via electronic mail or call the HOTLINE at 6399.

GTE TELENET

We are happy to announce that DRI is now connected to GTE Telenet. What this means is that any DRI employee who has a terminal and modem can dial in from home or a DRI field office. Before employees can do this, they must have an account on Mickey, Donald or Scrooge. To acquire an account, request VAX/VMS documentation and/or receive information on how to use Telenet, call Michelle Hixon at (408) 646-6461.

MIS TELEPHONE NUMBERS/LOCATONS.

When Data Processing moved to 60 Garden Court, so did the staff. Harsh Mehra, Michelle Hixon and Patty Weiss are temporarily located in Building B, first floor. Their numbers are: Harsh, ext. 6537, Michelle, ext. 6539 or ext. 6461; and Patty, ext. 6536.

BACKUP SCHEDULE

We have received many requests to publicize our backup schedule for all of the VAXes. It is:

On Monday, Tuesday, Wednesday and Thursday, an incremental backup is performed on Mickey, Donald and Scrooge during the evening hours. We define incremental as a backup of all files modified since the last backup. The latest four weeks of dailies are stored on-site in Wrightline fire-proof safes. Tapes are recycled after being stored for four weeks.

Every Wednesday at noon, we perform special incremental backup of MRPUSER data files on Scrooge. These special noontime incrementals are also stored on-site in the Wrightline fire-proof safes. The tapes are recycled after four weeks.

Every Saturday morning, an incremental backup is performed on Mickey, Donald and Scrooge. Afterwards, a weekly backup is performed for the same VAXes. The definition of a weekly is a backup of all files modified during the last week. We store on-site the latest eight weeks of weeklies in the Wrightline safes. Tapes are recycled after eight weeks.

On the last weekend of the month, a monthly backup is performed on Mickey, Donald and Scrooge. A monthly is a full image of all files. The latest two months are stored on-site in the safes. All other monthlies are stored off-site permanently.

On evenings Monday through Friday, a daily incremental is performed on Pluto. We store on-site the last four weeks of dailies in the safes. Tapes are recycled after four weeks.

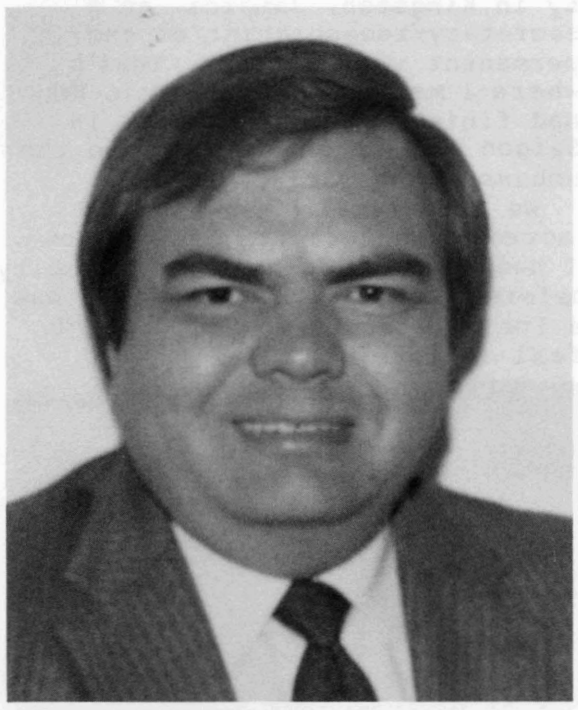
Every weekend, there is a full dump backup of all files on Pluto. These tapes are stored on-site for four weeks and then recycled.

If you have any questions regarding the backup schedules, call the computer room, ext. 6340.

Contract

from page 1

Northern Telecom is the second largest communications company in the United States. The largest, AT&T, also has formed a long term alliance with Digital Research. The two contracts have given



Jim Solomon's persistence helped win over Northern Telecom, which formed a strategic alliance with Digital Research.

salesmen like Jim, as well as the entire company, much cause for celebration.

Jim's smiles are understandable. Consider: the communications industry is expected to become a billion dollar market for microcomputer hardware and software.

"These are the first of many large contracts we expect as a result of our year-long transition from CP/M® to DOS products," Jim said. "We are recongized as the leading independent supplier of systems level products."

Digital Research bellied up to the negotiating table with a plateful of offerings. The mega-deal included systems software, languages and graphics. Moreover, the contract provided funding to accelerate the engineering of new operating systems from Digital Research.

"Both companies intend to combine the fields of communications and microcomputers," Jim said. "One of the ways we are doing that is through Concurrent PC-DOS and StarLink."

StarLink caught the eye of Northern Telecom executives who attended a February demonstration by Jim and Pete Gallanis, the senior technical support specialist for the Chicago office. After hearing about Digital Research's product line, top brass at Northern Telecom saw an unlimited number of ways the two companies could work together.

The reception was much different, albeit cordial, two years ago. According to Dave, at that time Digital Research and Northern Telecom simply did not have complementary products. Digtial Research was a CP/M-based company and Concurrent™ CP/M had just been released, although the idea of multitasking had not taken hold.

Now, multitasking is the rage, especially in light of IBM's Personal Computer/AT. As things stand, Digital Research is the only independent company with a multitasking and multiuser operating system for personal computers.

"Northern Telecom and Digital Research are producing products that complement each other," Dave said. "Both companies place a strong emphasis on communications. We are pleased with this contract and look forward to supplying the software needed for Northern Telecom's next generation of hardware."

Dear Mr. Rowley:

I am writing to thank you for Digital Research's financial support of the Resource Center for Women.

Your contribution enables the Resource Center to provide these essential community services without government funding of any kind.

Very truly yours,
Noel Fenton, chairman
Business Advisory Committee
Resource Center for Women
Palo Alto, Calif.

Dear John:

I am writing to thank you and all of your team for the outstanding job you did in the last quarter of the year for Digital Research. I hope you will communicate to everyone my congratulations on a temendous finish for the year.

Sincerely yours,
Jacqueline C. Morby
TA Associates
Boston, Mass.

Halloween bash set for Oct. 27

Break out the masks, make-up and costumes. It's time for Digital Research's Halloween bash. The folks in the Personnel Department have organized the annual event, complete with the Cheeky Spanks Band, food and refreshments, at the Hyatt Regency Main Ballroom, Saturday, Oct. 27, 8 p.m. to 1 a.m. Reservations must be made by calling Personnel, ext. 6003. If tradition is any indication, you can expect some of the weirdest outfits worn by two-legged beings. (Witness the photo from last year's event.) Awards will be given to favorite creatures of the night. Don't miss it.

DIGITAL DIALOGUE

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Horses

from page 1

circuit and passed along his years of horse wisdom.

"He taught me everything I know about horses," Heidi conceded.

By the time she was 12, Heidi was confident enough to enter the Grand Nationals at the Cow Palace. Her years of understudy paid off when she took home a large trophy for winning the all-around competition, Battle of the Breeds.

As a teen-ager Heidi's interest in rodeo competition waned although she retained her interest in the equestrian art. She rode for a hobby and studied the finer points of riding etiquette. For a time she studied under a German master of dressage riding.

For the rest of her high school and college career, Heidi fine-tuned her ability to ride thoroughbreds. She learned a thing or two about training as well, managing seven horses in as many years.

"It's just like training an athlete," explained Heidi, who during the past several years has trained two horses to jump. "You act as a coach. It usually takes about one and a half years for the animal to become a pleasure riding horse."

There is another, equally important, aspect to horse training: the rider. And for the past four years Heidi has become a respected instructor. Two youngsters currently are under her tutelage.

"Teaching students is the most rewarding aspect of my hobby. It's relaxing and fun to watch them become better. It gives them a sense of responsibility and self-worth."

Employees who came from foreign lands

"What brought you to Digital Research?" Digital Dialogue asks four staff members.

They come from different countries. They speak different languages (besides computerese). Most are technical specialists in one aspect of microcomputers or another. And each shares at least two common traits -- they live thousands of miles away from their homeland and work for Digital Research.

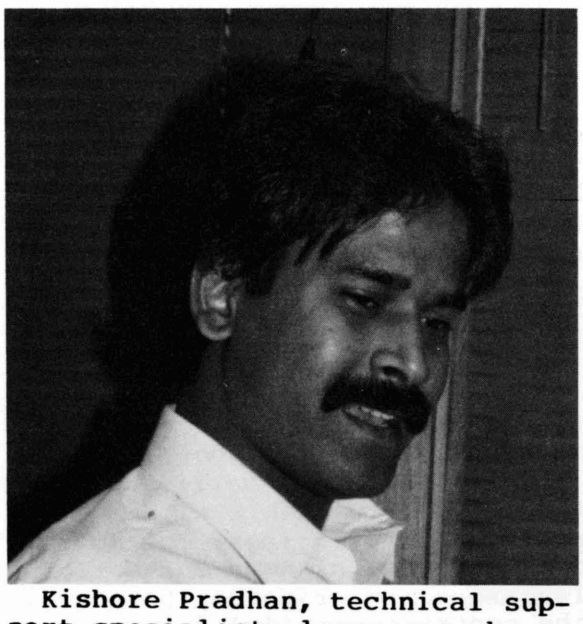
Digital Dialogue has interviewed employees who were born outside the United States and who have settled on the Monterey Peninsula. Here are their stories:

Beverly Wang, systems software engineer, operating systems:

"My father followed Chaing Kai-Shek to Taiwan in 1949 when I was less than a year old. I received my bachelor's degree in English literature at Providence College, a Catholic university in Taiwan. Then I felt like traveling, so I attended Pittsburg State University, Kans.

Eventually, I graduated with a master's degree in business. Since there are few jobs in Pittsburg, Kans. -- it is a university town -- I visited a friend in Half Moon Bay where I was hired as an accountant for a small company in Belmont.

Four years ago I applied to Digital Research as a production assistant and helped duplicate diskettes. At the same time I took programming classes at Monterey Peninsula College. After taking several classes, I transferred to the Data Processing Department and worked with the VAX. Eventually I wrote programs for different departments -- Accounting, Legal Services and others."



Kishore Pradhan, technical support specialist, languages, born and raised in India:

"In 1979 I graduated from the University of Calcutta. Although my major was chemistry, I became more interested in computers.

Indian colleges offered few computer courses, so I decided to visit my cousin who lived in San Jose. After arriving, I accepted a job as technician at Electro Service Corp. in San Mateo. The company acted as the government agent for FCC and UL approval of new electronic goods.

Meanwhile, I attended night school at a technical college for a degree in computer science. When I finished school in 1983, I applied for a position in Technical Support Services at Digital Research. Initially, I helped support 8-bit operating systems. Now I provide technical assistance FORTRAN -77 and PL/I™.

Dorothy Garcia, senior secretary, Documentation, born and raised in Jamaica:

After I received a degree in secretarial science from a commercial college in Jamaica, one of my teachers recommended me for a position at the American embassy in Kingston. At that time I was painfully shy. Being forced to work with the public brought me out of my shell.

I worked at the American embassy in Kingston, Jamaica, as a secretary/receptionist of the permanent visa section. That's where I met my husband, Ron. He had finished a tour of duty in Saigon and was transferred to the embassy as a marine guard.

We were married in 1970 and moved to Monterey, Ron's home town. I had never even heard of the city before. Although the Peninsula was a lot quieter than Kingston, I fell in love with the place."

John Yu, engineering manager, Languages:

"When I was seven years old, the Communists took over China. My family was one step ahead of the Communists and escaped to Hong Kong, where I stayed for six years before we traveled to Taiwan.

When it was time for me to apply to college, I sent my applications to National Taiwan University. Each year about 70,000 or 80,000 people apply, and they only accept about 800 students. I was one of the lucky ones.

After I graduated with a degree in electrical engineering, I served a year in the Taiwan navy. Then I attended the University of California at Berkeley for my master's degree in applied statistics and electrical engineering. I stayed in Berkeley for about five years.

Before I came to work for Digital Research, I worked for three years as director of data communications at Olivetti. Every six weeks I traveled to Italy for staff meetings and some Italian food along the way. Now I can go into the best Italian restaurants and order in their native tongue."

Concurrent PC-DOS can save YOU time

Every so often come a deal too good to pass up.

Case in point: Employees can get a complimentary copy of Digital Research's latest and greatest product, Concurrent PC-DOS, for their office microcomputer. they can see for themselves what all the raving is about.

"I'll help them set it up on their microcomputer," said Hal Steger, product line manager for the product. "Concurrent PC-DOS can be a real time saver for employees who use an IBM PC or compatible computer. Besides, this is an opportunity to become familiar with our products while being more productive."

The operating system represents a distinct departure from any other operating system produced thus far by Digital Research.

For starters, users are presented with a menu of selections -- no more cryptic commands.

Want to rename a file? Just place the pointer at the appropriate selection and hit the return key. Interested in formatting a diskette? Just move the arrow.

Multitasking is the product's single most important feature. Simply stated, no other significant product brings multitasking to the world of PC-DOS applications.

How can the operating system help in the office? Those whose jobs require word processing can print one document at the same time they type another.

And what about that hefty Rolodex file sitting on your desk? Concurrent PC-DOS lets you put that information into an electronic file that may be called on at any time and sorted instantaneously by name and number.

Interested in sending information over a phone to a modem? Concurrent PC-DOS provides DR Talk, which allows you to send and receive files among other employees -- or communicate with data base services.

"It would take pages to talk about all the benefits of Concurrent PC-DOS," Hal concluded. "We suggest you get it and use it in your every day work. You'll be glad you did."

Hal's extension is 6540.