



SPECTRUM

1988 Managers Meeting: The Outlook Is Good

EDI And Logistics:
Taking The Lead
In An Emerging Market (pg. 7)

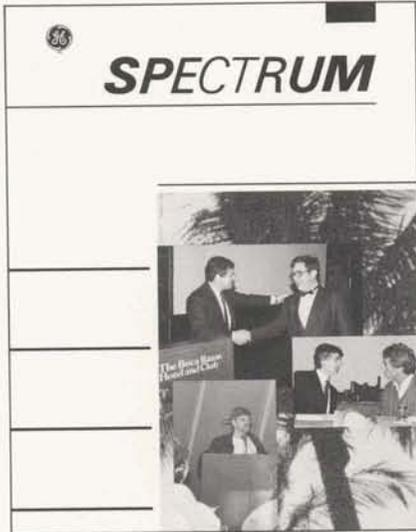
Charting New Waters:
The Transtema Story (pg. 11)

A Bow And A Handshake:
Doing Business In Japan (pg. 16)

*Sales successes and business
strategies were central themes
at Boca Raton meeting. ►*



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At the 1988 Managers Meeting, people from throughout the company exchanged views about the year just past and plans for the year ahead. On the cover, Tony Craig presents a President's Award to Andre Boico for his leadership in SDC support of banking in France; Danny Schultz, Northern Operations and Distributors, talks with Russell Murray, Asia-Pacific Affiliates Operations; and John Sidgmore gets his U.S. sales meeting off to a rousing start in the spirit of rock and roll singer Bruce Springsteen's "Born In The U.S.A."

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GE Information Services

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1988 MANAGERS MEETING: THE OUTLOOK IS GOOD

For the 1988 Managers Meeting in Boca Raton, the weather was bleak but the business forecast was bright. The 1987 numbers were in and they were good. All indicators for 1988 point to a year of significant growth. The U.S. sales force, who had gone to the 1987 meeting feeling like the company albatross, had a spring in their steps: they made—no beat—their numbers.

The business turnaround in 1987 has reestablished the company's credibility with GE corporate management. For a long time on the corporate watch list, GE Information Services is now seen as a healthy, growing company. GE accounts group is getting positive response. We're looking at a corporate EDI approach. We enter 1988 knowing that we did it on our own and we are ready for a year of growth.

During coffee breaks, at dinner, on the golf links, it was evident that a culture change is taking place. People were seeking out their colleagues from other countries to exchange notes on a contract they'd won or a strategy they were devising for the big win in 1988.

A Culture Change Underway

In his opening remarks, Tony Craig underscored this change in culture for which he had been working since he became president. "If we are going to win the big global deals," he said, "we have to think like a global company. We're beginning to do that."

The big wins in 1987, most of which were played and won in the global arena by international teams, confirmed that. These teams brought to the deal their

understanding of the culture, of the technology, and of the marketing strategy to put together winning contracts.

The Big Wins

CEFIC, an EDI breakthrough in Europe, was won against intense competition from such companies as IBM, GSI, and British Telecom. The project links chemical companies in Belgium, the Netherlands, Switzerland, Germany, the U.K., and Spain in a pilot using the EDI*EXPRESS™ system. This international team effort under the leadership of the Belgian sales group, with support from the U.K. and U.S., was one of intensive selling, technical know-how, and business professionalism.

Bank of Montreal is a classic example of the company functioning at its best. In this effort, led by the Canadian sales force, success came from choosing the right target, executing a consultative sales strategy to build contacts and support within the bank, being sensitive to the client's needs, and focussing the best company resources worldwide. This strategy resulted in a major win over IP Sharp to provide the bank a Global Limits System. The win is a major



Giuliano Venturi talks about putting together a winning sales plan.

Bert Meerman, sales manager, Netherlands (left) chats with Warner Sinback, manager, Telecommunications Affairs, Rockville.



breakthrough in Canada and a competitive win worldwide. (More in the next issue of SPECTRUM.)

ANZ Bank in Australia is a deal won by tenacity and teamwork after it appeared to have been lost. In stiff competition with the IP Sharp/SWIFT system, GEORISK, Russell Murray's Australian team drew on the resources of the whole company to convince Logica, the consulting company chartered by the bank, that GE Information Services was the right choice. "Malcolm Robarts devoted a critical week that added tremendous credibility with Logica," says Russell Murray. "And colleagues throughout the world made reference visits and telephone calls to persuade them that we had the technical know-how to address the bank's needs."

CEDEL, a major MARK 3000™ win that positions the company as a long-term partner of a key player in the banking and financial services market, and Transtema, another MARK 3000 agreement that strengthens our position in international shipping, both resulted from long, hard negotiations, and international teamwork.



Bo L. Rehn (left), country manager, Sweden, talks with Brendan McLoughlin, manager, Ireland.

Looking Beyond The Numbers

Looking beyond the numbers, Tony Craig pointed to other major accomplishments in 1987: development work in very small aperture technology (VSAT) to address the issue of telecommunications cost in the U.S.; our positioning in the EDI market, where we have been accorded leadership by the industry; the successful launching of our Managed Network Services business; a banking strategy that is truly market focused with a new team in Dublin dedicated to provide development support; advancements in business products, such as integration of a fax capability, that opens up new markets; increased use of the network and technology upgrades to support that growth.

On the organizational front, the president looked at the restructuring of the business from an inward looking company caught up in a bureaucratic maze of sections and subsections, with a top heavy management layer, to a leaner organization of managers taking ownership of the business. "This company is a veritable brain trust," he said. "We want to see people develop their potential and then work as a team to make things happen."

"This business is fixed," he concluded. "We are very well positioned for growth. Our business strategy is right. The marketing strategies continue to undergo refinement with your involvement. Technology strategies are beginning to look forward in terms of new function and capability because of our ability to fuel it. All these things will result in top line growth. It's going to be a fun year."

A Year To Be Proud Of

From a strategic viewpoint, Denis Gagnon looked at events



Left to right, John Sidgmore, Giuliano Venturi and Danny Schultz field questions from the floor at a breakout session.

in 1987 that strengthen our competitive advantage. The buildup of the distributors operation, with significantly greater resources invested in management and support, is paying off in wins. Our relationship with Proceda in Brazil expands international services into that country and gives us a beachhead into the South American marketplace.

One of the year's great success stories is the restructuring in Spain with a distribution arrangement with a Banco de Bilbao affiliate. This has resulted in significant inroads in Spain, particularly in cash management.

Our partnership with ICL in the U.K. will become an important part of our position in EDI and international trade. With our partners in Japan, NEC and C&C, we have taken advantage of the changes in telecommunications regulations in that country to become the first international VAN service provider. In cooperation with our joint venture company, ISI-D, we've increased the level of sales



What's Ahead in 1988?

The winning competitors in today's market are experts in their industries, who leverage that expertise on a global basis. This is the direction the company is moving and will continue to move.

Our future competitive edge and source of added value will lie in building applications with strong SDC content that provide companies higher functionality and lower cost than any alternative solution. This means building in-depth industry and functional expertise and a set of core applications second to none. It means knowing our targeted industries as well as, if not better than, our clients. In the U.S., it means selling globally and delivering worldwide. And it means capitalizing on high value added and demanding premium prices for worldwide service.

Looking at the year ahead, Tony Craig said it best. "The hard work is behind us; the hard work is ahead of us. I think we're going to knock the cover off the ball."



Art Lee, manager, National Professional Services, Morristown, NJ, during U.S. sales meeting.

and support to Japanese companies in the U.K. and U.S. to gain a better position with these rapidly expanding corporations.

And we've taken some steps to respond to changing business requirements. We've established a new business unit, Managed Network Services, to complement offerings to international corporations. And we've launched a new IBM based service, MARK 9000™, to provide our distribution channels with a highly competitive capability in the IBM environment.



Left to right, Gary Senese, manager, MARK 3000 Operations, Rockville; Bob Carpenter, manager, GE Nuclear Systems Management, San Jose, CA, and Tom Yang, communications specialist, Rockville, chat during a coffee break.

This Business Is Fixed

In the presentations that filled the next three days, Tony Craig's message was reinforced: this business is fixed. From the exuberance of the U.S. sales managers, who started their meeting with their rendition of Bruce Springsteen's "Born in the USA" to the final Q&A period, there was a mood of optimism, founded on solid performance throughout the business.



During a break between presentations are (left to right) Walter Thess, country manager, Switzerland; Bernhard Werres, district manager, West Germany; David Levine, MARK 3000/MARK 9000 Coordinator, Europe; Erich Seynulla, district manager, Southwest Germany; and Herbert Steinbach, sales support manager, Germany.

Six Receive President's Awards

At the closing banquet of the Managers Meeting, Tony Craig presented President's awards to six managers in recognition of their outstanding contributions to the company during 1987:

Andre Boico for his ownership and dedication in the banking business. Andre led his SDC banking unit in the creation of a succession of relevant new products for the banking marketplace. His group generated 50 percent of the French SDC revenue.

Norm Harvey for leading development efforts in MARK III® capabilities. The work done by Norm's team has put the company out in front in technology and opened up new arenas for the business.

Al Moss for outstanding account management and team play. Al led the sales team that closed the deal with GTE, securing a new five year commitment.

Christine Pittman for leadership in establishing and implementing the new Managed Network Services business. Chris developed the business plan, performed worldwide pre-sales support, and recruited a solid organization for the new business.

Bob Prezioso for setting up the International Development Centre for large MARK 3000 applications. Bob has established a unique IBM capability supported by a staff with high level IBM expertise.

Chuck Siebold for leading the SDC team in developing a system for GTE that was functionally superior to that of the competition. The team effort between SDC and sales exemplifies the new strength of the company in finessing the big wins against stiff competition.



Chris Pittman receives a President's Award for her outstanding work in setting up the new MNS business.

EDI AND LOGISTICS: TAKING THE LEAD IN AN EMERGING MARKET

As the 1988 election approaches in the U.S., there is increasing discussion of national competitiveness and industrial productivity. The same discussions are taking place throughout the industrialized world. "The need to improve the productivity of the goods production and distribution sector of the economy," says Dave Foster, Intercompany and Logistics Businesses, "is a major driving force in the rapid acceptance of EDI and related applications."

EDI (Electronic Data Interchange) refers very simply to the intercompany exchange of standard business documents—purchase orders, invoices, bills of lading, and many more. EDI is a key element in a multipronged strategy to address the business logistics marketplace—the overall process of procuring, distributing, and transporting goods and materials.

A Year of Growth

Over the last year, GE Information Services has become recognized as the clear leader in the EDI marketplace. To quote a recent *ComputerWorld* special issue on communications: "GE Information Services, for example, is considered the largest EDI service provider. And no one markets its services better." Also, 1987 was a year in which EDI*EXPRESS™ and related revenue was ramped to a multimillion dollar level and is now

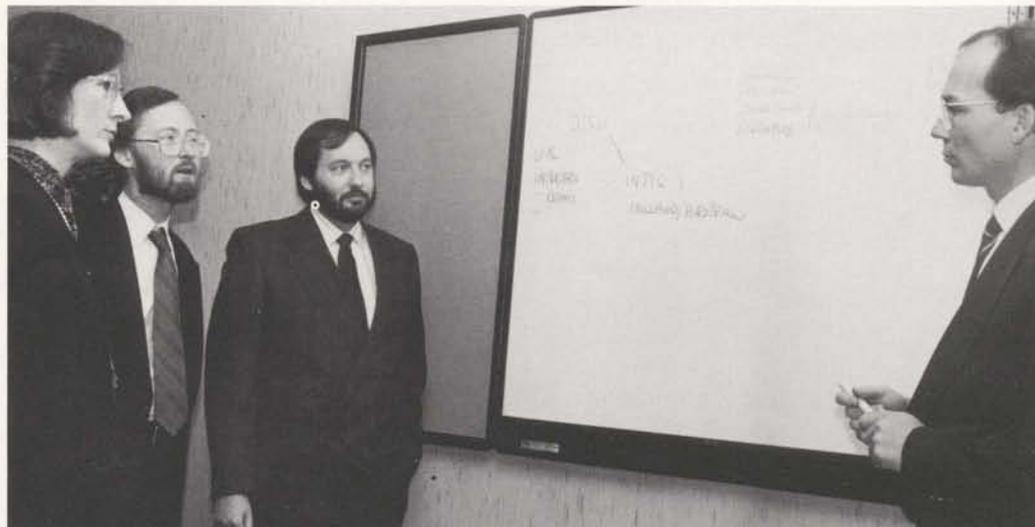
growing rapidly from month to month at a rate that equates to more than a 200 percent annual compound growth rate.

Why the Market Is Taking Off

One of the most significant facts about the EDI market is that, unlike some other new technologies, the demand for EDI isn't driven primarily by technical people. "The people we see leading the EDI charge at client firms," says Dave Foster, "are procurement managers, materials managers, transportation and marketing managers—and increasingly senior executives. This helps convince us that EDI deals with real business issues and is not just another technical solution looking for a problem."

Analysis done by respected consulting firms has verified the savings potential. In the retail/apparel/textiles industry alone, for example, the potential benefits of EDI (used in conjunction with product bar coding) are estimated at \$12 billion annually. In heavy manufacturing, EDI is critical

Key members of the EDI team discuss strategy. From left to right are Mary DeTuerk, Manufacturing/Distribution Industry Marketing; Dave Foster, Intercompany and Logistics Businesses; Ken DeJarnette, Advanced Logistics Programs, and Niels Nielsen, International Industry Marketing.



in facilitating such productivity processes as Just-In-Time.

A Key Role For Third Party Networks

Another key fact about EDI is the marketplace movement away from in-house solutions to service providers such as GE Information Services. Many of the early implementations were done with private networks and private standards. These systems are now largely being transitioned to third-party service providers and public standards. "In EDI, we compete with the in-house alternative far less frequently than in most other application arenas," says John Sidgmore, U.S. Sales and Services.

Standards Make It Possible

Over the last several years, there has been increasing acceptance of common ways to represent business documents electronically. These are CONTENTLEVEL standards which make it possible for application programs to understand the meaning of the data. Key standards in the U.S. are ANSI X.12 and TDCC, with growing international acceptance of the EDIFACT standard promulgated by the U.N. "The key fact is EDIFACT" in international standards for the late 1980s.

A People Process

A key difference between GE Information Services and our competition is our emphasis on the service, as well as the product, aspects of the application. "Getting several hundred suppliers to agree to participate in an EDI system, and actually getting them started, is no trivial task," says Dave Foster,



Rochelle Cohen, Trading Partners Services, another key member of the EDI team, talks with a visitor to the GE Information Services exhibit at the Transportation Data Coordinating Committee (TDCC) trade show.

"and it is one which fills many in-house MIS organizations with alarm."

GE Information Services has three key assets in addressing this issue. One is SDC. The second is a well-defined procedural approach to mass implementations. The third, in the U.S., is the ramp support group, which uses telephone-based techniques to sell and install the trading partners of a large "hub" (See sidebar, *Hubs, Spokes, and Critical Mass.*) Increasingly, we are successful at getting substantial up-front fees for implementation services and the associated software.

Another key element to GE's approach has been our focus on specific industry segments—such as retail, aerospace/electronics, and automotive/heavy manufacturing. Staying close to the target industry, understanding their needs, and building a trading community has emerged as a winning strategy.

The International Edge

The international capabilities of GE Information Services will be increasingly important as the EDI market evolves. Two early indicators are our worldwide win at CATERPILLAR and the large application being developed for the European chemical group CEFIC, both of which are major revenue producers. The company's early support of the international EDI standards, together with network support of X.25 and X.400, is the key here.

The Transportation Connection

Most EDI systems begin with the linkage between buyer and seller for transmission of standard business documents. These systems will expand to include the physical transportation of the goods—and this is an area in which GE Information Services has particular expertise and presence. GE's presence in transportation, which we address as a total vertical market, goes beyond EDI and addresses systems to manage the internal operations of the carrier—as in the container tracking system for GEM, a consortium of four Scandinavian

shipping companies that control 14 lines. The linkage of EDI systems into these operations management systems will provide a high value capability. "A key thrust in 1988," according to Niels Nielsen, International Industry Marketing, "will be tightening the linkage between our EDI and transportation programs." The ultimate payoff here is global trade facilitation—now a paperwork jungle with associated costs estimated at \$20 plus billion a year.



Tom Choate (second from right), Trade and Transportation, demonstrates the company's capabilities in shipment tracking at the TDCC trade show.

Building In Value Added

International expansion and transportation linkage are two ways of increasing the revenue and value of the EDI sale. Another way is through information data bases serving the EDI trading community. "In serving this opportunity, the creativity of local sales and especially SDC is a key asset," says Dave Foster. "The PUBNET work done in New York is a classic example." (See sidebar, *PUBNET—Putting the Pieces Together.*)

Diverse Channels Of Distribution

Selling and delivering the EDI solution to the customer will in many cases be accomplished through alternative distribution arrangements. Some of these will be geographically oriented, as

Hubs, Spokes, and Critical Mass—How EDI Delivers In An Industry

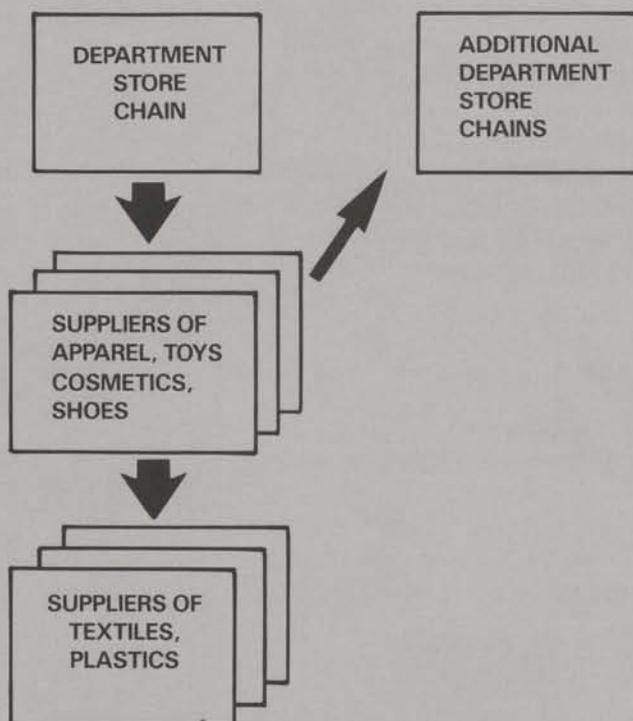
Hubs in EDI terminology are firms that sponsor an EDI application and proactively solicit their trading partners (usually suppliers) to join. Spokes are those who participate reactively.

Experience proves that having a strong spoke base helps in attracting additional hubs in the same industry. This "industry critical mass" also facilitates the development and sale of additional capabilities serving the same trading community.

The cycle begins with the sale of a "hub" account—for example, in the retail industry, a department store.

The influence of the hub facilitates the participation of the "spokes." This supplier base in turn encourages the participation of new department store hubs.

Some spokes later become hubs in their own right and begin trading electronically with their own suppliers.

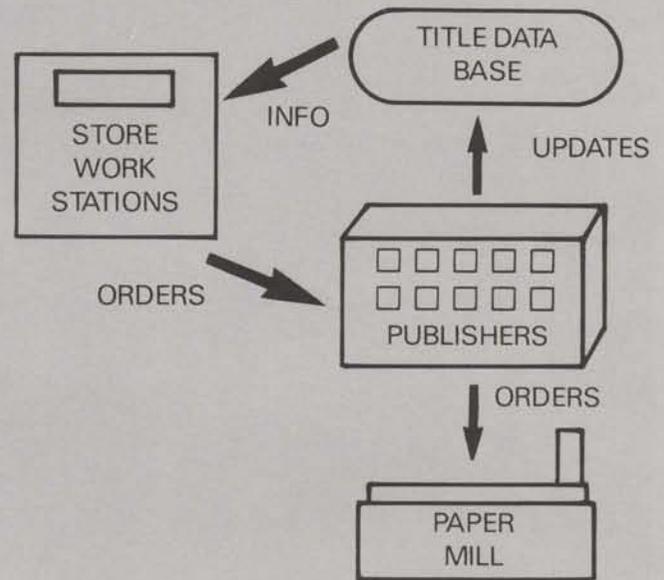


PUBNET—Putting the Pieces Together

College book stores may seem an unlikely place to sell information services. But that's the opportunity successfully addressed by Vince Iuzzolino, account executive, New York, in a sale that utilized customization, EDI products, industry presence and marketing, and telephone ramp support.

In late 1986, the American Association of Publishers decided that the time had come to automate the connections between 25 publishers and 2,000 college book stores. The resulting PUBNET system provides product (title) information in a community data base as well as EDI for ordering and invoicing.

The system, which includes a custom PC workstation, was delivered in record time, resulting in a substantial personal services agreement (PSA) fee, and quickly ramped to 120 users and significant monthly revenue. It will expand to include second-tier ordering from paper stores to paper mills, as well as the addition of more stores. Most importantly, GE Information Services has been selected to provide a similar system for the trade books industry, which is several times larger.



with International Network Services Limited (INS), a joint venture in the U.K. Others will be industry focused, as is GE's relationship with Baxter Health Systems to exploit the U.S. medical supplies market. A combination of the two dimensions occurs in port systems, which aggregate the local market of exporters,

importers, freight forwarders, and other participants in a local trading community.

The Challenges Ahead

The potential of the EDI market and its extensions has attracted increased competition. GE Information Services now encounters competition from

McAuto, Sterling Software, and a variety of national and industry niche competitors. Increasingly, IBM is a factor. Maintaining and expanding our leadership position will require a high degree of creativity and dedication on the part of both the International Logistic Businesses (ILB) team and the worldwide field.

CHARTING NEW WATERS: THE TRANSTEMA STORY

After a voyage of more than 15 months, GE Information Services and Transtema, a Swedish software and consultancy company, have reached port, entering an agreement that strengthens both companies' positions within the shipping industry.

According to terms of the agreement, Transtema's Container Control System (COCS) and Booking System (BA) have been transported to the MARK 3000™ Service. Transtema has the right to make the network available to its clients as well as to resell GE's QUIK-COMM™ System and EDI*EXPRESS™ System in combination with its own products and services.

"Now that the software has been successfully migrated to MARK 3000," says Svante Hartzell, Nordic sales support, "we enjoy immediate and significant revenue ramping. In fact, it is the largest MARK 3000 system ever. We have built a very solid business relationship, and with the added value Transtema can now offer our common clients, there are many profitable years ahead."

The Voyage To Success

It all began when GE won the GEM contract, for which Transtema, teamed with IBM, was a major competitor. Transtema was interested in becoming a Value Added Service Provider and had an eye on the GE network as a way of doing that. In the spring of 1986, talks between the two companies began, with Rolf Hallencreutz, senior sales consultant, Sweden, taking the lead.

GE recognized that affiliation with Transtema would strengthen its position in the international shipping market. Transtema, which is owned by two major Scandinavian shipping lines, Transatlantic and Johnson Line, has affiliates in Finland, Norway, and the U.K. plus 35 agents worldwide. It provides national and international consulting and computer system capabilities to companies within the shipping, transportation, and transport/trade industries.

Rolf Hallencreutz (left), senior sales representative, Sweden, and Svante Hartzell, manager, Nordic Sales Support, played key roles in winning the Transtema contract.



Bo L. Rehn (left), general manager, Scandinavia, shakes hands with Claes G. Nilsson, general manager, Transtema, after the two companies reached agreement to become business partners.

Transtema's two major products are targeted at international markets. TRADEWARE, a software package with modules for booking, documentation, equipment tracking, market information, finance, and accounting, is sold to shipping agent companies all over the world. SHIPMASTER, an on-board system for management and administration of a ship's activities, with a module for ship-to-shore communications, is installed on some 7,000 vessels.

The company has grown rapidly since it was established in 1984 and looks to expand even further, especially in the international market.

Clearly both companies had much to gain.

Negotiating The Deal

Once Karl-Erik Graens, SDC, Sweden, and Tony Harrison and Alec Rushton, IDC, London, determined that MARK 3000 could handle the requirements of Transtema's software, negotiations began.

TF
TRANSTEMA

From the outset, the GE team stressed to Transtema the value of having one supplier for all communications and processing. Interest grew as Transtema learned that GE's expertise in information technology was coupled with in-depth knowledge of the market Transtema serves. When Rolf Hallencreutz and Stefan Forstberg signed Johnson ScanStar (one of Transtema's main clients) for the QUIK-COMM System and a financial reporting system in the fall of 1986, the case for an agreement became even stronger.

Meetings between the two companies, spearheaded by Bo L. Rehn, general manager, Scandinavia, continued into the spring of 1987. As the parties moved closer to an agreement, Mike Walmsley, business analyst, U.K.; Chris Starling, counsel, Northern Europe; and Paul Tilley, alternate channel marketing, Rockville, joined the negotiating team to hammer out a business agreement and contractual model upon which the parties could agree.

The negotiations reached fruition in mid-June when, at a meeting that lasted well into the night, a preliminary agreement between Transtema and GE Information Services was reached and sealed with a handshake. One week later the deal was signed.

"We couldn't have done it without a tremendous team effort and the ongoing support of Danny Schultz, Denis Gagnon, and Dave Foster," says Bo Rehn. "GE Information Services demonstrated at all times that it is a well integrated international company able to assemble a top-class team from all around the world to negotiate a complex proposal. We showed that we know Transtema's business and would be a highly professional working partner."



During the week following the successful migration of the Transtema software to MARK 3000, members of the international team spent the week in Rockville closely monitoring the project. Shown here are (left to right) Dan Lance, Rockville; Ken Lisec, IDC, London; Ron Schaum, Rockville; Jim Ervin, Rockville; Karl-Erik Graens, SDC, Sweden; and Alec Rushton, IDC, London.

The Implementation Challenge

With the contract signed, the technical team, headed by Karl-Erik Graens and Ken Lisec, IDC, took up the challenge of migrating the software from a Swedish service bureau to MARK 3000. Since Transtema's applications were supporting some hundred users, a major objective for the implementation team was to effect the transition with as little disruption as possible to clients.

"The complexity of the task required a close working relationship with the MARK 3000 group in Rockville and with Transtema's project manager, Ake Svensson," explains Karl-

Erik Graens. "We had to demonstrate the capabilities of MARK 3000 and its compatibility with the Swedish service provider. This meant reconciling all differences between the two environments and we found ourselves in rough seas from time to time."

"Because we couldn't test the system live, timing became a critical factor," Karl-Erik Graens adds. "Some of the connections were not available at the time of conversion, so back up procedures had to be used. In the worst case, at Gothenburg, the back up for the back up for the back up became the solution at production start."



*Ake Svensson, Transtema's project manager (second from right), worked closely with the GE Information Services team during implementation. He is shown here with (from left) Jim Ervin, Karl-Erik Graens, and Alec Rushton.**

The Global Shipping Market

The nature of international transportation, and ocean shipping in particular, is undergoing constant change. The industry is under increasing commercial pressures, stemming from the relatively slow growth in world trade and the overcapacity in cargo carriage equipment and tonnage. Those organizations that are to survive in this increasingly competitive environment need to use their resources as effectively as possible and must maintain the tightest control on operating costs while improving client service levels.

Scandinavia has a long tradition of stability and quality in the shipping industry. Scandinavian ship owners and operators run vessels on every ocean route and serve six continents. While many are small and medium-sized shipping lines, some of the largest lines in the market are under Scandinavian management.

Stiff competition, especially from Far East operators, has forced the Scandinavian lines to increase their professionalism and take the lead in rationalizing ship operations and management.

One of the tools in this game has been to explore the use of modern information technology.

The formation of Global Equipment Management (GEM) by four Scandinavian ship owners was a strong move to stay on top of the market. The consortium controls 14 shipping lines and over 150,000 shipping containers. By pooling and jointly managing their container fleets, the consortium partners have achieved annual savings of \$40 million (U.S.). In 1986, in an enlightened move from an industry that has been slow to embrace computer technology, GEM contracted with GE Information Services for an Equipment Management

System to automate equipment inventory control, maintenance and repair, contracts and billing, equipment booking, forecasting and optimization modeling.

As the shipping industry recognizes the role of information technology in its operations, GE Information Services is strengthening its ability to respond to market needs. "Alliances with companies such as Transtema and the already existing agreement with Wildata/Dataship are an important part of our expansion program in this market," says Niels Nielsen, manager, International Industry Marketing.



Up and Running

As the target date of January 1988 approached, the team put in an intensive effort, testing communications lines and system modules (and in the process making upgrades to the MARK 3000 service that will benefit all clients).

On January 17, exactly seven months after the agreement was sealed, the system was up and running.

"This deal with Transtema is an excellent example of how to be more competitive by letting others sell our services," says Paul Tilley. (See sidebar story, *Alternate Channel Marketing*.) "Now that the migration is complete, we can look for considerable revenue from the resale of EDI and QUIK-COMM services in addition to the large MARK 3000 revenue."

"Our agreement with Transtema adds strength to our business focus and will help us develop a more complete service offering," adds Niels Nielsen, manager, International Industry Marketing. "Our strategy was to take a niche view, identifying the network technology and software applications mix that would fit specific user needs. It has paid off handsomely in this major contract win."

Alternate Channel Marketing Successfully Reaching End Users

As part of its business strategy, top management at GE Information Services is committed to using alternate channels to profitably reach end-user markets. The idea is certainly not a new one either at GE Information Services or in the rest of the computer industry.

The ability to reach specific markets often requires the strength and talents of two or more organizations. The significant number of recent press announcements of such cooperative ventures demonstrates the move toward the use of this strategy within our industry.

"Our mission is to reach end-user markets through alternate channels by creatively leveraging GE Information Services' people, products, and services while improving overall expense to revenue ratios," says Paul Tilley, Alternate Channel Marketing. "We believe the market is distribution constrained rather than product or service constrained. We have the technology, services, and products today that can significantly improve company operations. However, in many cases we are constrained in our ability to efficiently reach potential clients."

The clearest analogy to what GE Information Services calls a Value Added Service Provider (VASP) is the Value Added Reseller (VAR) concept that has been working well in the hardware industry for years. As an alternative to selling directly to customers through their own sales forces, companies like IBM, Apple, and DEC also sell products to third parties who add value and then resell to end-users.

GE Information Services uses

the term "Service Provider" to show that the company is selling a service versus a piece of hardware. The added value brought by the VASP may be software and consulting expertise as well as the specific marketing, sales, and client support services required to successfully reach the end-user market.

In addition to VASPs, the company also uses agents to help reach end-users. Agents usually take on front-end sales and marketing responsibilities, but in these arrangements, unlike the VASP, GE Information Services directly contracts with the end-user.

Taking advantage of alternate channels is not without its problems. The most common problem facing many businesses is channel conflict—conflict between resellers and the internal sales force as well as problems between resellers who invariably know about each other. Within GE Information Services, the target market and integrated service application are individually defined in every VASP contract, but in today's dynamic computer marketplace, there are still going to be channel conflicts.

"The key is to manage channel conflict, not eliminate it," says Paul Tilley. "Our strategy is to have a significantly bigger pie and sometimes argue about how the pieces are cut rather than settling for a smaller pie, which results from not pursuing available alternate channels."

The Transtema success story exemplifies combining the strengths of two organizations to reach a significant market within the worldwide shipping industry. An important aspect of the deal is that Transtema will



maintain GE Information Services' "open system" EDI approach, whereby every user who signs on to our EDI*EXPRESS™ system has access to every other customer on the system. This strategy encourages initial clients, vendors, suppliers, and agents to start using the network to communicate with one another.

In addition, Transtema's owners, Transatlantic Shipping and Johnson Lines, are major partners in the GEM project. This further strengthens the company's position in serving the shipping industry.

The Transtema deal demonstrates the tremendous breadth of the company in its ability to offer and technically implement the multiple and diverse solutions required by Transtema and the shipping industry. Not only are we able to provide worldwide IBM computing services, EDI, and electronic messaging services, but we also can put together a single worldwide customer contract in a single currency.

INTERNATIONAL VAN SERVICE STRENGTHENS EAST-WEST TIES

Another trade barrier bit the dust when the Japanese Postal Ministry gave its approval to NEC Corporation to become the first private company allowed to offer international VAN services between Japan and the U.S. NEC now offers MARK*NET™ access in Japan as a distributor of GE Information Services.

NEC received approval to interconnect its C & C VAN service to MARK*NET to carry QUIK-COMM™ System messages directly on its own network. Users are therefore spared the expense of using VENUS-P, the international packet data network, which in many cases was the greatest cost of using QUIK-COMM.

Additionally, this approval means that users and hosts in Japan will be able to connect not only to MARK III® and MARK 3000™ (as they could up to that point) but to users and hosts located on MARK*NET. The two networks (NEC's domestic and GE Information Services' international) have been

technically linked for some time through a pair of gateway processors in Tokyo, but this is the first time that the full power of the software designed by GE and NEC can be put to use.

The new service was formally inaugurated at a ceremony in Japan on December 18, 1987, attended by representatives of the U.S. Embassy and important business and industrial leaders. The gathering was addressed by Masaaki Nakayama, Minister of Posts and Telecommunications; Dr. Tadahiro Sekimoto, President of NEC; Joe Marchese, GE Information Services; and Hiroto Kumada, Vice President of Fuji Heavy Industries, the manufacturer of Subaru cars and an important user.

To dramatize the value of the international VAN service, Tony Craig sent his congratulatory message to Tadahiro Sekimoto via the QUIK-COMM System.

The message said in part, "We have worked together as companies to reach this technical achievement. . . . This new VAN

service will bring benefits today and in the future to NEC and GE clients alike, allowing the worldwide connection of computers and communications, supported by our joint venture, C & C International."

Through the interconnection and the Postal Ministry's approval, users in nearly 200 locations in Japan now have a single network connection through MARK*NET to 650 locations in the U.S. and more than 80 other countries throughout the world. This marks not only a technical victory for the communications engineers in both GE Information Services and NEC but also a long-fought political victory through negotiations in Japan by NEC and C & C International and in the U.S. by GE Information Services.

"GE Information Services and NEC worked together to develop a single relationship with the regulatory authorities over the years," says Larry Geller, Senior Vice President of C & C International. "The communications trade barrier could not have been broken down any other way. We can now expect both companies to benefit from our advantage as the first to be approved for international VAN services."

Participating in a ribbon cutting ceremony to inaugurate international VAN service in Japan are, (left to right), Dr. Tadahiro Sekimoto, president of NEC; K.R. Bovetti, U.S. Embassy; Masaaki Nakayama, Minister of Posts and Telecommunications; and Joe Marchese, GE Information Services.



A BOW AND A HANDSHAKE: DOING BUSINESS IN JAPAN



In Japan, modern business practices blend with age old traditions.



As Japan continues to grow industrially and economically and to rely heavily on international trading, the rest of the world is recognizing the importance of knowing how to do business in Japan. According to a recent *Smithsonian* article, the Japanese have the jump on the west when it comes to understanding foreign cultures; they have been studying western business practices for a number of years and many young Japanese executives hold business administration degrees from American and European universities.* Only recently has the west begun preparing business executives for negotiations with other cultures, notably the Japanese.

John Barber, manager, Japanese Programs; David Lewis, manager of Pricing and Contracts; and Eileen Hargadine, senior support manager, Trade and Transportation, have all lived in Japan for extended periods, John and David on work assignments for GE Information Services, and Eileen while writing her doctoral dissertation on the Japanese Labor Standards Law. All three agree that conducting business in Japan requires considerable cultural adjustment for a westerner.

The pace of business in Japan is quite different from that in the west and at first sight seems to be much slower. One key to understanding

the pace, however, is to appreciate the importance in Japan of building the business relationship. The Japanese philosophy is to do business in an environment of mutual trust, where each party has an obligation to the other to make the deal a success and where there is less need than in the west for the trust to be reinforced by a legal contract. To bring this about, each party must be prepared to invest whatever time is needed to get to know, understand, and trust the other.

"It may seem as if your first few visits are a waste from the standpoint of doing business," says John, "but what's really taking time is establishing the relationship—that's more important than the terms and conditions. Once the relationship is there, things often happen much faster than they would in the States."

Consensus Decision-Making— A Key To Ownership

Another integral piece of business practice that can affect the time taken in coming to an agreement is the management process of "nimawashi" or "ringi-seido," whereby any commitment must be endorsed by all those whose functions and actions will determine whether it can be met. "Failure to honor a commitment is not acceptable and can result in loss of face, so the Japanese



Left to right, Eileen Hargadine, John Barber, and David Lewis talk about doing business in Japan.

make an upfront investment of time to ensure that everybody in the organization understands and signs off on the terms," Eileen says. Once everyone has signed off, the whole thing moves ahead quite quickly. And the great advantage to the consensus approach is that no one has had an unreasonable deadline imposed by someone else—everyone has agreed to his or her part of the project and feels true ownership of the whole.

"We have something important to learn from this," adds David. "You can't tell people to take ownership and then expect that it'll just happen. You have to make them owners. Involving everyone in the decision-making process is one way to do that."

Because the initial stages of deal-making move more slowly than is customary in the U.S. and many European countries, western business people can be under considerable pressure from their home organizations to complete the deal and realize results quickly. Because of GE's fairly long history of doing business in Japan and an upper management that is familiar with the pace of business in the Far East, the company has more realistic expectations of its employees, David and John agree.

An Unexpected Language Barrier

Many Japanese businessmen speak English. Few westerners speak Japanese at all, and fewer still well enough to negotiate in the language. But even if they are fluent in English or the western language of the other party, the Japanese prefer to conduct business through interpreters. John and David (both of whom speak "survival Japanese") agree that this gives Japanese negotiators an advantage; they hear and understand the dialogue twice, once in Japanese and once in the foreign language, while the foreigners only understand it in their own language.

Eileen, who speaks Japanese, adds another point. "It can actually be to a foreigner's disadvantage to try and conduct business in Japanese," she says. "An important element in Japanese negotiation is anticipation of how the other side is going to act. Foreigners aren't expected to be able to speak Japanese, so when they do, it's confusing and can actually hinder, not help, communication."

The Customer Is Always Right

Service is extremely important in Japan. On a personal level,

John and David both say it has been an adjustment to come back to the lesser degree of service in the U.S. David puts it bluntly, "Things work properly in Japan and people do their jobs. That's not always the case elsewhere." On the business level, a foreign corporation must be prepared to offer the kind of service the Japanese expect—or must be prepared for failure. If a GE Information Services customer in Japan has a major problem, it is not unusual for the president of our joint venture company, C&C International, to go personally to the customer site to explain and apologize. The apology is important even if the problem is not our fault.

"The customer is always right," John explains, telling an amusing story against himself to reinforce the point. "One time, I left my car door ajar and the interior light ran the battery down. The mechanic arrived—they come to your house—and explained, very apologetically, that the car manufacturer hadn't put in a heavy enough battery. In other words, it was their fault that the battery wasn't heavy enough to allow an idiot like me to leave the door open!"

Business Women In Japan

While women have always been an important part of small,

family-owned businesses, most business on the large corporate level in Japan is transacted by men. One reason for this is that cultural standards define more strongly than in the west what path should be taken by both men and women. A man frequently follows the career path of his father, and women usually work for a few years, then marry, have children, and work inside the home.

Things are changing, however, and some Japanese women are electing to pursue professional careers. Although there are still comparatively few women in management or senior sales positions in Japan, a western woman conducting business for her corporation will find the Japanese unsurprised by her presence. *Smithsonian* cites instructions given to Japanese executives as part of their preparation for negotiating with Americans. They are told to anticipate the presence of women and minorities in key negotiating roles and not to treat them any differently from the Caucasian male executives to whom they are accustomed. Additionally, John says, some foreign women residents in Japan have made very successful careers, furthering the acceptance of business dealings with western women.

Both men and women doing business in Japan are advised to read up on the subject before their first trip. Customs and body language can be markedly different, and actions that do not give offense at home may well do so in Japan. "Never, never lose your temper," says John. "The Japanese are extremely patient and if you are negotiating with them, you must learn to be just as patient." Courtesy is of extreme importance. The Japanese will try very hard to avoid offending

you with a direct "no," and the periphrastic negotiations that result can tend to be very confusing for a foreigner. On the other hand, says David, they are reluctant themselves to take "no" for an answer and will continue to negotiate until they obtain a more favorable response.

What The West Can Learn

Asked for one or two things they particularly admire in the Japanese way of doing business, John, David, and Eileen were unanimous in naming the pride of ownership and the customer orientation that are pervasive in Japan.

What have they learned from

their experiences in Japan?

"That faster isn't necessarily better," says David. "We could often afford to give things a bit more upfront time."

"That a business can be phenomenally successful," says John. "There is tremendous brand loyalty in Japan—but it can take years to attain market share. You've got to be patient."

"The importance of working together more efficiently and taking ownership," says Eileen. "That's the key to service."

* The article "How not to lose the trade wars by cultural gaffes" (January 1988) is cited by permission of *Smithsonian*.

Singapore Revisited

In the January issue, SPECTRUM misidentified participants at the Distributors Meeting held in Singapore in October 1987. We apologize for the error and want to set the record straight.



From left to right, Seppo Auvinen, manager, MARK III, Nokia; Lasse Vikgren, sales director, Nokia; and Harry Shim, chief executive officer, DMI, enjoy a relaxing moment in Singapore.



Chris Toone, manager, Distributor Operations, Europe and Latin America; Alejandro Miranda, managing director, Tiempo Compartido SA; and Eusebio Ferris-Pont, distributor support manager, Latin Countries, at the Distributors Meeting in Singapore.

FLYING HIGH WITH AL BOYNTON

Al Boynton, manager of EDI Retail Sales in Rockville, gives new meaning to the term frequent flyer. He flies almost weekly on business—and when he has the time, he flies for fun.

Al has been a licensed private pilot since 1953, with 1,400 hours of flying to his credit. In 1981, while on assignment in England, he took up aerobatics. “When you fly small airplanes—and I’ve flown probably 50 or more different kinds over the years—just putzing around in them gets kind of boring,” Al says. “I wanted to try something different, and aerobatics provided a high degree of personal challenge.”

Aerobatics, Al says, require a tremendous amount of concentration and coordination and the sky is the limit when it comes to learning new things. “They are very easy to do and incredibly difficult to do well,” Al says. “I think people who are good pilots tend to pay attention to detail and are analytical in nature. While flying is incredibly safe, it’s also fairly unforgiving of mistakes.”

This Is The PITTS

A few years ago, Al’s love affair with planes took on a new dimension. He’s building one himself.

“My son, Mike, met a man with a partially built airplane that he wanted to sell,” Al says. “He convinced me that I ought to help him buy it. And in one of the great weak moments of my life I decided that I was going to get into airplane building.” (Mike subsequently went off to fly real planes in the Air Force and left Al with the project.)

And because Al’s Gaithersburg, MD, home didn’t come with a hangar, the project began where

most projects begin—in the basement.

The plane, a PITTS SIS, went into the basement piece by piece and when it’s finished, Al says, it will come out in much the same way for final construction outdoors. Since buying the fuselage, Al has built the wings and installed the brakes, fuel tank, and cabling. Now he’s up to his neck in sheet metal. The plane is about 75 percent complete.

“It’s a small aircraft,” Al explains, “about 15 feet long with a wing span of 17 feet. I have a walkout basement with sliding glass doors, so if we take the wings off, the plane comes out easily.”

A Musician Could Do It

Al has studied aeronautical engineering but he says that building a plane doesn’t really require an abundance of specialized training. “A musician is just as capable of building this kind of plane,” says Al. “The biggest thing you have to learn how to do is use a rivet gun and do some welding.”

But building an airplane does require patience. “When you embark on a project like this,” he



says, “you can’t look at finishing it as your goal. It is such a large project that you’d become totally discouraged. My approach has been to break the building down into smaller tasks and look at the completion of each task as a separate accomplishment.”

Some people, Al says, build planes for the sake of building them. They fly them once or twice, then sell them. “For me, the single biggest pleasure to come out of building it is going to be to fly it.” The PITTS SIS is specially designed for performing aerobatics.

Yet many people look at the small plane with wooden wings (they are made of aircraft quality spruce) and says, “You mean you’re really going to get into that thing and fly it?”

“You bet I am,” Al says emphatically. “The airplanes are very, very safe. And you’re never careless when your own behind is involved.”



Al Boynton’s office reflects his love of flying.

AMSTELVEEN HOSTS EUROPEAN PRESS

Members of the press from the U.K., France, Italy, the Netherlands, and Germany gathered at the Amstelveen Executive Briefing Center on November 28 for a full day's briefing, hosted by the International Business Systems Products team and attended by an international mix of GE Information Services people. The company used the occasion to announce several new connector products to solve business communications problems: QUIK-COMM to DEC All-in-1 Service, QUIK-COMM to IBM PROFS Service, and QUIK-COMM to DISOSS.

In his opening remarks, Dave Shepherd, director, Business Systems Products, pointed out that the company is positioned to provide an integrated set of capabilities designed to meet business communications needs. "Our clients play in the global arena," he said. "They need to extend their reach to off-network locations, and they need international access, often to external services."

A tour of the supercenter, which one reporter described as "an awesome combination of Fort Knox and the USS Enterprise," demonstrated GE's response to client demands for security and reliability.

Mike Chesher and Bob Carter of IBSP surveyed the range of products/capabilities that have resulted from GE Information

Services' emphasis on business applications requiring interconnection and integration. A demonstration of the All-In-1 connector showed that the company provides true application level integration that requires no retraining on the part of users.

Presentations by GE Information Services' clients reinforced that the company provides efficient, cost-effective ways of doing business.

Ken Farrar, senior systems manager of the Securities Handling Management Unit of National Westminster Bank, pointed out that the BUSSTL system, one of many applications developed for the bank, has contributed to significant time savings in movement of data. Turnaround time for registration of ownership of securities between the U.K. and U.S., he said, has been reduced by two and a half days.



Mike Chesher, manager, International Business Systems Products, greets members of the press attending the briefing at Amstelveen.

Bob Carter, international product manager, Business Communications, demonstrates PC Mailbox for members of the press at the Amstelveen Executive Briefing Center.





Win Haslam, manager, European Network Operations, points out features of the Network Control Center.

John Bloomfield, director of administrative services at WR Grace, a \$3.7 billion global chemicals and natural resources operation, discussed the benefits of integration for his company. Using the QUIK-COMM™ System to link their mainframe DISOSS community with their Wang office systems worldwide, he said, will net significant savings. The cost savings of sending a 3,000 character message from Zurich to non-European destinations, for example, is 41 Swiss francs by Telex versus less than one Swiss franc by QUIK-COMM. This cost savings, he said, is just one of his justifications for looking very seriously at the introduction of EDI to the global operations by 1989.

In his concluding remarks, Dave Shepherd emphasized the company's intention to stick

close to our clients, responding to their problems with customized solutions. "The emphasis on applications may well lead us away from services that do not justify the label of added value." He reiterated the company's commitment to follow international standards wherever possible. "GE Information Services intends to extend its electronic mail offering by providing worldwide X.400 standards," he said. "We already have prototype systems running at pilot installations."

Commenting after the press briefing, Mike Chesher, manager, IBSP, said that having 29 participants at an event planned for 15, together with the extensive media coverage that followed, indicates a strong press interest in GE Information Services. "In short," he says, "the event was a great success."

MARK 9000™ SERVICE: MEETING THE COMPETITION HEAD-ON

"By providing an aggressive pricing structure for remote computer services in the IBM environment, MARK 9000 broadens our customer base and our competitive position."

When the marketplace for mainframes began moving from large systems to mid-range computers, GE Information Services took the competition head-on. IBM announced its mid-range 9370 system as a major breakthrough in price and performance, promising the same processing capacity per dollar invested as with a large system. GE Information Services took an aggressive posture, determined to meet or beat the competition in capabilities offered and to best it in delivery time.

In July 1987, the company announced MARK 9000™ Service, positioning the new product as an efficient alternative to an in-house IBM 9370 system. The service incorporates processing power, software, communications, and systems support conveniently bundled into an equivalent 9370 system.

"With MARK 9000 Service, we can deliver large system performance at a mid-range price," says Lance Pelter, manager, MARK 3000™ Product Line.

MARK 9000 Service provides enhanced software and processing capabilities superior to those of a 9370. And MARK 9000 Service can be upgraded easily and quickly with no on-site disruption or equipment changes.

Another competitive advantage of MARK 9000 Service is that once the contract is signed, service can be implemented overnight, unlike hardware solutions that require ordering and installation of equipment.

"MARK 9000 is not just a hardware alternative," says Lance Pelter. "We provide a package of software that includes the operating system, data base managers, tools, utilities, and the client's choice of nearly 50 other software packages at no extra cost. This means substantially greater software flexibility for the client. And we are prepared to provide system design, application support, and workload profile management assistance.

MARK 9000 went commercial in July of 1987 with its release in the European market. National Westminster Bank in London was the



The MARK 9000 team got together while in Boca Raton to discuss marketing strategy. From left to right are David Levine, European sales; John Summerville, manager, IBM Technical Center; Lance Pelter, manager, MARK 3000 product line; Geoff Wiggin, Northern Operations sales; and George Alber, U.S. Sales.

first client to sign on, migrating the Central Information System (CIS) of its International Banking Division from an in-house service running on Unisys equipment.

During the fourth quarter of 1987, MARK 9000 Service was introduced in the U.S. and roll-out in Asia Pacific is under way. Closes have been running about two a month.

Sales and marketing of MARK 9000 is supported by a small dedicated team: Geoff Wiggin, Northern Operations; David Levine, European Sales; and George Alber, U.S. Support. These key people work with the respective sales forces to put together creative client solutions using the power and capacity of MARK 9000.

"It's important to understand that MARK 9000 is a piece of the overall network-based service solution," says David Levine. "By providing an aggressive pricing structure for remote computer

services in the IBM environment, MARK 9000 broadens our customer base and our competitive position."

MARK 9000 Service can be used for departmental processing, development, prototyping and conversion. It can operate in distributed configurations for store and forward processing, for network switching/management, and as a component for vertical applications, disaster recovery, and remote facilities management.

"If a client's business requirements include multiple, distributed 9370s, remote access to one 9370, the integration of its 9370 systems with other mainframe systems, or a CICS capability, MARK 9000 Service is an attractive alternative to an in-house system," says Lance Pelter.

If sales continue as projected, MARK 9000 promises to be one of GE Information Services' most effective new product releases.

THE TEAM BEHIND THE SCENES

Ed Bacanskas and Gary MacPhee inspect one of the new Foreground Communications Controllers, which are used to connect MARK III Foreground to the network.



John Bennett explains the operation of a closed circuit, direct broadcast satellite TV system, which has been installed in the Executive Briefing Center in Rockville.



A call comes in from the field, "We've got a problem. The client is using an invalid user number."

The response, "Have him change the user number."

"Well it seems that he's coded it into the dialog file on his diskette."

"So, what's the problem?"

"He mailed out 30,000 copies of the diskette. Can we help him?"

This is typical of the kinds of problems that the Telecommunications Engineering group is called upon to resolve. For this client, the solution was to make a change within the Telecommunications Network so that it would accept that one invalid user number. For the client this meant salvaging the potential loss of those 30,000 diskettes. For the company, it meant considerable good will—and revenue.

In Telecommunications Engineering, 40 people work together to advance the state of the art in GE Information Services' Data Communications technology. Its charter: "To provide the highest quality telecommunications network in support of marketing and sales programs objectives." This relatively small group of people is responsible for all the technology embodied in the hardware and software that is used in the data communications network.

In practical terms, this means selecting the best vendors worldwide to supply the next generation of hardware for the network concentrators. If there is no vendor who can do the job, it means designing the hardware from scratch. That's just what Jack McMahon, systems engineer, did to expand the MRC

memory capacity. Or in software development, it can mean designing, developing, testing, and releasing the next version of MRC, Gateway, or central networking software.

Doing Whatever It Takes

While this is the group's fundamental charter, the everyday reality can be something quite different. No ivory tower development shop, this group takes each problem by the horns and finds a solution wherever, whenever, and however it can. This can mean John Bennett, lead systems engineer, standing in a cold winter rain to get a satellite antenna pointed, tuned up, and accepted for commercial operation. It can be John Stone, manager, Network Transmission Software, standing barefoot in his rec room at 1:00 in the morning debugging a commercial network problem, or John Schanz, engineer, racing down several flights of stairs to try to trap an intermittent modem problem that has plagued the GENie™ user community. Or it can be Paul Walton, systems engineer, undergoing the pressures of a peer review—a structured critiquing session complete with report card—all in an effort to find all potential problems which clients might encounter before clients see the products.

A Watershed Year

Last year was a watershed year for Telecommunications Engineering. After getting a late start in entering the VAN market in 1982, the group devoted the ensuing years to developing VAN-oriented products

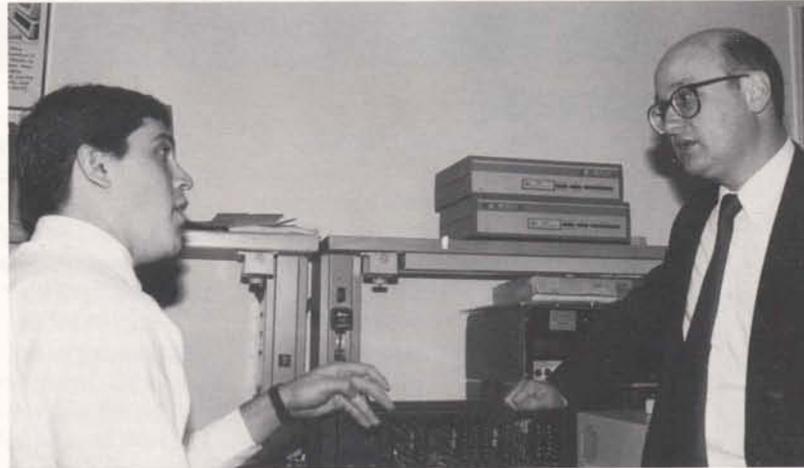
that meet and best the competition. In 1987 these efforts paid off as MARK*NET™ took business away from competitors, based both on function and price. For example, GE displaced Telenet at a major West Coast apparel manufacturer, a client of ours for many years who had tried the competition and decided that GE Information Services was best. And in a competitive bidding situation at the Department of Commerce, we took business away from CompuServe and put it on MARK*NET.

Among the recent successes is the essential completion of the Satellite Backbone Network, the installation of a satellite earth station at each U.S. Network Service Center. Conceived as a cost reduction program—and in its lifetime it is projected to save millions in operating costs—the Satellite Backbone Network has been a major advance in quality as well. It means that the network is no longer at the mercy of terrestrial communications services which increasingly experience lengthy outages. This new capability enables GE to isolate its customer base from any problems that its subsupplier, AT&T, is experiencing. This translates into more continuous and acceptable service to clients.

Another major project was the engineering design and replacement of the Foreground Communications Controllers, the machines through which all data enters and leaves the Foreground Clusters of the network. This project was completed and installed with zero impact on clients—the equivalent of replacing an automobile engine while the car is travelling down a highway at 55 mph.

A final project was replacement of the old Dial Out technology with simpler, more robust, and less costly technology.

John Schanz and Jim Keough discuss the merits of an Octocom modem. Octocom equipment will be used to expand 2400 BPS asynchronous network service.

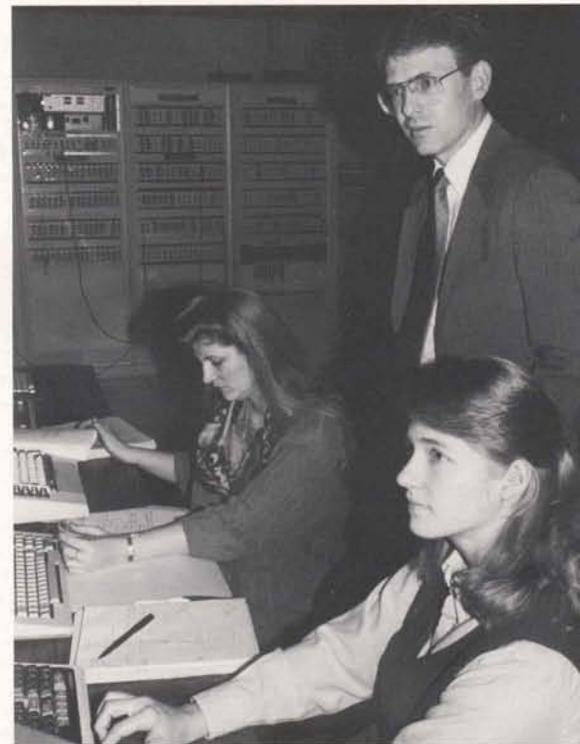


This new technology will enable the company to cost effectively deploy and expand the Dial Out business, which has been limited in its commercial potential by the old technology.

The Challenges Ahead

In 1988, several major projects that will have impact across the business loom large. One is replacement of present IMUX technology to allow deployment of asynchronous service more ubiquitously across the U.S. Another is replacement of host and network gateway technology with the next generation of communications hardware. This will provide a new platform for increasing functionality and customization of network services to meet specific client needs. Yet another is increasing activity to take advantage of Very Small Aperture Technology (VSAT), a new cost-effective way to provide long-haul, wide-band data communications to clients. In these and other projects in the 1988 plan, increasing performance, quality, and responsiveness to customer demands upon the data communications network is the ultimate goal.

According to Jim Keough, manager, Telecommunications Engineering, the group has two



*The Central Network Software team checks out the health of the MARK*NET network from the Maryland Network Transmission Center. From left to right are Charlene Kearse, John Stone, and Deb Dibert.*

equal tactical goals: to put out the very highest quality product at a world-class level and to make good on its commitment to the business to deliver the functionality promised on the schedule committed to. "Our motto for 1988," says Jim Keough, "is not just to deliver on time but to deliver 'Right, On Time.'"

GOODNEWS

National Commercial Bank Shams Faiz, Saudi Arabia

National Commercial Bank (NCB), the largest bank in Saudi Arabia, has signed a contract with GE Information Services (Saudi Arabia) for custom development of an Integrated Multifund Accounting System (IMAS).

NCB has over 175 branches in Saudi Arabia, which constitutes 28 percent of the total banking branches in the kingdom. In addition, it has branches and representative offices in nine countries and maintains 600 correspondent relationships worldwide. With assets of \$25 billion, NCB ranks among the 200 largest banks in the world.

NCB is a leader in providing investment services, the most successful of which are its mutual funds. Its Investment Management Division currently offers four funds, subscribed to by about 20,000 investors. The bank is expecting geometrical growth in new funds and subscribers in 1988 and 1989.

Earlier last year, GE Information Services won an opportunity to custom develop a system to automate the Front Office operations of NCB's Investment Management Division (IMD). The system, called QUICK INVEST, is a PC-based transaction entry system that allows IMD's investment officers to open new investment accounts and enter deposit/withdrawal transactions. The transactions entered by over 25 branches are consolidated via MARK III® and reported to the IMD Head Office where they are processed on an NCR 9020. The system also reports cash requirements of participating branches to strategically located cash depots three days in advance. Such advance reporting has helped NCB release about \$2 million in idle funds that used to be kept with the branches to meet their cash requirements.

IMAS will replace the current

back office system on NCR 9020. After full implementation, QUICK INVEST and IMAS will constitute over 80 percent of total current automation of IMD's operations.

GE Information Services has also proposed a "HOME INVEST WORKSTATION" which will allow IMD clients to do investment status inquiries directly from IMAS on MARK III and send instructions to IMD. NCB selected GE Information Services because of our ability to provide an expeditious solution, the demonstrated professionalism of the negotiating team, and the success of the QUICK INVEST system.

The GE Information Services team that won the NCB contract includes Shams Faiz, account representative; Raman Joshi, technical representative; and Tariq Saeed, administrative support.

"It was real team work," said Shams Faiz. "We were all there, together with our Country Manager, Faisal Abdullah, and Vice President, Danny Shultz, who called on NCB senior management during his trip to Saudi Arabia."

SNCAR

Andre Boico, France

SNCAR (Syndicat National des Courtiers d'Assurance et de Reassurances), the French association of insurance and re-insurance brokers, has joined with GE Information Services to link its members by computer with the French insurance companies. Announced to the French broker community in Paris in December 1987, the project, called CELIAS (Centre de Liaison pour L'Assurance) or insurance center link, will lead to the establishment of a common electronic environment for the distribution of information.

The volume of information exchanged between insurance companies and brokers is

considerable and SNCAR sought an efficient tool to reduce their members' data handling costs. The initial application will handle monthly premiums due to insurance companies from brokers. The second will handle detailed remittance advices covering payments actually made by brokers to the insurance companies.

The application works on the same principle as a multi-bank cash management system in which detailed bank statements for a large number of clients are made available by banks to MARK III®, which regroups them and downloads the data in a consolidated format. The insurance companies will enter data from their host machines and the brokers will download onto their PCs, minis, or mainframes.

GE Information Services SA won the contract because of its worldwide experience in the trading and financial world and its ability to integrate the variety of hardware systems at the brokers' offices. In addition, GE Information Services had the ability to provide the connections and transport outside France. This is particularly attractive to the USSEA, the group representing the foreign insurance companies based in France.

Since signing the contract with SNCAR, a second brokers' association, SFAC, has agreed to join the system.

The considerable press coverage given to the project, both in the insurance press and in the large circulation economic press, positions the company well to gain new clients within the insurance industry.

Those contributing to the SNCAR application are Ludovic Cohen Zardi, branch manager, banking and insurance; Sylvie Lecllet, sales representative; Andre Boico, SDC manager, banking and insurance; and Alain Longatelli, project leader.

Koret of California

Kevin Poole, U.S.

GE Information Services has won a contract to convert Koret of California's in-house order entry system to a customized system running on MARK III®. Koret is a manufacturer of mid-priced women's sportswear, marketed through department stores and women's speciality shops.

When Joe Jones, SDC, first heard of the business, the company was using an off-the-shelf system from Sales Technology, Inc. (STI) for order

entry. Koret sales reps entered their orders on a Zenith laptop computer and the laptop transmitted the orders to STI's DEC computer in Atlanta. The DEC performed preliminary order processing and transmitted the orders to Koret's IBM System 38 in San Francisco. The process was fraught with delays and errors.

Kevin Poole, Western Area Sales, decided to go after the business. A development team was quickly formed to design a system that would meet Koret's needs. Joe Jones figured out a way to transport the order entry

code developed for Levi Strauss to Koret. Tom Eastwood, SDC, developed an interface from Koret's Zenith laptops to this application. Kevin Poole worked out the contractual commitment and pricing required.

Because the proposal put GE's solution 30 percent higher than the competition, the presentation team stressed the company's reputation and reliability and won the business while holding firm on the price.

The system was installed in record time and was fully ramped in three months.

NEW & REVISED DOCUMENTATION

The following documents were published between November 15 and February 5. This list is accurate as of February 5. Copies of these publications can be secured using the On-Line Ordering System (OLOS).

Pub No.	Rev Let.	Publication Title	New/Rev.	Date Pub'd	Pub No.	Rev Let.	Publication Title	New/Rev.	Date Pub'd
310.04		- Trading Up—January 1988	New	1/88	3411.04		- The QUIK-COMM SYSTEM: Personal Computer Mailbox System Administrator's Installation Guide - Customizing PC Mailbox 4.0	New	8747
700.27		- Global Support Services Brochure	New	10/87					
902.52		- EMHART CORPORATION Closes the Books in a Flash Reprint from LEADER	New	1/88	3501.01	R	MARK III Service Command System Reference Manual	Rev.	8752
900.82		- Success Story # 10, BUYPASS the System, Inc.	New	8750				Rev.	8751
900.83		- Success Story # 11, GE Corporate Finance Registered Mail System	New	8750	3501.40	A	2780/3780 EMULATORS User's Guide	Rev.	8751
900.84		- Success Story # 12, ENICHEM Treasury System	New	8750	3501.45	A	GE Applications Integration Management Product Profile	Rev.	8803
900.85		- Success Story # 13, Sinclair P.O.S. System	New	8751	3501.100	A	General Editing Manager User's Guide	Rev.	8751
900.86		- Success Story # 14, National Online Regulatory Access (NORA)	New	8750	3910.39	C	Dedicated High Speed Access Supplement to Agreement for Teleprocessing Services	Rev.	8802
900.87		- Success Story # 15, Attach Interface Program	New	8752	3918.05	C	MARK*NET Asynchronous Value-Added Network Service Product Profile	Rev.	8805
910.30	H	GSA Teleprocessing Services Schedule Contract	Rev.	12/87				Rev.	8802
910.50		- Passport to the World Sales Kit	New	1/88	3918.11	B	MARK*NET Service Agreement	Rev.	8802
1375.44		- PC ANYWHERE Software Package	New	12/87	3918.26-1	B	MARK*NET Service: Network Monitoring Facility User's Guide	Rev.	8750
1389.09		- The BUSINESSTALK System: User's Guide Supplement For the Apple Macintosh and IBM Personal Computer	New	8749	3918.44	A	MARK*NET Service: Symbolic Logon User's Guide	Rev.	8749
1401.01	I	Teleprocessing Services International Access Directory (January-March 1988)	Rev.	8752	3918.47		- Serving The World Through International Brochure	New	10/87
2051.54	A	MARK 3000 Priority Processing Product Profile	Rev.	8751	3918.48		- Symbolic Logon Supplement to MARK*NET Service Agreement	New	8802
2051.84		- MARK 3000 SNA APPC Product Profile	New	8746			- Symbolic Logon Supplement to Agreement for Teleprocessing Services	New	8802
2052.33		- MARK 9000 Service Brochure	New	11/87	3920.01		- MARK*MANAGER User's Guide	New	8744
2052.34		- MARK 9000 Service Price Schedule	New	8802	3920.03		- MARK*NET Service: Network Monitoring Facility Quick Reference Guide	New	8752
2052.35		- MARK 9000 Service Agreement	New	8802	5070.07-9		- EDI for the Healthcare Industry Brochure	New	11/87
2052.36		- Amendment to Schedule A to MARK 9000 Service Agreement	New	8802	5070.43-1	A	EDI*EXPRESS System: QUIK-COMM System	Rev.	8748
2052.37		- Schedule A to MARK 9000 Service Agreement	New	8802	5070.59-1	A	The EDI*PC System: Getting Started	Rev.	8805
3410.100	A	Personal Computer Mailbox Product Profile	Rev.	8752	5070.59-4	A	The EDI*PC System: Tutorial	Rev.	8805
3410.101	A	The QUIK-COMM System Product Profile	Rev.	8752	5070.71		- GE Teams with MSA for Integrated EDI Brochure	New	11/87
3410.104	A	Bulletin Board Service Product Profile	Rev.	8752	5070.74		- The EDI*EXPRESS System: User Manual	New	8803
3410.105	A	QUIK-COMM Telex Access Product Profile	Rev.	8752	5070.75		- The EDI*EXPRESS System: High-Speed Service User Manual	New	8752
3410.106	A	QUIK-GRAM Service Product Profile	Rev.	8752	5070.76		- The EDI*EXPRESS System: Low-Speed Service User Manual	New	8752
3410.107	A	QUIK-COMM to PROFS Service Product Profile	Rev.	8752	5070.77		- The EDI*T System: System Description	New	8747
3410.110	A	Global Office Communications Services Price Schedule Folder	Rev.	8751	5070.78		- EDI*EXPRESS System: Administrative Services Supplement to Agreement for Teleprocessing Services	New	8747
3410.110-4	A	QUIK-GRAM Service U.S. Price Schedule	Rev.	8747			- Terminal Administration and Billing System (TABS) Supplement to Agreement for Teleprocessing Services	New	8748
3410.120	A	QUIK-COMM Connector Licensed Package Supplement to Software License Agreement	Rev.	8750					
3410.125		- QUIK-COMM to ALL-IN-1 Service Product Profile	New	8752	6214.08				
3410.126		- QUIK-COMM to DISOSS Service Product Profile	New	8752					

FASTFAX

Beulah Brandon
St. Louis, MO

Q Do our distributors have specific personnel to handle incoming business from the U.S.?

Yes they do. They are called import managers and are listed on the DY28 file named IMPOR*T. If you need Client Services support with an existing client internationally, see the file on QK11 named CSIRO.S. It contains the Client Services International Roster and includes QUIK-COMM addresses, telephone numbers, addresses, and personnel names of all of our distributors and affiliates that provide Client Services support.

Jeff Englander
Rockville, MD

Q Where can I get an EK10 demonstration number?

Validations distributes most of the internal demonstration user numbers. EK10 is one of their demo catalogs. Send a message via the QUIK-COMM™ System (address: VALD) including the purpose of the demonstration and the password you want. If the user number is for QUIK-COMM, specify the QUIK-COMM address you need. Make sure that you include your cost center.

Charles Zeale
Lyndhurst, NJ

Q One of my clients did not receive the November 1987 letter concerning price changes. Is there a copy of it online?

It is in the QK11 catalog, file name CUSTL*TR.

Jeanne Huling
Dallas, TX

Q I have heard that GE Information Services employees qualify for Apple Computer discounts. How can I get information on those discounts?

Call Apple Computer at (609) 985-1095 and request a packet with information on purchasing Apple computers.

Don Werner
St. Louis, MO

Q I have a client ordering a leased line. Do we still have an agency letter so that we can order the circuit for the client?

It is on the DY28 catalog, filename AGTLET.

Helmut Grotehusmann
Huerth, Germany

Q Since our time zone and yours are different, it sometimes makes it difficult to determine what day we should use for file restores. Do you have information on how we back up our files?

I have polled the Supercenters and received responses for Mark III and MARK 3000. The information is in InfoTalk under Employee Information, Fast*Fax, System Backups.

Vernon Smith
Detroit, MI

Q What can you tell me about the National On-Line Regulatory Access data base?

NORA is an on-line text research and data distribution system designed to perform text search and retrieval functions for the Common Carrier Bureau of the Federal Communications Commission (FCC) documents. The account manager is Dave Jacobs. He can be reached at (303) 793-1300, Dial

Comm 8*452-5381, or via the QUIK-COMM system (address: DJACOBS). Three articles in InfoTalk may be of help. Search the Board Library for NORA.

Charles Zeale
Lyndhurst, NJ

Q I have a prospect for Managed Network Services. Who should I contact?

Contact Martha Mostovych in Chris Pittman's VAN and MNS organization. She handles the product and should be able to provide the necessary information to assist in screening prospects. Contact Martha at (301) 340-4340, Dial Comm 8*273-4340, or via the QUIK-COMM system (address: MOST).

For North America, contact Jon Frey, manager of North American MNS & VAN, at (301) 340-4430, Dial Comm 8*273-4430, or via the QUIK-COMM system (address: JON-FREY).

The international contact is Terry Reed. He can be reached via the QUIK-COMM system (address: REED).

Joe Scarcella
Cleveland, OH

Q I am working on a proposal that needs to include our EDI training. Do we have any on-line information?

Four files on QK11 have course descriptions and outlines: ANSIT*NG, EDITT*NG, HSSTN*G, and ADMIN*TG.

Annette Brown
Houston, TX

Q Do we have a list of QUIK-COMM system TELEX numbers?

Yes we do. On the QK11 catalog we maintain a file that has all of the TRT TELEX numbers that have been assigned to the QUIK-COMM system. The file name is TELX-QUIK. It has the client name, default user number, and QUIK-COMM address.

Phil Fitzpatrick
Atlanta, GA

Q What is the name of the on-line file that has international local access points and their telephone numbers?

There is a program named INTAXESS on DY28 that has distributor provided local access numbers.

Here are some questions I am frequently asked.

Q Where can I access a current employees Telephone Directory?

We have a couple of on-line Telephone Directories. Facilities maintains one on file system J called TELDIR that can be accessed from catalogs AG25, AR00, AR11, AR22, AR88, and AI33. In order to maintain an up-to-date directory, facilities needs your help. For deletions, additions, or corrections please send a message via the QUIK-COMM

system (address: FACL) and include your Name, Title, Location, Telephone number, and QUIK-COMM address.

You can also run TELDIR on QK11. This TELDIR is case blind. I do not know who supports this directory.

InfoTalk administration maintains a GE Directory under the Employee Information icon. For inclusion in that directory, send a message via the QUIK-COMM system (address: FAXDBA).

Q What are the new HSS charges?

In the January 1988 SPECTRUM, I indicated that HSS charges would change. They did, effective January 1, 1988. You can list file LOGOFF*** for more information concerning HSS and DEM.

Q What can you tell me about the U.S. QUIK-COMM Agreement?

The QUIK-COMM agreement became mandatory January 1, 1988. Direct your comments concerning the new agreement to Tim Madison, telephone number (301) 340-4721, Dial Comm 8*273-4721, or via the QUIK-COMM system (address: ITIM). There is information on the agreement in InfoTalk, which covers content of the \$15,000 implementation fee.

Q How can I get on to InfoTalk?

If you do not have a copy of the software, you should list a QK11 file named BTINFO. It will help you to determine the best method to secure a copy. Or contact Karen Synnett, InfoTalk administrator, at (301) 340-4568, Dial Comm 8*273-4568, or via the QUIK-COMM system (address INFOTALK).

Confidentiality—Always A Watchword

In a recent decision, the U.S. Supreme Court upheld the conviction of a reporter for having printed privileged information. The Court reiterated the underlying legal principles protecting confidential business information such as future products, planned technology developments, prospective clients, and marketing strategies. Quoting from an earlier decision, the Court stated "that even in the absence of a written contract, an employee has a fiduciary obligation to protect confidential information obtained during the course of his employment."

The obligation to respect a company's confidential information applies not only to present and former employees but also to independent contractors, licensees, and others who obtain information under circumstances in which it is reasonably understood to have been disclosed in confidence.

In the case of GE Information Services, confidentiality extends not only to information about the company but also to that obtained from customers or suppliers. When in doubt, employees should seek advice from their managers or assigned counsel.

MILESTONES

Congratulations to the following GE Information Services employees who celebrated service anniversaries in November and December 1987 and January 1988.

30

William R. Bacon
Rockville, MD,
U.S.

Richard J.
LeFebvre
Rockville, MD,
U.S.

25

Wayne Crawford
San Jose, CA, U.S.

Leland A.
Denny, Jr.
Rockville, MD,
U.S.

Roberto Di Felice
Rome, Italy

Kenneth W.
Fowler
Dallas, TX, U.S.

Morris R.
Keranen
San Francisco,
CA, U.S.

20

Ted W. Day
Rockville, MD,
U.S.

Leslie Lienard
Brussels, Belgium

Robert E. Nelson
Rockville, MD,
U.S.

John T. Roeder
Rockville, MD,
U.S.

Dick Van Den
Burg
Amstelveen, the
Netherlands

15

Clive Akerman
London,
England, U.K.

Carmen E.
Edgehouse
Brook Park, OH,
U.S.

Walter Franke
Munich,
Germany

Gregory D.
Horodeck
Oak Brook, IL,
U.S.

John C. Laflin
Rockville, MD,
U.S.

Peter A. Mannetti
Rockville, MD,
U.S.

William O.
McCall
Rockville, MD,
U.S.

Mary Ann
Megahee
Atlanta, GA, U.S.

James F. Morgan
Rockville, MD,
U.S.

Alvin F. Moss
Tampa, FL, U.S.

Egan G. Skinner
Rockville, MD,
U.S.

M. Walmsley
London,
England, U.K.

Leon D. Wilson
Brook Park, OH,
U.S.

10

Henk Boerboom
Amstelveen, the
Netherlands

Joan G. Burton
Arlington, VA,
U.S.

Leo T. Centeno
Rockville, MD,
U.S.

Virginia L.
Downes
Rockville, MD,
U.S.

Cotrillia Ewing
Rockville, MD,
U.S.

Joseph H. Heroux
Newton, MA, U.S.

Janet L. Hooper
Rockville, MD,
U.S.

Lorean A. Jordan
Rockville, MD,
U.S.

Matthew R. Leek
Palo Alto, CA,
U.S.

Arthur J. Manasia
Brook Park, OH,
U.S.

Larry Patterson
Rockville, MD,
U.S.

Donnajean Pettit
Rockville, MD,
U.S.

Thomas W.
Risinger
Tampa, FL, U.S.

Louise Rudolph
Brook Park, OH,
U.S.

Andries Eus De
Vries,
Amstelveen, the
Netherlands

Donna V.
Whitmore,
Rockville, MD,
U.S.

5

Silvio Cangiano
Paris, France

Mauro Canova
Milan, Italy

Donald R. Collins
Dallas, TX, U.S.

James D. Conners
Dearborn, MI,
U.S.

Valerie Flood
Dublin, Ireland

Louis E.
Hunziker
Nashville, TN,
U.S.

Alan K. Johnson
Brook Park, OH,
U.S.

Frank J. Joseph
Rockville, MD,
U.S.

Peter M. Lewis
Dallas, TX, U.S.

Kathleen M.
Miller
Rockville, MD,
U.S.

Mark T. Patterson
Rockville, MD,
U.S.

Farah I. Pope
Brook Park, OH,
U.S.

Gary J. Resek
Brook Park, OH,
U.S.

P.M. Rindhagen
Spanga, Sweden

Gerald Ryan
Rockville, MD,
U.S.

John E.
Schmarr, II
Rockville, MD,
U.S.

Edward R.
Stephan
Rockville, MD,
U.S.

Chris Toone
London,
England, U.K.

Peter Turner
London,
England, U.K.

Paul Walton
Rockville, MD,
U.S.

Hans Zuurdeeg
Paris, France

CHARLIE HARP RECEIVES CORPORATE MANAGEMENT AWARD

While meeting in Orlando, FL, the GE Receivable Council called a time out to watch the Superbowl XXII game. Little did Charles Harp, manager of client financial services in Rockville and Washington Redskins fan, know that he was to be the day's big winner. After the game, he was presented a \$5,000 corporate management award for his contribution to the Electronic Receivables and Payments Task Force.

In March 1987, component representatives from receivable credit collection departments formed a task force to discover new directions in receivables. Out of that grew an interest in electronic payments.

Because of his expertise, Charlie was selected to chair the electronic payments mini council. "After seeing the success we were having, the rest of the company became interested in it," he says. GE Information Services has used an electronic payment system for four years.

The mini council met and within two months had designed a winning game plan that emphasized training, common customer opportunities, and system upgrades. Since that time, Charlie has documented everything he knows about electronic payments to help consultants develop a training program. He has met with common customers, such as

Exxon and Dow Chemical, on the behalf of other components to negotiate electronic payments. And on behalf of Aircraft Engines, he gave a presentation to the Air Transport Association, encouraging them to adopt electronic payments as part of their EDI program.

"We hope to act as training consultants to the rest of GE, offering them our expertise for their electronic payment opportunities," he adds.

Charlie says that quick turnaround and good results helped him win the award. "The people at corporate could not believe how successful the task force and mini council had been in such a short time. Since May, the task force has successfully addressed all the areas we targeted." (GE also adopted GE Information Services Customer Originated Electronic Draft program to be used by all components for electronic payments.)

Charlie is quick to pass some success on to GE Information Services. "Our business has a better understanding of EDI and



Charlie Harp is the recipient of a corporate management award.

is forward looking," he says. "It also helps that we have a fairly sophisticated client base. I received support from GE Information Services all around."



GE Information Services

Offices or distributors in Australia, Austria, Belgium, Brazil, Canada, Denmark, Finland, France, Germany, Holland, Hong Kong, Italy, Ireland, Japan, Korea, Malaysia, Mexico, New Zealand, Philippines, Republic of China, Saudi Arabia, Singapore, Spain, Switzerland, United Kingdom, United States.

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