

Bob Murray

Network University - not via Ed Svcs in US. OK in Eur / JPA.

Cecil Dye

Chet Bowles - charge for Bus. fellowships 10K/person
6K = cost.

Bob's objection - no profit req'd. 10K too steep.
(5K OK?) I would rather see nets Tmg free.

- wants 2 x monthly tmg. Not just quarterly.
- could we go into Barclay's as a Barclay's fellow. - let them pay for that? after market supply?
- would help build 2 day nets seminar. Do it from Act. "Fill it every time."

- align 2 day tmg with Bus. fellowship? }?
latter free if 10 students attend.

- constantly changing. Not like VAX. Source of \$ & Pkgd.

- Seen as the enemy to Ed Svcs. (US only)

* { Murray, Chet Bowles, Cecil, Joe/Charlie. Set up.
* { feedback to Bob re: why there is tension.

Is Herman/Loga ready to [locally] give Nets Bus Fellowship?}

CSJ

Hong Kong Shanghai Bank S.I. - F&P needs help -
get in B.

Business

Pat Cataldo -
- EXPENSES in CO.

3 mos

- Course developers
- then instructors do our thing.

* ~~Try to get generic basis~~
in course only.

* By publishing group for
own use. Is there a
commercial opportunity
there??
(cash term)

ESMC 2/27/89

ES NAC Meeting

Met U - not Eng - Mtg. NOT in depth.

- Murray avoiding a cost?
- Need mts + holds Eng.
- Sales meetings

History - they did it themselves.

Expenses causing crunch too.
Dan Tolun ex ES now gone

ES needs a model

Fust to Dave then / Jack Smith

Note to Pat.

- ① don't tell Murray we want to meet @ him.
- ② you develop funding template for JFS.
- ③

① Confusion re: Ed SVCS Consolidation

- IS it a go or not?

- Cecil withdrawing from temporary area staff.

* Pat write a clear note of approval

| If not back in 3 weeks - pain will be intolerable.

* What are CSS Eng SVCS rates compare to Johnson's \$60/hr. Do CSS have allocations for FAA/MIS/etc. space.

* Tell Pete Smith that ESCC has UOT - TNJ justification. would like to show PMG's for conflict/impact. OK? when?

Net Fellowship University - 10K never fly.
- wants 2x month. Net 19th.
- at least just cover cost.

Create 2 day networking seminar - held at ACT.
"Fill it every time"

Free of full time? align net time with fellowship.
10 students.
- constantly needs updating. Profit #
- NAC will help write course.
- NAC is enemy of ES US.
- why pension?

Local (GPA/Eu) fellowship time?

ES own Network U?

To: Pat Cataldo
Re: A Partnership Proposal

CC: Bill Johnson

Pat:

Its been about two months since our DecWorld conversation. Since that time I have been encouraging my folks to increase their activities and collaboration with your various groups.

I believe we have some very attractive internal and external education and training activities in the works:

1.) For the internal side, we are presently working with Cecil Dye's group to explore joint development in pre-CSST and CSST training programs as well as some packaged, self-study programs for field distribution. Clearly, one of the challenges your course developers face is time-to-market.

In the network area, we will change out a product or product line in 18 months, have a new competitor emerge in 90 days and disappear in six months and have new technologies change market conditions overnight. And, of course, geographic considerations are at issue as well.

We need to explore what Nac Marketing can do to help your developers deal with such dynamic change.

2.) We have developed an excellent pilot program for customers: The Network Fellowship. Ellen O'Brien and Bob Martel have put together a first rate customer training package.

I have asked Bob and Ellen to conduct a program review to work the following issues:

- a) How do we increase the number of programs from once a quarter to once a month and then, twice a month.
- b) What do we do with the Fellowship Graduates as an aftermarket opportunity.
- c) What is the correct tuition to charge and will this effect attendance.

3.) Buzz Latrell's presentation has been very favorably received in Nac and in my meeting with him last week I confirmed my support of an international DVN Network symposium. However, I am concerned that we do not presently

have the right answer to recovering costs and generating profit for your organization.

We are working this aggressively.

I believe as we continue to work together we will discover additional areas for partnership.

However, I believe you and I need to meet to discuss some of my concerns. I can clearly see where some of these activities will meet both of our goals: mine, of course, to promote networks; yours, to provide timely sales training.

But, on the outward focused, customer oriented projects, we do not have a clear revenue plan to meet your goals.

I need to understand the revenue side of your business better so I can help construct profitable and saleable packages.

In fact, I would like to explore a model which may interest you. I think the clearest parallel is the " Broadway Angel " who funds producer/directors to develop and stage a " hit show ". The pay-off for the " angel " is, of course, on-going revenue from the hit show and the funds to create additional " hits " .

Translated specifically, does it make sense for you to hire Nac Marketing to create educational and training programs which, in turn, we will help you sell throughout the world.

As you can see, I came away from our meeting energized and motivated. Lets get together soon to see what kind of trouble we can get into ... or stay out of.

Regards,

Bob

I N T E R O F F I C E M E M O R A N D U M

Date: 15-Feb-1989 11:44am EST
From: DIANE MCMILLEN @NPO
MCMILLEN
Dept: FINANCE
Tel No: 264-1867

TO: See Below

Subject: FEBRUARY FY89 PULSE REPORT

A Document is attached to this message

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CERTS
PULSE FLASH REPORT
Q2 FY89

	BOD	SEP	OCT	NOV	DEC	ACTUAL
PGG-U	19,892	22,621	20,604	21,009	18,449	16,149
ISG-U	7,312	5,500	4,500	7,000	4,600	1,036
NSG-U	18,008	16,328	15,153	14,668	9,330	10,775
US ADJ	-	-	-	-	-	51
US AREA HEDGE	(1,300)	(500)	-	(2,420)	-	-
US AREA	43,912	43,949	40,257	40,257	32,379	28,011
CSS US	43,912	43,949	40,257	40,257	32,379	28,011
CSS US/MFG	43,912	43,949	40,257	40,257	32,379	28,011
PGG-E	25,810	24,958	23,310	26,021	32,989	43,476
ISG-E	4,769	4,900	4,900	3,855	2,255	2,191
NSG-E	8,900	7,067	7,453	7,453	7,453	7,790
EUR ADJ	-	-	-	-	-	418
EUR AREA HEDGE	-	-	1,262	-	(2,697)	-
EUR AREA	39,479	36,925	36,925	37,329	40,000	53,875
CSS EUROPE	39,479	36,925	36,925	37,329	40,000	53,875
JAPAN	11,010	10,690	10,690	11,106	11,106	11,593
SPR	4,880	4,880	4,880	5,600	4,400	3,703
FER	3,518	3,520	3,520	3,200	2,900	3,653
LACR	621	560	560	496	496	611
INDIA	497	797	797	870	396	345
CANADA	4,573	4,573	4,573	4,700	4,700	9,442
GIA AREA HEDGE	(1,490)	(1,400)	(1,400)	(2,300)	(1,000)	-
GIA AREA	23,609	23,620	23,620	23,672	22,998	29,347
CSS GIA	23,609	23,620	23,620	23,672	22,998	29,347
WW SUBTOTAL	109,790	106,394	100,940	105,978	99,074	111,233
TOTAL AREA HEDGE	(2,790)	(1,900)	(138)	(4,720)	(3,697)	-
CSS WW	107,000	104,494	100,802	101,258	95,377	111,233

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CERTS
PULSE FLASH REPORT
Q3 FY89

	BOD	NOV	DEC	JAN	FEB
PGG-U	21,754	20,399	22,953	22,953	23,066
ISG-U	9,871	9,388	10,888	10,909	9,900
NSG-U	19,380	18,839	19,957	18,813	16,639
US AREA HEDGE	(1,400)	-	-	(3,070)	-
US AREA	49,605	48,626	53,798	49,605	49,605
CSS US	49,605	48,626	53,798	49,605	49,605
CSS US/MFG	49,605	48,626	53,798	49,605	49,605
PGG-E	28,814	25,535	38,235	30,018	26,440
ISG-E	6,311	4,940	5,940	6,578	6,366
NSG-E	10,536	12,181	12,181	11,249	11,314
EUR AREA HEDGE	-	-	(12,700)	(4,000)	(275)
EUR AREA	45,661	42,656	43,656	43,845	43,845
CSS EUROPE	45,661	42,656	43,656	43,845	43,845
JAPAN	9,440	9,440	9,440	9,440	9,440
SPR	4,776	5,600	5,200	5,200	5,897
FER	2,526	2,200	2,200	2,200	2,200
LACR	702	702	702	702	702
INDIA	676	576	800	800	800
CANADA	5,262	6,474	6,473	6,473	3,569
GIA AREA HEDGE	(1,401)	(3,000)	(2,900)	(4,400)	(2,200)
GIA AREA	21,981	21,992	21,915	20,415	20,408
CSS GIA	21,981	21,992	21,915	20,415	20,408
WW SUBTOTAL	120,048	116,274	134,969	125,335	116,333
TOTAL AREA HEDGE	(2,801)	(3,000)	(15,600)	(11,470)	(2,475)
CSS WW	117,247	113,274	119,369	113,865	113,858

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CERTS
PULSE FLASH REPORT
Q4 FY89

	BOD	JAN	FEB
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PGG-U	26,687	26,144	26,031
ISG-U	13,227	14,383	15,392
NSG-U	20,523	25,612	21,630
US AREA HEDGE	(1,700)	(7,402)	(4,316)
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US AREA	58,737	58,737	58,737
CSS US	58,737	58,737	58,737
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CSS US/MFG	58,737	58,737	58,737
PGG-E	34,407	39,070	37,770
ISG-E	8,294	7,980	8,346
NSG-E	11,670	14,032	13,969
EUR AREA HEDGE	-	(13,000)	(12,000)
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EUR AREA	54,371	48,082	48,085
CSS EUROPE	54,371	48,082	48,085
JAPAN	11,970	11,970	11,483
SPR	7,475	7,475	7,700
FER	3,603	3,603	3,300
LACR	837	837	658
INDIA	807	807	761
CANADA	5,274	5,274	3,532
GIA AREA HEDGE	(1,840)	(4,820)	(2,290)
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GIA AREA	28,126	25,146	25,144
CSS GIA	28,126	25,146	25,144
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WW SUBTOTAL	144,774	157,187	150,572
TOTAL AREA HEDGE	(3,540)	(25,222)	(18,606)
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CSS WW	141,234	131,965	131,966
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CERTS
PULSE FLASH REPORT
TOTAL YEAR FY89

	FY87 ACTUAL	FY88 ACTUAL	FY89 BOD	JAN	FEB
PGG-U	53,553	68,401	84,527	77,576	77,527
ISG-U	24,353	27,331	35,000	35,000	35,000
NSG-U	27,398	64,512	71,775	65,000	58,812
US ADJ	325	(159)	-	-	51
US AREA HEDGE	-	-	(5,400)	(10,502)	(4,316)
US AREA	105,629	160,085	185,902	167,074	167,074
CSS US	105,629	160,085	185,902	167,074	167,074
CSS US/MFG	105,629	160,085	185,902	167,074	167,074
PGG-E	51,184	93,586	105,940	133,965	129,087
ISG-E	14,229	21,909	23,980	22,699	22,798
NSG-E	22,066	30,109	38,925	38,900	38,902
EUR ADJ	636	11,611	-	1,305	1,360
EUR AREA HEDGE	-	-	-	(17,000)	(12,275)
EUR AREA	88,115	157,215	168,845	179,869	179,872
CSS EUROPE	88,115	157,215	168,845	179,869	179,872
JAPAN	23,668	31,893	40,000	40,000	40,000
SPR	14,399	17,081	20,765	19,912	19,912
FER	8,756	7,636	12,498	12,509	12,965
LACR	-	4,402	2,700	2,700	2,700
INDIA	3,246	1,117	2,500	2,000	2,000
CANADA	8,211	14,235	19,055	19,055	19,055
GIA ADJ	(6)	-	-	-	-
GIA AREA HEDGE	-	-	(5,865)	(4,022)	(4,490)
GIA AREA	58,274	76,364	91,653	92,154	92,142
CSS GIA	58,274	76,364	91,653	92,154	92,142
WW SUBTOTAL	252,018	393,664	457,665	470,621	460,169
TOTAL AREA HEDGE	-	-	(11,265)	(31,524)	(21,081)
CSS WW	252,018	393,664	446,400	439,097	439,088

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NOR
PULSE FLASH REPORT
Q2 FY89

	BOD	SEP	OCT	NOV	DEC	ACTUAL
PGG-U	16,223	17,918	15,003	13,563	13,563	11,608
ISG-U	7,092	8,712	7,700	7,700	6,600	7,057
NSG-U	12,806	11,798	12,784	10,841	10,808	9,994
US ADJ	-	-	-	-	-	40
US AREA HEDGE	(1,000)	(3,307)	(366)	-	-	-
US AREA	35,121	35,121	35,121	32,104	30,971	28,699
CSS US	35,121	35,121	35,121	32,104	30,971	28,699
CSS US/MFG	35,121	35,121	35,121	32,104	30,971	28,699
PGG-E	20,727	28,158	31,293	33,858	34,079	36,728
ISG-E	3,988	5,465	5,100	5,797	5,797	6,376
NSG-E	7,487	9,500	9,501	9,499	9,100	7,408
EUR ADJ	-	-	-	-	-	379
EUR AREA HEDGE	-	(5,000)	(4,900)	(4,200)	(1,976)	-
EUR AREA	32,202	38,123	40,994	44,954	47,000	50,891
EUR CSS HEDGE	-	(5,921)	(8,024)	-	-	-
CSS EUROPE	32,202	32,202	32,970	44,954	47,000	50,891
JAPAN	7,825	7,825	7,825	7,500	8,100	8,582
SPR	3,837	3,837	3,837	3,837	3,000	3,197
FER	3,307	3,300	3,300	3,300	2,770	3,254
LACR	399	1,100	1,100	460	780	759
INDIA	750	400	400	100	100	91
CANADA	3,772	3,772	3,772	3,289	3,380	3,209
GIA AREA HEDGE	(1,391)	(1,390)	(2,190)	-	-	-
GIA AREA	18,499	18,844	18,044	18,486	18,130	19,092
CSS GIA	18,499	18,844	18,044	18,486	18,130	19,092
WW SUBTOTAL	88,213	101,785	101,615	99,744	98,077	98,682
TOTAL AREA HEDGE	(2,391)	(9,697)	(7,456)	(4,200)	(1,976)	-
TOTAL CSS HEDGE	-	(5,921)	(8,024)	-	-	-
CSS WW	85,822	86,167	86,135	95,544	96,101	98,682

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NOR
PULSE FLASH REPORT
Q3 FY89

	BOD	NOV	DEC	JAN	FEB
PGG-U	18,373	19,766	18,724	17,258	15,513
ISG-U	7,962	7,977	8,527	8,527	7,000
NSG-U	15,683	12,806	13,304	13,525	11,270
US AREA HEDGE	(1,200)	-	2,000	(4,492)	1,035
US AREA	40,818	40,549	42,555	34,818	34,818
CSS US	40,818	40,549	42,555	34,818	34,818
CSS US/MFG	40,818	40,549	42,555	34,818	34,818
PGG-E	23,259	30,034	31,928	30,913	31,667
ISG-E	4,694	4,985	4,185	4,185	3,649
NSG-E	9,157	9,601	10,000	11,693	11,691
EUR AREA HEDGE	-	(900)	(113)	(5,500)	(5,710)
EUR AREA	37,110	43,720	46,000	41,291	41,297
CSS EUROPE	37,110	43,720	46,000	41,291	41,297
JAPAN	10,818	10,482	9,882	9,882	10,000
SPR	3,871	4,371	4,371	4,371	3,174
FER	2,378	3,200	3,200	3,200	2,300
LACR	651	500	500	500	500
INDIA	500	550	490	490	490
CANADA	4,250	5,516	5,885	5,885	5,591
GIA AREA HEDGE	(1,552)	(3,700)	(3,400)	(2,000)	200
GIA AREA	20,916	20,919	20,928	22,328	22,255
CSS GIA	20,916	20,919	20,928	22,328	22,255
WW SUBTOTAL	101,596	109,788	110,996	110,429	102,845
TOTAL AREA HEDGE	(2,752)	(4,600)	(1,513)	(11,992)	(4,475)
CSS WW	98,844	105,188	109,483	98,437	98,370

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NOR
PULSE FLASH REPORT
Q4 FY89

	BOD	JAN	FEB
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PGG-U	21,923	21,165	22,000
ISG-U	8,894	10,703	10,200
NSG-U	17,765	17,176	15,800
US AREA HEDGE	(1,380)	(1,042)	-
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US AREA	47,202	48,002	48,000
CSS US	47,202	48,002	48,000
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CSS US/MFG	47,202	48,002	48,000
PGG-E	27,191	31,830	32,537
ISG-E	5,514	4,688	5,252
NSG-E	10,921	10,763	10,763
EUR AREA HEDGE	-	(5,500)	(6,770)
	-----	-----	-----
EUR AREA	43,626	41,781	41,782
CSS EUROPE	43,626	41,781	41,782
JAPAN	10,962	10,962	10,844
SPR	5,703	5,703	7,291
FER	3,384	3,384	3,473
LACR	693	693	664
INDIA	447	447	820
CANADA	4,486	4,486	5,554
GIA AREA HEDGE	(1,809)	(1,800)	(4,700)
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GIA AREA	23,866	23,875	23,946
CSS GIA	23,866	23,875	23,946
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WW SUBTOTAL	117,883	122,000	125,198
TOTAL AREA HEDGE	(3,189)	(8,342)	(11,470)
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CSS WW	114,694	113,658	113,728
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NOR
PULSE FLASH REPORT
TOTAL YEAR FY89

	FY87 ACTUAL	FY88 ACTUAL	FY89 BOD	JAN	FEB
PGG-U	51,053	57,310	72,895	64,886	64,443
ISG-U	20,884	24,202	31,604	31,603	30,066
NSG-U	21,954	44,396	57,258	53,118	48,528
US HQ	-	-	-	40	-
US ADJ	2	-	-	-	40
US AREA HEDGE	-	-	(4,580)	(5,534)	1,035
US AREA	93,893	125,908	157,177	144,113	144,112
CSS US	93,893	125,908	157,177	144,113	144,112
CSS US/MFG	93,893	125,908	157,177	144,113	144,112
PGG-E	58,724	60,911	85,192	122,326	123,788
ISG-E	11,736	14,344	17,683	18,259	18,293
NSG-E	16,769	27,282	33,551	35,003	35,001
EUR ADJ	(1,058)	(497)	-	385	379
EUR AREA HEDGE	-	-	-	(11,000)	(12,480)
EUR AREA	86,171	102,040	136,426	164,973	164,981
CSS EUROPE	86,171	102,040	136,426	164,973	164,981
JAPAN	22,605	30,482	37,000	37,000	37,482
SPR	14,494	12,897	17,129	17,949	16,949
FER	8,149	8,776	11,750	11,750	11,800
LACR	-	1,853	2,100	3,400	3,400
INDIA	3,478	1,292	2,100	1,460	1,460
CANADA	8,492	10,757	16,200	17,077	17,077
GIA ADJ	(6)	-	-	-	-
GIA AREA HEDGE	-	-	(6,029)	(4,966)	(4,500)
GIA AREA	57,212	66,057	80,250	83,670	83,668
CSS GIA	57,212	66,057	80,250	83,670	83,668
WW SUBTOTAL	237,276	294,005	384,462	414,256	408,706
TOTAL AREA HEDGE	-	-	(10,609)	(21,500)	(15,945)
CSS WW	237,276	294,005	373,853	392,756	392,761

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E-LINE
PULSE FLASH REPORT
Q2 FY89

	BOD	SEP	OCT	NOV	DEC	ACTUAL
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PGG-U	1,120	1,467	1,420	938	884	836
ISG-U	402	373	321	54	56	8
NSG-U	599	724	871	902	848	554
US HQ	(3)	(9)	(3)	(10)	(29)	19
US ADJ	-	-	-	(638)	(638)	(865)
US AREA	2,118	2,555	2,609	1,246	1,121	552
US CSS HEDGE	-	-	(454)	-	-	-
CSS US	2,118	2,555	2,155	1,246	1,121	552
CSS US/MFG	2,118	2,555	2,155	1,246	1,121	552
PGG-E	1,044	1,183	1,303	875	811	667
ISG-E	374	334	279	75	75	114
NSG-E	681	669	811	703	676	509
EUR HQ	50	50	50	50	50	50
EUR ADJ	-	-	-	-	-	(199)
EUR AREA	2,149	2,236	2,443	1,703	1,612	1,141
EUR CSS HEDGE	-	-	(200)	-	-	-
CSS EUROPE	2,149	2,236	2,243	1,703	1,612	1,141
JAPAN	354	428	428	300	262	186
SPR	398	397	397	351	353	354
FER	154	330	330	211	391	355
INDIA	20	20	20	20	-	-
CANADA	111	174	174	101	128	149
GIA HQ	31	31	31	(7)	(7)	(7)
GIA ADJ	-	-	-	452	452	535
GIA AREA HEDGE	96	-	-	50	-	-
GIA AREA	1,164	1,380	1,380	1,478	1,579	1,572
CSS GIA	1,164	1,380	1,380	1,478	1,579	1,572
HQ	174	193	193	223	223	151
HQ AREA HEDGE	700	200	-	-	-	-
HQ AREA	874	393	193	223	223	151
CSS HQ	874	393	193	223	223	151
WW SUBTOTAL	5,509	6,364	6,625	4,600	4,535	3,416
TOTAL AREA HEDGE	796	200	-	50	-	-
TOTAL CSS HEDGE	-	-	(654)	-	-	-
CSS WW	6,305	6,564	5,971	4,650	4,535	3,416
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E-LINE
PULSE FLASH REPORT
Q3 FY89

	BOD	NOV	DEC	JAN	FEB
PGG-U	849	986	1,077	1,156	1,349
ISG-U	398	596	566	566	560
NSG-U	630	624	599	673	929
US HQ	(3)	(12)	(45)	(58)	(26)
US AREA HEDGE	-	-	-	-	(50)
US AREA	1,874	2,194	2,197	2,337	2,762
CSS US	1,874	2,194	2,197	2,337	2,762
CSS US/MFG	1,874	2,194	2,197	2,337	2,762
PGG-E	1,039	967	1,001	943	1,063
ISG-E	406	370	370	340	260
NSG-E	735	925	954	769	798
EUR HQ	50	50	50	50	50
EUR AREA	2,230	2,312	2,375	2,102	2,171
CSS EUROPE	2,230	2,312	2,375	2,102	2,171
JAPAN	475	324	365	365	413
SPR	347	458	504	504	456
FER	101	171	171	171	273
INDIA	15	20	15	15	20
CANADA	113	147	117	117	112
GIA HQ	31	-	-	-	-
GIA AREA HEDGE	102	70	-	200	-
GIA AREA	1,184	1,190	1,172	1,372	1,274
CSS GIA	1,184	1,190	1,172	1,372	1,274
HQ	175	222	222	202	197
HQ AREA HEDGE	1,000	900	900	900	-
HQ AREA	1,175	1,122	1,122	1,102	197
CSS HQ	1,175	1,122	1,122	1,102	197
WW SUBTOTAL	5,361	5,848	5,966	5,813	6,454
TOTAL AREA HEDGE	1,102	970	900	1,100	(50)
CSS WW	6,463	6,818	6,866	6,913	6,404

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E-LINE
PULSE FLASH REPORT
Q4 FY89

	BOD	JAN	FEB
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PGG-U	604	775	1,244
ISG-U	402	642	795
NSG-U	663	639	642
US HQ	(3)	(58)	(62)
US AREA HEDGE	-	-	(100)
	-----	-----	-----
US AREA	1,666	1,998	2,519
CSS US	1,666	1,998	2,519
	-----	-----	-----
CSS US/MFG	1,666	1,998	2,519
PGG-E	583	306	899
ISG-E	426	580	660
NSG-E	818	882	847
EUR HQ	50	50	50
	-----	-----	-----
EUR AREA	1,877	1,818	2,456
CSS EUROPE	1,877	1,818	2,456
JAPAN	456	456	410
SPR	328	328	352
FER	101	101	309
INDIA	15	15	15
CANADA	150	150	130
GIA HQ	32	32	-
GIA AREA HEDGE	102	300	200
	-----	-----	-----
GIA AREA	1,184	1,382	1,416
CSS GIA	1,184	1,382	1,416
HQ	175	201	199
HQ AREA HEDGE	1,000	1,400	600
	-----	-----	-----
HQ AREA	1,175	1,601	799
CSS HQ	1,175	1,601	799
WW SUBTOTAL	4,800	5,099	6,490
TOTAL AREA HEDGE	1,102	1,700	700
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CSS WW	5,902	6,799	7,190
	=====	=====	=====

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E-LINE
PULSE FLASH REPORT
TOTAL YEAR FY89

	FY87 ACTUAL	FY88 ACTUAL	FY89 BOD	JAN	FEB
PGG-U	2,531	3,570	3,350	3,902	4,514
ISG-U	2,555	2,585	1,600	1,620	1,719
NSG-U	2,796	2,594	2,470	2,527	2,928
US HQ	(203)	(74)	(1)	37	115
US ADJ	118	(92)	-	86	(9)
US AREA HEDGE	-	-	-	-	(150)
US AREA	7,797	8,583	7,419	8,172	9,117
CSS US	7,797	8,583	7,419	8,172	9,117
CSS US/MFG	7,797	8,583	7,419	8,172	9,117
PGG-E	2,256	3,128	3,275	2,618	3,330
ISG-E	488	1,030	1,531	1,182	1,182
NSG-E	2,462	1,854	2,725	2,461	2,455
EUR HQ	104	205	200	194	194
EUR ADJ	(137)	(504)	-	(35)	(35)
EUR AREA	5,173	5,713	7,731	6,420	7,126
CSS EUROPE	5,173	5,713	7,731	6,420	7,126
JAPAN	759	1,251	1,550	1,205	1,241
SPR	854	1,283	1,394	1,785	1,793
FER	121	404	556	1,322	1,201
INDIA	11	27	60	60	35
CANADA	397	360	450	561	535
GIA HQ	-	-	125	-	-
GIA ADJ	4	(1,273)	-	(26)	57
GIA AREA HEDGE	-	-	396	219	200
GIA AREA	2,146	2,052	4,531	5,126	5,062
CSS GIA	2,146	2,052	4,531	5,126	5,062
HQ	322	1,856	693	739	703
HQ ADJ	(1)	72	-	-	-
HQ AREA HEDGE	-	-	2,700	2,272	600
HQ AREA	321	1,928	3,393	3,011	1,303
CSS HQ	321	1,928	3,393	3,011	1,303
WW SUBTOTAL	15,437	18,276	19,978	20,238	21,958
TOTAL AREA HEDGE	-	-	3,096	2,491	650
CSS WW	15,437	18,276	23,074	22,729	22,608

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CAPITAL EXPENSE
PULSE FLASH REPORT
Q2 FY89

	BOD	SEP	OCT	NOV	DEC	ACTUAL
	-----	-----	-----	-----	-----	-----
PGG-U	100	100	100	57	50	57
ISG-U	50	50	50	55	55	100
NSG-U	400	350	400	350	350	125
US HQ	143	251	143	99	89	65
US AREA HEDGE	-	(52)	79	-	-	-
US AREA	693	699	772	561	544	347
CSS US	693	699	772	561	544	347
MFG	242	242	200	100	80	60
MFG AREA HEDGE	-	-	14	-	-	-
MFG AREA	242	242	214	100	80	60
CSS MFG	242	242	214	100	80	60
CSS US/MFG	935	941	986	661	624	407
PGG-E	231	75	231	231	231	-
ISG-E	130	130	(47)	(47)	(47)	(161)
NSG-E	105	105	105	130	130	130
EUR AREA	466	310	289	314	314	(31)
CSS EUROPE	466	310	289	314	314	(31)
JAPAN	160	160	160	107	90	74
SPR	155	155	155	175	140	20
FER	43	43	43	34	10	288
LACR	15	15	15	15	-	-
CANADA	40	40	40	67	67	8
GIA HQ	12	12	12	2	2	-
GIA AREA HEDGE	50	-	-	-	-	-
GIA AREA	475	425	425	400	309	390
CSS GIA	475	425	425	400	309	390
HQ	449	425	439	488	65	80
HQ AREA HEDGE	-	-	53	-	-	-
HQ AREA	449	425	492	488	65	80
CSS HQ	449	425	492	488	65	80
WW SUBTOTAL	2,275	2,153	2,046	1,863	1,312	846
TOTAL AREA HEDGE	50	(52)	146	-	-	-
CSS WW	2,325	2,101	2,192	1,863	1,312	846

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CAPITAL EXPENSE
PULSE FLASH REPORT
Q3 FY89

	BOD	NOV	DEC	JAN	FEB
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PGG-U	250	130	137	137	130
ISG-U	165	65	65	65	65
NSG-U	173	395	395	395	395
US HQ	58	118	118	114	142
	-----	-----	-----	-----	-----
US AREA	646	708	715	711	732
CSS US	646	708	715	711	732
	-----	-----	-----	-----	-----
MFG	123	210	120	112	148
MFG AREA HEDGE	-	-	-	25	-
	-----	-----	-----	-----	-----
MFG AREA	123	210	120	137	148
CSS MFG	123	210	120	137	148
	-----	-----	-----	-----	-----
CSS US/MFG	769	918	835	848	880
	-----	-----	-----	-----	-----
PGG-E	637	637	637	637	637
ISG-E	90	90	90	90	150
NSG-E	95	130	130	130	130
	-----	-----	-----	-----	-----
EUR AREA	822	857	857	857	917
CSS EUROPE	822	857	857	857	917
	-----	-----	-----	-----	-----
JAPAN	100	218	225	225	168
SPR	150	150	150	150	164
FER	47	47	47	47	40
LACR	15	15	15	15	-
CANADA	40	40	40	40	32
GIA HQ	3	3	3	3	3
GIA AREA HEDGE	50	-	-	-	-
	-----	-----	-----	-----	-----
GIA AREA	405	473	480	480	407
CSS GIA	405	473	480	480	407
	-----	-----	-----	-----	-----
HQ	404	409	827	493	484
	-----	-----	-----	-----	-----
HQ AREA	404	409	827	493	484
CSS HQ	404	409	827	493	484
	-----	-----	-----	-----	-----
WW SUBTOTAL	2,350	2,657	2,999	2,653	2,688
TOTAL AREA HEDGE	50	-	-	25	-
	-----	-----	-----	-----	-----
CSS WW	2,400	2,657	2,999	2,678	2,688
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CAPITAL EXPENSE
PULSE FLASH REPORT
Q4 FY89

	BOD	JAN	FEB
	-----	-----	-----
PGG-U	283	491	491
ISG-U	150	50	45
NSG-U	173	286	302
US HQ	50	144	144
	-----	-----	-----
US AREA	656	971	982
CSS US	656	971	982
	-----	-----	-----
MFG	109	181	196
	-----	-----	-----
MFG AREA	109	181	196
CSS MFG	109	181	196
	-----	-----	-----
CSS US/MFG	765	1,152	1,178
	-----	-----	-----
PGG-E	479	479	479
ISG-E	145	145	150
NSG-E	100	100	100
	-----	-----	-----
EUR AREA	724	724	729
CSS EUROPE	724	724	729
	-----	-----	-----
JAPAN	100	100	155
SPR	115	115	140
FER	25	25	-
LACR	15	15	30
CANADA	40	40	57
GIA HQ	2	2	2
GIA AREA HEDGE	100	100	-
	-----	-----	-----
GIA AREA	397	397	384
CSS GIA	397	397	384
	-----	-----	-----
HQ	75	68	71
	-----	-----	-----
HQ AREA	75	68	71
CSS HQ	75	68	71
	-----	-----	-----
WW SUBTOTAL	1,861	2,241	2,362
TOTAL AREA HEDGE	100	100	-
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CSS WW	1,961	2,341	2,362
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CAPITAL EXPENSE
PULSE FLASH REPORT
TOTAL YEAR FY89

	FY87 ACTUAL	FY88 ACTUAL	FY89 BOD	JAN	FEB
PGG-U	404	377	693	693	693
ISG-U	88	386	490	290	330
NSG-U	428	580	821	963	925
US HQ	85	213	296	354	353
US AREA	1,005	1,556	2,300	2,300	2,301
CSS US	1,005	1,556	2,300	2,300	2,301
MFG	293	378	524	414	440
MFG AREA	293	378	524	414	440
CSS MFG	293	378	524	414	440
CSS US/MFG	1,298	1,934	2,824	2,714	2,741
PGG-E	732	528	1,347	1,116	1,116
ISG-E	149	245	400	400	351
NSG-E	613	589	600	660	660
EUR AREA	1,494	1,362	2,347	2,176	2,127
CSS EUROPE	1,494	1,362	2,347	2,176	2,127
JAPAN	352	462	430	406	446
SPR	385	623	510	500	364
FER	34	10	130	349	352
LACR	-	15	45	45	30
CANADA	177	160	150	150	100
GIA HQ	6	5	35	8	6
GIA ADJ	-	(200)	-	-	-
GIA AREA HEDGE	-	-	200	(201)	-
GIA AREA	954	1,075	1,500	1,257	1,298
CSS GIA	954	1,075	1,500	1,257	1,298
HQ	373	2,547	1,368	1,021	1,015
HQ AREA	373	2,547	1,368	1,021	1,015
CSS HQ	373	2,547	1,368	1,021	1,015
WW SUBTOTAL	4,119	6,918	7,839	7,369	7,181
TOTAL AREA HEDGE	-	-	200	(201)	-
CSS WW	4,119	6,918	8,039	7,168	7,181

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GROSS INVENTORY
PULSE FLASH REPORT
Q2 FY89

	BOD	SEP	OCT	NOV	DEC	ACTUAL
	-----	-----	-----	-----	-----	-----
PGG-U	926	926	926	871	777	824
ISG-U	2,092	2,092	2,092	2,333	2,333	2,148
NSG-U	3,245	2,935	3,625	3,316	3,316	2,290
	-----	-----	-----	-----	-----	-----
US AREA	6,263	5,953	6,643	6,520	6,426	5,262
CSS US	6,263	5,953	6,643	6,520	6,426	5,262
	-----	-----	-----	-----	-----	-----
MFG	24,709	24,965	24,964	24,637	24,300	26,346
	-----	-----	-----	-----	-----	-----
MFG AREA	24,709	24,965	24,964	24,637	24,300	26,346
MFG CSS HEDGE	-	-	(500)	-	-	-
CSS MFG	24,709	24,965	24,464	24,637	24,300	26,346
	-----	-----	-----	-----	-----	-----
CSS US/MFG	30,972	30,918	31,107	31,157	30,726	31,608
	-----	-----	-----	-----	-----	-----
PGG-E	8,299	5,548	6,056	7,046	6,438	6,118
ISG-E	2,805	2,651	3,541	4,036	4,036	4,128
NSG-E	4,025	4,025	4,025	4,170	3,790	5,227
	-----	-----	-----	-----	-----	-----
EUR AREA	15,129	12,224	13,622	15,252	14,264	15,473
EUR CSS HEDGE	-	-	(800)	(800)	400	-
CSS EUROPE	15,129	12,224	12,822	14,452	14,664	15,473
	-----	-----	-----	-----	-----	-----
JAPAN	3,757	3,757	3,757	4,962	4,563	3,778
SPR	3,772	3,800	3,800	3,800	4,600	4,437
FER	100	100	100	100	100	-
CANADA	724	724	724	575	575	463
GIA AREA HEDGE	500	-	-	-	-	-
	-----	-----	-----	-----	-----	-----
GIA AREA	8,853	8,381	8,381	9,437	9,838	8,678
GIA CSS HEDGE	-	-	-	(200)	-	-
CSS GIA	8,853	8,381	8,381	9,237	9,838	8,678
	-----	-----	-----	-----	-----	-----
WW SUBTOTAL	54,454	51,523	53,610	55,846	54,828	55,759
TOTAL AREA HEDGE	500	-	-	-	-	-
TOTAL CSS HEDGE	-	-	(1,300)	(1,000)	400	-
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CSS WW	54,954	51,523	52,310	54,846	55,228	55,759
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GROSS INVENTORY
PULSE FLASH REPORT
Q3 FY89

	BOD	NOV	DEC	JAN	FEB
	-----	-----	-----	-----	-----
PGG-U	967	907	907	861	726
ISG-U	2,016	2,016	2,016	2,016	2,179
NSG-U	3,125	3,848	3,848	3,848	3,490
US AREA HEDGE	-	-	-	-	330
	-----	-----	-----	-----	-----
US AREA	6,108	6,771	6,771	6,725	6,725
CSS US	6,108	6,771	6,771	6,725	6,725
	-----	-----	-----	-----	-----
MFG	25,142	24,785	24,785	24,785	27,117
MFG AREA HEDGE	-	-	-	200	-
	-----	-----	-----	-----	-----
MFG AREA	25,142	24,785	24,785	24,985	27,117
CSS MFG	25,142	24,785	24,785	24,985	27,117
	-----	-----	-----	-----	-----
CSS US/MFG	31,250	31,556	31,556	31,710	33,842
	-----	-----	-----	-----	-----
PGG-E	8,939	6,701	6,051	5,500	5,996
ISG-E	2,962	4,419	4,419	4,788	4,788
NSG-E	4,475	4,475	4,475	4,480	4,410
EUR ADJ	-	-	-	500	-
	-----	-----	-----	-----	-----
EUR AREA	16,376	15,595	14,945	15,268	15,194
EUR CSS HEDGE	-	-	500	-	-
CSS EUROPE	16,376	15,595	15,445	15,268	15,194
	-----	-----	-----	-----	-----
JAPAN	3,962	3,962	3,594	3,594	3,962
SPR	3,700	3,700	3,700	3,700	4,400
FER	200	200	200	200	200
CANADA	772	672	672	672	545
GIA AREA HEDGE	500	-	700	700	-
	-----	-----	-----	-----	-----
GIA AREA	9,134	8,534	8,866	8,866	9,107
CSS GIA	9,134	8,534	8,866	8,866	9,107
	-----	-----	-----	-----	-----
WW SUBTOTAL	56,260	55,685	54,667	54,944	57,813
TOTAL AREA HEDGE	500	-	700	900	330
TOTAL CSS HEDGE	-	-	500	-	-
	-----	-----	-----	-----	-----
CSS WW	56,760	55,685	55,867	55,844	58,143
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GROSS INVENTORY
PULSE FLASH REPORT
Q4 FY89

	BOD	JAN	FEB
	-----	-----	-----
PGG-U	1,554	1,355	866
ISG-U	1,669	1,669	1,269
NSG-U	2,676	4,225	4,225
US AREA HEDGE	1,350	-	889
	-----	-----	-----
US AREA	7,249	7,249	7,249
CSS US	7,249	7,249	7,249
	-----	-----	-----
MFG	24,647	24,648	25,693
MFG AREA HEDGE	1,100	200	-
	-----	-----	-----
MFG AREA	25,747	24,848	25,693
CSS MFG	25,747	24,848	25,693
	-----	-----	-----
CSS US/MFG	32,996	32,097	32,942
	-----	-----	-----
PGG-E	6,968	5,227	6,806
ISG-E	2,956	3,998	3,998
NSG-E	3,995	3,995	3,945
EUR AREA HEDGE	-	-	(341)
	-----	-----	-----
EUR AREA	13,919	13,220	14,408
CSS EUROPE	13,919	13,220	14,408
	-----	-----	-----
JAPAN	4,170	4,033	4,170
SPR	3,835	3,835	4,100
FER	300	300	200
CANADA	823	723	723
GIA AREA HEDGE	500	300	-
	-----	-----	-----
GIA AREA	9,628	9,191	9,193
CSS GIA	9,628	9,191	9,193
	-----	-----	-----
WW SUBTOTAL	53,593	54,008	55,995
TOTAL AREA HEDGE	2,950	500	548
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CSS WW	56,543	54,508	56,543
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GROSS INVENTORY
PULSE FLASH REPORT
TOTAL YEAR FY89

	FY87 ACTUAL	FY88 ACTUAL	FY89 BOD	JAN	FEB
PGG-U	4,828	553	1,554	1,355	866
ISG-U	3,775	2,029	1,669	1,669	1,269
NSG-U	3,755	2,099	2,676	4,225	4,225
US AREA HEDGE	-	-	1,350	-	889
US AREA	12,358	4,681	7,249	7,249	7,249
CSS US	12,358	4,681	7,249	7,249	7,249
MFG	9,374	23,689	24,647	24,648	25,693
MFG AREA HEDGE	-	-	1,100	200	-
MFG AREA	9,374	23,689	25,747	24,848	25,693
CSS MFG	9,374	23,689	25,747	24,848	25,693
CSS US/MFG	21,732	28,370	32,996	32,097	32,942
PGG-E	5,549	5,972	6,968	5,227	6,806
ISG-E	1,823	2,855	2,956	3,998	3,998
NSG-E	2,647	2,489	3,995	3,995	3,945
EUR AREA HEDGE	-	-	-	-	(341)
EUR AREA	10,019	11,316	13,919	13,220	14,408
CSS EUROPE	10,019	11,316	13,919	13,220	14,408
JAPAN	2,787	3,117	4,170	4,033	4,170
SPR	2,542	3,861	3,835	3,835	4,100
FER	425	-	300	300	200
INDIA	343	-	-	-	-
CANADA	850	552	823	723	723
GIA AREA HEDGE	-	-	500	300	-
GIA AREA	6,947	7,530	9,628	9,191	9,193
CSS GIA	6,947	7,530	9,628	9,191	9,193
WW SUBTOTAL	38,698	47,216	53,593	54,008	55,995
TOTAL AREA HEDGE	-	-	2,950	500	548
CSS WW	38,698	47,216	56,543	54,508	56,543

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NET INVENTORY
PULSE FLASH REPORT
Q2 FY89

	BOD	SEP	OCT	NOV	DEC	ACTUAL
PGG-U	892	892	892	833	739	761
ISG-U	2,079	2,079	2,079	2,305	2,305	2,095
NSG-U	3,240	2,930	3,620	3,316	3,316	2,290
US AREA HEDGE	-	(15)	-	-	-	-
US AREA	6,211	5,886	6,591	6,454	6,360	5,146
CSS US	6,211	5,886	6,591	6,454	6,360	5,146
MFG	23,209	23,210	23,210	23,273	22,794	24,669
MFG AREA	23,209	23,210	23,210	23,273	22,794	24,669
MFG CSS HEDGE	-	-	(500)	-	-	-
CSS MFG	23,209	23,210	22,710	23,273	22,794	24,669
CSS US/MFG	29,420	29,096	29,301	29,727	29,154	29,815
PGG-E	7,904	5,280	5,456	6,446	5,434	5,046
ISG-E	2,575	2,421	3,311	3,735	3,735	3,642
NSG-E	3,860	3,626	3,626	3,771	3,626	4,981
EUR AREA	14,339	11,327	12,393	13,952	12,795	13,669
EUR CSS HEDGE	-	-	(895)	(800)	400	-
CSS EUROPE	14,339	11,327	11,498	13,152	13,195	13,669
JAPAN	3,609	3,562	3,562	4,842	4,477	3,661
SPR	3,564	3,592	3,592	3,512	4,312	4,149
FER	100	100	100	97	100	-
CANADA	665	683	683	516	545	431
GIA AREA HEDGE	500	-	-	-	-	-
GIA AREA	8,438	7,937	7,937	8,967	9,434	8,241
GIA CSS HEDGE	-	-	-	(200)	-	-
CSS GIA	8,438	7,937	7,937	8,767	9,434	8,241
WW SUBTOTAL	51,697	48,375	50,131	52,646	51,383	51,725
TOTAL AREA HEDGE	500	(15)	-	-	-	-
TOTAL CSS HEDGE	-	-	(1,395)	(1,000)	400	-
CSS WW	52,197	48,360	48,736	51,646	51,783	51,725

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NET INVENTORY
PULSE FLASH REPORT
Q3 FY89

	BOD	NOV	DEC	JAN	FEB
	-----	-----	-----	-----	-----
PGG-U	927	863	863	817	657
ISG-U	1,998	1,988	1,988	1,988	2,146
NSG-U	3,120	3,848	3,848	3,848	3,490
US AREA HEDGE	-	-	-	-	360
US AREA	6,045	6,699	6,699	6,653	6,653
CSS US	6,045	6,699	6,699	6,653	6,653
MFG	23,642	23,805	23,580	23,766	26,144
MFG AREA HEDGE	-	-	-	200	-
MFG AREA	23,642	23,805	23,580	23,966	26,144
CSS MFG	23,642	23,805	23,580	23,966	26,144
CSS US/MFG	29,687	30,504	30,279	30,619	32,797
PGG-E	8,544	6,303	5,537	4,986	5,304
ISG-E	2,724	4,101	4,101	4,530	4,435
NSG-E	4,365	4,076	4,311	4,234	4,164
EUR AREA HEDGE	-	-	-	500	-
EUR AREA	15,633	14,480	13,949	14,250	13,903
EUR CSS HEDGE	-	-	500	-	-
CSS EUROPE	15,633	14,480	14,449	14,250	13,903
JAPAN	3,809	3,837	3,503	3,503	3,846
SPR	3,477	3,427	3,427	3,427	4,127
FER	200	197	197	197	200
CANADA	714	593	642	642	515
GIA AREA HEDGE	500	-	700	700	-
GIA AREA	8,700	8,054	8,469	8,469	8,688
CSS GIA	8,700	8,054	8,469	8,469	8,688
WW SUBTOTAL	53,520	53,038	51,997	51,938	55,028
TOTAL AREA HEDGE	500	-	700	1,400	360
TOTAL CSS HEDGE	-	-	500	-	-
CSS WW	54,020	53,038	53,197	53,338	55,388
	=====	=====	=====	=====	=====

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NET INVENTORY
PULSE FLASH REPORT
Q4 FY89

	BOD	JAN	FEB
	-----	-----	-----
PGG-U	1,531	1,328	814
ISG-U	1,664	1,664	1,264
NSG-U	2,671	4,225	4,225
US AREA HEDGE	1,350	-	913
	-----	-----	-----
US AREA	7,216	7,217	7,216
CSS US	7,216	7,217	7,216
	-----	-----	-----
MFG	23,147	23,268	24,737
MFG AREA HEDGE	1,100	200	-
	-----	-----	-----
MFG AREA	24,247	23,468	24,737
CSS MFG	24,247	23,468	24,737
	-----	-----	-----
CSS US/MFG	31,463	30,685	31,953
	-----	-----	-----
PGG-E	6,573	4,943	6,319
ISG-E	2,733	3,739	3,644
NSG-E	3,853	3,719	3,669
EUR AREA HEDGE	-	-	(541)
	-----	-----	-----
EUR AREA	13,159	12,401	13,091
CSS EUROPE	13,159	12,401	13,091
	-----	-----	-----
JAPAN	4,012	3,937	4,044
SPR	3,594	3,548	3,813
FER	300	300	200
CANADA	766	693	693
GIA AREA HEDGE	500	300	-
	-----	-----	-----
GIA AREA	9,172	8,778	8,750
CSS GIA	9,172	8,778	8,750
	-----	-----	-----
WW SUBTOTAL	50,844	51,364	53,422
TOTAL AREA HEDGE	2,950	500	372
	-----	-----	-----
CSS WW	53,794	51,864	53,794
	=====	=====	=====

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NET INVENTORY
PULSE FLASH REPORT
TOTAL YEAR FY89

	FY87 ACTUAL	FY88 ACTUAL	FY89 BOD	JAN	FEB
PGG-U	4,664	501	1,531	1,328	814
ISG-U	3,425	1,998	1,664	1,664	1,264
NSG-U	3,641	2,094	2,671	4,225	4,225
US ADJ	54	-	-	-	-
US AREA HEDGE	-	-	1,350	-	913
US AREA	11,784	4,593	7,216	7,217	7,216
CSS US	11,784	4,593	7,216	7,217	7,216
MFG	8,859	21,594	23,147	23,268	24,737
MFG AREA HEDGE	-	-	1,100	200	-
MFG AREA	8,859	21,594	24,247	23,468	24,737
CSS MFG	8,859	21,594	24,247	23,468	24,737
CSS US/MFG	20,643	26,187	31,463	30,685	31,953
PGG-E	4,655	5,185	6,573	4,943	6,319
ISG-E	1,586	2,488	2,733	3,739	3,644
NSG-E	2,364	2,120	3,853	3,719	3,669
EUR AREA HEDGE	-	-	-	-	(541)
EUR AREA	8,605	9,793	13,159	12,401	13,091
CSS EUROPE	8,605	9,793	13,159	12,401	13,091
JAPAN	2,740	2,932	4,012	3,937	4,044
SPR	2,401	3,675	3,594	3,548	3,813
FER	427	-	300	300	200
INDIA	343	-	-	-	-
CANADA	785	508	766	693	693
GIA AREA HEDGE	-	-	500	300	-
GIA AREA	6,696	7,115	9,172	8,778	8,750
CSS GIA	6,696	7,115	9,172	8,778	8,750
WW SUBTOTAL	35,944	43,095	50,844	51,364	53,422
TOTAL AREA HEDGE	-	-	2,950	500	372
CSS WW	35,944	43,095	53,794	51,864	53,794

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GROSS STAFF
PULSE FLASH REPORT
Q2 FY89

	BOD	SEP	OCT	NOV	DEC	ACTUAL
	-----	-----	-----	-----	-----	-----
PGG-U	125	117	117	115	115	115
ISG-U	113	110	112	97	97	99
NSG-U	168	168	168	149	158	155
US HQ	122	125	124	122	118	115
US AREA HEDGE	23	-	(21)	(2)	-	-
US AREA	551	520	500	481	488	484
CSS US	551	520	500	481	488	484
MFG	314	306	307	296	290	291
MFG AREA	314	306	307	296	290	291
CSS MFG	314	306	307	296	290	291
CSS US/MFG	865	826	807	777	778	775
PGG-E	230	227	221	222	214	207
ISG-E	93	88	85	85	87	87
NSG-E	130	125	122	116	116	116
EUR HQ	44	45	46	46	46	46
EUR AREA	497	485	474	469	463	456
EUR CSS HEDGE	-	-	-	-	(10)	-
CSS EUROPE	497	485	474	469	453	456
JAPAN	97	96	95	89	87	88
SPR	67	67	67	66	62	61
FER	15	23	23	21	22	22
LACR	3	3	3	3	3	3
INDIA	3	3	3	3	3	3
CANADA	50	50	48	49	46	45
GIA HQ	6	6	6	4	4	5
GIA AREA HEDGE	7	(6)	(3)	-	-	-
GIA AREA	248	242	242	235	227	227
CSS GIA	248	242	242	235	227	227
HQ	120	119	120	120	119	119
HQ AREA HEDGE	5	6	-	-	-	-
HQ AREA	125	125	120	120	119	119
CSS HQ	125	125	120	120	119	119
WW SUBTOTAL	1,700	1,678	1,667	1,603	1,587	1,577
TOTAL AREA HEDGE	35	-	(24)	(2)	-	-
TOTAL CSS HEDGE	-	-	-	-	(10)	-
CSS WW	1,735	1,678	1,643	1,601	1,577	1,577
	=====	=====	=====	=====	=====	=====

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GROSS STAFF
PULSE FLASH REPORT
Q3 FY89

	BOD	NOV	DEC	JAN	FEB
	-----	-----	-----	-----	-----
PGG-U	126	115	117	117	117
ISG-U	115	105	96	97	102
NSG-U	173	158	154	165	165
US HQ	124	125	125	118	118
US AREA HEDGE	9	-	-	(5)	(15)
	-----	-----	-----	-----	-----
US AREA	547	503	492	492	487
CSS US	547	503	492	492	487
	-----	-----	-----	-----	-----
MFG	316	299	299	299	299
MFG AREA HEDGE	-	-	-	-	(5)
	-----	-----	-----	-----	-----
MFG AREA	316	299	299	299	294
CSS MFG	316	299	299	299	294
	-----	-----	-----	-----	-----
CSS US/MFG	863	802	791	791	781
	-----	-----	-----	-----	-----
PGG-E	236	230	237	247	238
ISG-E	99	88	89	89	90
NSG-E	134	127	130	132	129
EUR HQ	45	47	46	46	46
EUR AREA HEDGE	-	-	6	(36)	(9)
	-----	-----	-----	-----	-----
EUR AREA	514	492	508	478	494
CSS EUROPE	514	492	508	478	494
	-----	-----	-----	-----	-----
JAPAN	99	97	98	96	95
SPR	69	68	69	64	65
FER	19	23	24	24	22
LACR	3	3	3	3	3
INDIA	3	3	3	3	3
CANADA	50	51	49	49	48
GIA HQ	6	4	4	5	4
GIA AREA HEDGE	7	1	(9)	(3)	-
	-----	-----	-----	-----	-----
GIA AREA	256	250	241	241	240
CSS GIA	256	250	241	241	240
	-----	-----	-----	-----	-----
HQ	119	121	121	121	122
HQ AREA HEDGE	15	15	15	15	-
	-----	-----	-----	-----	-----
HQ AREA	134	136	136	136	122
CSS HQ	134	136	136	136	122
	-----	-----	-----	-----	-----
WW SUBTOTAL	1,736	1,664	1,664	1,675	1,666
TOTAL AREA HEDGE	31	16	12	(29)	(29)
	-----	-----	-----	-----	-----
CSS WW	1,767	1,680	1,676	1,646	1,637
	=====	=====	=====	=====	=====

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GROSS STAFF
PULSE FLASH REPORT
Q4 FY89

	BOD	JAN	FEB
	-----	-----	-----
PGG-U	134	120	120
ISG-U	115	99	103
NSG-U	178	168	166
US HQ	125	123	122
US AREA HEDGE	13	-	(6)
	-----	-----	-----
US AREA	565	510	505
CSS US	565	510	505
	-----	-----	-----
MFG	316	307	307
	-----	-----	-----
MFG AREA	316	307	307
CSS MFG	316	307	307
	-----	-----	-----
CSS US/MFG	881	817	812
	-----	-----	-----
PGG-E	236	256	276
ISG-E	105	97	104
NSG-E	135	137	137
EUR HQ	46	49	47
EUR AREA HEDGE	-	(29)	(30)
	-----	-----	-----
EUR AREA	522	510	534
CSS EUROPE	522	510	534
	-----	-----	-----
JAPAN	102	106	105
SPR	71	65	67
FER	19	25	22
LACR	3	3	3
INDIA	3	3	3
CANADA	51	50	48
GIA HQ	7	6	5
GIA AREA HEDGE	7	(7)	(2)
	-----	-----	-----
GIA AREA	263	251	251
CSS GIA	263	251	251
	-----	-----	-----
HQ	119	122	123
HQ AREA HEDGE	39	30	-
	-----	-----	-----
HQ AREA	158	152	123
CSS HQ	158	152	123
	-----	-----	-----
WW SUBTOTAL	1,765	1,736	1,758
TOTAL AREA HEDGE	59	(6)	(38)
	-----	-----	-----
CSS WW	1,824	1,730	1,720
	=====	=====	=====

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GROSS STAFF
PULSE FLASH REPORT
TOTAL YEAR FY89

	FY87 ACTUAL	FY88 ACTUAL	FY89 BOD	JAN	FEB
PGG-U	87	108	134	120	120
ISG-U	91	107	115	99	103
NSG-U	94	146	178	168	166
US HQ	89	107	125	123	122
US ADJ	1	-	-	-	-
US AREA HEDGE	-	-	13	-	(6)
US AREA	362	468	565	510	505
CSS US	362	468	565	510	505
MFG	243	283	316	307	307
MFG ADJ	1	-	-	-	-
MFG AREA	244	283	316	307	307
CSS MFG	244	283	316	307	307
CSS US/MFG	606	751	881	817	812
PGG-E	210	207	236	256	276
ISG-E	74	82	105	97	104
NSG-E	94	110	135	137	137
EUR HQ	57	39	46	49	47
EUR AREA HEDGE	-	-	-	(29)	(30)
EUR AREA	435	438	522	510	534
CSS EUROPE	435	438	522	510	534
JAPAN	79	88	102	106	105
SPR	48	56	71	65	67
FER	7	7	19	25	22
LACR	-	3	3	3	3
INDIA	5	3	3	3	3
CANADA	41	42	51	50	48
GIA HQ	3	5	7	6	5
GIA AREA HEDGE	-	-	7	(7)	(2)
GIA AREA	183	204	263	251	251
CSS GIA	183	204	263	251	251
HQ	108	115	119	122	123
HQ ADJ	(4)	-	-	-	-
HQ AREA HEDGE	-	-	39	30	-
HQ AREA	104	115	158	152	123
CSS HQ	104	115	158	152	123
WW SUBTOTAL	1,328	1,508	1,765	1,736	1,758
TOTAL AREA HEDGE	-	-	59	(6)	(38)
CSS WW	1,328	1,508	1,824	1,730	1,720

CHARGEOUTS
PULSE FLASH REPORT
Q2 FY89

	BOD	SEP	OCT	NOV	DEC	ACTUAL
	-----	-----	-----	-----	-----	-----
PGG-U	6	-	-	-	-	-
ISG-U	-	-	2	1	1	1
NSG-U	6	6	6	-	-	-
US HQ	1	1	1	1	1	1
US AREA HEDGE	9	-	(6)	-	-	-
-----	-----	-----	-----	-----	-----	-----
US AREA	22	7	3	2	2	2
CSS US	22	7	3	2	2	2
MFG	1	1	1	1	1	1
-----	-----	-----	-----	-----	-----	-----
MFG AREA	1	1	1	1	1	1
CSS MFG	1	1	1	1	1	1
CSS US/MFG	23	8	4	3	3	3
PGG-E	11	4	6	6	6	6
ISG-E	10	8	5	5	7	7
-----	-----	-----	-----	-----	-----	-----
EUR AREA	21	12	11	11	13	13
CSS EUROPE	21	12	11	11	13	13
SPR	1	1	1	1	1	1
CANADA	1	1	1	-	-	-
-----	-----	-----	-----	-----	-----	-----
GIA AREA	2	2	2	1	1	1
CSS GIA	2	2	2	1	1	1
HQ	-	1	1	1	1	1
-----	-----	-----	-----	-----	-----	-----
HQ AREA	-	1	1	1	1	1
CSS HQ	-	1	1	1	1	1
WW SUBTOTAL	37	23	24	16	18	18
TOTAL AREA HEDGE	9	-	(6)	-	-	-
-----	-----	-----	-----	-----	-----	-----
CSS WW	46	23	18	16	18	18
=====	=====	=====	=====	=====	=====	=====

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CHARGEOUTS
PULSE FLASH REPORT
Q3 FY89

	BOD	NOV	DEC	JAN	FEB
	-----	-----	-----	-----	-----
PGG-U	6	-	2	2	2
ISG-U	-	2	1	-	-
NSG-U	6	-	-	-	-
US HQ	1	1	1	1	1
US AREA HEDGE	9	-	-	(2)	(2)
	-----	-----	-----	-----	-----
US AREA	22	3	4	1	1
CSS US	22	3	4	1	1
	-----	-----	-----	-----	-----
MFG	1	1	1	1	1
	-----	-----	-----	-----	-----
MFG AREA	1	1	1	1	1
CSS MFG	1	1	1	1	1
	-----	-----	-----	-----	-----
CSS US/MFG	23	4	5	2	2
	-----	-----	-----	-----	-----
PGG-E	9	1	1	1	1
ISG-E	10	4	7	8	9
EUR AREA HEDGE	-	-	-	-	(1)
	-----	-----	-----	-----	-----
EUR AREA	19	5	8	9	9
CSS EUROPE	19	5	8	9	9
	-----	-----	-----	-----	-----
SPR	1	1	1	1	1
CANADA	1	1	-	-	-
	-----	-----	-----	-----	-----
GIA AREA	2	2	1	1	1
CSS GIA	2	2	1	1	1
	-----	-----	-----	-----	-----
HQ	-	1	1	1	1
	-----	-----	-----	-----	-----
HQ AREA	-	1	1	1	1
CSS HQ	-	1	1	1	1
	-----	-----	-----	-----	-----
WW SUBTOTAL	35	12	15	15	16
TOTAL AREA HEDGE	9	-	-	(2)	(3)
	-----	-----	-----	-----	-----
CSS WW	44	12	15	13	13
	=====	=====	=====	=====	=====

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CHARGEOUTS
PULSE FLASH REPORT
Q4 FY89

	BOD	JAN	FEB
	-----	-----	-----
PGG-U	6	2	2
NSG-U	6	-	-
US HQ	1	1	1
US AREA HEDGE	9	(2)	(2)
	-----	-----	-----
US AREA	22	1	1
CSS US	22	1	1
	-----	-----	-----
MFG	1	1	1
	-----	-----	-----
MFG AREA	1	1	1
CSS MFG	1	1	1
	-----	-----	-----
CSS US/MFG	23	2	2
	-----	-----	-----
PGG-E	21	3	3
ISG-E	11	6	9
EUR AREA HEDGE	-	-	(3)
	-----	-----	-----
EUR AREA	32	9	9
CSS EUROPE	32	9	9
	-----	-----	-----
SPR	1	1	1
CANADA	1	-	-
	-----	-----	-----
GIA AREA	2	1	1
CSS GIA	2	1	1
	-----	-----	-----
HQ	-	1	1
	-----	-----	-----
HQ AREA	-	1	1
CSS HQ	-	1	1
	-----	-----	-----
WW SUBTOTAL	48	15	18
TOTAL AREA HEDGE	9	(2)	(5)
	-----	-----	-----
CSS WW	57	13	13
	=====	=====	=====

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CHARGEOUTS
PULSE FLASH REPORT
TOTAL YEAR FY89

	FY87 ACTUAL	FY88 ACTUAL	FY89 BOD	JAN	FEB
	-----	-----	-----	-----	-----
PGG-U	-	2	6	2	2
ISG-U	2	-	-	-	-
NSG-U	4	2	6	-	-
US HQ	-	1	1	1	1
US AREA HEDGE	-	-	9	(2)	(2)
	-----	-----	-----	-----	-----
US AREA	6	5	22	1	1
CSS US	6	5	22	1	1
MFG	1	1	1	1	1
	-----	-----	-----	-----	-----
MFG AREA	1	1	1	1	1
CSS MFG	1	1	1	1	1
CSS US/MFG	7	6	23	2	2
PGG-E	32	32	21	3	3
ISG-E	3	9	11	6	9
NSG-E	6	-	-	-	-
EUR AREA HEDGE	-	-	-	-	(3)
	-----	-----	-----	-----	-----
EUR AREA	41	41	32	9	9
CSS EUROPE	41	41	32	9	9
JAPAN	4	2	-	-	-
SPR	-	-	1	1	1
CANADA	-	1	1	-	-
	-----	-----	-----	-----	-----
GIA AREA	4	3	2	1	1
CSS GIA	4	3	2	1	1
HQ	-	1	-	1	1
	-----	-----	-----	-----	-----
HQ AREA	-	1	-	1	1
CSS HQ	-	1	-	1	1
WW SUBTOTAL	52	51	48	15	18
TOTAL AREA HEDGE	-	-	9	(2)	(5)
	-----	-----	-----	-----	-----
CSS WW	52	51	57	13	13
	=====	=====	=====	=====	=====

15-FEB-89 09:23:48

NET STAFF
PULSE FLASH REPORT
Q2 FY89

	BOD	SEP	OCT	NOV	DEC	ACTUAL
	-----	-----	-----	-----	-----	-----
PGG-U	119	117	117	115	115	115
ISG-U	113	110	110	96	96	98
NSG-U	162	162	162	149	158	155
US HQ	121	124	123	121	117	114
US AREA HEDGE	14	-	(15)	(2)	-	-
	-----	-----	-----	-----	-----	-----
US AREA	529	513	497	479	486	482
CSS US	529	513	497	479	486	482
	-----	-----	-----	-----	-----	-----
MFG	313	305	306	295	289	290
	-----	-----	-----	-----	-----	-----
MFG AREA	313	305	306	295	289	290
CSS MFG	313	305	306	295	289	290
	-----	-----	-----	-----	-----	-----
CSS US/MFG	842	818	803	774	775	772
	-----	-----	-----	-----	-----	-----
PGG-E	219	223	215	216	208	201
ISG-E	83	80	80	80	80	80
NSG-E	130	125	122	116	116	116
EUR HQ	44	45	46	46	46	46
	-----	-----	-----	-----	-----	-----
EUR AREA	476	473	463	458	450	443
EUR CSS HEDGE	-	-	-	-	(10)	-
CSS EUROPE	476	473	463	458	440	443
	-----	-----	-----	-----	-----	-----
JAPAN	97	96	95	89	87	88
SPR	66	66	66	65	61	60
FER	15	23	23	21	22	22
LACR	3	3	3	3	3	3
INDIA	3	3	3	3	3	3
CANADA	49	49	47	49	46	45
GIA HQ	6	6	6	4	4	5
GIA AREA HEDGE	7	(6)	(3)	-	-	-
	-----	-----	-----	-----	-----	-----
GIA AREA	246	240	240	234	226	226
CSS GIA	246	240	240	234	226	226
	-----	-----	-----	-----	-----	-----
HQ	120	118	119	119	118	118
HQ AREA HEDGE	5	6	-	-	-	-
	-----	-----	-----	-----	-----	-----
HQ AREA	125	124	119	119	118	118
CSS HQ	125	124	119	119	118	118
	-----	-----	-----	-----	-----	-----
WW SUBTOTAL	1,663	1,655	1,643	1,587	1,569	1,559
TOTAL AREA HEDGE	26	-	(18)	(2)	-	-
TOTAL CSS HEDGE	-	-	-	-	(10)	-
	-----	-----	-----	-----	-----	-----
CSS WW	1,689	1,655	1,625	1,585	1,559	1,559
	=====	=====	=====	=====	=====	=====

15-FEB-89 09:24:12

NET STAFF
PULSE FLASH REPORT
Q3 FY89

	BOD	NOV	DEC	JAN	FEB
	-----	-----	-----	-----	-----
PGG-U	120	115	115	115	115
ISG-U	115	103	95	97	102
NSG-U	167	158	154	165	165
US HQ	123	124	124	117	117
US AREA HEDGE	-	-	-	(3)	(13)
US AREA	525	500	488	491	486
CSS US	525	500	488	491	486
MFG	315	298	298	298	298
MFG AREA HEDGE	-	-	-	-	(5)
MFG AREA	315	298	298	298	293
CSS MFG	315	298	298	298	293
CSS US/MFG	840	798	786	789	779
PGG-E	227	229	236	246	237
ISG-E	89	84	82	81	81
NSG-E	134	127	130	132	129
EUR HQ	45	47	46	46	46
EUR AREA HEDGE	-	-	6	(36)	(8)
EUR AREA	495	487	500	469	485
CSS EUROPE	495	487	500	469	485
JAPAN	99	97	98	96	95
SPR	68	67	68	63	64
FER	19	23	24	24	22
LACR	3	3	3	3	3
INDIA	3	3	3	3	3
CANADA	49	50	49	49	48
GIA HQ	6	4	4	5	4
GIA AREA HEDGE	7	1	(9)	(3)	-
GIA AREA	254	248	240	240	239
CSS GIA	254	248	240	240	239
HQ	119	120	120	120	121
HQ AREA HEDGE	15	15	15	15	-
HQ AREA	134	135	135	135	121
CSS HQ	134	135	135	135	121
WW SUBTOTAL	1,701	1,652	1,649	1,660	1,650
TOTAL AREA HEDGE	22	16	12	(27)	(26)
CSS WW	1,723	1,668	1,661	1,633	1,624
	=====	=====	=====	=====	=====

15-FEB-89 09:24:13

NET STAFF
PULSE FLASH REPORT
Q4 FY89

	BOD	JAN	FEB
	-----	-----	-----
PGG-U	128	118	118
ISG-U	115	99	103
NSG-U	172	168	166
US HQ	124	122	121
US AREA HEDGE	4	2	(4)
	-----	-----	-----
US AREA	543	509	504
CSS US	543	509	504
	-----	-----	-----
MFG	315	306	306
	-----	-----	-----
MFG AREA	315	306	306
CSS MFG	315	306	306
	-----	-----	-----
CSS US/MFG	858	815	810
	-----	-----	-----
PGG-E	215	253	273
ISG-E	94	91	95
NSG-E	135	137	137
EUR HQ	46	49	47
EUR AREA HEDGE	-	(29)	(27)
	-----	-----	-----
EUR AREA	490	501	525
CSS EUROPE	490	501	525
	-----	-----	-----
JAPAN	102	106	105
SPR	70	64	66
FER	19	25	22
LACR	3	3	3
INDIA	3	3	3
CANADA	50	50	48
GIA HQ	7	6	5
GIA AREA HEDGE	7	(7)	(2)
	-----	-----	-----
GIA AREA	261	250	250
CSS GIA	261	250	250
	-----	-----	-----
HQ	119	121	122
HQ AREA HEDGE	39	30	-
	-----	-----	-----
HQ AREA	158	151	122
CSS HQ	158	151	122
	-----	-----	-----
WW SUBTOTAL	1,717	1,721	1,740
TOTAL AREA HEDGE	50	(4)	(33)
	-----	-----	-----
CSS WW	1,767	1,717	1,707
	=====	=====	=====

15-FEB-89 09:24:13

NET STAFF
PULSE FLASH REPORT
TOTAL YEAR FY89

	FY87 ACTUAL	FY88 ACTUAL	FY89 BOD	JAN	FEB
PGG-U	87	106	128	118	118
ISG-U	89	107	115	99	103
NSG-U	90	144	172	168	166
US HQ	89	106	124	122	121
US ADJ	1	-	-	-	-
US AREA HEDGE	-	-	4	2	(4)
US AREA	356	463	543	509	504
CSS US	356	463	543	509	504
MFG	242	282	315	306	306
MFG ADJ	1	-	-	-	-
MFG AREA	243	282	315	306	306
CSS MFG	243	282	315	306	306
CSS US/MFG	599	745	858	815	810
PGG-E	178	175	215	253	273
ISG-E	71	73	94	91	95
NSG-E	88	110	135	137	137
EUR HQ	57	39	46	49	47
EUR AREA HEDGE	-	-	-	(29)	(27)
EUR AREA	394	397	490	501	525
CSS EUROPE	394	397	490	501	525
JAPAN	75	86	102	106	105
SPR	48	56	70	64	66
FER	7	7	19	25	22
LACR	-	3	3	3	3
INDIA	5	3	3	3	3
CANADA	41	41	50	50	48
GIA HQ	3	5	7	6	5
GIA AREA HEDGE	-	-	7	(7)	(2)
GIA AREA	179	201	261	250	250
CSS GIA	179	201	261	250	250
HQ	108	114	119	121	122
HQ ADJ	(4)	-	-	-	-
HQ AREA HEDGE	-	-	39	30	-
HQ AREA	104	114	158	151	122
CSS HQ	104	114	158	151	122
WW SUBTOTAL	1,276	1,457	1,717	1,721	1,740
TOTAL AREA HEDGE	-	-	50	(4)	(33)
CSS WW	1,276	1,457	1,767	1,717	1,707

I N T E R O F F I C E M E M O R A N D U M

Date: 5-Dec-1988 11:11am GMT
From: JOE FABRIZIO
FABRIZIO.JOE AT A1 at CECV03
Dept: ED SERVICES
Tel No: 249-4213

at BUO

TO: JOHN MCLEAN @BUO
TO: MEL PIERCE @BU
TO: PAT CATALDO @BUO
CC: BOB BIANCHI @BUO
CC: JAMIE TOALE @BUO

Subject: CUSTOMER TRAINING STAFFING PLAN

The following staffing plan will be immediately managed by the US for the remainder of FY'89:

SSMI Budget for USCT

US Staffing Plan - Q2-Q4 FY'89
(Including Regular/Temp/Contract)

	Permanent	Temp	Total	Total
Q2	455	9	464	458
Q3	462	10	472	459
Q4	469	11	480	461

how big is budget miss?

As you can see from the above, in all Quarters the US plans to be staffed less than the SSMI approved budgets. This plan should allow the US to reduce its labor expenses for the remainder of this year. While staffing will indeed be lean, we will not be able to carry forth programs that will not be driving revenue for this fiscal year, i.e., administrative type programs and certain sales and marketing programs. Should our business increase during the remaining quarters, we will assess the impact of staffing needs and determine if incremental resources can indeed provide incremental revenue.

Regards,

Joe

I N T E R O F F I C E M E M O R A N D U M

Date: 28-Nov-1988 10:00am EST
From: DOROTHY MARCOTTE
MARCOTTE.DOTTIE AT al at CECV

01 at BUO

Dept: EDUCATIONAL SERVICES
Tel No: 249-4291

TO: JACKIE DREW @NPO
TO: RUSS GULLOTTI @NPO

Subject: REVISION-ED. SERVICES CALENDAR - ALL ONE ON ONES COMPLETED

Russ, here is the revision to your Ed. Services calendar. Please note changes/additions to December 6th, 7th, and 13th schedule.

TUESDAY - NOVEMBER 29TH:

11:00 - 1:00	JOHN MCLEAN	ED. SERVICES FINANCE MGR.
1:00 - 2:00	JOLUUT VANDERHOOF	ED SERVICES DEVELOPMENT/ PUBLISHING MANAGER

*RUSS NEEDS TO LEAVE BEDFORD BY 2:00 PM

WEDNESDAY - NOVEMBER 30TH:

11:30 - 12:30	CHARLIE THARP	FIELD SERVICE TRAINING MGR.
1:00 - 3:00	JIM MALANSON	CUSTOMER SUPPORT PROGRAMS
3:00 - 4:30	DEL THORNDIKE	PLANNING MANAGER

THURSDAY - DECEMBER 1ST:

FREE SCHEDULE

TUESDAY - DECEMBER 6TH:

A.M. POSSIBLE TELECON WITH HERMANN BINDER IN EUROPE

1:00 - 2:00	CHET BOWLES	DIGITAL BUSINESS FELLOWSHIP MGR.
2:00 - 3:00	GAEL DUSSAULT	MGR. EXTERNAL RELATIONS

WEDNESDAY - DECEMBER 7TH:

11:00 - 12:00	ROY STEELE	DIGITAL MANAGEMENT EDUCATION
2:00 - 4:00	TIM WALSH	MARKETING MANAGER
4:00 - 5:00	DON ELIAS	MEDIA COMMUNICATION MGR.

THURSDAY - DECEMBER 8TH:

11:00 - 12:30	MEL PIERCE	PERSONNEL MANAGER
1:00 - 3:00	JOE FABRIZIO	U.S. AREA MANAGER
3:00 - 4:00	DREW BOYD	DIGITAL INFORMATION SYSTEMS MGR. (DIS)

TUESDAY - DECEMBER 13TH:

10:00 - 11:00 *John McLean*
11:00 - 12:00 SUSAN GEORGE OFFICE APPLICATIONS MGR.
1-2-3 *Elias Wallace*

WEDNESDAY - DECEMBER 14TH:

11:00 - 1:00	ROGER BLOMGREN	GIA AREA MANAGER
2:00 - 3:00	CECIL DYE	SALES TRAINING MANAGER

THURSDAY - DECEMBER 15TH:

FREE SCHEDULE

MONDAY - DECEMBER 19TH:

ESMC MEETING - ALL DAY - BEDFORD

TUESDAY-THURSDAY - DECEMBER 20-22:

CSS QUARTERLY

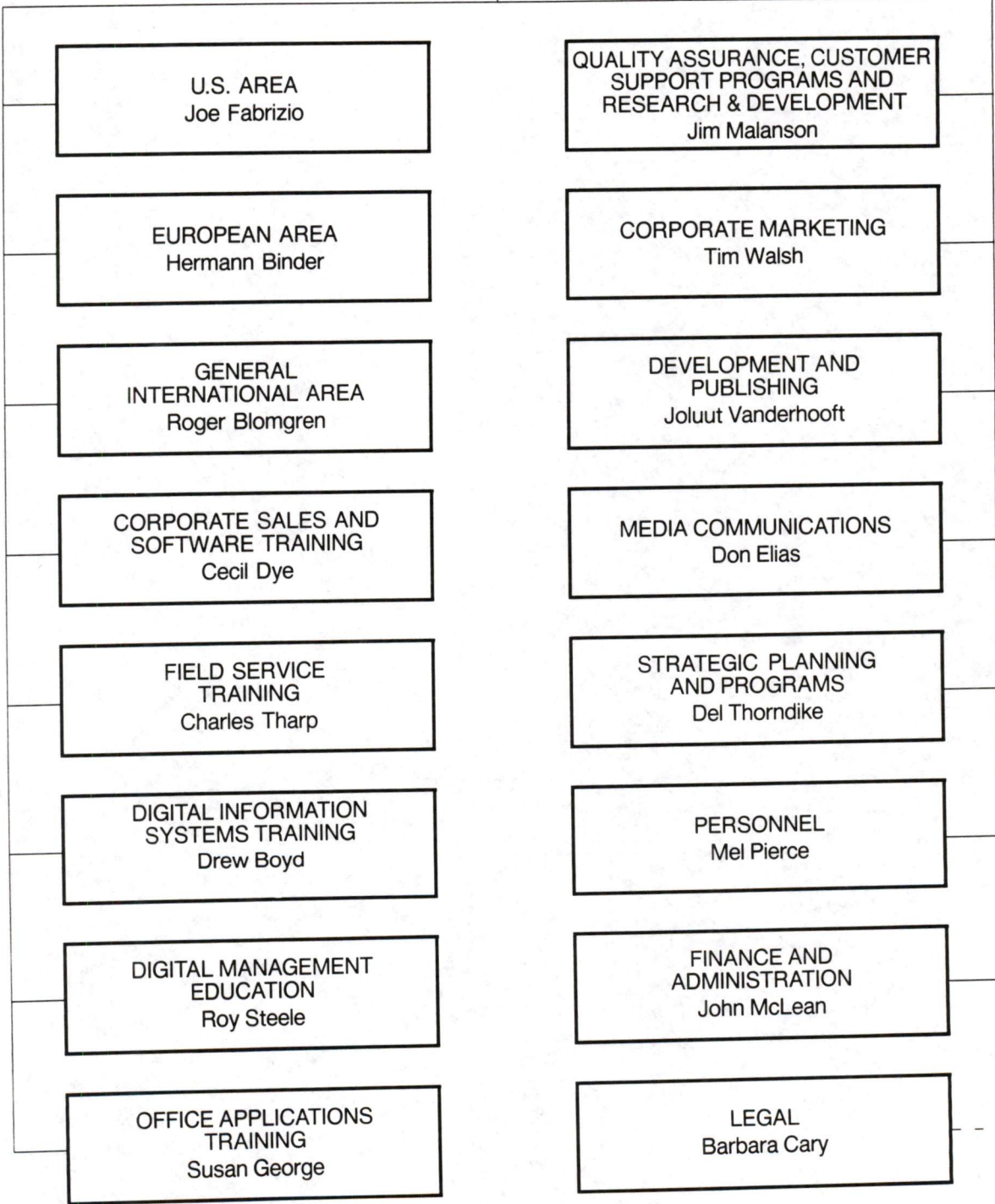
(THURSDAY - DECEMBER 22 - DOTTIE TAKES A VACATION DAY!)

Sandy Pooler
603 =
424-0026

EDUCATIONAL SERVICES
VICE-PRESIDENT
PAT CATALDO

EXTERNAL RELATIONS
Gael Dussault

BUSINESS FELLOWSHIP PROGRAMS
Chet Bowles



- Pat Cataldo** **Corporate Educational Services Vice-President**
Responsible for Corporate Educational Services, and is accountable for all corporate training activities, and associated P&Ls.
- Joe Fabrizio** **U.S. Area Educational Services Manager**
Responsible for the operations and profitability of PL002 and PL003 products and services. Functions include Field Operations (Eastern and Western zones) Seminar Programs, Sales Support, National Accounts and Operations.
- Hermann Binder** **European Area Educational Services Manager**
Responsible for all Educational Services activities in Digital's European Area, which includes: Customer Training, PL002, PL003, Management Education, Sales Training, Field Service Training, Software Services Training, Office Applications Training, Development and Publishing and Media Communications.
- Roger Blomgren** **General International Area Manager** *PL2/3?*
Responsible for all Educational Services activities in Digital's General International Area, which includes, Customer Training, Management Education, Sales Training, Field Service Training, Software Services Training and Office Applications Training.
- Cecil Dye** *How funded?* **Sales and Software Services Training Manager**
Responsible for Corporate Sales and Software Services Training to support the selling and delivery efforts of sales, software services, and sales support. This includes the development, delivery, and evaluation of a wide variety of courses in industries, products, applications, selling, and technical consulting skills.
- Charles Tharp** *How funded?* **Field Service Training Manager**
Responsible for training and education for the Field Service organization. This includes the development of methods, products, and delivery systems that encompass training centers, seminars, IVIS, delivery of computer-based instruction, and linear audio-video. *Still?*
- Drew Boyd** *funded?* **Digital Information Systems Training Manager**
Responsible for providing training and communications services to the Digital Information Systems communities of Digital. The programs include software product training on tools and methodologies, information security, human resource and management development.
- Roy Steele** **Digital Management Education Manager**
Responsible for Digital's Management Education Program which includes a curriculum of core and elective management courses. DME also provides general and function-specific management training services in the U.S. Area and in the General International Area. *not Europe?*
- Susan George** *Self funded?* **Office Applications Training Manager**
Responsible for providing educational consulting, training products and services to Digital's employees and customers worldwide in the utilization and application of office automation tools.
- Jim Malanson** **Corporate Quality Assurance, Customer Support Programs and Research and Development Manager**
? Responsible for the Quality Assurance Program and the Customer Support Programs Group which has a primary focus on large project management and support of our Corporate and National Accounts. The R&D group is responsible for the evolution of educational methodology and technology in support of both the development and delivery of training.

Tim Walsh

Corporate Marketing Manager

Responsible for providing a worldwide focus to serve short- and long-term customer training needs through multiple formats and to ensure new markets are developed. Functions include Market Research, Product Marketing, Industry Marketing and Operations. Additionally, Corporate Marketing functionally manages CSO Sales Training and Digital Press Publications.

Joluit Vanderhooft

Development and Publishing Manager

Responsible for the documentation and course development of Digital's products and services. Responsibilities include: Production, CDROM, IVIS, Testing, Electronic Publishing, instructional design and various other related services. Development and Publishing groups located in the Greater Maynard Area (Maynard, Marlboro, Littleton, Burlington and Nashua) oversee personnel in thirty plus New England locations. There are two remote sites, Colorado Springs (covering most of the West), and Reading, England (covering all of Europe). *-? "just"*

Don Elias

Media Communications Manager

Responsible for Media, Publishing, and Communications services in support of both Educational Services' and corporate products. The services include: Audio/Video Production, Digital Video Network (DVN) Programming, Genographics (computer-generated 35mm slides), Graphic Design, Writing, Editing, Media Production and Direction, Typesetting, Micrographics, and Photography. The organization is located in Bedford, Maynard, and Merrimack.

Del Thorndike

Strategic Planning and Programs Manager

eg? Responsible for the strategic planning component of our businesses, and is our interface to Corporate planning groups. Other responsibilities include a number of special programs for Educational Services.

Mel Pierce

Educational Services Personnel Manager

Responsible for Human Resource Planning, development and management for Educational Services' employees worldwide. *+ delivery?*

John McLean

Finance and Administration Manager

Responsible for financial support, accounting activities, MIS, Facilities Management, and Manufacturing and Distribution. *where*

Chester Bowles

Business Fellowship Programs Manager

The Business Fellowship Program office is responsible for the planning, development and implementation of educational experiences for the senior executives of Digital's most strategic customers. The Programs are designed to transfer knowledge and share technology. These unique industry offerings will enable our customers to make more informed business decisions in the area of viewing Digital as a total solutions supplier.

Gael Dussault

External Relations Manager

Responsible for extending the awareness and visibility of Educational Services as the recognized leader in industrial training through ongoing media activity, both internal and external. This includes establishment of relationships with select training publications. External Relations also supports Corporate Public Relation's programs and activities.

Barbara Cary

Legal

union?
full time? Responsible for legal support of all Educational Services departments which includes contracts, policy and procedures, and consultation.

I N T E R O F F I C E M E M O R A N D U M

Date: 1-Dec-1988 03:48pm EST
From: John McLean
MCLEAN.JOHN AT A1 AT CECV01

AT BUO

Dept:
Tel No:

TO: JOLUUT VANDERHOOF T @BUO

CC: PAT CATALDO @BUO

CC: MEL PIERCE @BUO

Subject: HIRING PLAN

As we discussed yesterday, the following is the way we will proceed regarding ESD&P hiring.

- 1) The 531 number that you requested for both permanent and contract/temporary employees for Q2 is approved. Again, your plan as submitted included temps and contractors and they are included in the 531.
- 2) We will review your Q3 and Q4 headcount staffing needs as soon as the Q2 results are known.
- 3) In any case, even if the Q2 results are reasonable, it is highly unlikely that we will be able to allocate headcount to you to meet the 571 and 583 requests that you have made for Q3 and Q4 respectively. As I said, due to the Jack Shields headcount constraints, it is more likely that the maximum that we can "afford" would be around 540 for Q3 and 550 for Q4.

Please give me a call if you have any questions.

Regards,
John

*How do
Capacity plans?*

I N T E R O F F I C E M E M O R A N D U M

Date: 1-Dec-1988 12:37pm EST
From: John McLean
MCLEAN.JOHN AT A1 AT CECV01

AT BUO

Dept:
Tel No:

TO: PAT CATALDO @BUO

Subject: HIRING PLAN - "TOTAL" ADMIN.

The plan summarized below consists of everything in E.S. not included in the various functional plans and represents a mixed bag of Central Finance, Facility, MIS, M&D, Personnel, QA, your Cost Center and a management holdback of five in Q3 and Q4. We will still end the year 14 under BOD.

	Q1	Q2	Q3	Q4
BOD	261	276	282	284
PLAN	244	259	265	270

As previously communicated (see my plan of November 10), most of the "adds" are actually WC2 replacements of people that left in Q1 and Q4 of last year, primarily in Facilities and MIS.

Regards,
John

*What is the
do?*

Action - Xpr price decision w/ Studr. get it unstuck before end of December.
- wants CDROM

Human Binder 12/10

① Budget

- "hit with the dollar!"
- Germany in Trouble -
 - no big projects
- Q3 flash coming
- confusing re: temps/contractor re: heads
- .6 credit for HWS credits. now .5. Impact Q2 now + get touched. Q3/Q4 will cost as much as 4M on NOR.
- wants to bundle CBI with System

Sales.

- Very little ~~at~~ credibility ~~was~~ within ES. Numbers make no sense.
- 10-40% temps to deliver courses.
- Europe closer to customer (32 TVG units).

(6 mgs) less competition - why doesn't US learn from it? ash Fabrizio. US Field structure.

② cost for \$1M extra NOR. Proposal accepted but people dragging feet. Subs union + sell low margin items cannot 2M first will be \$3M Action - get it unstuck. (See Pat + Tim Walsh).

③ Finland ES mgr being hoisted.

His topics ↑

My topics ↓

- ① working with Barlow → "Need to make it work." Sounds like he's struggling. Selling Trng at consultant rates.
- ② 40 person HQ staff.
- ③ creating an investment board to minimize duplication. Moved to Janway.
- ④ No full ^{FOR} European DME Courses
- ⑤ wants CD ROM. Help him.

Chet Bowles

- \$500k
\$4M revenue. AI fellowship program - Shields Driscoll
\$2.5M expense associated with
what is strategic value?
- \$250k
Network Fellowship - attended by Telecom
- Exec Fellowship
- Corporate Leaders Forum - why not
in Ed SVC?

- ① Shift to our side - TMS Schoolhouse?
- ② SIB role?
- ③ How price "Custom" merch. products -
- ④ How price std TMS products -

CUSTOMER TRAINING
CORPORATE MARKETING
PRODUCT STATUS REPORT
FY89
NOVEMBER 11, 1988

- ① Role of prod rep.
- ② Bus Plan for each
- ③ who decides if funded.
- ④ funding?
- ⑤ monitor to plan?
- ⑥ average SVA 500?

TWR

The Product Status Report is distributed the second Friday of each fiscal month by the Customer Training Corporate Marketing organization. This Report is to be used by local and area management for planning and implementation of new courses under development. To find out course descriptions and other applicable information refer to the on-line Product Master File. The attached status report must be printed on 132 column wide paper to get all the required information.

Run 95
FY7
Product box produced by Tim Walsh's group for customer training.
Post

TABLE OF CONTENTS

- I. EXECUTIVE SUMMARY
- II. NEW PRODUCTS (LAST 30 DAYS)
- III. FY89 COMPLETED PRODUCTS LIST
- IV. FY89 PRODUCT STATUS
- V. BUDGETED NOT APPROVED
- VI. APPENDIX (HEADINGS & SYMBOLS)
- VII. DISTRIBUTION

Done by [Signature] ?

I. EXECUTIVE SUMMARY (NEW PRODUCTS ONLY)

	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>
VAX/VMS	35	7	1	-
DATATRIEVE/VIA	3	-	3	-
LANGUAGES	1	1	-	1
VMS PROGRAMMER PRODUCTIVITY	1	-	-	2
MIS	1	-	1	-
COMMUNICATIONS & NETWORKS	2	2	5	1
PDP-11	1	-	-	-
ULTRIX	-	1	-	-
REAL TIME PROGRAMMER	-	-	1	-
WORKSTATIONS	-	2	4	-
OFFICE	1	1	12	7
HARDWARE MAINTENANCE	5	5	4	-
ADVANCED MANUFACTURING TECHNOLOGY	1	-	1	-
ADVANCED ENGINEERING TECHNOLOGY	-	1	3	3
VAX SYSTEM V	2	-	-	-
DIGITAL PRESS	3	5	2	-
	<hr/>	<hr/>	<hr/>	<hr/>
	56	25	37	14

II. NEW PRODUCTS (LAST 30 DAYS)

The following is the list of products that are on-the-shelf in the last thirty (30) days. The student and instructor materials are now orderable from Educational Services Distribution in Billerica.

PRODUCT SET: VAX/VMS

PRODUCT MANAGER: EILEEN MALLOR/ANDY SADLER

1. UTILIZING VMS FEATURES F/BASIC/COBOL L/L EY-9774E-L0 \$1208 OTS 08/10/88
THIS COURSE IS DESIGNED FOR BASIC/COBOL PROGRAMMERS WHO REQUIRE ACCESS TO VMS SYSTEM MECHANISMS. THE COURSE IS DESIGNED TO TEACH SUCH STUDENTS THE MECHANICS OF CALLING SYSTEM SERVICES, RUN-TIME LIBRARY ROUTINES, AND OTHER TOOLS (I.E. THE VMS LIBRARIAN, THE VMS LINKER), TO PERFORM OPERATIONS REQUIRED OF COMMERCIAL AND SCIENTIFIC APPLICATIONS. SYSTEM CONCEPTS WILL BE TAUGHT IN ORDER TO ASSIST STUDENTS IN USING THESE TOOLS INTELLIGENTLY.
2. VMS DEVICE DRIVERS L/L EY-9771E-L0 \$1365 OTS 11/07/88
THIS COURSE IS DESIGNED FOR EXPERIENCED APPLICATION SERVICES SPECIALISTS AND CUSTOMERS WHO NEED TO WRITE OR MODIFY UNIBUS OR MASSBUS DEVICE DRIVERS UNDER THE VMS OPERATING SYSTEM. IN ADDITION, STUDENTS WILL LEARN ABOUT THE I/O ARCHITECTURE USED BY VMS, AND WILL BE EXPOSED TO SEVERAL DRIVER-DEBUGGING TECHNIQUES. STUDENTS ALSO WILL BECOME FAMILIAR WITH GENERAL TEMPLATES FOR SKELETON ANCILLARY CONTROL PROCESSORS (ACP'S).
3. VMS INTERNALS I: MECHANISMS & OVERVIEW L/L EY-9768E-L0 \$1365 OTS 11/01/88
THIS COURSE IS DESIGNED TO PROVIDE AN EXTENSIVE UNDERSTANDING OF THE VARIOUS COMPONENTS, DATA STRUCTURES, AND ALGORITHMS USED BY THE VMS OPERATING SYSTEM.
4. VMS INTERNALS II: MEMORY MGMT, I/O L/L EY-9769E-L0 \$1365 OTS 11/07/88
THIS COURSE BUILDS ON THE INFORMATION PROVIDED IN VMS INTERNALS I AND STUDIES THE I/O SUBSYSTEM, RMS-32 IMPLEMENTATION AND VMS MEMORY MANAGEMENT. IN ADDITION, THE COURSE PROVIDES AN OVERVIEW OF THE VAXCLUSTER AND EXPANDS THE UNDERSTANDING OF VMS INTERNALS TO THE VAXCLUSTER ENVIRONMENT.
5. VMS INTERNALS III: SYS PROGRAMMER L/L EY-9770E-L0 \$1365 OTS 11/07/88
THIS COURSE IS DESIGNED FOR COMPUTER SPECIALISTS WHO WILL BE DOING CONSULTING WORK ON VMS AT AN ADVANCED LEVEL. SINCE THIS IS A "HOW-TO" COURSE, THE LECTURE TIME WILL BE DEVOTED TO DISCUSSIONS ABOUT HOW TO WRITE PRIVILEGED CODE, HOW TO ADD A USER-WRITTEN SYSTEM SERVICE, HOW TO INTERFACE WITH A COMMAND LANGUAGE INTERPRETER (CLI), AND HOW TO WRITE A SYMBIONT (SPOOLER). IT ALSO PROVIDES STUDENTS WITH CONSIDERABLE LABORATORY TIME TO PRACTICE WRITING SYSTEM LEVEL CODE THAT WILL INTERFACE WITH THE OPERATING SYSTEM.
6. VMS OPERATOR TBI/M EY-3503E-TK,RX,MT \$788 OTS 10/20/88
VMS OPERATOR COURSE WILL PREPARE THE STUDENT TO OPERATE A VAX OPERATING SYSTEM RUNNING V5.0 OR LATER OF VMS.

7. MULTIPROCESS SYS & APPLN CONCEPTS (REV) VIDEO EY-3487E-VH,VU \$2500 OTS 11/09/88
 THIS COURSE IS DESIGNED TO PROVIDE AN INTRODUCTION TO DEC MULTIPROCESSING SYSTEMS. STUDENTS WILL EXAMINE THE RELATIONSHIP BETWEEN THE FOLLOWING MULTIPROCESSING SYSTEMS: NETWORKS, VAXCLUSTERS, AND TIGHTLY COUPLED SYSTEMS SUCH AS THE VAX 8350 AND THE VAX 8800. VMS FEATURES WHICH ARE USED TO IMPLEMENT APPLICATIONS ON DEC MULTIPROCESSING SYSTEMS WILL ALSO BE EXAMINED.

PRODUCT SET: LANGUAGES

PRODUCT MANAGER: LOIS POND

8. VAX BASIC TBI/M EY-A421E-TK,RX,MT \$400 OTS 11/11/88
 THIS TEXT-BASED COURSE TEACHES HOW TO WRITE APPLICATION PROGRAMS IN BASIC ON A VAX/VMS SYSTEM. THE COURSE IS FOR PEOPLE FAMILIAR WITH PROGRAMMING WHO NEED INSTRUCTION IN THE USE AND FEATURES OF THE VAX BASIC LANGUAGE. STUDENTS WILL LEARN ABOUT ENHANCEMENTS TO THE LANGUAGE THAT SUPPORT HIGH-LEVEL, STRUCTURED PROGRAMMING TECHNIQUES.

PRODUCT SET: MIS

PRODUCT MANAGER: MITCH GORKA

9. TRANSFORMING IS SEM EY-A920E-S0 \$1675 NOT STOCKED IN BKO
 THIS SEMINAR WILL ENABLE STUDENTS TO UNDERSTAND AND APPLY TO THEIR OWN SITUATIONS REAL LIFE DISTRIBUTED COMPUTING MODELS, ARTICULATE THE BENEFITS OF ARCHITECTURAL INTEGRATION, DEVELOP AN UNDERSTANDING OF THEIR CURRENT SITUATION, DEVELOP A VISION FOR A NEW "IS" ORGANIZATION, PLAN THE CHANGE TO THE NEW "IS" STATE AND DEVELOP A PROJECT TO INITIATE CHANGE IN THEIR OWN ORGANIZATION.

PRODUCT SET: ULTRIX

PRODUCT MANAGER: MENSAH ADJOGAH

10. ULTRIX-32 UTILITIES & COMMANDS TBI EY-8271E-PR \$575 OTS 11/07/88
 THIS COURSE IS DESIGNED TO PRESENT THE STUDENT WITH CREATING AND EDITING TEXT FILES USING THE VI EDITOR, MANIPULATING AND MAINTAINING FILES WITHIN THE ULTRIX FILE SYSTEM, USE OF PIPES, REDIRECTION AND FILTERS, USE OF ADVANCED TEXT PROCESSING UTILITIES, AND WRITING AND DEBUGGING SHELL SCRIPTS.

PRODUCT SET: HARDWARE MAINTENANCE

PRODUCT MANAGER: BRIAN O'HERN

11. RA82 DISK MAINTENANCE DIFFERENCES L/L EY-A929E-L0 \$977 OTS 07/29/88
 THIS COURSE TEACHES THE PRACTICAL SKILLS REQUIRED TO SERVICE, MAINTAIN AND REPAIR THE RA82 DISK SUBSYSTEM. MAINTENANCE TECHNIQUES AND SOME THEORY OF OPERATION ARE PRESENTED DURING THE LECTURE SESSIONS. LABORATORY SESSIONS DEMONSTRATE CORRECT ADJUSTMENTS, DIAGNOSTICS EXECUTION TECHNIQUES, AND REMOVAL/REPLACEMENT PROCEDURES.

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12. TU77 MAGTAPE MAINTENANCE L/L EY-A910E-L0 \$1628 OTS 10/11/88
 THIS COURSE USES BLOCK DIAGRAMS, FLOWCHARTS AND OTHER SYSTEM DOCUMENTATION TO TEACH THE THEORY OF OPERATION AND MAINTENANCE OF THE TU77 MAGTAPE SUBSYSTEM, INCLUDING THE TM03 FORMATTER. THE LABS WILL PROVIDE EXPERIENCE IN THE ADJUSTMENT AND TROUBLESHOOTING OF THIS SYSTEM TO THE MODULE LEVEL. LABS WILL INCLUDE RUNNING AND INTERPRETATION OF DIAGNOSTICS BOTH ON THE PDP-11 AND VAX.

13. TE16/TM03 MAGTAPE MAINTENANCE L/L EY-A909E-L0 \$1628 OTS 11/07/88
 THIS COURSE WILL USE BLOCK DIAGRAMS, FLOWCHARTS AND OTHER SYSTEM DOCUMENTATION TO TEACH THE PROPER ADJUSTMENT AND MODULE LEVEL TROUBLESHOOTING OF THE TE16 MAGTAPE SUBSYSTEM AND ITS COMPANION FORMATTER, THE TM03. HANDS-ON EXPERIENCE WILL BE OBTAINED IN THE LABS IN SUBSYSTEM OPERATION, ADJUSTMENT PROCEDURES, DIAGNOSTIC USE AND INTERPRETATION, AND TROUBLESHOOTING.

PRODUCT SET: OFFICE

PRODUCT MANAGER: DOLORES CORDEIRO/TERRI DIXON

14. VAX TOUCH TYPE (REV) CBI EY-8283E-TK,MT \$450 OTS 11/23/88
 THIS TRAINING PACKAGE IS DESIGNED TO FAMILIARIZE USERS WITH THE KEYBOARD AND TO PRESENT CORRECT TYPING TECHNIQUES. THE COURSE ALSO PROVIDES SEVERAL EXERCISES TO PRACTICE SPEED TYPING. THIS ON-LINE COURSE SHOWS CORRECT FINGER POSITIONS, AND THROUGH A SERIES OF EXERCISES, DEVELOPS SKILLS IN TYPING A SET OF KEYS WITH EACH FINGER.

PRODUCT SET: DIGITAL PRESS

PRODUCT MANAGER: JOHN OSBORN

15. COMPUTER PROGRAMMING & ARCHITECTURE HARD EY-6740E-DP \$38 OTS 10/24/88
 THIS BOOK IS BOTH A TEXTBOOK AND A REFERENCE FOR STUDENTS AND COMPUTER PROFESSIONALS. ITS SYSTEMS APPROACH HELPS READERS UNDERSTAND THE ISSUES CRUCIAL TO THE COMPREHENSION, DESIGN, AND USE OF MODERN COMPUTER SYSTEMS. USING THE VAX AS AN EXAMPLE, THE BOOK'S FIRST HALF IS SUITABLE FOR A COMPLETE COURSE IN ASSEMBLY LANGUAGE PROGRAMMING. THE BOOK'S SECOND HALF DESCRIBES HIGHER-LEVEL SYSTEMS ISSUES IN COMPUTER ARCHITECTURE: SUPPORT FOR OPERATING SYSTEMS AND THEIR STRUCTURES: VIRTUAL MEMORY, PARALLEL PROCESSING, MICROPROGRAMMING, CACHES AND TRANSLATION BUFFERS.

16. PARALLEL PROCESSING: THE CM* EXPERIENCE SOFT EY-8294E-DP \$29 OTS 11/11/88
 THIS BOOK IS THE MOST COMPREHENSIVE RESEARCH TO DATE--VALUABLE INSIGHTS INTO PARALLEL PROCESSING, WITH THIS LOOK AT THE BUILDING, PROGRAMMING, AND EVALUATING OF CM*, AN EXPERIMENTAL 50-PROCESSOR SYSTEM. TWO COMPLETE OPERATING SYSTEMS, STAROS AND MEDUSA, WERE A PART OF THE DEVELOPMENT, ALONG WITH A NUMBER OF APPLICATIONS.

III. FY89 COMPLETED PRODUCTS LIST

The following is a list of new products introduced since the beginning of FY89.

PRODUCT SET: VAX/VMS		PRODUCT MANAGER: EILEEN MALLOR/ANDY SADLER			
PRODUCT NAME	FORMAT	PART NUMBER	CPL	MASTER-FUNDER	ON-THE-SHELF
PARALLEL PROG TIGHTLY-COUPLED	L/L	EY-9783E-L0	\$998	06/01/88	07/12/88
VAX SYS PERFORMANCE MGMT	L/L	EY-9767E-L0	\$1365	06/17/88	07/27/88
VMS UTIL & COMMANDS	L/L	EY-9764E-L0	\$1208	06/17/88	07/27/88
INTRODUCTION TO VMS	CBI	EY-3499E-TK, MT,RX	\$525	06/22/88	08/01/88
UTIL VMS FEAT F/COBOL	L/L	EY-9773E-L0	\$1208	06/22/88	08/03/88
INTRODUCTION TO EDT	CBI	EY-3500E-TK, MT,RX	\$525	06/27/88	08/04/88
INTRO TO VAX/VMS SYS OPER	CBI	EY-3502E-TK, MT,RX	\$998	06/27/88	08/04/88
INTRODUCTION TO EVE	CBI	EY-3514E-TK, MT,RX	\$525	06/27/88	08/05/88
INTRO TO VAX/VMS SYS MGMT	CBI	EY-3504E-TK, MT,RX	\$998	06/27/88	08/05/88
ADV VMS COMMAND PROCEDURES	TBI/M	EY-3506E-TK, MT,RX	\$420	06/27/88	08/05/88
INTRODUCTION TO VAXTPU	TBI/M	EY-3516E-TK, MT,RX	\$315	06/27/88	08/05/88
UTIL VMS FEAT FROM BASIC	L/L	EY-9772E-L0	\$1208	06/29/88	08/10/88
UTIL VMS FEAT FROM C	L/L	EY-9775E-L0	\$1208	06/29/88	08/10/88
UTIL VMS FEAT FROM MACRO	L/L	EY-9777E-L0	\$1208	06/29/88	08/10/88
UTIL VMS FEAT FROM PASCAL	L/L	EY-9779E-L0	\$1208	06/29/88	08/10/88
VMS V5.0 INTERNALS UPDATE	SEM	EY-6978E-S0	\$735	06/30/887	08/10/88
UTIL VMS FEAT F/ FORT/MACRO	L/L	EY-9778E-L0	\$1208	06/29/88	08/10/88
UTIL VMS FEAT FROM PASCAL	TBI/M	EY-3513E-TK,	\$788	06/30/88	08/11/88
UTIL VMS FEAT FROM MACRO	TBI/M	EY-3512E-TK, MT,RX	\$788	06/30/88	08/11/88
UTIL VMS FEAT FROM C	TBI/M	EY-3509E-TK, MT,RX	\$788	06/30/88	08/11/88
UTIL VMS FEAT F/FORTRAN	TBI/M	EY-3511E-TK, MT,RX	\$788	06/30/88	08/11/88
UTIL VMS FEAT FROM BASIC	TBI/M	EY-3508E-TK, MT,RX	\$788	06/30/88	08/11/88

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PRODUCT SET: VAX/VMS

PRODUCT MANAGER: EILEEN MALLOR/ANDY SADLER

<u>PRODUCT NAME</u>	<u>FORMAT</u>	<u>PART NUMBER</u>	<u>CPL</u>	<u>MASTER-FUNDER</u>	<u>ON-THE-SHELF</u>
UTIL VMS FEAT FROM COBOL	TBI/M	EY-3510E-TK, MT,RX	\$788	06/30/88	08/11/88
VMS UTIL & COMMANDS	TBI/M	EY-3501E-TK, MT,RX	\$788	06/29/88	08/11/88
VMS V5.0 TECHNICAL UPDATE	SEM	EY-6977E-S0	\$945	06/13/88	08/11/88
UTIL VMS FEAT FROM FORTRAN	L/L	EY-9776E-L0	\$1208	07/01/88	08/15/88
VMS SYSTEM MANAGEMENT I	L/L	EY-9766E-L0	\$1365	07/28/88	08/15/88
VAX/VMS SYSTEM ARCHITECTURE	VIDEO	EY-3496E-VH,VU	\$4200	07/22/88	09/06/88
VMS OPS: SMALL SYS ENVIRON	L/L	EY-9792E-L0	\$1208	09/02/88	09/15/88
VMS SYS MGMT: SMALL SYS ENV	L/L	EY-9787E-L0	\$788	08/09/88	09/15/88
VMS SYSTEM MANAGEMENT I	TBI/M	EY-3505E-TK, MT,RX	\$893	08/15/88	09/20/88
VMS USER: SMALL SYS ENVIRON	L/L	EY-9786E-L0	\$525	08/16/88	09/22/88
VAXCLUSTER SYSTEM MGMT	L/L	EY-9788E-L0	\$1365	08/18/88	09/23/88
VMS SYS MGMT: SMALL SYS ENV	TBI	EY-3518E-PR	\$315	08/05/88	09/29/88
VMS OPERATOR	L/L	EY-9765E-L0	\$1207	09/12/88	10/13/88

PRODUCT SET: DATATRIEVE/VIA

PRODUCT MANAGER: LOIS POND

VAX DATATRIEVE FOR USERS	CBI	EY-A416E-TK, MT,RX	\$525	07/06/88	08/15/88
VAX DTR FOR PROGRAMMERS	CBI	EY-A417E-TK, MT,RX	\$630	07/07/88	08/16/88
INTRO TO FMS FORMS DRIVER	CBI	EY-A882E-TK, MT,RX	\$368	07/22/88	09/26/88

PRODUCT SET: LANGUAGES

PRODUCT MANAGER: LOIS POND

FORTRAN V5 UPDATE SEMINAR	SEM	EY-A402E-S0	\$365	08/24/88	09/23/88
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PRODUCT SET: VMS PROGRAMMER PRODUCTIVITY

PRODUCT MANAGER: MITCH GORKA

USING VAX LSE	CBI	EY-3515E-TK, MT,RX	\$840	07/15/88	08/18/88
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PRODUCT SET: MIS

PRODUCT MANAGER: MITCH GORKA

<u>PRODUCT NAME</u>	<u>FORMAT</u>	<u>PART NUMBER</u>	<u>CPL</u>	<u>MASTER-FUNDER</u>	<u>ON-THE-SHELF</u>
DEC SW PRODUCT: MGR OVERVIEW	SEM	EY-9215E-S0	\$945	06/02/88	07/13/88

PRODUCT SET: COMMUNICATIONS & NETWORKS

PRODUCT MANAGER: JIM TRANT

OPEN SYS INTERCONNECT (REV)	SEM	EY-6762E-S0	\$735	06/23/88	08/01/88
DEC/IBM COMPLEMENTARY COMP.	SEM	EY-8348E-S0	\$1103	06/27/88	08/05/88
USING DECNET VAX: VAXMAIL	TBI/AUD	EY-8291E-PR	\$341	08/15/88	09/28/88

PRODUCT SET: PDP-11

PRODUCT MANAGER: MENSAH ADJOGAH

PDP-11 INST SET & MACRO PROG	L/L	EY-9218E-L0	\$1365	07/01/88	08/12/88
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PRODUCT SET: REAL TIME PROGRAMMER

PRODUCT MANAGER: MENSAH ADJOGAH

PROG & BLDG VAXELN SYS (REV)	L/L	EY-6056E-L0	\$1365	08/02/88	09/20/88
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PRODUCT SET: OFFICE AUTOMATION

PRODUCT MANAGER: DOLORES CORDEIRO/TERRI DIXON

ALL-IN-1 SYS MGR V2.2 (REV)	L/L	EY-2315E-L0	\$1365	05/31/88	07/06/88
WPS-PLUS/DOS FUNDAMENTALS	L/L	EY-A944E-L0	\$525	08/17/88	09/22/88

PRODUCT SET: ADVANCED MANUFACTURING TECHNOLOGY

PRODUCT MANAGER: PHIL WILSON

BASEWAY: FUND & APPLNS	L/L	EY-9230E-L0	\$1365	06/28/88	08/09/88
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PRODUCT SET: HARDWARE MAINTENANCE

PRODUCT MANAGER: BRIAN O'HERN

<u>PRODUCT NAME</u>	<u>FORMAT</u>	<u>PART NUMBER</u>	<u>CPL</u>	<u>MASTER-FUNDER</u>	<u>ON-THE-SHELF</u>
VAX/VMS HW MAINT LEVEL II	L/L	EY-9220E-L0	\$1628	06/14/88	07/20/88
LN03 LASER PRINTER MAINT	L/L	EY-9225E-L0	\$976	06/15/88	07/21/88
VAXCLUSTER MAINTENANCE	L/L	EY-9222E-L0	\$3255	08/17/88	09/23/88
11/70 DIAGNOSTICS & MLR	L/L	EY-9254E-L0	\$3255	07/20/88	09/29/88
VAX/VMS FOR HW MAINT LEV I	L/L	EY-9219E-L0	\$1628	08/31/88	10/06/88

PRODUCT SET: VAX SYSTEM V

PRODUCT MANAGER: JOYCE TRAISTER

VAX SYSTEM V - POLARSTAR	L/L	EY-9242E-L0	\$1500	N/A	08/20/88	
VAX SYS V CONFIG & INSTALL	L/L	EY-9243E-L0	\$1500	N/A	09/01/88	TAUGHT ON-SITE ONLY

PRODUCT SET: DIGITAL PRESS

PRODUCT MANAGER: JOHN OSBORN

CIM: DATA MGMT STRATEGY	HARD	EY-6735E-DP	\$45	07/01/88	08/09/88
DIGITAL TECH JOURNAL 7	SOFT	EY-6742E-DP	\$16	09/07/88	09/29/88
BEGIN GDE VAX/VMS U & APPLN	SOFT	EY-6738E-DP	\$23	08/16/88	09/30/88

IV. FY89 PRODUCT STATUS

This section is a list of products currently under development or forecasted products to be started in this fiscal year.

PRODUCT STATUS
VAX/VMS

PRODUCT SET: VAX/VMS

PRODUCT MANAGER: EILEEN MALLOR/ANDY SADLER

<u>PRODUCT NAME</u>	<u>FORMAT</u>	<u>PART NUMBER</u>	<u>CPL</u>	<u>MASTER-FUNDER</u>	<u>ON-THE-SHELF</u>	<u>ELECTRONIC</u>	<u>COMMENTS</u>
<u>NEW</u>							
VAXCLUSTER SYS MGMT	TBI	EY-3507E-PR	\$683	10/14/88	11/14/88	NO	OTS DATE CHANGE REPLACES EY-2696E
UTIL VMS FEAT BAS/COBOL	L/L	EY-9774E-L0	\$1208	06/28/88	OTS 08/10/88	YES	REPLACES EY-2328E
VMS DEVICE DRIVERS	L/L	EY-9771E-L0	\$1365	09/26/88	OTS 11/07/88	YES	REPLACES EY-2278E
VMS INTERNALS I	L/L	EY-9768E-L0	\$1365	09/28/88	OTS 11/01/88	YES	REPLACES EY-2279E
VMS INTERNALS II	L/L	EY-9769E-L0	\$1365	09/28/88	OTS 11/07/88	YES	REPLACES EY-2280E
VMS INTERNALS III	L/L	EY-9770E-L0	\$1365	09/28/88	OTS 11/07/88	YES	REPLACES EY-6961E
VMS OPERATOR	TBI/M	EY-3503E-TK, MT,RX	\$788	09/06/88	OTS 10/20/88	NO	REPLACES EY-2632E
USE VUE & DECWNW APPLN	CBI	EY-A888E-TK, MT,RX	\$150	02/18/89	03/31/89	NO	
<u>REVISION</u>							
MULTIPROC SYS & APPLN	VIDEO	EY-3487E-VH, VU	\$2625	09/30/88	OTS 11/09/88	YES	

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PRODUCT SET: DATATRIEVE/VIA

PRODUCT MANAGER: LOIS POND

<u>PRODUCT NAME</u>	<u>FORMAT</u>	<u>PART NUMBER</u>	<u>CPL</u>	<u>MASTER-FUNDER</u>	<u>ON-THE-SHELF</u>	<u>ELECTRONIC</u>	<u>COMMENTS</u>
<u>NEW</u>							
DECINTACT APPLN DEV	L/L	EY-6970E-L0	\$1365	10/31/88	01/15/89	YES	
DECINTACT APPLN CONTROL	L/L	EY-6971E-L0	\$998	12/30/88	02/15/89	YES	
USING VAX CDD/PLUS	L/L	EY-9791E-L0	\$1208	12/16/88	01/27/89	YES	US PILOT 12/05/88
VAX DATA DISTRIBUTOR	TBI/M	EY-9795E-TK, MT, RX	TBD	TBD	TBD	NO	CANCELLED
<u>REVISION</u>							
VAX RDB/VMS PHYS DES	L/L	EY-A408E-L0	\$1365	11/07/88	12/19/88	YES	REPLACES EY-6964E
RDB/VMS DESIGN & PROG	L/L	EY-A407E-L0	\$1208	11/21/88	12/30/88	YES	REPLACES EY-2263E
USING RALLY FEATURES	L/L	EY-A406E-L0	\$1365	12/22/88	02/05/89	YES	REPLACES EY-6910E
GET STARTED WITH RALLY	L/L	EY-A405E-L0	\$998	01/13/89	02/24/89	YES	REPLACES EY-6911E
VAX DTR INTERFACE VMS	TBI/M	EY-A884E-PR	\$368	12/02/88	12/30/88	NO	REPLACES EY-2643E
ACMS APPLN DEVELOPMENT	L/L	EY-1907E-L0	\$1208	10/31/88	12/16/88	YES	

PRODUCT STATUS
LANGUAGES

PRODUCT SET: LANGUAGES		PRODUCT MANAGER: LOIS POND					
<u>PRODUCT NAME</u>	<u>FORMAT</u>	<u>PART NUMBER</u>	<u>CPL</u>	<u>MASTER-FUNDER</u>	<u>ON-THE-SHELF</u>	<u>ELECTRONIC</u>	<u>COMMENTS</u>
NEW DESIGN OF VAX ADA RT APPLN SYSTEMS	L/L	EY-4836E-L0	\$1365	ON HOLD	ON HOLD	YES	
VAX BASIC	TBI/M	EY-A421E-TK, MT,RX	\$400	09/28/88	OTS 11/11/88	NO	REPLACES EY-1137E
VAX FORTRAN	L/L	TBD	\$1365	03/15/89	05/01/89*	YES	NEW PRODUCT ADDED

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      | PRODUCT STATUS |
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      | VMS PROGRAMMER PRODUCTIVITY |
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PRODUCT SET: VMS PROGRAMMER PRODUCTIVITY

PRODUCT MANAGER: MITCH GORKA

<u>PRODUCT NAME</u>	<u>FORMAT</u>	<u>PART NUMBER</u>	<u>CPL</u>	<u>MASTER-FUNDER</u>	<u>ON-THE-SHELF</u>	<u>ELECTRONIC</u>	<u>COMMENTS</u>
<u>NEW</u>							
SW DEV METHODS FOR VAX	L/L	EY-9231E-L0	\$1365	03/17/89	04/24/89	YES	
SYS A & D W/ADT	L/L	TBD	\$998	05/08/89	06/26/89	YES	SWST/DIST PROJECT
USING ADT	TBI	TBD	\$500	TBD	TBD*	NO	FORMAT CHANGE

PRODUCT STATUS
MIS

PRODUCT SET: MIS

PRODUCT MANAGER: MITCH GORKA

<u>PRODUCT NAME</u>	<u>FORMAT</u>	<u>PART NUMBER</u>	<u>CPL</u>	<u>MASTER-FUNDER</u>	<u>ON-THE-SHELF</u>	<u>ELECTRONIC</u>	<u>COMMENTS</u>
<u>NEW</u>							
TRANSFORMING IS	SEM	EY-A920E-S0	\$1675	N/A	AVAILABLE	NO	NOT STOCKED IN BILLERICA
DEC HW PROD: MGR OVERV	SEM	EY-A960E-S0	\$840	12/09/88	01/23/89	YES	
ENTERPRISE PLAN & DESN	SEM	TBD	TBD	TBD	TBD	NO	

PRODUCT STATUS
COMMUNICATIONS & NETWORKS

PRODUCT SET: COMMUNICATIONS & NETWORKS

PRODUCT MANAGER: JIM TRANT

<u>PRODUCT NAME</u>	<u>FORMAT</u>	<u>PART NUMBER</u>	<u>CPL</u>	<u>MASTER-FUNDER</u>	<u>ON-THE-SHELF</u>	<u>ELECTRONIC</u>	<u>COMMENTS</u>
NEW							
DECNET NETWORK MGMT	TBI	EY-8285E-PR	\$578	02/06/89	03/27/89	NO	REPLACES EY-6701E
NETWORK MGMT I	L/L	EY-A946E-L0	TBD	01/23/89	03/06/89*	YES	NAME CHANGE
DIGITAL-IBM T-T-T	L/L	EY-A926E-TT	N/A	11/15/88	12/22/88*		REPLACES EY-6759E
INTRO POSTSCRIPT PROG	VIDEO	EY-8290E-VH, VU	\$1500	11/14/88	12/22/88*	NO	MASTER/OTS DATE CHANGE TRG PROG FOR INSTRUCTORS
NETWORK TECH & CHOICES	SEM	EY-9258E-S0	\$945	02/17/89	03/31/89	YES	MASTER/OTS DATE CHANGE CHG VIDEO PORTION OF CRSE
NETWORK TROUBLESHOOTING	L/L	EY-9257E-L0	\$1365	02/03/89	03/10/89	YES	ON HOLD
PROG DECNET VAX	L/L	EY-A908E-L0	\$1155	03/03/89	04/17/89	YES	REPLACES EY-1363E
	TBI	EY-8272E-PR	\$578	02/06/89	03/27/89	NO	REPLACES EY-4849E
PCSA V2.1 SYS MGMT	L/L	TBD	\$1365	01/13/89	N/A	NO	REPLACES EY-6702E
NETWORK MGMT II	L/L	TBD	TBD	TBD	TBD	NO	NOT STOCKED IN BILLERICA

PRODUCT STATUS
ULTRIX

PRODUCT SET: ULTRIX

PRODUCT MANAGER: MENSAH ADJOGAH

<u>PRODUCT NAME</u>	<u>FORMAT</u>	<u>PART NUMBER</u>	<u>CPL</u>	<u>MASTER-FUNDER</u>	<u>ON-THE-SHELF</u>	<u>ELECTRONIC</u>	<u>COMMENTS</u>
NEW ULTRIX-32 UTIL & COMM	TBI	EY-8271E-PR	\$575	09/30/88	OTS 11/07/88	NO	

PRODUCT STATUS
REAL TIME PROGRAMMER

PRODUCT SET: REAL TIME PROGRAMMER

PRODUCT MANAGER: MENSAH ADJOGAH

<u>PRODUCT NAME</u>	<u>FORMAT</u>	<u>PART NUMBER</u>	<u>CPL</u>	<u>MASTER-FUNDER</u>	<u>ON-THE-SHELF</u>	<u>ELECTRONIC</u>	<u>COMMENTS</u>
NEW VAXELN INTERNALS, DATA STRUCT & DEVICE DRIVERS L/L		EY-9214E-L0	\$1365	12/05/88	01/06/89	YES	

PRODUCT STATUS
WORKSTATIONS

PRODUCT SET: WORKSTATIONS

PRODUCT MANAGER: MENSAH ADJOGAH

<u>PRODUCT NAME</u>	<u>FORMAT</u>	<u>PART NUMBER</u>	<u>CPL</u>	<u>MASTER-FUNDER</u>	<u>ON-THE-SHELF</u>	<u>ELECTRONIC</u>	<u>COMMENTS</u>
NEW							
GET START VMS WORKSTA. (STANDALONE SYSTEM)	TBI/M	EY-8280E-TK, RX	\$350	11/15/88	12/21/88	NO	REPLACES EY-6750E
GET START VMS WORKSTA. (LOCAL AREA VAXCLUSTER)	TBI/M	EY-8281E-TK, RX	\$350	11/15/88	12/21/88	NO	REPLACES EY-8263E
PROG WITH DECWINDOWS	L/L	EY-A925E-L0	\$1365	12/02/88	01/13/89	YES	
INTRO TO DECWINDOWS	CBI	EY-8273E-TK, MT,RX,SP	\$150	01/23/89	03/03/89	NO	
USE VUE & DECWNW APPLN	CBI	EY-A888E-TK, MT,RX	\$150	02/18/89	03/31/89	NO	
PROG X VERSION 11 IN DECWINDOWS ENVIRONMENT VMS WORKSTATIONS	TBI/M	EY-C165E-TK, MT	\$750	11/04/88	01/20/89*	NO	NEW PRODUCT ADDED DECWINDOWS IS NOT ANNOUNCED YET
REVISION							
PROG X VERSION 11 IN DECWINDOWS ENVIRONMENT ULTRIX WORKSTATION	TBI/M	EY-8256E-TK, MT	\$750	11/04/88	01/20/89*	NO	NAME/CPL/MASTER/OTS CHG DECWINDOWS IS NOT ANNOUNCED YET

PRODUCT STATUS
OFFICE

PRODUCT SET: OFFICE

PRODUCT MANAGER: DOLORES CORDEIRO/TERRI DIXON

<u>PRODUCT NAME</u>	<u>FORMAT</u>	<u>PART NUMBER</u>	<u>CPL</u>	<u>MASTER-FUNDER</u>	<u>ON-THE-SHELF</u>	<u>ELECTRONIC</u>	<u>COMMENTS</u>
NEW							
A1 ELECTRONIC MESSAGE	SPI/AUD	TBD	TBD	11/15/88	Q3/FY89	NO	
A1 EXECUTIVE OVERVIEW	TBD	TBD	TBD	04/01/88	Q4/FY89	YES	
A1 MANAGER DIFFERENCES	SEM	EY-A950E-S0	\$265	11/15/88	Q3/FY89	NO	
	L/L	EY-A949E-L0	\$945	11/15/88	Q3/FY89	YES	
A1 APPLN PROGRAM DIFF.	SEM	EY-A952E-S0	TBD	11/15/88	Q3/FY89	NO	
	L/L	EY-A951E-L0	\$630	11/15/88	Q3/FY89	YES	
A1 STARTER V2.3	CBI/B	N/A	N/A	N/A	FCS	N/A	
A1 SYS ADMINISTRATOR	L/L	TBD	\$525	02/15/88	Q4/FY89	YES	
A1 TECH OVERVIEW SEM	SEM	EY-A965E-S0	\$735	11/17/88	12/30/88*	NO	PART NO/CPL/MASTER/OTS CHG
A1 USER V2.3	L/L	TBD	TBD	Q3/FY89	Q3/FY89	YES	
A1 USER DIFFERENCES	SEM	EY-A948E-S0	\$130	11/15/88	Q3/FY89	NO	
	L/L	EY-A947E-L0	\$265	11/15/88	Q3/FY89	YES	
	SPI/AUD	TBD	TBD	11/15/88	Q3/FY89	NO	
ADV WPS+ VMS	L/L	TBD	TBD	01/01/89	Q3/FY89	YES	
BASIC WPS+ VMS V3.0	L/L	TBD	\$525	Q3/FY89	Q3/FY89*	YES	NEW PRODUCT ADDED
GETTING START W/A1 V2.3	VIDEO	TBD	TBD	Q3/FY89	Q3/FY89*	NO	VIDEO USING L/L TIMEFRAME
INTERLEAF	L/L	TBD	TBD	04/01/88	Q4/FY89	YES	
HOW TO USE DECWINDOWS	L/L	TBD	TBD	05/01/88	Q4/FY89	YES	
USING ENTERPRISE WRITER	L/L	TBD	TBD	05/01/88	Q4/FY89	YES	
USE ENTERPR. PRESENTER	L/L	TBD	TBD	05/01/88	Q4/FY89	YES	
USING ENTERPRISE INFO	L/L	TBD	TBD	05/01/88	Q4/FY89	YES	
WPS+ TIPS AND TRICKS	BOOK	TBD	TBD	Q4/FY89	Q4/FY89	NO	

PRODUCT STATUS
OFFICE

PRODUCT SET: OFFICE

PRODUCT MANAGER: DOLORES CORDEIRO/TERRI DIXON

<u>PRODUCT NAME</u>	<u>FORMAT</u>	<u>PART NUMBER</u>	<u>CPL</u>	<u>MASTER-FUNDER</u>	<u>ON-THE-SHELF</u>	<u>ELECTRONIC</u>	<u>COMMENTS</u>
<u>REVISION</u>							
ADV WPS+ V3.0 A1	L/L	EY-4284E-L0	\$265	01/01/89	Q3/FY89	YES	
A1 ELECTRONIC MESSAGE	L/L	EY-1558E-L0	\$265	02/15/88	Q3/FY89*	YES	USER L/L DEV SCHEDULE SLIP
A1 DESK MANAGEMENT	L/L	TBD	\$265	11/15/88	Q3/FY89	YES	
A1 USER V2.3 W/WPS+	L/L	EY-5294E-L0	\$525	11/15/88	Q3/FY89	YES	
A1 FUND APPLN PROG V2.3	L/L	EY-8319E-L0	\$1365	02/15/88	Q4/FY89	YES	
A1 ADV APPLN PROG V2.3	L/L	EY-9163E-L0	\$1365	04/05/88	Q4/FY89	YES	
A1 MANAGER V2.3	L/L	EY-2315E-L0	\$1365	Q3/FY89	Q3/FY89	YES	
BASIC WPS+ A1 V3.0	L/L	TBD	\$525	Q3/FY89	Q3/FY89*	YES	DEVELOPMENT GRP DISSOLVED RESULT-DELAY DEVELOPMENT SAME AS BASIC WPS+ A1 V3 MASTER/OTS DATE CHANGE
DECPAGE V3.0	L/L	EY-6755E-L0	\$265	Q3/FY89	Q3/FY89*	YES	
INTRO TO MS WINDOWS	L/L	EY-7818E-L0	\$525	11/09/88	12/30/89*	YES	
LEARN MS-WINDOWS/VAXMATE	TBI	EY-8265E-PR	TBD	02/15/88	Q4/FY89	NO	
LEARN MS-WINDOWS/PC	TBI	EY-8268E-PR	TBD	02/15/88	Q4/FY89	NO	
VAX TOUCH TYPE	CBI	EY-8283E-TK, MT	\$450	10/14/88	OTS 11/23/88	NO	REPLACES EY-2614E
USE VAXMATE PUBLISH SYS	L/L	EY-9161E-L0	\$525	04/01/88	Q4/FY89	NO	
WPS-PLUS/VMS V3.0	CBI/B	N/A	N/A	N/A	FCS	N/A	

PRODUCT STATUS
HARDWARE MAINTENANCE

PRODUCT SET: HARDWARE MAINTENANCE

PRODUCT MANAGER: BRIAN O'HERN

<u>PRODUCT NAME</u>	<u>FORMAT</u>	<u>PART NUMBER</u>	<u>CPL</u>	<u>MASTER-FUNDER</u>	<u>ON-THE-SHELF</u>	<u>ELECTRONIC</u>	<u>COMMENTS</u>
NEW							
MICROVAX 3500/3600 DIAG	L/L	EY-A943E-L0	\$2048	07/05/88	01/30/89	NO	
QBUS DATA COMM HW MAINT	L/L	EY-9224E-L0	\$1628	12/16/88	01/30/89*	NO	MASTER/OTS DATE CHANGE
RA82 DISK MAINT DIFF	L/L	EY-A929E-L0	\$977	06/21/88	OTS 07/29/88	NO	
TA78 MAGTAPE MAINT	L/L	EY-9185E-L0	\$3255	11/07/88	12/16/88*	NO	MASTER/OTS DATE CHANGE
TA78 MAGTAPE MAINT DIFF	L/L	EY-9186E-L0	\$1628	11/07/88	12/16/88*	NO	MASTER/OTS DATE CHANGE
TU77 MAGTAPE MAINT	L/L	EY-A910E-L0	\$1628	09/29/88	OTS 10/11/88	NO	REPLACES EY-J6012
TEL6/TM03 MAGTAPE MAINT	L/L	EY-A909E-L0	\$1628	09/29/88	OTS 11/07/88	NO	REPLACES EY-J5054
ULTR/UNIX HW PERSONNEL	L/L	EY-A916E-L0	\$1628	TBD	TBD	NO	ON HOLD
UNIBUS DATA COMM HW	L/L	EY-9223E-L0	\$4883	12/16/88	01/30/89*	NO	MASTER/OTS DATE CHANGE REPLACES EY-2358E/2359E
VAX 6200 DIAG & MLR	L/L	EY-A942E-L0	\$2257	07/05/88	03/30/89	NO	

PRODUCT STATUS
ADVANCED MANUFACTURING
TECHNOLOGY

PRODUCT SET: ADVANCED MANUFACTURING TECHNOLOGY

PRODUCT MANAGER: PHIL WILSON

<u>PRODUCT NAME</u>	<u>FORMAT</u>	<u>PART NUMBER</u>	<u>CPL</u>	<u>MASTER-FUNDER</u>	<u>ON-THE-SHELF</u>	<u>ELECTRONIC</u>	<u>COMMENTS</u>
<u>NEW</u> CIM-SYS ANALY & MODEL	SEM	TBD	\$945	12/20/88	01/31/89	NO	CPL ADDED

PRODUCT STATUS
ADVANCED ENGINEERING
TECHNOLOGY

PRODUCT SET: ADVANCED ENGINEERING TECHNOLOGY

PRODUCT MANAGER: PHIL WILSON

<u>PRODUCT NAME</u>	<u>FORMAT</u>	<u>PART NUMBER</u>	<u>CPL</u>	<u>MASTER-FUNDER</u>	<u>ON-THE-SHELF</u>	<u>ELECTRONIC</u>	<u>COMMENTS</u>
<u>NEW</u>							
AUTOCAD VMS VAXSTA. I	L/GL	EY-A932E-Y0	\$945	TBD	TBD*	NO	NAME CHANGE
AUTOCAD VMS VAXSTA. II	L/GL	EY-A933E-Y0	\$1100	TBD	TBD*	NO	NAME CHANGE
ADV AUTOCAD TECH ON VMS	L/GL	EY-A934E-Y0	\$1100	11/10/88	12/15/88*	NO	NAME/MASTER/OTS CHANGE
AUTOLISP PROG ON VMS	L/GL	EY-A935E-Y0	\$1300	12/16/88	01/30/89*	NO	MASTER/OTS DATE CHANGE
MANAGE AUTOCAD ON VMS	L/GL	EY-A936E-Y0	\$945	01/13/89	02/28/89*	NO	NAME/MASTER/OTS CHANGE
AUTOCAD ULTRIX VAXST I	L/GL	EY-A937E-Y0	\$945	02/22/89	03/30/89*	NO	NAME/MASTER/OTS CHANGE
AUTOCAD ULTRIX VAXST II	L/GL	EY-A938E-Y0	\$1100	03/20/89	04/28/89*	NO	NAME/MASTER/OTS CHANGE
ADV AUTOCAD TECH ULTRIX	L/GL	EY-A939E-Y0	\$1100	04/20/89	05/30/89*	NO	NAME/MASTER/OTS CHANGE
AUTOLISP PROG ON ULTRIX	L/GL	EY-A940E-Y0	\$1300	05/23/89	06/30/89*	NO	NAME/MASTER/OTS CHANGE
MANAGE AUTOCAD ON ULTR	L/GL	EY-A941E-Y0	\$945	06/23/89	07/30/89*	NO	NAME/MASTER/OTS CHANGE


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  |          PRODUCT STATUS            |
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  |          VAX SYSTEM V              |
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PRODUCT SET: VAX SYSTEM V

PRODUCT MANAGER: JOYCE TRAISTER

<u>PRODUCT NAME</u>	<u>FORMAT</u>	<u>PART NUMBER</u>	<u>CPL</u>	<u>MASTER-FUNDER</u>	<u>ON-THE-SHELF</u>	<u>ELECTRONIC</u>	<u>COMMENTS</u>
<u>NEW</u> VAX SYS V DISK SHADOW	L/L	EY-9239E-L0	\$625	N/A	TBD	N/A	TAUGHT AT SADDLE BROOK, NJ OR AT CUSTOMER SITE
VAX SYS V FOR FIELD SER	L/L	EY-9240E-L0	\$1500	N/A	TBD	N/A	TAUGHT AT SADDLE BROOK, NJ OR AT CUSTOMER SITE
VAX SYS V PERFORMANCE AND TUNING	L/L	EY-9241E-L0	\$1350	N/A	TBD	N/A	TAUGHT AT SADDLE BROOK, NJ OR AT CUSTOMER SITE

COMPANY CONFIDENTIAL

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      |      PRODUCT STATUS                |
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      |      DIGITAL PRESS                 |
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PRODUCT SET: DIGITAL PRESS

PRODUCT MANAGER: JOHN OSBORN

<u>PRODUCT NAME</u>	<u>FORMAT</u>	<u>PART NUMBER</u>	<u>CPL</u>	<u>MASTER-FUNDER</u>	<u>ON-THE-SHELF</u>	<u>ELECTRONIC</u>	<u>COMMENTS</u>
NEW							
X-WINDOW SYSTEM	SOFT	EY-6737E-DP	\$55	10/24/88	12/01/88*	NO	MASTER/OTS DATE CHANGE
COMPUTER PROG & ARCH	HARD	EY-6740E-DP	\$38	08/16/88	OTS 10/24/88	NO	
AN INTRO TO VAX/VMS	SOFT	EY-6739E-DP	\$25	Q3/FY89	Q3/FY89	NO	
ABC'S OF MUMPS	SOFT	EY-8292E-DP	\$25	01/23/89	03/01/89*	NO	MASTER/OTS DATE CHANGE
ENG INTELLIGENT SYS	SOFT	EY-8299E-DP	\$24	10/05/88	12/22/88	NO	CONVERT HARD TO SOFT
COMP ENG: DEC VIEW HW	SOFT	EY-8300E-DP	\$25	10/05/88	12/22/88	NO	CONVERT HARD TO SOFT
PARALLEL PROCESS: CM*	SOFT	EY-8294E-DP	\$29	10/05/88	OTS 11/11/88	NO	CONVERT HARD TO SOFT

V. BUDGETED NOT APPROVED

This section is a list of budgeted products not yet approved, products will be developed in this or the following fiscal year.

BUDGETED
NOT APPROVED

PRODUCT SET: VAX/VMS

PRODUCT MANAGER: EILEEN MALLOR

<u>PRODUCT NAME</u>	<u>FORMAT</u>	<u>PLAN DATE</u>	<u>IS PLAN ON FILE</u>
NEW			
READING BLISS CODE	TBI	Q4/FY89	NO
UTILIZING VMS II	L/L	Q4/FY89	NO
VAXCLUSTER OPERATOR	L/L	Q4/FY89	PLAN ON FILE
VAX U & C II: A.F.T.	L/L	Q4/FY89	PLAN ON FILE
USING VMS UTIL W/DECWINDOWS	L/L	Q4/FY89	PLAN ON FILE
VECTOR PROCESSING	L/L	Q1/FY90	NO
CAPACITY PLANNING	TBD	FY90	NO
SYSTEM SECURITY USING SVS	TBD	FY90	NO
REVISION			
MULTIPROCESS SYS & APPLN	SEM	03/89	PLAN ON FILE
VMS SECURITY	L/L	Q4/FY89	NO
	SEM	Q1/FY90	NO
SYS PERFORMANCE MGMT/CLUSTERS	L/L	Q4/FY89	NO
V5.0-3/V5.F/MAINTENANCE	ALL	Q3/FY89/Q1FY90	NO

PRODUCT SET: DATATRIEVE/VIA

PRODUCT MANAGER: LOIS POND

NEW			
TP APPLICATION DESIGN	L/L	Q4/FY89	CANCELLED
VAXFORMS	L/L	Q1/FY89	PLAN ON FILE
DATABASE DESIGN TOOL	L/L	Q4/FY89	CANCELLED
REVISION			
RDB V4	TBI/M	Q3/FY89	NO
DBMS V5.0	L/L	Q2/FY89	NO
DTR DESIGN & PROG V5.0	L/L	Q3/FY89	NO

SET: LANGUAGES

PRODUCT MANAGER: LOIS POND

<u>PRODUCT NAME</u>	<u>FORMAT</u>	<u>PLAN DATE</u>	<u>IS PLAN ON FILE</u>
<u>NEW</u> VAX C	L/L	TBD	NO

PRODUCT SET: PROGRAMMER PRODUCTIVITY

PRODUCT MANAGER: MITCH GORKA

<u>NEW</u> USING PROJECT MGR PLUS-DW	TBI	TBD	NO
CASE FOR MANAGERS	SEM	TBD	NO
VAXSET	TBI	TBD	NO

REVISION

SW DEV USING VAXSET TOOLS-DW	L/L	TBD	NO
USING LSE/SCA/PDS-DW	TBI	TBD	NO
MANAGE SW PROJECTS	L/L	TBD	NO
APPLN DEV USING VCG	L/L	TBD	NO
MANAGING VMS PPT	SEM	TBD	NO

PRODUCT SET: MIS

PRODUCT MANAGER: MITCH GORKA

<u>NEW</u> IMPLEMENTING DIST COMPUTING	SEM	TBD	NO
DIS INFO ARCHITECTURE	SEM	TBD	NO
SYS ANALYSIS & DESIGN	SEM	TBD	NO

REVISION

DEC SW PROD: MGR REV	SEM	TBD	NO
DEC SW PROD: PROF REV	SEM	TBD	NO

PRODUCT SET: COMMUNICATIONS & NETWORKS

PRODUCT MANAGER: JIM TRANT

NEW DECNET-VAX INTERNALS	SEM	TBD	NO
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PRODUCT SET: ULTRIX

PRODUCT MANAGER: MENSAH ADJOGAH

NEW PROGRAMMING PRODUCTIVITY INTRO TO UUE (ULTRIX USER EXECUTIVE)	L/L CBI	TBD TBD	NO NO
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PRODUCT SET: WORKSTATIONS

PRODUCT MANAGER: MENSAH ADJOGAH

<u>PRODUCT NAME</u>	<u>FORMAT</u>	<u>PLAN DATE</u>	<u>IS PLAN ON FILE</u>
NEW MANAGE WS NET W/NFS PROG WITH PHIGS	L/L TBI/M	TBD 03/88	NO PLAN ON FILE

VI. APPENDIX (HEADINGS & SYMBOLS)

FORMAT

CBI
CBI/B
TBI
TBI/M

COMPUTER-BASED INSTRUCTION
COMPUTER-BASED INSTRUCTION - BUNDLED
TEXT-BASED INSTRUCTION
TEXT-BASED INSTRUCTION WITH MEDIA
TK = TK50 AND TK70
RX = RX50 AND RX33
MT = 1600 BPI 1/2 MAGTAPE

TBI/B
L/L
L/GL
LEC
SEM
VIDEO
*

TEXT-BASED INSTRUCTION - BUNDLED
LECTURE/LAB (ORDERABLE PART NO. FOR STUDENT PACKAGE IS "LS" INSTRUCTOR PACKAGE IS "LA")
LECTURE WITH GRAPHICS LAB
LECTURE ONLY
SEMINAR
VIDEO
DENOTES CHANGE FROM LAST REPORT

MASTER-FUNDER

WHEN MASTER IS RECEIVED FOR PROCESSING TO MANUFACTURING

ON-THE-SHELF

DATE IN WHICH PART NUMBER NOW BECOMES ORDERABLE

ELECTRONIC

ELECTRONIC MASTER AVAILABLE TO EUROPE (YES/NO)

PRODUCT MANAGERS

MENSAH ADJOGAH	249-4375	BUO/E10	CECV01::ADJOGAH
DOLORES CORDEIRO	223-8129	CF01-3/M35	BIGMAC::CORDEIRO
TERRI DIXON	223-6247	CF01-3/M35	BIGMAC::DIXON
MITCH GORKA	249-4427	BUO/E10	CECV01::GORKA
EILEEN MALLOR	249-4734	BUO/E10	CECV01::MALLOR
BRIAN O'HERN	249-4724	BUO/E10	CECV01::OHERN
JOHN OSBORN	249-4435	BUO/E94	CECV01::OSBORN
LOIS POND	249-4295	BUO/E10	CECV01::POND
ANDY SADLER	249-4416	BUO/E10	CECV03::SADLER
JOYCE TRAISTER	249-1859	BUO/E10	CECV01::TRAISTER
JIM TRANT	249-4610	BUO/E10	CECV01::TRANT
PHIL WILSON	249-4041	BUO/E10	CECV01::WILSON

VII. DISTRIBUTION

ROB ASTON	BUO/E15	JOHN BULANDA	RLO	HIROYUKI IWASHIMIZU	TKO
JUDY SWEARINGEN	SEO	HUBERT BEWLEY	NYO	DAVID GUERRIERO	SEO
PHIL CORMAN	FP01/A5	GARY GOULD	FHO	ERIC DRUMM	TRC16/2
SHANE PATTERSON	BUO/E15	CHARLIE EICHER	OG01-2/E13	WILL BUDDENHAGEN	BUO/E94
MARIANNE SCHRODE	FHD	JANN LEVESQUE	BUO/E42	JIM STEWART	BUO/E10
BOB HYMES	BUO/E19	SHERRIE SMITH	DCA	DON HAYES	TRC/14-3
MENSAH ADJOGAH	BUO/E10	DAN COOPER	FPO/A14	JIM TRANT	BUO/E10
RAY MABREY	DCA	BRIAN O'HERN	BUO/E10	DICK MCCARTHY	BUO/E07
MITCH GORKA	BUO/E10	DENNIS PEARCE	BKO	ALAN FRIEDMAN	ZK01-3/E11
BOB SANSING	AKO	BILL GAUDETTE	BUO/E15	BUCK TRAYSER	ATL
NANCY GIDDENS	AK01-2/C13	JACK MCCORD	BUO/E42	TUOMO HAKALA	FNO
LEE SPROULE	TRC	BARBARA HOLTZ	BUO/E94	LOIS POND	BUO/E10
JERRY HANISKO	LAC	MAUREEN WILSON	FPO/B7	DAVE SMETHERS	HGO
MIKE ERDELYI	TRC14/2	JIM MALANSON	BUO/E20	JO MACOMBER	BUO/E17
CAM MOORE	BUO/E05	SUE SCRIVEN	RKA	ELMER OZIPKO	KA03/6
LARRY SEARS	EKO	JOHN SHACK	BUO/E94	ROGER TOWNE	BUO/E58
RICK WARDROP	BUO/E87	MATT WILLIAMS	CWO	JOE WONG	TRC14/2
BRIAN OSBORNE	ZK01-1/D42	TERRY TRESSEL	WRC	PAT WEGER	FPO
ANN DELGRECO	BUO/E10	OYA KORAY	BUO/E33	ANDREA KOVACS	BUO/E33
BOB MJOS	BUO/E10	DREW BOYD	FPO/A16	PAT CATALDO	BUO/E17
DON ELIAS	BUO/E17	JOE FABRIZIO	BUO/E02	JOHN MCLEAN	BUO/E20
JOLUUT VANDERHOOF	BUO/E17	CHARLIE THARP	BUO/E03	SUSAN GEORGE	PK03-1/B11
PETER BROWNE	TTB1-5/E08	ROGER BLOMGREN	AK01-2/F8	CECIL DYE	OG01-1/E13
STEVE JASINSKI	BKO	ROY STEELE	BUO/E02	DEL THORNDIKE	BUO/E17
TIM WALSH	BUO/E65	EGINHARD MEYER	MUO	JEAN MICOL	GEO
MIKE CHRISTENSEN	CF01-3/M35	ZOE PICKUP	RKA	CHRISTA SOUTHWORTH	GEO
KERRY DOHERTY	BUO/E10	JACQUES TAYAR	EVO	JOHAN EIKELBOOM	ERO
GRAHAM WARD	RGM	CAROLYN TEMMALLO	CF01-3/M35	EILEEN MALLOR	BUO/E10
MARIA CASTILLON	AK01-2/C13	PHIL SKEPNEK	RLO	LILIAN SODERMAN	SOO
DOLORES CORDEIRO	CF01-3/M35	RICK GIARDINO	WRO/WA8	JOYCE TRAISTER	BUO/E10
ARLENE LEVIN	BUO/E10	PHILIP WILSON	BUO/E10	ANDY SADLER	BUO/E10
RUDY HACKL	BUO/E91	DOUG SINCLAIR	BUO/E87	ARTHUR LINGLEY	JGO
JOHN DISCHINGER	PK03-1/B11	JOHN DAVIDSON	SNO	CHRISTINE ROLINSON	SNO
GIL MITCHELL	TRC14/2	ELIZABETH BAK	TRC14/2	PAM BOISVERT	BUO/E13
PHIL ANZALONE	BKO	MARTHA ADAMOVICH	BKO	EBERHARD PANKAU	MUO
STEFANO MARTINELLI	MIO	MARY ELLEN BEAGEN	AKO	BARBARA CARY	MS01/M6
BILL BERNSON	ZK01-1/M26	EMILIE SCHMIDT	VWO/C02	MARJOLEIN LONDON	JGO
MARTIN VAN DIJCK	JGO	AL TOPOLOSKY	BUO/E54	PETER DELLAPELLE	FPO2/B7
JAMES DOYLE	SCA	EVELYN GARCIA	BUO/E39	CINDY SEIFERT	SCA
MARY CRISCIONE	BUO/E39	ROGER CAMIRE	AKO	TRICIA ELEY	SCA
KATHY VOGEL	BUO/E13	JOANNE PARK	BUO/E13	TERRI DIXON	CF01-3/M35
LYN EBNER	ACI	LYNE DEPATIE	MQO	GAIL PORTER	BUO/E10
IAN WALKER	MCO	SHERYL WAXSMAN	LAC	EDWARD LAU	HGO
LISE GORAJSKI	ACI	TAKAYASU IWAMOTO	TKO	JUDI KNOWLES	OTO/5-3
BRIAN KUYPERS	TRC/14-3	ROXANNE ALEXANDER	CF01-3/M35	KEITH SHONE	RKA
BUD LUEBKERT	BUO/E87	PAT GRANT	DCA	DEDRIA JONES	DCA
DALE BRISCOE	BUO/E42	JOS JACOBS	ERO	SUE SCRIVEN	RKA
CHRIS KANDIANIS	BUO/E15	GUY MICALIZZI	AK01-2/C13	RONA LISCHINSKY	FPO
COLLEEN MURRAY	BKO	JEROME GIEDYMIN	BKO	FRANK FOSTER	BUO/E54
GEORGE JAKOBSCHE	BUO/E54	MARION HAMBLETT	FPO	CHERYL OHERN	FPO/A1
COLIN LATHWELL	SNO	YUKIO SOEDA	TKO	JOSEPH LEUNG	TRC

① Roy
② Subject is Myers
Dev. Program all
along? ✓
Committee? ✓
Johnson

I N T E R O F F I C E M E M O R A N D U M

Date: 11-Nov-1988 10:33am GMT
From: Roy Steele
STEELE.ROY AT a1 at CECV01 at
Dept: DME
Tel No: 249-4716

BUO

TO: PAT CATALDO @BUO
TO: DICK WALSH @OGO

Subject: DME Quarterly Report - Q1 FY89

HIGHLIGHTS OF Q1
~~~~~

- o DME ran two introductory Meyers-Briggs Type Indicator (MBTI) sessions for 30 participants in the Galway, Ireland European Software Distribution Center (ESDC) facility with good results. We also facilitated three teambuilding sessions for ESDC and consulted with ten ESDC managers on the use of MBTI as a management and leadership tool.
- o Based on the success of the first delivery, DME has been invited to return to the Southern Area to deliver additional custom management training as part of the area's PACESETTER program.
- o The District Manager Program had its first run July 11-14 for the New England and New York areas. The focus was "Using Teamwork to Win Big." Four other programs ran in locations across the US area between July 25 and September 1, 1988.
- o DME presented an update on the MOSSO (Management of Service Staff and Operations) program to Dave Grainger on August 5. The purpose was to review content, objectives, results, and plans for FY89. Week 1 was delivered September 25-30 and was well received with a 92% acceptance rating. The MOSSO program will total 280 student weeks in FY89.
- o The sixth run of GIA Marketing in Nashua was finished with excellent results (100%). We are now involved in the planning and design of an International Marketing course for Hank Tarbi and the Phase II program of GIA Marketing.
- o Digital Fellowship Executive Program - A report was completed on the first two runs of the program and a meeting was held with Chet Bowles to finalize plans for the remaining follow-up reports to be done in Q2 and Q3.
- o Chet Gerick, EEO/AA/Valuing Difference Training Manager requested DME's help in the design and documentation of training programs for three major training efforts of this

Done from GWA?



group: Sexual Harassment, EEO Handbook Training, and EEO Policy and Procedures.

- o DME participated in designed several portion of the August 18th ESMC Expanded Staff Meeting. We also facilitated/participated in the small group sessions.
- o At the request of Educational Services Corporate Marketing, DME delivered five one-day courses to approximately 150 Decworld booth support staff to build their skills in presenting information to customers.

#### COURSE ACTIVITY ~~~~~

- o DME's open tuition and on-site business was above plan for the quarter. There was a total of 165 open enrollments offerings and 146 on-site offerings delivered; consisting of 173 Professional Development curriculum, 106 from the First Level Management curriculum, and 32 from the Middle Management curriculum.
- o The Field Service Manager 3 (FSM 3) offerings continue to bring in excellent results.
- o Understanding the Dynamics of Difference (UDD) continues to be very successful. During Q1 there was a total of 43 offerings delivered, with an average of 15 participants per class.
- o A course description booklet and schedule is now being mailed out quarterly to all employees in the Western Area and it seems to have increased enrollments.
- o A large amount of courses are currently going through the QA process for revisions and improvements.
- o The most popular course offerings during Q1 were:
  - Understanding the Dynamics of Difference
  - Effective Writing Skills
  - Fundamentals of Project Management
  - Communication Skills
  - Advanced Reading Skills
  - Basic Problem Solving Techniques

#### ACTIVITY ~~~~~

o Student Weeks were: 2,444 vs. 1,868 BOD

Course Weeks were: 161 vs. 124 BOD

o Expense/Relief

Q1 Actual Expense was \$3,406 vs. 3,763

Q1 Actual Relief was \$3,197 vs. 3,436

*where does A go?*

MISCELLANEOUS  
~~~~~

o Work is continuing and good progress has been made on the Executive Education program.

o I am now a member of the SSMIP Productivity Committee. Part of the work of that committee is Development.

o I have established a sub-committee for the development of a Management Development strategy for SSMI. The first critical work that ~~this sub-committee is charged to do is help establish an Executive Development Strategy for SSMI.~~ This strategy will be presented to the ~~Productivity Committee~~ for approval and hopefully on to the FCDC.

Regards,
Roy

*an attempt to
kill outside
TNS?*

role?

Discuss
(Signature)

I N T E R O F F I C E M E M O R A N D U M

Date: 25-Oct-1988 10:27am GMT
From: Patrick A. Cataldo
CATALDO.PAT
Dept: Educational Services
Tel No: 249-4200

TO: See Below

Subject: Meeting FY89 Commitments - ACTION PLAN

As a result of the ESMC staff meeting on October 24, 1988, we will implement the following policies immediately in order to improve the overall productivity of Educational Services for FY89.

1. STAFFING. All hiring, with the exception of currently approved Instructor requisitions, will be deferred. Each ESMC member will re-evaluate their outstanding requisitions against current business plans and provide me with justification for all replacements and any additional hiring above existing headcount. This information must be reflected in your next forecast and included in your plans for the remaining three quarters of FY89. (Any change in staffing should also be reflected in your anticipated expenses for the quarter. Do not forecast a decrease in expected hiring without the corresponding decrease in expense dollars).

expenses only?

How from within?
TO me

hired to date for what?

Any incremental hiring must be directly related to revenue-producing activities or approved funded projects in the case of internal activities. In all cases, we will look at our hiring needs carefully to insure that we optimize not only the existing resources in each group but the cross-functional resources in Educational Services before recommending additional personnel. All existing personnel reqs will require my final approval (signature in the upper right-hand corner of the existing requisition) before Personnel will act on them.

ef?

2. TEMPORARY/CONTRACT WORKERS. All temporary and contract worker agreements must be reevaluated in light of current business conditions. Each request must be reapproved by you as it relates to existing business demands.

to do what?

3. TRAVEL. All travel, unless it is directly related to revenue-producing activity or approved project plans for funded activities, must be deferred. In all cases, travel must be consistent with Corporate Expense Guideline Policies. ANY EXCEPTION TO THESE GUIDELINES MUST BE APPROVED IN ADVANCE. Please be sure this point is clearly understood especially as it relates to travel with other Digital personnel from various organizations. This will provide

problem?

sufficient opportunity for other functional groups in the corporation to be made aware of the expense restrictions we have in place.

4. MEETINGS. All meeting activity should be reduced by 50% (especially participation on committee or task force activities not directly related to revenue or expenses-relief generating efforts). Agenda items for our meetings will be targeted on topics which drive customer revenue, reduce cost, improve efficiency, or increase overall productivity. We will focus on the absolute "need to do" rather than the "nice to do".

We will maintain our no food or meal policy at meetings and will also encourage individuals to hold meetings in other than corporate conference center locations. Charges for meeting and breakout rooms at these sites range from \$520 to \$590 per day. (Changing our Quarterly operations review meeting away from a conference center location resulted in a \$1,770 dollar saving).

While we will continue, as agreed, to hold our Expanded Staff meeting once a quarter however the attendance will be decreased 50% and slots assigned to each ESMC member. Presentations and activities will be focused around improving overall productivity in each business segment and there will be two guest speakers from finance to discuss overall corporate financial focus and investor relations (Digital stock).

5. DUES AND SUBSCRIPTIONS. Each ESMC member will be asked to examine their current spending and propose a plan which reduces this line by 33% of current levels.
6. NOVELTIES/REWARDS/PRIZES. The purchase of any novelty item should not be approved by any ESMC member unless it is directly related to a customer visit support activity or for an approved Educational Services Recognition Program. All activities in the form of pencils, pens, hats, notebooks, coffee cups, tee shirts, buttons, etc. should cease.
7. OVERTIME. All overtime must continue to be approved "in advance" by the manager and should only be directed at activities related to revenue production or generating expense relief.
8. EXTERNAL TRAINING. Outside training being recommended must be job critical or related to a degree program. All internal options must be pursued before any external training requests will be granted.
9. INTERNAL SERVICES/TELEPHONE/SUPPLIES/ETC. The utilization of

Busch signature req'd

Digital internal services, although preferable to using external vendors, is not free. Careful cost considerations must be taken as it relates to the actual business need. There are tremendous opportunities for cost improvement as it relates to the use of high-priority mail envelopes, demand shuttles, large volume production runs, and the misuse of our telephone and electronic message systems especially as it relates to the indiscriminate forwarding of information not associated with improving overall bottom-line performance.

10. CAPITAL. Even though the existing budgets have restricted the acquisition of all the capital equipment we requested, please give each capital request your personal review so depreciation charges can be delayed, if possible, without compromising the attainment of our business objectives.

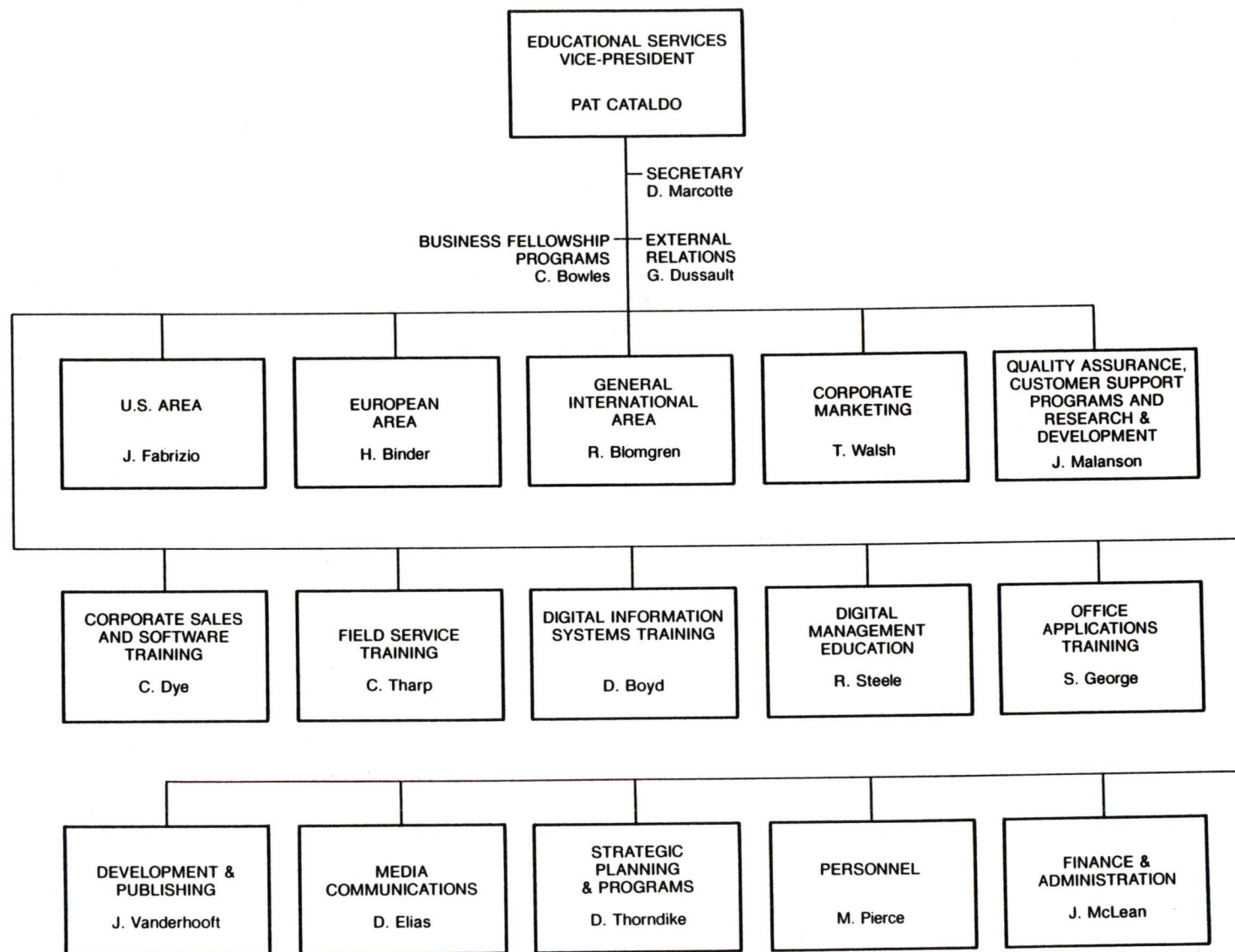
Finally, I have asked Mel Pierce, our Manager of Human Resources, to work with a selected sub-group of ESMC to provide details for an employee productivity improvement program where we would provide incentives for our employees who provide suggestions which help save money.

Our overall goal is to meet and exceed our FY89 commitments. Educational Services missed its Q1 performance objectives. In the past when this occurred, we never made our yearly commitments. The challenge is there. I am confident that the corrective actions that you and your managers, working with the finance organization, must take will insure our success this year.

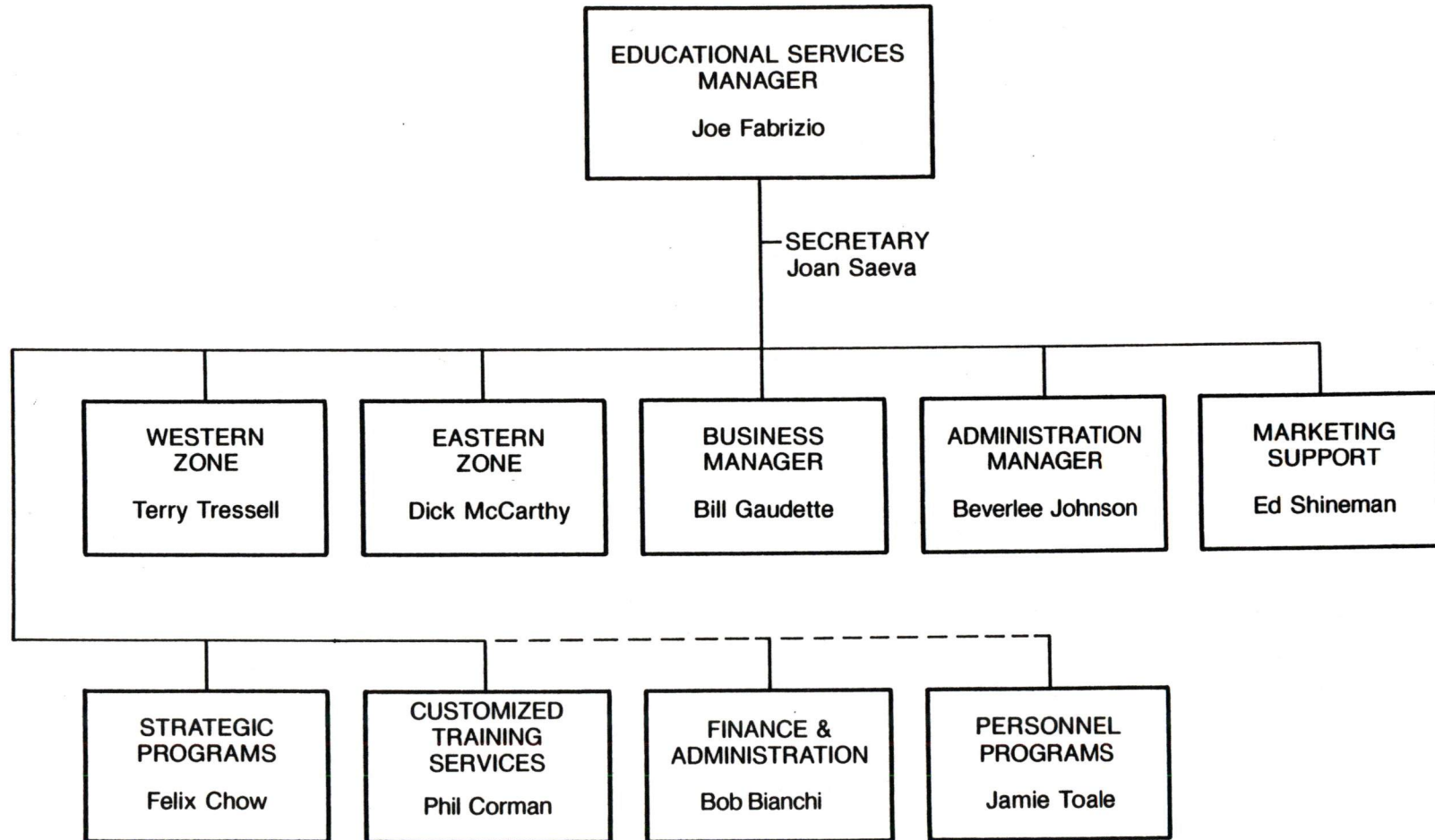
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| TO: Remote Addressee | (JOE FABRIZIO @BUO) |
| TO: Remote Addressee | (DON ELIAS @BUO) |
| TO: Remote Addressee | (SUSAN GEORGE @PKO) |
| TO: Remote Addressee | (JIM MALANSON @BUO) |
| TO: Remote Addressee | (JOHN MCLEAN @BUO) |
| TO: Remote Addressee | (MEL PIERCE @BUO) |
| TO: Remote Addressee | (ROY STEELE @BUO) |
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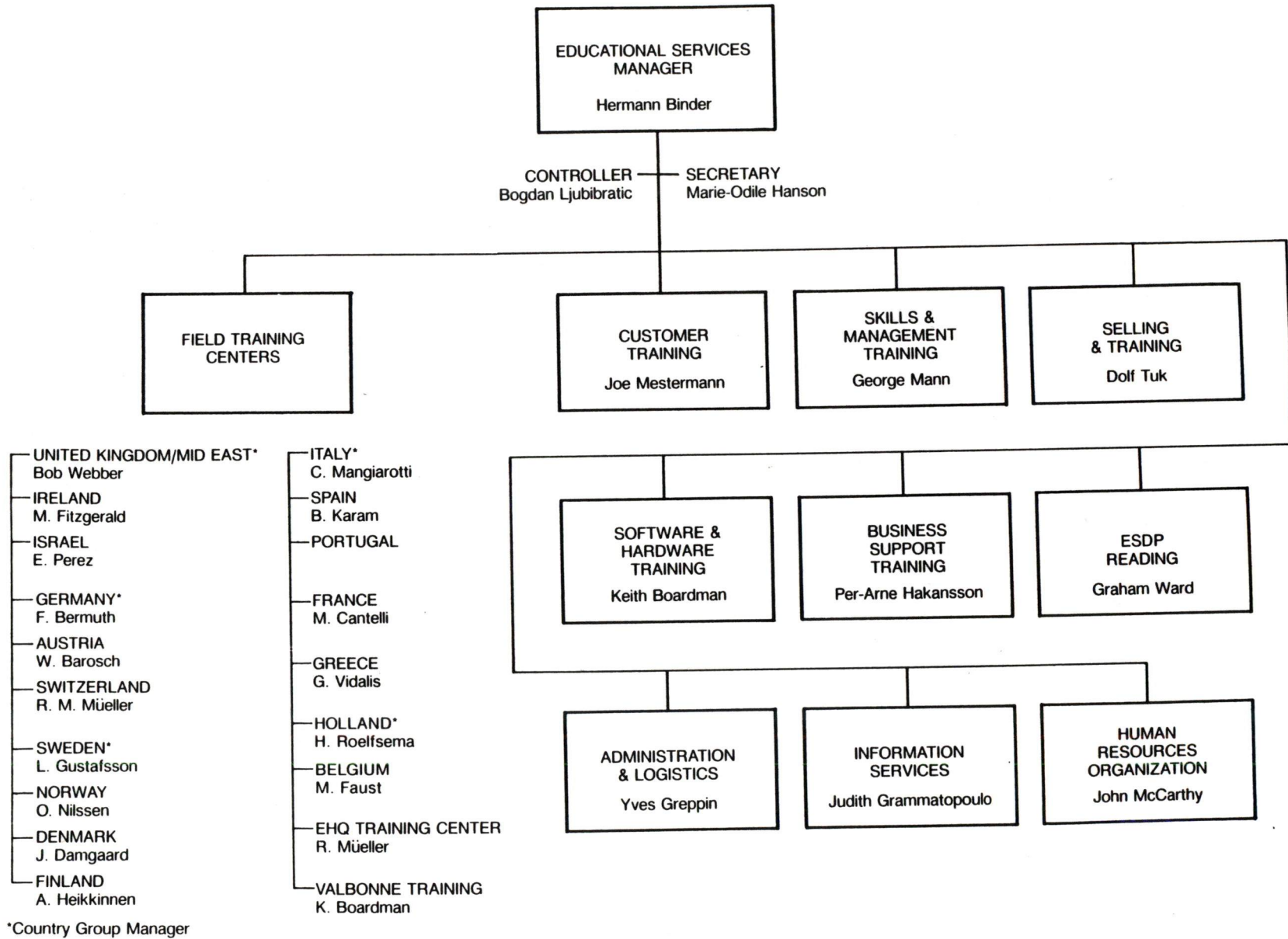
Discuss
mel
because
more trouble than
they are
worth.
Fit into
productivity
programs.



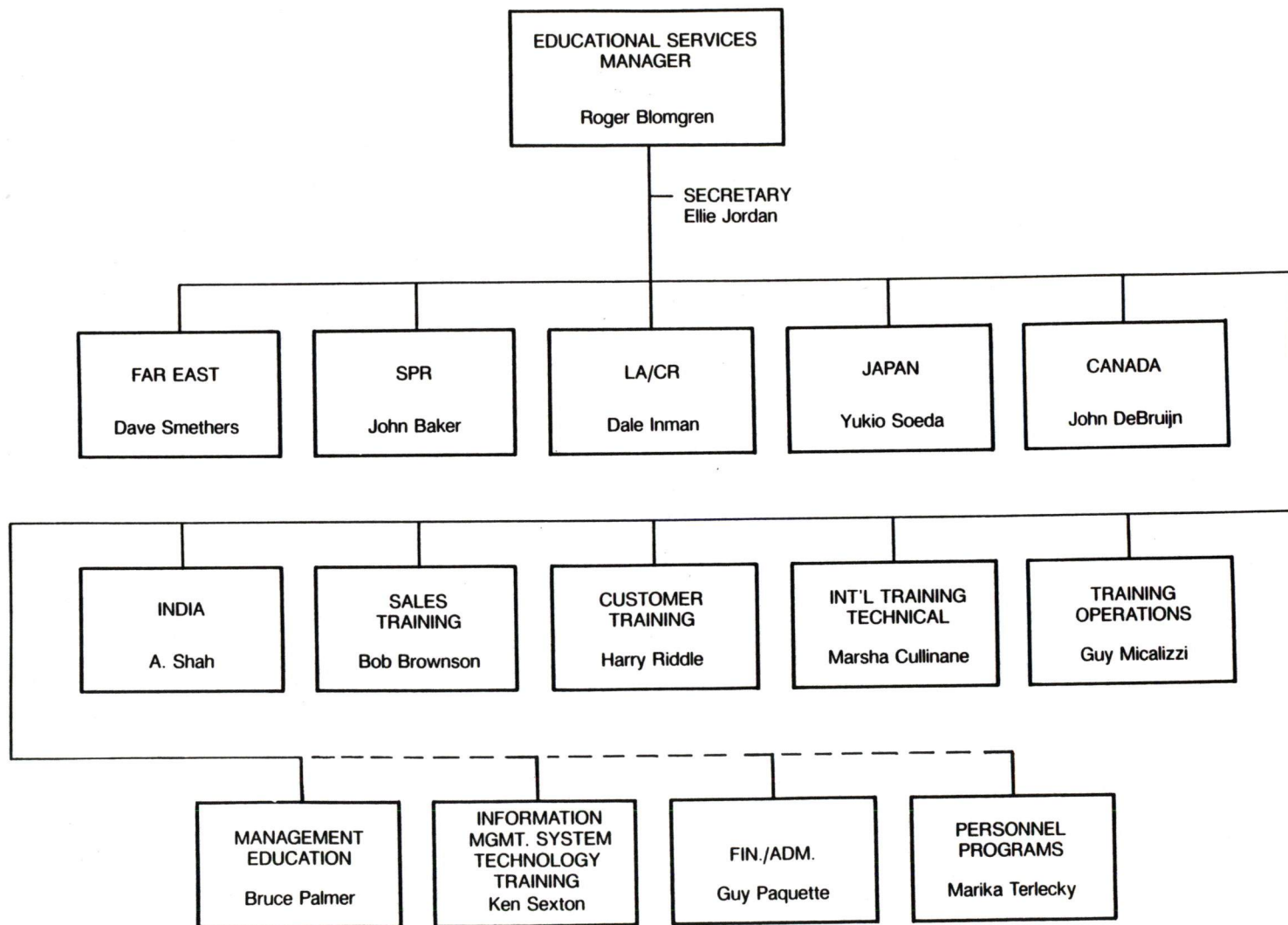
U.S. AREA



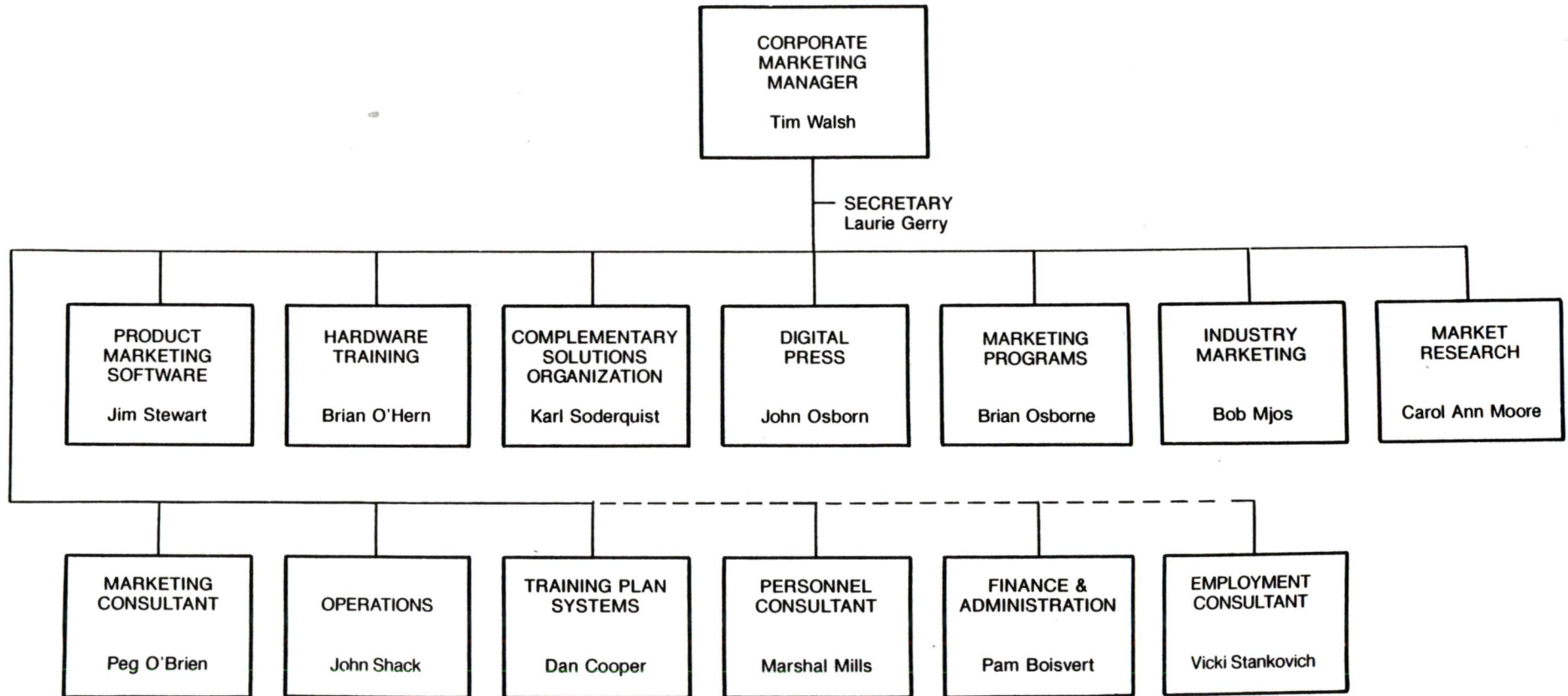
EUROPEAN AREA



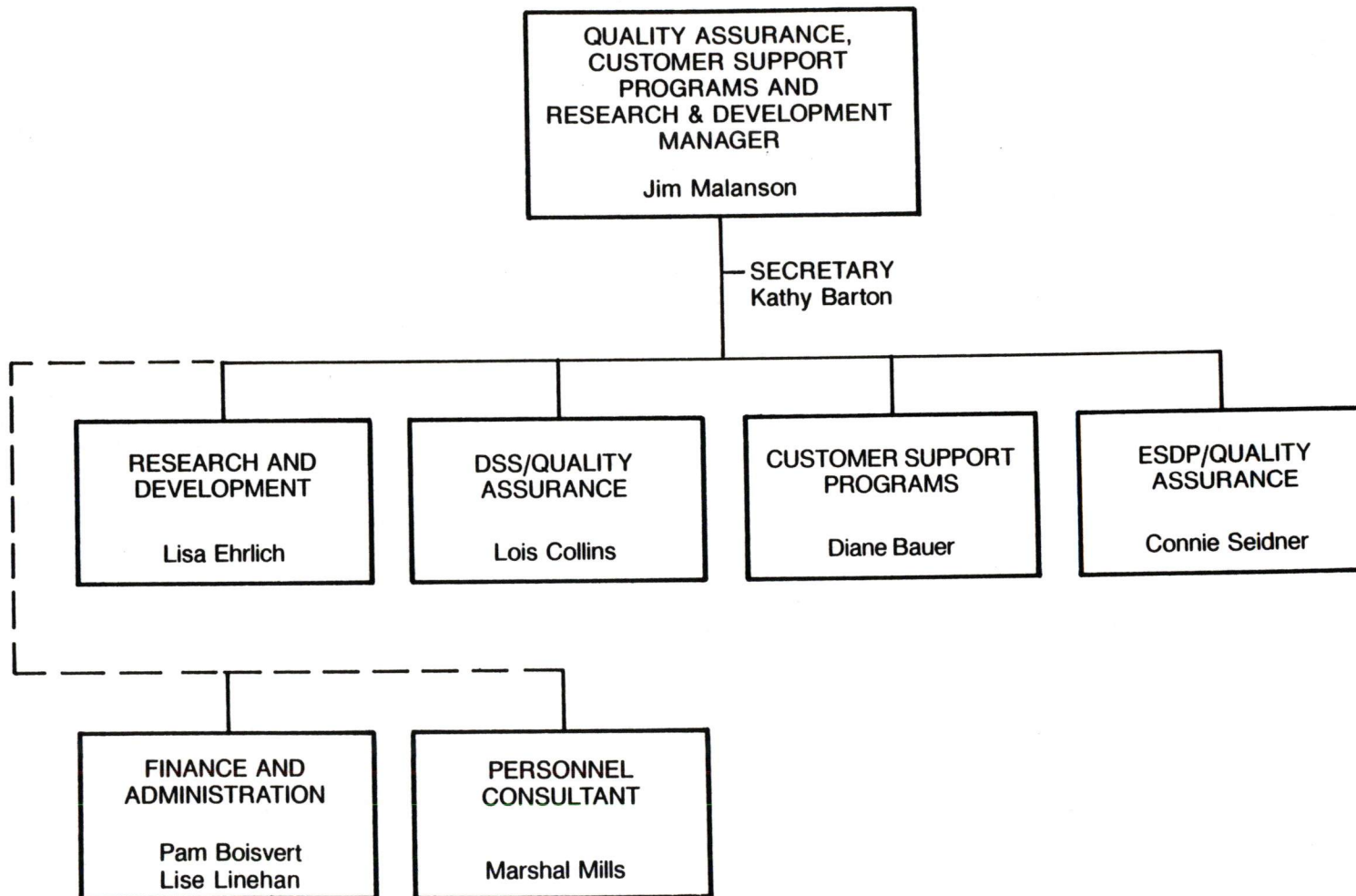
GENERAL INTERNATIONAL AREA



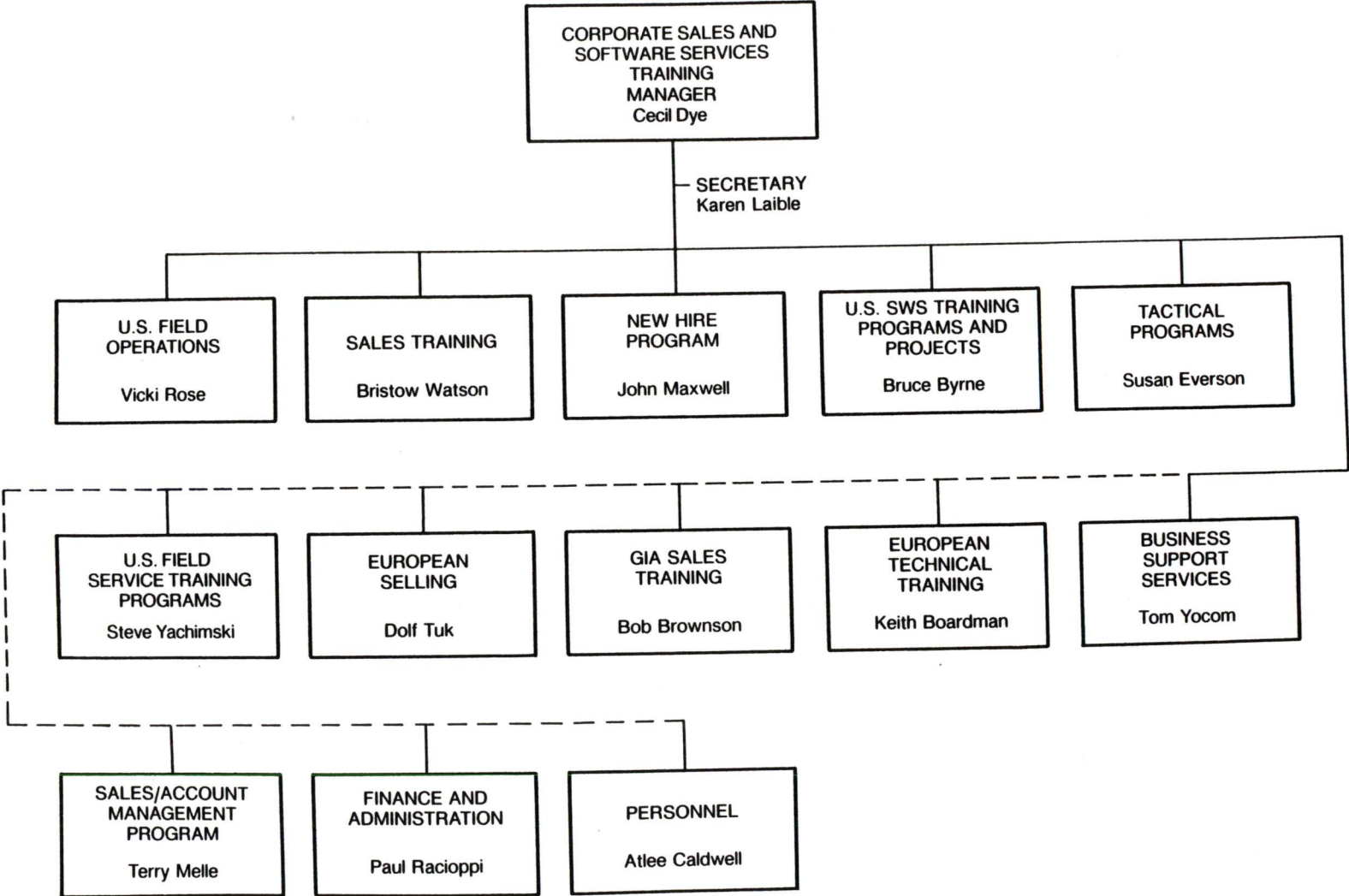
EDUCATIONAL SERVICES CORPORATE MARKETING



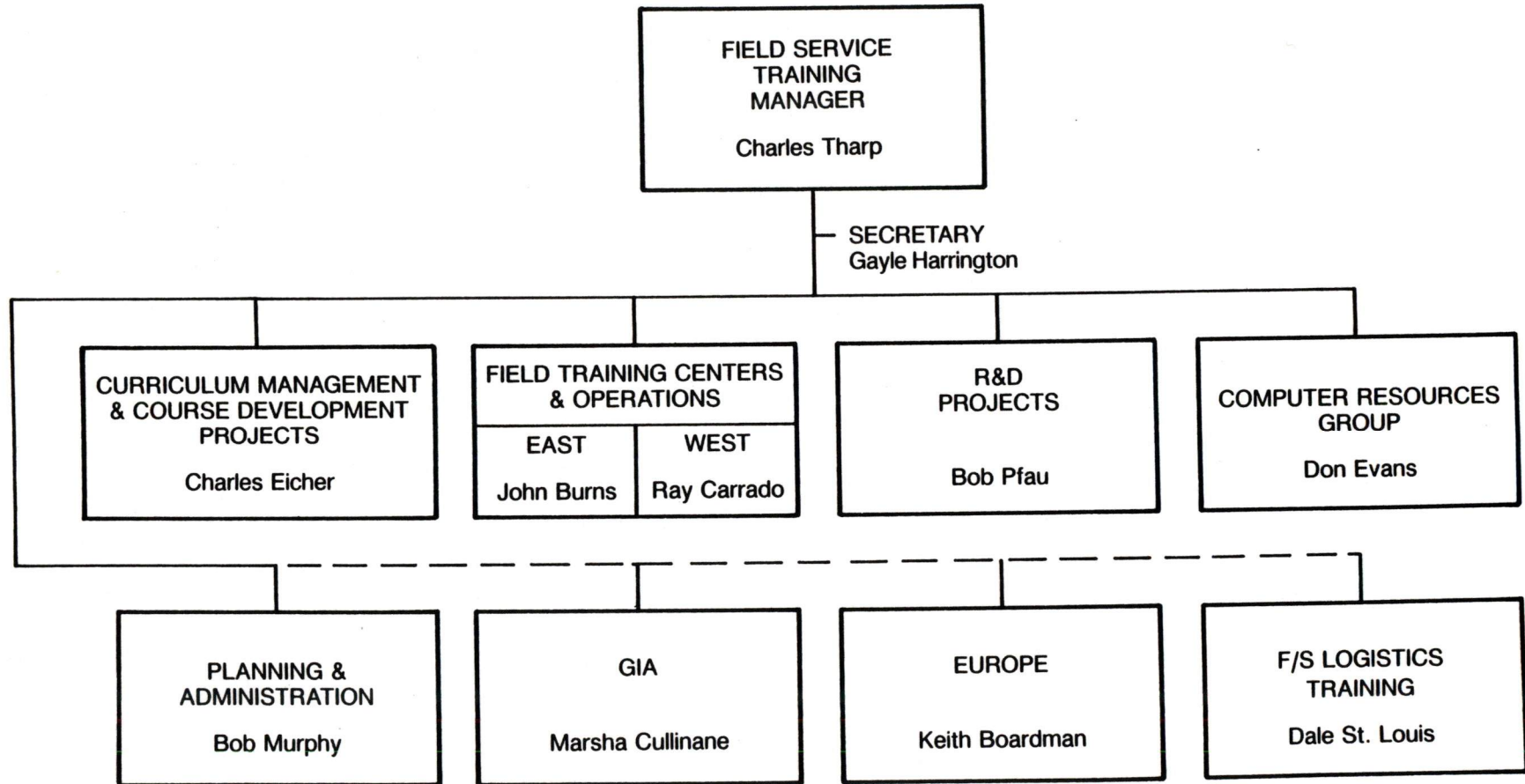
QUALITY ASSURANCE, CUSTOMER SUPPORT PROGRAMS AND RESEARCH & DEVELOPMENT



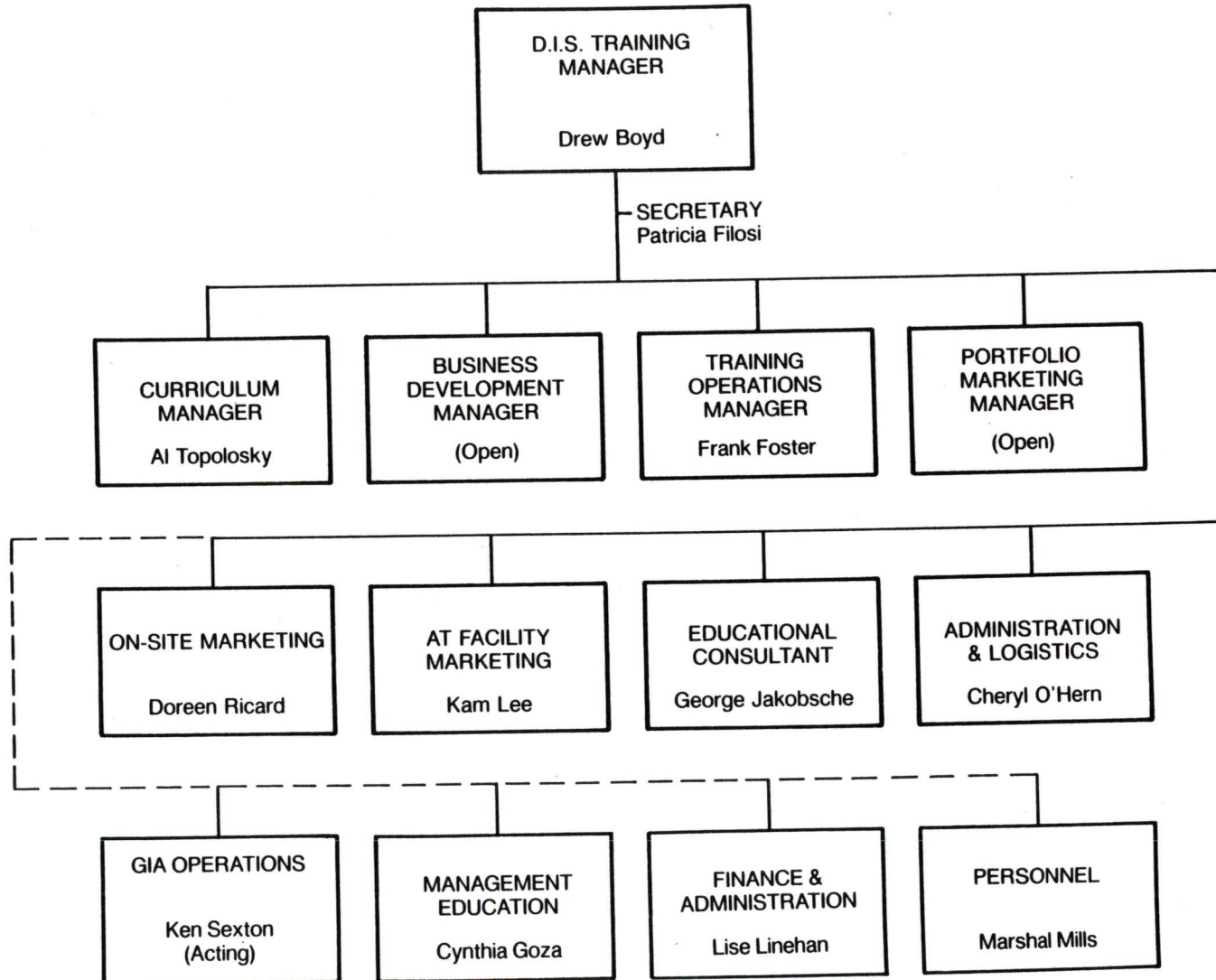
CORPORATE SALES AND SOFTWARE SERVICES TRAINING



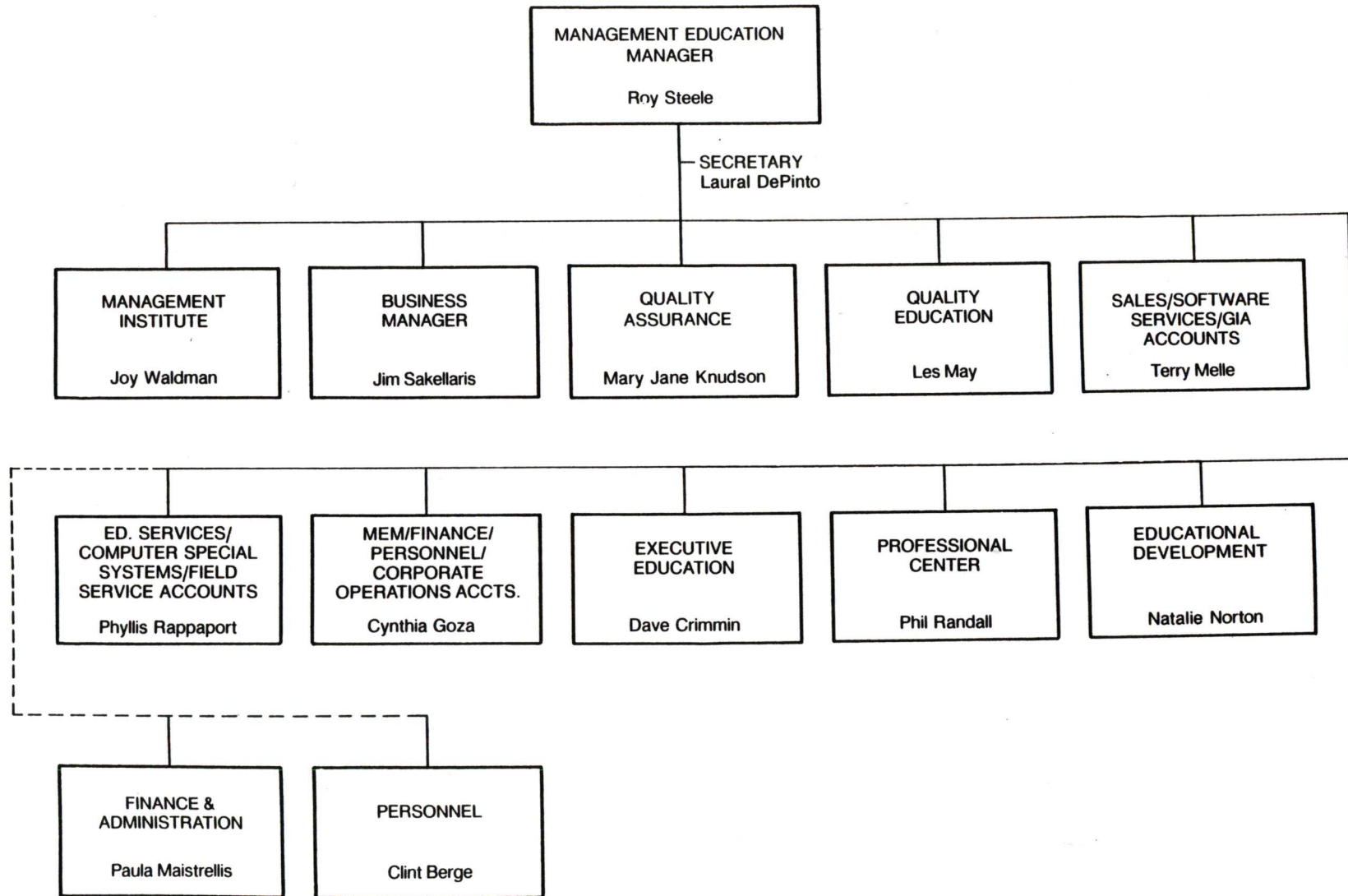
FIELD SERVICE TRAINING



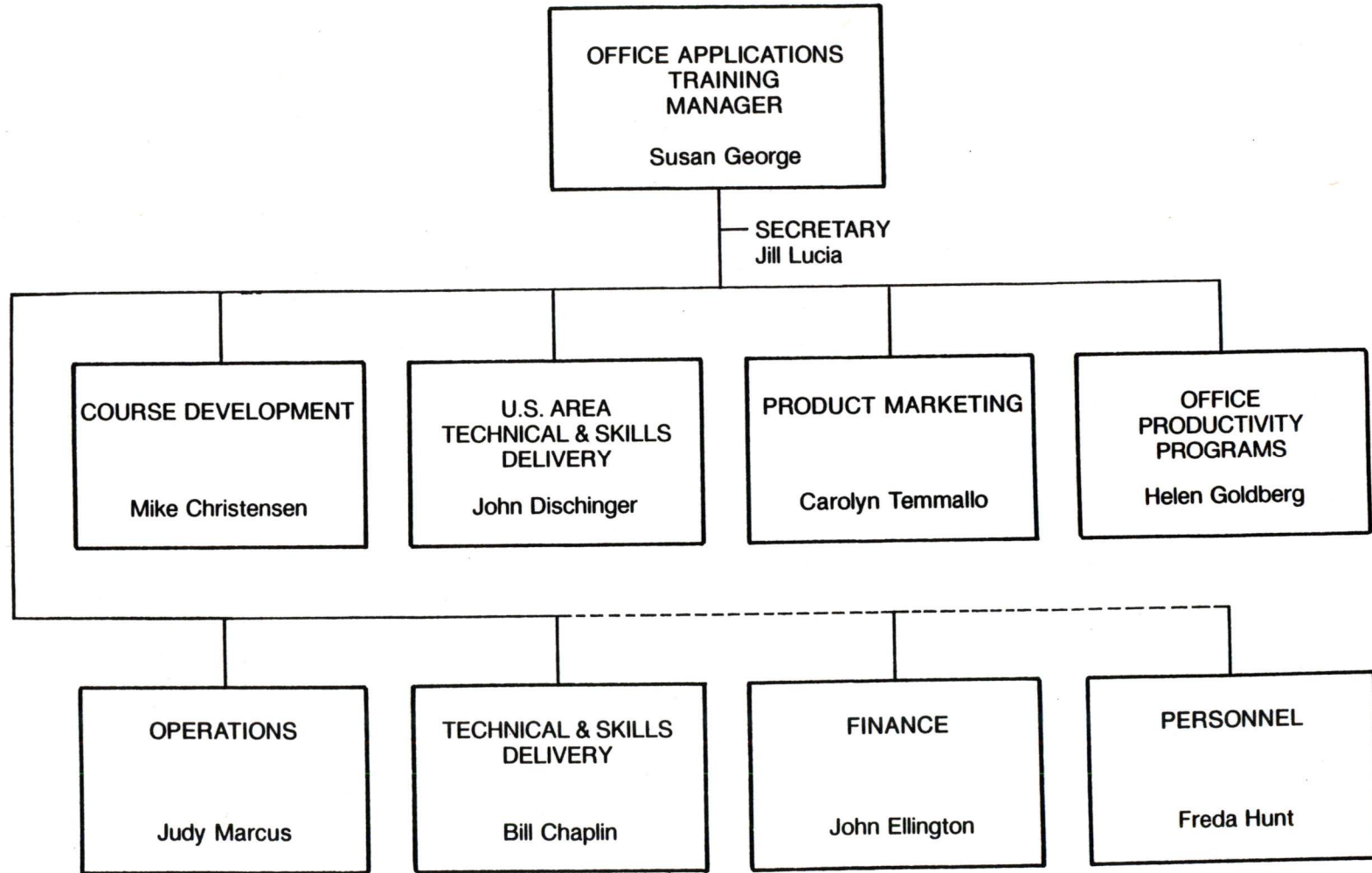
DIGITAL INFORMATION SYSTEMS TRAINING



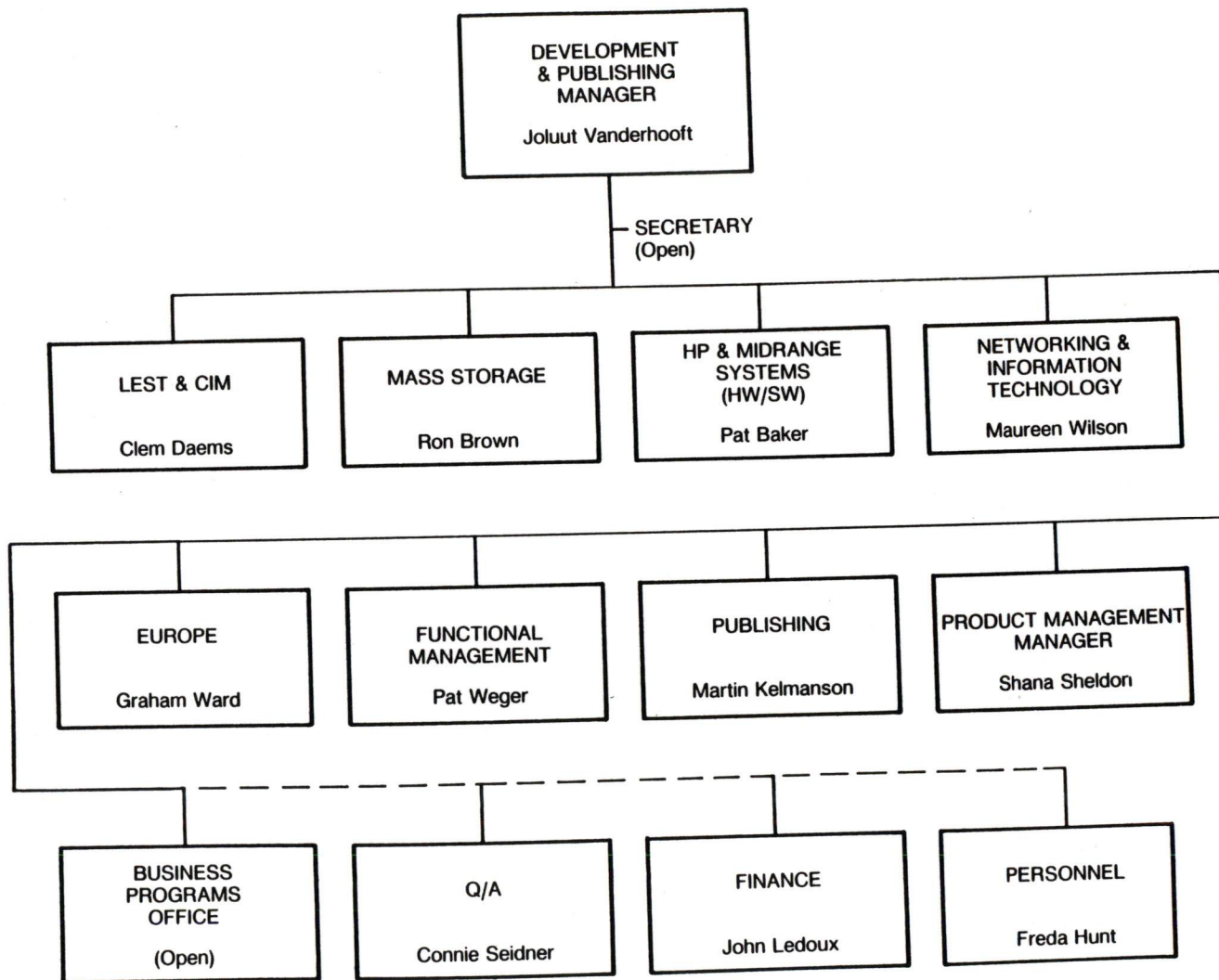
DIGITAL MANAGEMENT EDUCATION



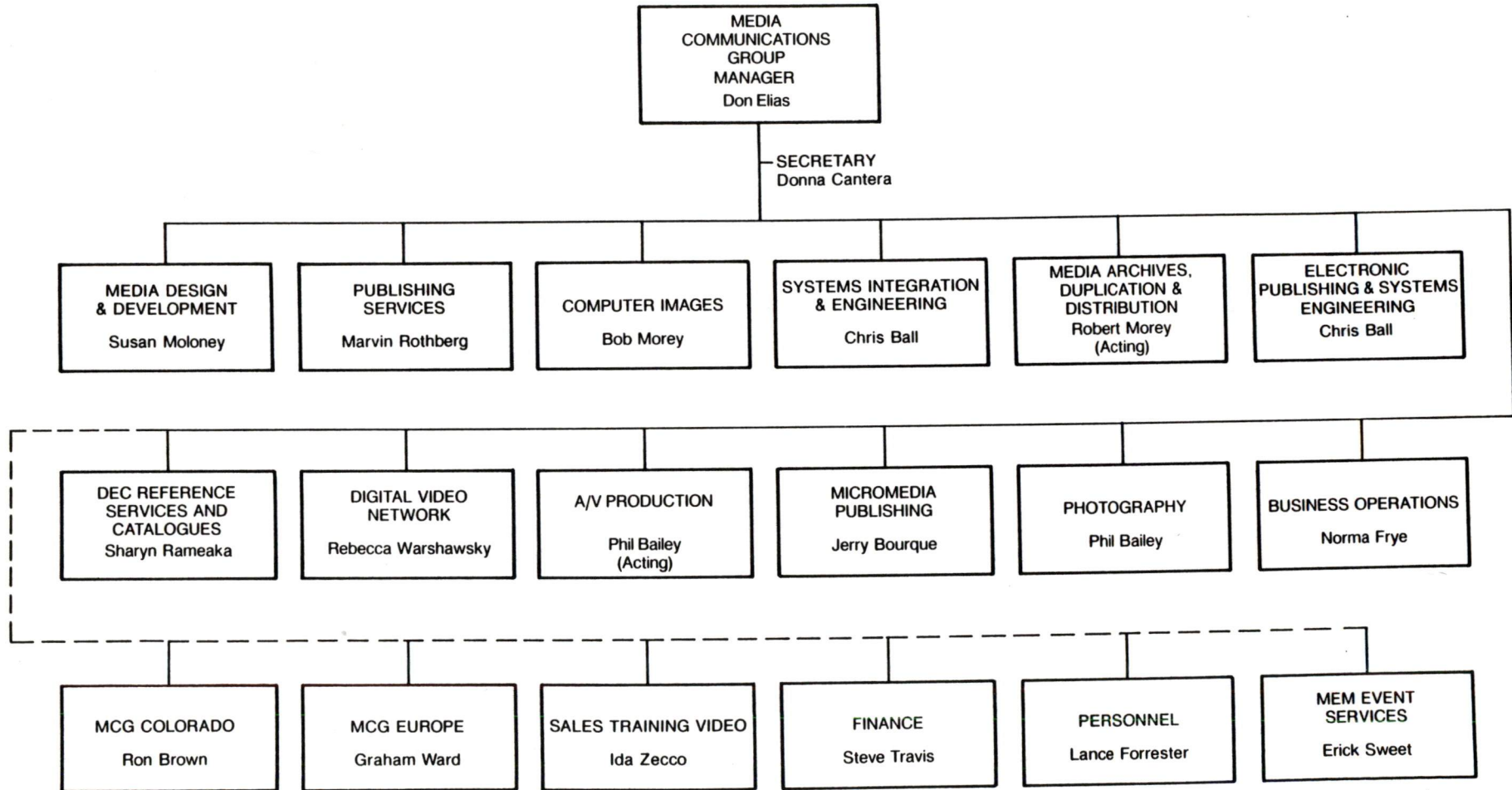
OFFICE APPLICATIONS TRAINING



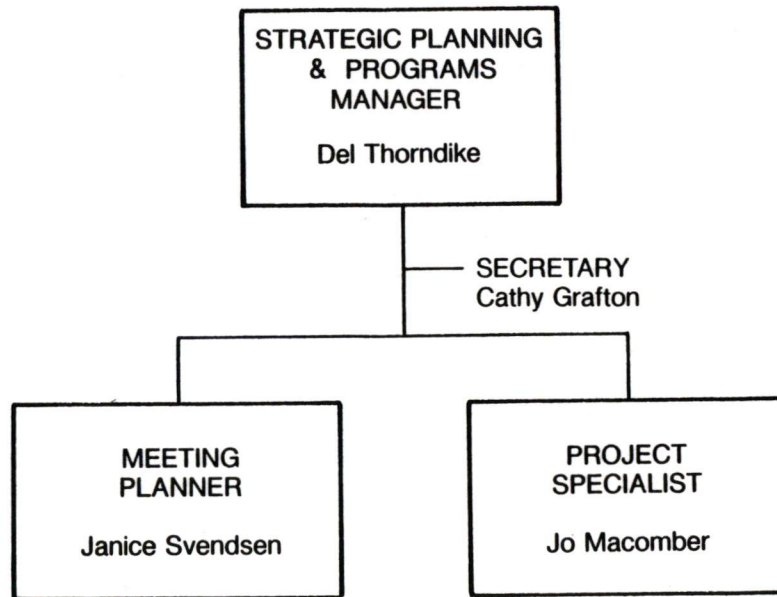
DEVELOPMENT & PUBLISHING



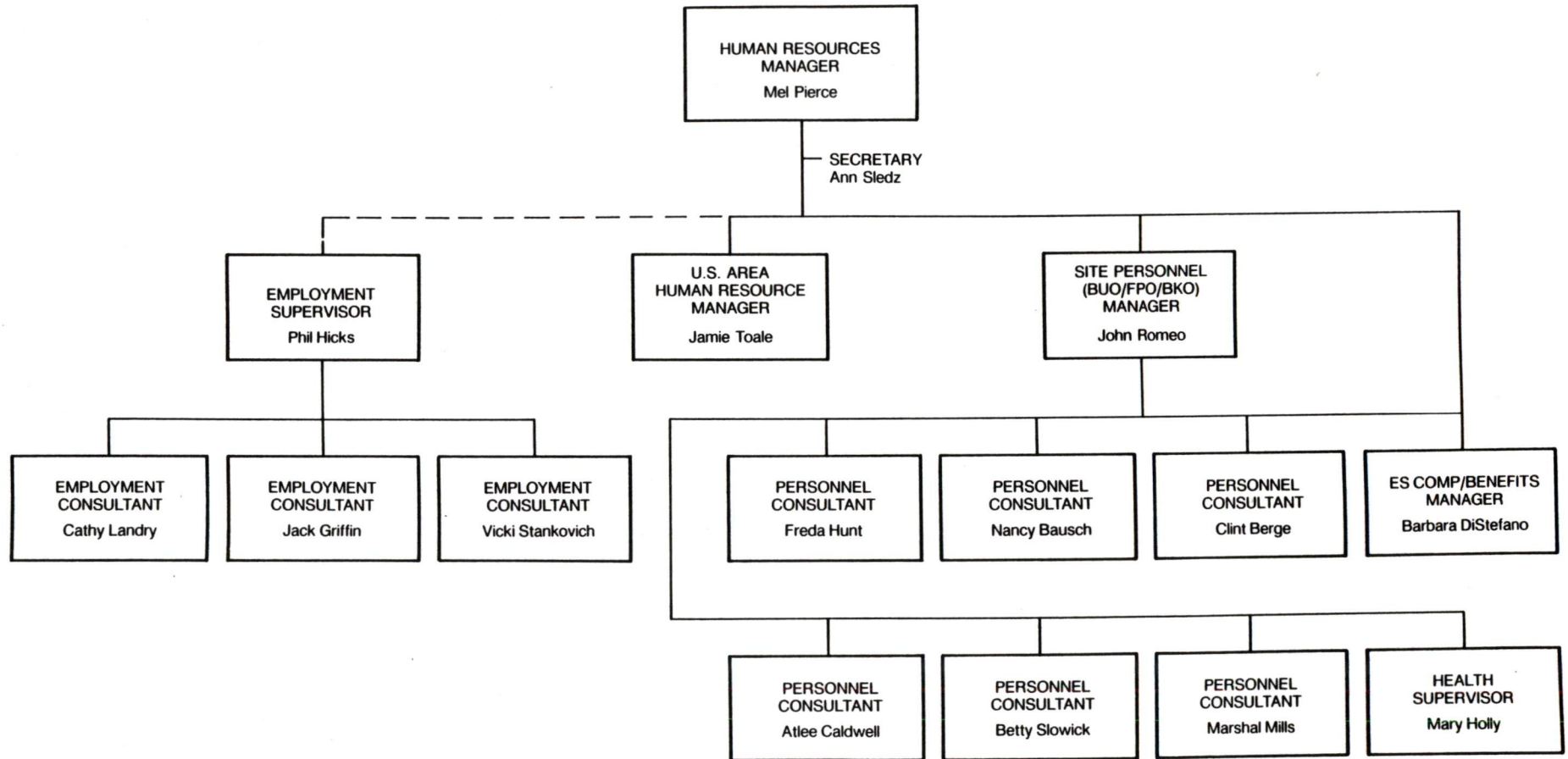
MEDIA COMMUNICATIONS GROUP



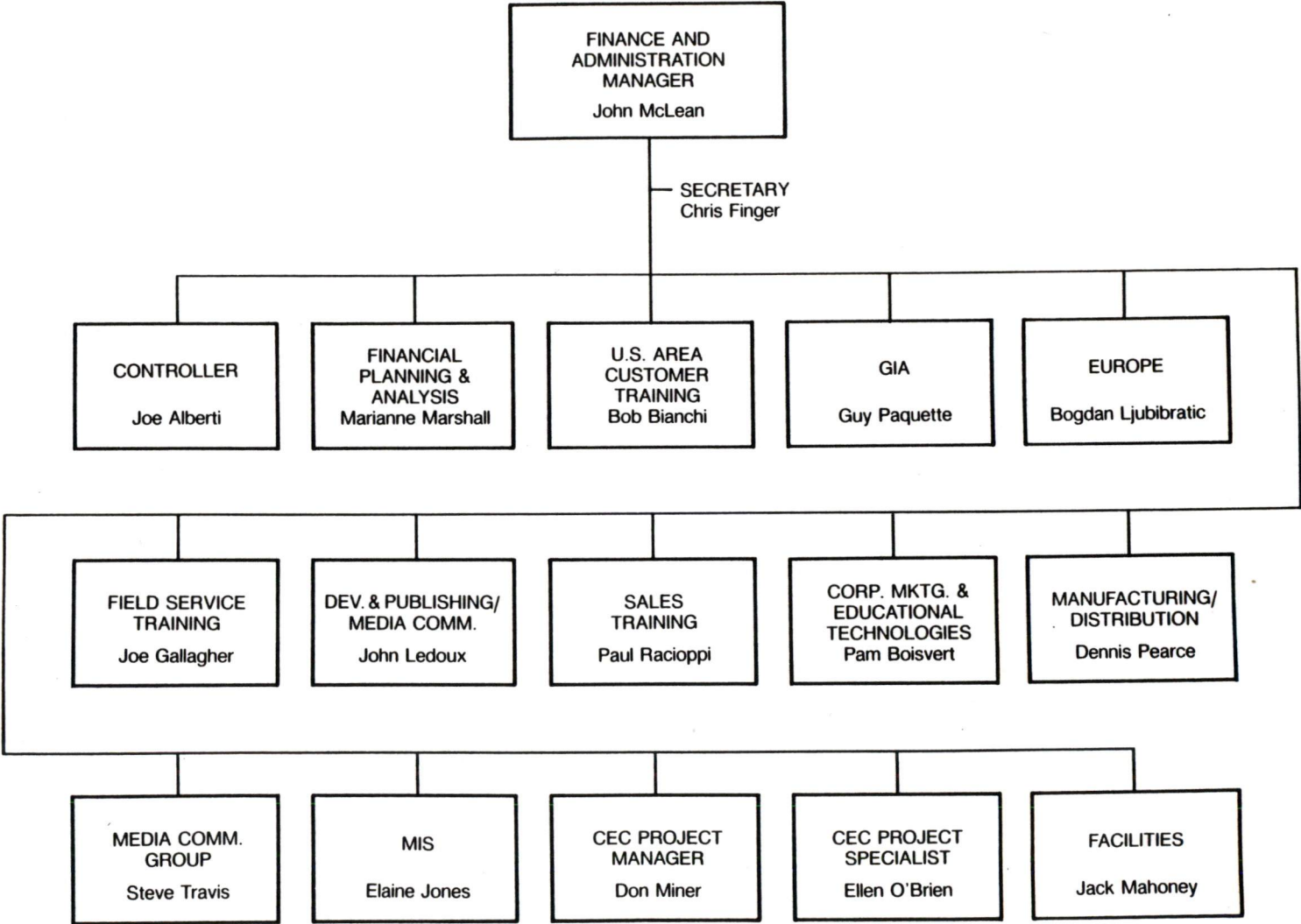
EDUCATIONAL SERVICES STRATEGIC PLANNING & PROGRAMS



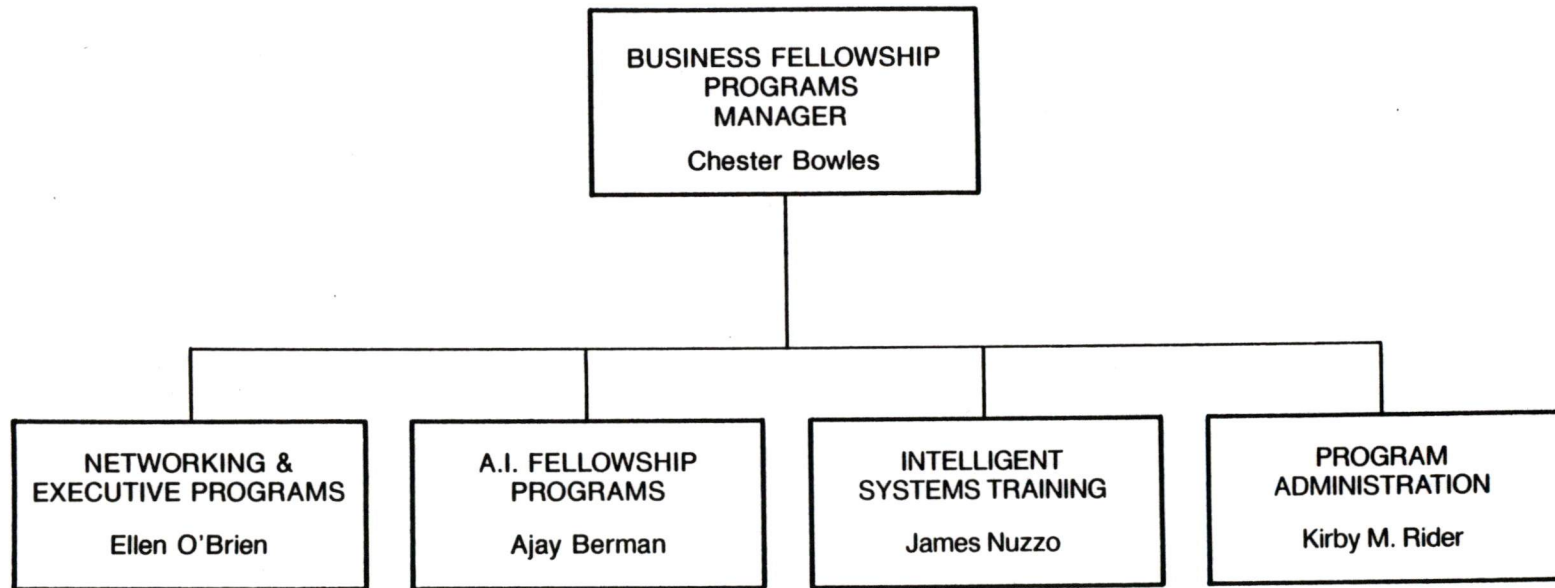
EDUCATIONAL SERVICES PERSONNEL



EDUCATIONAL SERVICES FINANCE & ADMINISTRATION



BUSINESS FELLOWSHIP PROGRAMS



SUB-COMMITTEES

- A. PRODUCT INVESTMENT
- B. COURSE DESIGN/MODULARITY
- C. TECHNOLOGY
- D. ENVIRONMENTAL
- E. CUSTOMER TRAINING

Admin (Support)
Media (Comms)
BB TAG
Customer TAG

COURSE DESIGN/MODULARITY

- o STANDARDS/GUIDELINES THAT MEET ALL BUSINESSES & GEOGRAPHICAL REQUIREMENTS
- o DEFINE MODULARITY
- o ELECTRONIC PUBLISHING

ESMC MEMBERS:

JOLUUT VANDERHOOF - CHAIR

DON ELIAS

ROY STEELE

CECIL DYE

CUSTOMER TRAINING

- o STRATEGIES
- o BUDGET PLANNING
- o FY90 PLANNING
- o CAPITAL PLANNING

ESMC MEMBERS:

ROGER BLOMGREN

HERMANN BINDER

JOE FABRIZIO

TIM WALSH

PAT CATALDO

SUSAN GEORGE

JOHN MCLEAN

ENVIRONMENTAL SUB COMMITTEE

- o ENVIRONMENTAL APPRAISAL OF BUSINESS & CLIENTS
INDUSTRY FROM E.S. PERSPECTIVE - DELIVERED IN Q2

ESMC MEMBERS:

DEL THORNDIKE - CHAIR

ROY STEELE

DON ELIAS

JIM MALANSON

TECHNOLOGY SUBCOMMITTEE

- o OPTIONS RECOMMENDATIONS (12-18) MONTHS
- o CBI AUDIO/VIDEO
- o AUTHORIZING ENVIRONMENT
- o DISTANCE LEARNING

ESMC MEMBERS:

JIM MALANSON - CHAIR

JOLUUT VANDERHOOF

CHARLES THARP

DEL THORNDIKE

INVESTMENT SUBCOMMITTEE

TIM WALSH - CHAIR

SUSAN GEORGE

JOLUUT VANDERHOOF

CHARLES THARP

DEL THORNDIKE

CECIL DYE

DREW BOYD

Review with
Russ

ESMC SELF REGULATING (AGREEMENT)

- o CAPTURE ISSUES
- o PROCESS FOR FULFILLMENT
- o STRUCTURE MEETINGS (BI-WEEKLY & QUARTERLY)
- o ACTION AND MEASURE REPORTING
- o TIE TO PERSONAL MEASURE AND SUCCESS

INVESTMENT COMMITTEE

SUMMARY CLOSE

I. OBJECTIVE

- A. PROCESS TO ACHIEVE OBJECTIVE --VBT
- B. ROLES AND RESPONSIBILITIES
- C. MEMBERSHIP

II. NEED FOR ESMC TO SET DIRECTION AND MAKE DECISIONS

- A. APPROACH TO:
 - o IDENTIFY ESMC LEVELS GOALS/ISSUES
 - o AGREEMENT
 - o ASSIGN ESMC SUB-COMMITTEE
 - o DECISIONS AND RECOMMENDATIONS

III. COURSE DESIGN/MODULARITY

- o MODULES AND ELECTRONIC PUBLISHING

IV. TECHNOLOGY -- UPDATE

- o AUTHORIZING UPDATE
- o R&D PLANS PUBLISHED
- o INTEGRATED TESTING
- o CRITERIA FOR DECISION MAKING

V. PUBLISH MINUTES

VI. NEXT STEPS

- ESMC FEB 27TH WORKING SESSION
- AI MEL->RUSS->PAT (UPDATE)
- AI MEL->RUSS

- Quarterly forum ^(capture) - delayed

- Quarterly mtg - camp

- Investment Board -
30 days after pat's task ends

- committees needs to fit superstructure

I N T E R O F F I C E M E M O R A N D U M

Date: 24-Jan-1989 01:03pm EST
From: Jan Svendsen
SVENDSEN.JAN AT a1 at CECV01

at BUO

Dept: Strategic Planning
Tel No: 249-4279

TO: See Below

Subject: Minutes of ESMC January 23, 1989, Meeting

***** COMPANY CONFIDENTIAL *****

ESMC BI-WEEKLY MEETING MINUTES
JANUARY 23, 1989
MIDDLESEX ROOM, BEDFORD, MA

ATTENDEES: Russ Gullotti, John McLean, Roy Steele, Gael Dussault,
Susan George, Tim Walsh, Charlie Tharp, Cecil Dye,
Joluit Vanderhooft, Jim Malanson, Chet Bowles, Drew Boyd,
Roger Blomgren, Joe Fabrizio

OPENING REMARKS - RUSS

- o Dave Grainger has been appointed U.S. Sales and Services manager.
- o Pat did his cost containment program update to SSMI.
- o There has been a hiring cap imposed on E.S. Replacements are all right, but they have to come from inside Digital.
- o Joe Fabrizio is heading up a team to do some consolidation in the U.S. Area related to the registration function. This consolidation should be reflected in the budget process.
- o Russ recommended that John put out a budget advisory stating expectations on E.S. growth.
- o Commended group for work done at the 2-day Product Investment Committee meeting. Mel updated Russ on the additional committees proposed.

*A.I. Russ will talk to Pat about the importance of these committees.

- o Russ asked Joe to bring interactive video to ESMC as an agenda item to update group on status and where it is from a strategic stand point. (This is on the agenda for February 6th.)

GIA MANAGEMENT EDUCATION - BRUCE PALMER

- o Bruce, GIA HRP&D Manager, has expanded his role to include management education.
- o Bruce presented key issues, curriculum foundation, curriculum development/delivery strategy, and FY89 calendar.
- o GIA, Europe and DME have been collaborating with Roy, Bruce and George Mann meeting to work on curriculums.

CURRENT STATUS OF THE ENROLLMENT SYSTEM - KATHY VIEIRA

- o Kathy explained the ES Training Systems portfolio, some of its history, Digital Training Information System (DTIS) as it is today, and opportunities for the future.
- o Discussed was the name for the system, budget amount, and the addition of the Customer Assistance Group (CAG), the consideration of selling the system to other companies. Russ suggested talking to Bob Glorioso and Sharon Keillor in SWS on this potential.
- o Kathy discussed the employee training and customer training features.

*A.I. Joe and Charlie will meet with Kathy on changing the name of the registration system and will report back to the ESMC.

*A.I. John will bring as an agenda item to the budget meeting a two hour discussion of a common registration system, including goals from an IS perspective, funding, and future uses and users.

DIS UPDATE - BOB BOYD

- o Major accomplishments:
 - Operation Support (All-In-1 conversion, AIC installation)
 - Telecommunication Enhancements (Ethernet bridge technology)
 - Systems and Programming (CATS enhancements, scheduling system, field quality assurance system, ASK MRP module)
- o Current ESDIS Strategies:
 - Operational Support (new software evaluation, "lights out" data center)
 - Telecommunications (DVN strategy)
 - Systems and Programming (migration to common systems, information excellence, total business solutions)
 - Customer Support (consulting, CAG)
- o Customer Assistance Group:
 - Objective: one-stop shopping
 - Implementation Strategy: centralized focus, request/resolution management
 - Benefit: problem analysis/tracking, productivity gains

*A.I. John will take a look at how the Customer Assistance Group is being promoted in E.S.

*A.I. DIS will utilize OA for future applications training needs.

TASK FORCE REPORT ON IMPROVING BUSINESS DECISIONS - JOHN MCLEAN

- o Task force was formed to follow-up on the recommendations from November ESMC Expanded Staff meeting on cost-cutting. The task force consisted of Susan, Don, Jim, John.
- o The consolidation of recommendations was broken down by those items that can or are being doing today, those for tomorrow, and items that needed definition. The names of those who will follow up are listed beside each item:

TODAY

- (- computers at home - John, Cecil, Jim
- (-consolidation of similar projects/ideas - John (MIS), Susan
- (-integrated office functions/systems - Susan
- (- delivery of management data

(The above 4 items will be reviewed as a group

- electronic publishing/redundancy - Don, Del, Joluit
- employee incentive/reward system - Mel
- drive!! cross Digital services/expertise - Drew, Del (*A.I.

from last ESMC meeting asks each ESMC member to submit a list of the contact person(s) in their organization that interface with other managers in organizations in the corporation. This list should be sent to Del who will bring them back to ESMC when they are all collected.)

NOTE: Please have this accomplished prior to our February 6 meeting.

TOMORROW

- investment review committee - Russ/Pat
- common registration function - Joe, Charlie
- sharing of facilities, classrooms, etc. - Joe
- corporate - management - employee - Mel, Pat

NEEDS DEFINITION

- central course development - Joluit
- sell 'internal' systems/products/services - Tim, Roger

*A.I. At February 6 ESMC meeting ESMC members assigned to one of the above items will say when they will do a report-out on their findings.

GROUP UPDATES

Jim - Distributing his policy on fair practices on testing for Digital. R&D is working Harmony and Solo. There was another piece of the Allen-Bradley deal closed in Europe. In Mel's absence, reported that there was an error in leveling of some developers and instructors in the JEC, and that is being worked. Facilities people are readjusting square footage costs, and members may need to increase money budgeted for space. The CSP group is supporting Corporate Field Service with proposal publishing process and DPM functional training.

Drew - Sits on an Information Security Committee where he is working on an E.S. training proposal to communicate the security program.

Roger - Made group aware that there is a Canadian brochure advertising a Digital DVN broadcast, a lunch time series, on a computer channel.

Joe - Diane Bauer and Phil Corman have developed collaboratively a E.S. custom solutions book for the U.S.

John - Reported on Q2 FY89 results.

Russ reported there will be an E.S. business review to Don Busick with presentations by Joe Fabrizio, Roger Blomgren, Tim Walsh on Corporate Marketing and Engineering, and John McLean on worldwide numbers on January 30. Hermann Binder will be present by phone.

Roy - Worked with George Mann on the Executive Education Program. He

will be working with Dick Walsh on a new proposal for the program.

Tim - Closed \$126K worth of business to provide training to Bankers Trust in U.K. In the JEC, job classifications for support functions have to be reevaluated because of an error in the manual. The VBT met and named its membership. Tim will report on progress on February 27.

Charlie - U.S. F.S. has dropped forecast affecting spending in U.S. area. Will submit first pass of budget on February 10. F.S. training was surprised by increased cost of services in facilities by MIS. Needs John's help to show that this is a legitimate forecast because it impacted cost of student weeks. (John will work with Charlie on this.) In the area of selling instructor resources to other groups, he needs better numbers on the consolidation process.

Cecil - As the result of DECTop training, Pete Zotto had a series of 4-half day meetings out of which came recommendations on the impact of training in the company. Lou Swinand chaired this for Cecil's organization. According to Pete Smith, there are 140 knowledge groups in the company.

Copies of presentations are available upon request.

Regards,
Jan

***** COMPANY CONFIDENTIAL *****

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I N T E R O F F I C E M E M O R A N D U M

Date: 7-Feb-1989 11:37am GMT
From: JOLUUT VANDERHOOF
VANDERHOOF.JOLUUT
Dept: ESDP
Tel No: 249-1411

TO: Remote Addressee
TO: Remote Addressee

(PAT CATALDO @ BUO)
(✓RUSS GULLOTTI @MPO)

CC: Remote Addressee
CC: Remote Addressee

(JOHN MCLEAN @BUO)
(JOHN LEDOUX @BUO)

Subject: FY89

Per our discussion the following is my synopsis of FY89 to date:

WHAT THE PLAN WAS

The FY89 Budget (attachment L) was built on an assumption that FY89 would be a hard year for Digital. During such times we had historical done well because most group, when under pressure don't go off and set up their own writing, course development and publishing organization but instead contract it with us.

We have also over the last 4 years created a contractor strategy of having around 5% of our work done by contractors during Q1-3 and increasing to 10% in Q4 to accommodate the increased workload and the normal slow down in Q1. This also allows us flexibility to accommodate down turns in our project work.

Our budgets have always had a negative variance in Q1 and Q2 which we recover in Q3 and Q4. This is similar to other groups like ourselves. Vacations, project transitions, and Holidays are prevalent in Q1 and Q2 while Q3 is almost void of the above and Q4 is heavily pressured to finish projects. As a result our productivity is about 10% different between the two halves of the year.

We built a tight plan for FY89. The Unit charge in FY88 was \$60/hour and we ended the year with a \$600K positive variance (or 1 1/2% over relieved of which \$200K was returned via the operating variance). We basically held to that average unit charge for FY89 which means our Budgets were built on an expense growth of about 4% (including productivity gains). Our cost per person was budgeted at 72.9 which I believe is one of the lowest in E/S. We believed that the anticipated growth, cost controls etc. made this low expense growth possible. Regretfully I was wrong.

WHAT HAPPENED

1. Engineering was in disarray in Q1 and early Q2, several projects were cancelled (specifically Argonaut) or suffered critical delays which more significantly impacted Q1 productivity than originally anticipated.
2. We have more than double the number of people in STD than assumed (10 vs 4 including \$150K sick pay YTD). This increases our variance by approximately \$200K YTD, since these people can't bill out but continue their expense.
3. Because of 1 above we didn't hire to plan (as was correct under the circumstances) and therefore did not have the direct labor relief to offset the fixed expenses.
4. The October hiring delay caused not only the 5 week loss of hiring but also 1 or 2 months to get started plus the usual 4 week notice they must give their current employer and further the coincidence with the Thanksgiving and Christmas/New Year Holidays which further deteriorated our variance.
5. Allocations are generally based upon Year-end budgeted headcount. Therefore our budget burdened us with an extra 20% (489 people Q4 FY88 to 587 people Q4 FY89) for the full year of which only one fourth were actually hired (512 headcount at your January cap.).
6. Additionally the total allocations (as of January) as related to Budget are at least \$200K higher than budgeted.

Occupancy	\$250K
Telecom	\$120K
Engineering Service	\$115K
Personnel	\$ 70K
CIS/EDP	\$ 50K
Administrative Services	\$160K
Other allocations are down	\$<160K>
Financial Services	\$ 40K
Data Corrections	\$ 35K

There are differences between the different line items that are charged, so it is difficult to know exactly how much each item is.

7. Our first major electronic publishing effort (VMS Version 5) needed after-the-fact revisions/corrections/etc. not uncommon for such a major undertaking. About half were caused by ESDP the other half is more the instructors. When I originally committed to the repair it appeared to be only around \$50K however it now appears to have totalled \$250K. This is one I should have managed more closely. I have looked at some of the materials very closely and believe about half of the changes

were not worth the expense. Incrementally they may not have been as much but too many were in the "personal taste" category.

8. Our Colorado Media Group has not done as well as Don and I had hoped. The current variance is \$300K and forecasted to year end approximately \$450K. Both workload and how individuals charge off their time has been a problem
9. We forecasted in January to recover all but \$200K of the operating variances for the year, but after further review of the data, we would more likely to end the year at \$650K unfavorable. Since that forecast was based on the ability to add more direct labor workers and now there are constraints on hiring, the operating variance exposure is closer to \$1.2 to \$1.5M.
10. The current project work makes the FY89 financial plan unattainable - we do not anticipate work to the extent of the original plan. However we do have and anticipate more work beyond the current headcount. Also the limitation of replacements only coming internally will further deteriorate our variance. Instructional Designers and Technical Writers are not the type of people being excessed in places like Salem. We may find SME (Subject Matter Experts) from that population.

WHAT WE'VE ALREADY DONE

We have cut our overall spending from the Original Budget by over \$3 million.

We did not hire indirect labor at the planned/budgeted rate. Our strategy has been to lead with direct labor hiring and to follow with indirect (even though indirect is easier to hire via internal promotions). This has retained both our DIR:INDIRECT Ratio and Management:I/C Ratio.

We have delayed our capital equipment purchases to as late in the year as we dare. Our current utilization of VAX systems far exceeds that which we sell our customers on. Most of our CPUs are in the high 90% which mean there are many times the Writer and Developer are waiting for a response. Our real productivity suffers because of the lack of sufficient CPU cycles.

We have cut our expenses in as many areas as we currently see such as travel, training and other controllable expenses.

We have delayed, and cut aspects of our information systems design (PIRT). We still believe the purchase of PLANNER, a 3rd party software package, is the right tool not just for ESDP but for other Course Development work as well, especially for project planning.

We implemented a process of sharing resources across ESDP to maximize our productivity. This same process is what we use to

respond to the "Emergency Teach" requests from the areas.

We have been continually cancelling internal projects to the point where the only ones we are doing are those which were almost complete, used direct labor not currently assigned to a project, or are very time critical for today. I don't see how we can cut much more here.

WHAT WE WANT TO DO FURTHER

	<u>Variance Improvement Estimate</u>
1. Further reduction of expenses Eliminate or postpone cost that are not essential toward generating project billings. It is not clear what additional savings can be generated at this time, but in the next 5 months I think we can find it.	100K
2. Bring on additional contractors to meet project demands ESDP generates approximately \$8.6K per month per contractor and the cost averages \$6K per contractor month. So, ESDP can variance. We are proposing to temporarily add up to 25 contractors who will be terminated prior to the end of Q4 in keeping with the Q4 strategy.	150K
3. Raise hourly billing rates by \$1/hour for the remainder of the year There are about 63,000 publishing hours of work between now and the year end. So, that would reduce the variance by \$63K for every dollar the rate was increased.	63K
 There are 210,000 course development/documentation hours to be billed for the remainder of the year. This would mean \$210K toward the variance for every dollar increase in the hourly rate.	210K
4. Increase productivity Get more billing time from current personnel. The current forecast for productive time is 84%, which is high. for every percentage point that could be raised, the variance would be lowered by \$190K.	190K
Approximate Total	700K

Additionally, we seek permission to hire replacements from outside the company for those skill sets which are not resident within the excess personnel pools. As you recall ESDP was a key player in the Manufacturing

Stride Program to train and place excess people into open positions (including within ESDP). We will continue to be proactive in such placement, but we will not find Instructional Designers nor Technical Writers within such populations.

All of the above would still leave us with a \$700K unfavorable variance for the year. I will continue to strive to reduce this further. We need to implement the above in order not to burden you with the \$1.5M variance and would be most appreciative of your approval to implement them. Similarly I would be most open to any suggestions you might have as to how to further reduce the variance.

I am now regularly looking at detailed cost center reports and rollups, managing accordingly and will continue to do so at least through the end of the year.

ATTACHMENTS

- A- January Forecast
- B- Q2 Operating Results
- C- Q2 YTD Operating Results
- D- Q2 Expense Analysis
- E- Q2 YTD Expense Analysis
- F- Q2 Expense Relief
- G- Q2 YTD Expense Relief
- H- Q2 Headcount Analysis
- I- Headcount Report
- J- Headcount Constraint Variance
- K- Headcount Management Report
- L- FY89 Budget Summary

(A)

ESDP
YTD FY89 FORECAST

	FY89 BOD	Q1 ACT	Q2 ACT	Q3 FCST	Q4 FCST	FY89 FCST	YTD ACT	VARIANCE BOD/FCST
EXPENSES								
LABOR	24892.4	5455.7	5781.9	5929.5	6149.0	23316.1	11237.6	-1576.3
CONT LAB	1623.3	385.1	267.6	158.3	217.7	1028.7	652.7	-594.6
OTHER	13312.4	2952.9	3092.5	3120.4	3193.5	12359.3	6045.4	-953.1
TOT EXP	39828.1	8793.7	9142.0	9208.2	9560.2	36704.1	17935.7	-3124.0
FUNDING								
ESCM	4706.0	1211.1	1059.2	1126.4	1055.0	4451.7	2270.3	-254.3
SWS	1657.7	297.4	345.1	485.3	429.3	1557.1	642.5	-100.6
FS	9064.9	2190.0	2491.4	3474.3	2478.3	10634.0	4681.4	1569.1
OTHER E/S	1005.4	326.9	417.0	220.0	135.8	1099.7	743.9	94.3
ENG	11240.6	2078.8	2161.9	2320.2	2599.9	9160.8	4240.7	-2079.8
MFG	773.0	104.7	183.6	196.7	133.7	618.7	288.3	-154.3
OTHER	7206.1	979.5	939.0	2172.8	3409.8	7501.1	1918.5	295.0
WALK-IN	5108.4	1062.2	755.0	901.8	859.7	3578.7	1817.2	-1529.7
GROSS FUND	40762.1	8250.6	8352.2	10897.5	11101.5	38601.8	16602.8	-2160.3
SUB-IN	5834.8	1303.8	-287.0	983.0	1204.7	3204.5	1016.8	-2630.3
SUB-OUT	-6768.7	-1639.1	0.0	-2153.4	-1958.3	-5750.8	0.0	1017.9
NET SUBCON	-933.9	-335.3	-287.0	-1170.4	-753.6	-2259.3	-622.3	-1325.4
NET FUND	39828.2	7915.3	8065.2	9727.1	10347.9	36055.5	15980.5	-3772.7
OP VAR	0.0	878.4	1076.8	-518.9	-787.7	648.6	1955.2	648.6

* - Adjusted to reflect correct BUO Admin Tax per Rev04 Budget.

Educational Services Development & Publishing

Q2 FY89 Operating Results

	Q2 ACTUAL	QTD Q2 BUDGET	B/(W) BUDGET	YTD ACTUAL	YTD BUDGET	YTD B/(W) BUDGET	% OF BOD
Cost of Operations	9142	9690	548	17936	18909	973	94.9%
Vendor Expense	(22)	0	22	2	0	(2)	ERR
Total Expense	9120	9690	570	17938	18909	971	94.9%
Total Funding	8557	9537	(980)	16877	18499	(1622)	91.2%
Operating Variance	563	153	(410)	1061	410	(651)	----

Capital:							
Appropriations	397	65	(332)	503	916	413	54.9%
Expenditures	256	419	163	392	602	210	65.1%

Key Metrics	Q2 ACTUAL	Q2 BUDGET	B/(W) BUDGET	YTD ACTUAL	YTD BUDGET	B/(W) BUDGET	% OF BOD
Total DEC Hdct	499	526	27	499	526	27	94.9%
Total Non-DEC Hdct	11	21	10	11	21	10	52.4%
Direct Headcount %	74.1%	74.6%		74.1%	74.6%		
Non-DEC Headcount	2.2%	3.8%		2.2%	3.8%		
Dir/Ind Headcount Ratio	3.6:1	3.5:1		3.6:1	3.5:1		
(Total Operational/ Mgr-Supv) Ratio	8.1:1	8.3:1		8.1:1	8.3:1		
Operating Cost /Person	18.3	18.4		35.9	35.9		
Total Cost /Person	18.3	18.4		35.9	35.9		

ESDP
Q2 YTD FY89
PERFORMANCE SUMMARY
\$000

(C)

	Q2 FY89 YTD BUDGET -----	Q2 FY89 YTD ACTUAL -----	DELTA -----
TOTAL EXPENSES	18,909	17,763	1,146
TOTAL FUNDING	18,153	15,813	<2,340>
VARIANCE	756	1,950	<1,194>
HEADCOUNT			
PERMANENT DIRECT	392	364	28
CONTRACT	16	12	4
	---	---	---
TOTAL BILLABLE	408	376	32
PERMANENT OH	129	122	7
TEMPORARY OH	5	2	<3>
	---	---	---
TOTAL SUPPORT	134	124	10
STD/LTD/LOA	5	10	<5>
	---	---	---
TOTAL HEADCOUNT	547	510	37
	===	===	===
METRICS			
DIRECT TO INDIRECT	3.0	3.0	
AVE COST PER PERSON	35.94	35.52	
BILLABLE TIME %	77.1%	70.2%	

D

EDUCATIONAL SERVICES DEVELOPMENT AND PUBLISHING

YTD Q2 FY89

EXPENSE ANALYSIS

(\$K's)	YTD ACTUAL	YTD BUDGET	B/(W) BUDGET	% OF BUDGET
LABOR & FRINGE	11233	11775	542	95.4%
CONTRACT LABOR	653	723	70	90.3%
TRAVEL	380	413	33	92.0%
MATERIALS	687	793	106	86.6%
MISCELLANEOUS	930	1381	451	67.3%
TELECOM	418	310	(108)	134.8%
CAPITAL EQUIPMENT	846	828	(18)	102.2%
FACILITY	1465	1386	(79)	105.7%
OTHER ALLOCATIONS	1323	1304	(19)	101.5%
ADMIN TAX	0	(5)	(5)	0.0%
T.C.C.E.	17936	18909	973	94.9%
VENDOR EXPENSE	2	0	(2)	ERR
TOTAL EXPENSES	17938	18909	971	94.9%
CAPITAL APP.	503	916	413	54.9%
CAPITAL EXP.	392	602	210	65.1%

(E)

EDUCATIONAL SERVICES DEVELOPMENT AND PUBLISHING

YTD FY89

EXPENSE RELIEF ANALYSIS

	YTD ACTUAL -----	YTD BUDGET -----	B/(W) BUDGET -----	% OF BUDGET -----
E/S CORP MARKETING	2557	2462	95	103.8%
FIELD SERVICE **	5210	4652	558	112.0%
SOFTWARE SERVICES	774	968	(194)	79.9%
OTHER ED. SERVICES	753	530	222	141.9%
ENGINEERING	4529	5385	(856)	84.1%
OTHER FUNDING	1932	2756	(824)	70.1%
WALK-IN SERVICES	1806	2415	(609)	74.8%
GROSS FUNDING	17561	19168	(1607)	91.6%
NET SUBCONTRACTED	(684)	(670)	(14)	102.2%
NET SITE FUNDING	16877	18499	(1622)	91.2%
TOTAL EXPENSES	17938	18909	971	94.9%
OPERATING VARIANCE CHARGED TO J. SHIELDS	1061	410	(651)	258.8%

** Includes approx. \$1M in funding from U.S. Area FS which had been budgeted in the "Other Funding" category.

EDUCATIONAL SERVICES DEVELOPMENT AND PUBLISHING

Q2 FY89

EXPENSE RELIEF ANALYSIS

	Q2 ACTUAL	Q2 BUDGET	B/(W) BUDGET	% OF BUDGET
	-----	-----	-----	-----
E/S CORP MARKETING	1210	1232	(23)	98.2%
FIELD SERVICE	2748	2323	426	118.3%
SOFTWARE SERVICES	429	508	(79)	84.5%
OTHER ED. SERVICES	417	265	152	157.5%
ENGINEERING	2346	2756	(410)	85.1%
OTHER FUNDING	939	1618	(680)	58.0%
WALK-IN SERVICES	755	1211	(456)	62.3%
	-----	-----	-----	-----
GROSS FUNDING	8844	9913	(1069)	89.2%
NET SUBCONTRACTED	(287)	(376)	89	76.3%
NET SITE FUNDING	8557	9537	(980)	89.7%
	-----	-----	-----	-----
TOTAL EXPENSES	9120	9690	570	94.1%
OPERATING VARIANCE	563	153	(410)	367.3%

(9)

EDUCATIONAL SERVICES DEVELOPMENT AND PUBLISHING

YTD FY89

EXPENSE RELIEF ANALYSIS

	YTD ACTUAL -----	YTD BUDGET -----	B/(W) BUDGET -----	% OF BUDGET -----
E/S CORP MARKETING	2557	2462	95	103.8%
FIELD SERVICE **	5210	4652	558	112.0%
SOFTWARE SERVICES	774	968	(194)	79.9%
OTHER ED. SERVICES	753	530	222	141.9%
ENGINEERING	4529	5385	(856)	84.1%
OTHER FUNDING	1932	2756	(824)	70.1%
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TOTAL EXPENSES	17938	18909	971	94.9%
OPERATING VARIANCE CHARGED TO J. SHIELDS	1061	410	(651)	258.8%

** Includes approx. \$1M in funding from U.S. Area FS which had been budgeted in the "Other Funding" category.

EDUCATIONAL SERVICES DEVELOPMENT AND PUBLISHING

(H)

Q2 FY89

HEADCOUNT ANALYSIS

	Q2 ACT FY89	Q2 BOD FY89	B/(W) BOD	% BOD
	-----	-----	-----	-----
TECHNICAL	228	243	15	93.8%
PRODUCTION	82	85	3	96.5%
CONSULTANTS	33	33	0	100.0%
SENIOR CONSULTANTS	7	8	1	87.5%
OTHER DIRECT	15	19	4	78.9%
DIRECT COOPS	3	4	1	75.0%
NON DEC CONTRACT	10	16	6	62.5%
	-----	-----	-----	-----
TOTAL DIRECT HEADCOUNT	378	408	30	92.6%
MANAGERS	21	24	3	87.5%
SUPERVISORS	39	39	0	100.0%
CLERICAL	20	24	4	83.3%
OTHER INDIRECT	23	22	(1)	104.5%
INDIRECT COOPS/TEMPS	1	1	0	100.0%
NON DEC TEMPS	1	5	4	20.0%
	-----	-----	-----	-----
TOTAL INDIRECT HEADCOUNT	105	115	10	91.3%
TOTAL OPERATIONAL HDCT	483	523	40	92.4%
FA/QA/IS SUPPORT	17	19	2	89.5%
SPECIAL PROGRAMS	1	1	0	100.0%
LTD/LOA	9	4	(5)	225.0%
	-----	-----	-----	-----
TOTAL HEADCOUNT	510	547	37	93.2%
	-----	-----	-----	-----
HEADCOUNT RATIOS				
	-----	-----		
DIRECT/INDIRECT	3.6:1	3.5:1		
OPS HDCT/MGR+SUPR	8.1:1	8.3:1		
NON-DEC %	2.2%	3.8%		
CORPORATE CLASSIFICATION				
TOTAL DEC PERMANENT	495	521	26	95.0%
DEC TEMP/COOP	4	5	1	80.0%
CONTRACT/TEMP	11	21	10	52.4%
	-----	-----	-----	-----
TOTAL DIGITAL	510	547	37	93.2%
	-----	-----	-----	-----

I

HEADCOUNT ANALYSIS

	YTD FY87 ----	YTD FY88 ----	Q2 FY89 ----
DIRECT	330	352	368
INDIRECT	112	121	131
NON-DEC	23	20	11
TOTAL HEADCOUNT	465	493	510

% INCREASE FROM FY87 - FY88 = 6.02%

% INCREASE FROM FY88 - FY89 = 3.45%

% INCREASE FROM FY87 - FY89 = 9.7%

(J)

ESDP
 IMPACT OF HIRING CONSTRAINTS
 ON VARIANCE
 25 JANUARY, 1989

	Q2 END -----	1/19/89 CAP -----	Q3 PER JAN FCST -----	Q4 PER JAN FCST -----	TOTAL -----
HEADCOUNT					
PERM DIR	364	370	383	396	
CONTRACT	12	14	9	13	
	-----	-----	-----	-----	
TOTAL BILLABLE	376	384	392	409	
PERM OH	122	123	120	121	
TEMP OH	2	2	2	1	
	-----	-----	-----	-----	
TOTAL SUPPORT	124	125	122	122	
STD/LTD/LOA	10	7	7	7	
	-----	-----	-----	-----	
TOTAL HEADCOUNT	510	516	521	538	
	-----	-----	-----	-----	
TOTAL EXPENSE	17,763		9,208	9,560	36,531
TOTAL FUNDING	15,813		9,727	10,347	35,887
VARIANCE	1,950		<519>	<787>	644

EFFECT OF VARIANCE IMPACT
 JANUARY FORECAST VS. HEADCOUNT CONSTRAINT

FUNDING	Q2 ---	Q3 ---	Q4 ---	AVERAGE -----
JAN FCST BILLABLE	376	392	409	392.3
CAP BILLABLE HDCT	376	384	384	381.3
				----- 11.0

PEOPLE AVAILABLE HRS X PROD % X AVE RATE

11 X 2080 X 84% X 58 = \$1,115K

EXPENSE	Q2 ---	Q3 ---	Q4 ---	AVERAGE -----
TOTAL HEADCOUNT	510	521	538	523
CAP HEADCOUNT	510	516	516	514

PEOPLE X COST PER PERSON FOR HALF YEAR

9 X 35,885 = \$323K

VARIANCE IMPACT UNFAVORABLE \$792K

CAP VARIANCE	\$792
SBU ORIGINAL VAR	\$644

	\$1,436K

ESDP HEADCOUNT REPORT
 PERMANENT HEADCOUNT SUMMARY
 20 JANUARY, 1989

(K)

ENDING Q3 BUDGET	BUSINESS GROUP	PMF ACTUAL 1/13/89	XFERS IN	XFERS OUT	NET	OTHER OPEN REQS	POTENTIAL HEADCOUNT
-----	-----	-----	-----	-----	-----	-----	-----
141	CIM/LES	131	3	3	131	9	140
130	NIT	123	4	7	126	12	138
89	MASS STOR	80	3	2	81	0	81
149	HPMR	128	6	3	131	2	133
41	ADMIN	32	1	0	33	2	35
-----	-----	-----	-----	-----	-----	-----	-----
550	TOTAL	494	17	15	496	25	521
====	=====	=====	==	==	====	==	====

TOTAL ESDP Headcount Report - 20 JANUARY, 1989

BG	Q3 BOD HDCNT				ACTUAL HDCNT*			
	Perm DEC	Temp/ Coop	Non- DEC	Total	Perm DEC	Temp/ Coop	Non- DEC	Total
MASS	89	0	2	91	80	0	1	81
HPRM	149	0	4	153	128	0	2	130
NIT	125	5	9	139	120	3	5	128
CIMLES	141	0	5	146	131	0	8	139
ADMIN	41	0	3	44	32	0	0	32
====	====	====	====	=====	=====	====	====	=====
Tot ESDP	545	5	23	573	491	3	16	510

*Perm and Temp/Coop Headcount from 1/13/89 Personnel Master File. Headcount codes included are Active, Short-Term Disability, Long-Term Disability, Workmen's Comp, and Leave of Absence.

NOTE: NON-DEC Headcount is submitted by cost center managers.

From: CLOSUS::MANERY "17-Jan-1989 0945" 17-JAN-1989 13:46
 To: SPIRIT::MORRISON, SPIRIT::MCINTYRE, PNEUMA::P_MCARTHY, JERRY, LEE, EVA, RON, MA
 NERY
 Subj: Mass Storage Headcount Report (1/13/89)

MASS STORAGE HEADCOUNT REPORT - 1/18/89

C.C.	(Q.3) CURRENT QUARTER BOD HDCNT			Total	ACTUAL HEADCOUNT PER PMF DATED 13 JAN 89			
	Perm DEC	Temp/ Coop	Non- DEC		Perm DEC	Temp/ Coop	Non- DEC	Total
538	45	0	0	45	45	00	00	45
55C	23	0	2	25	17	00	01	18
55D	02	0	0	02	02	00	00	02
55M	03	0	0	03	03	00	00	03
5PN	16	0	0	16	13	00	00	13
Total	89	0	2	91	80	00	01	81
ADJ				-10				
Total				81				

TEMP/COOP:

C.C.	Name	Type	Job Code	Job Title
NONE				

NON-DEC HEADCOUNT:

C.C.	Name	Job Code	Job Title	Contract End Date
55C	I. Ryning	K63	A/V Prod Assist	10-FEB-1989

OPEN PERSONNEL/PURCHASE REQS:

C.C.	Req.#	Job Code	Job Title	P/T/C	A/R	Quarter Budgeted for
NONE						

ANTICIPATED TRANSFERS IN:

C.C.	Req.#	NAME	JOB TITLE	START DATE
538	None	Gordon Smalls	ID II	12-Dec-1988
55M	None	Larry Iannuzzi	Program Manager	12-Dec-1988
5PN	None	Steve Muldoon	Course/Developer III	28-Nov-1988

ANTICIPATED TRANSFERS OUT:

C.C.	NAME	Job Title	Exit Date	To ESDP CC (if applicable)
55C	Larry Iannuzzi		12-Dec-88	Cost Center 55M
55C	Gordon Smalls		12-Dec-88	Cost Center 538

COMMENTS:

From: PSYCHE::MILLS "CAROLYN MILLS 223-4571 19-Jan-1989 1205" 19-JAN-1989 12:
 02
 To: SPIRIT::MCINTYRE, SPIRIT::MORRISON, CLEM, P_MCCARTHY, MILLS
 Subj: LEST/CIM HEADCOUNT REPORT

LEST/CIM HEADCOUNT REPORT - 1/18/89

C.C.	(Q.3) CURRENT QUARTER BOD HDCNT			Total	ACTUAL HEADCOUNT PER PMF DATED 13 JAN 89			
	Perm DEC	Temp/ Coop	Non- DEC		Perm DEC	Temp/ Coop	Non- DEC	Total
3F9	51	0	1	52	48	00	05	53
3FC	13	0	2	15	07	00	02	09
534	37	0	0	37	01	00	00	01
5E5	40	0	2	42	47	00	00	47
AW4	0	0	0	0	28	00	01	28
Total	141	0	5	146	131		08	139
ADJ				1				
Total				147				

TEMP/COOP:

C.C.	Name	Type	Job Code	Job Title
NONE				

NON-DEC HEADCOUNT:

C.C.	Name	Job Code	Job Title	Contract End Date
3F9	C. Taylor	K5D	Writer/CD	21-APR-1989
3F9	D. Grebow	K7D	Writer/CD	14-APR-1989
3F9	H. Thomae	K7D	Wrt/Dev III	01-JUL-1989
3F9	H. Stokes	K8S	ID III	31-JAN-1989
3F9	S. Thomas	K8S	ID III	31-JAN-1989
3FC	A. Roos	J11	Sr. Prog.	01-FEB-1989
3FC	B. Fawcett	G48	Secretary	27-JUN-1989
AW4	C. Martin	G48	Secretary	31-MAR-1989

OPEN PERSONNEL/PURCHASE REQS:

C.C.	Req.#	Job Code	Job Title	P/T/C	A/R	Quarter Budgeted for
3F9	H332281	G48	Sr. Secretary	P	R	Q2
3F9	G194081	K7D	Wrt/Dev III	P	A	Q2
3F9	H334549	K7D	Wrt/Dev III	P	A	Q2
3F9	H334548	K8S	I/D III	P	A	Q2
3F9	H334551	K5D	Wrt/Dev II	P	A	Q3
3F9	H334550	K7D	Wrt/Dev III	P	R	Q3
AW4	H332283	G48	Sr. Secretary	P	R	Q3
AW4	G194080	T4P	Proj. Spec.	P	R	Q2
5E5	H334552	K8S	ID III	P	R	Q3

ANTICIPATED TRANSFERS IN:

C.C.	Req.#	NAME	JOB TITLE	START DATE
3F9	H332282	C. Karl Kuehne	Ed Svcs Cons I	03-JAN-1989
3F9	H332288	Arlene Gutz	Writer D/D II	30-JAN-1989
AW4	H334547	Lee Davy	Software Eng II P	16-JAN-1989

ANTICIPATED TRANSFERS OUT:

C.C.	NAME	Job Title	Exit Date	To ESDP CC (if applicable)
3F9	Linda Alexander	W/CD III	13-JAN-1989	
5E5	Marilyn Jurek	W/CD II	24-FEB-1989	
AW4	B. Harper	Sr. Sec	06-JAN-1989	

COMMENTS:

* 3FC K. Jacobi DEC TEMP Gen. Clerk G50 *Not Counted in PMF

OPEN PERSONNEL/PURCHASE REQS NOT SIGNED BY JOLUUT AS OF THIS PMF REPORT:

C.C.	Req.#	Job Code	Job Title	P/T/C	A/R	Quarter Budgeted for
-----	-----	-----	-----	-----	---	-----

From: DEMON::CHALMERS "ESDP/NIT F.A. (FPO/A4) DTN 283-7687 19-Jan-1989 1719
 19-JAN-1989 17:21
 To: JOHN L, JOHN M, PEARL, KIM, CHALMERS
 Subj: NIT Headcount report AS PER PMF DATED 13-Jan-1989

NIT Headcount Report - FY89

C.C.	Q3 BOD HDCNT				ACTUAL HDCNT - PMF 1/13/89			
	Perm DEC	Temp/Coop	Non-DEC	Total	Perm DEC	Temp/Coop	Non-DEC	Total
3CE	25	0	1	26	22	0	0	22
3F5	10	1	0	11	10	0	0	10
3F7	36	2	3	41	31	0	2	33
3HG	12	0	3	15	12	1*	1	14
A3E	0	0	0	0	4	0	0	4
C63	35	2	2	39	33	2	2	37
553	7	0	0	7	12	0	0	12
Total	125	5	9	139	120	3	5	132

DEC TEMP/COOP:

C.C.	Name	Type	Job Code	Job Title
3HG	Lisa Champagne	D	B41	Coop II*
C63	Ed Yee	I	B45	Computer Operator I
C63	Mark Drager	I	B42	Computer Operator I

NON-DEC HEADCOUNT:

C.C.	Name	Job Code	Job Title	Contract End Date
3F7	Bob Bear	J11	Sr. Sftw. Eng.	13-JAN-1989
3F7	Eileen McMahon	L11	Tech. Editor	30-JUN-1989
3HG	Theresa Creteau	T2P	Proj. Spec. I	31-MAR-1989
C63	David Fitzgerald	L13	Sr. Tech Editor	06-JUN-1989
C63	Judythe Lokich	K5D	Course Dev. II	

OPEN PERSONNEL REQS/PURCHASE REQS:

C.C.	Req.#	Job Code	Job Title	P/T/C	A/R	Budgeted F
3CE	G194083	K8D	Writer/CD IV	P	R	Q3 FY89
3F5	326865	J09	Princ. Sftwr. Eng.	P	A	1-SEP-88*
3F7	G221396	L13	Sr. Tech. Editor	C	A	28-NOV-19
3F7	G231767	K7D	Writer/CD III	P	A	Q1 FY89
3HG	H255700	L71	Creative Illustrator	C	A	Blanket Re
3HG	G165248	L13	Sr. Tech Editor	C	A	Blanket Re
3HG	H336724	L71	Creative Illust.	C	A	21-NOV-19
C63	G151588	K7D	Writer/CD III	P	A	Q1 FY89@
C63	G221305	L11	Technical Editor	P	A	15-SEP-19
C63	G221393	B68	Instr. Des. I (coop)	T	A	03-JAN-89
C63	G221391	K8S	Instr. Des. III	P	R	23-JAN-89
C63	G221392	K6S	Instr. Des. II	P	R	03-MAR-89

ANTICIPATED TRANSFERS IN

C.C.	Req.#	Name	Job Title	Start Date
3F7	N/A	Faye Arrington	Proj. Spec.	02-Jan-89
A3E	N/A	Grace Mina	Unit Manager	02-Jan-89
C63	G151583	Barry Allen	Writer/CD III	16-Jan-89
C63	2255471	Judythe Lokich	Course Dev. II	

ANTICIPATED TRANSFERS OUT:

C.C.	Name	Job Title	EXIT DATE	(if applicable)
3CE	Bobby Robinson	Writer/CD III	06-JAN-89	
3F7	Joanne Wyer	Consultant III	20-JAN-89	
C63	Julia Hooper	ESDP Consultant I	05-DEC-88	5E5
C63	Ed Yee	Computer Operator I	30-DEC-88	
C63	Liz Ronai	Sr. A/V Producer	06-JAN-89	3F4
553	Faye Arrington	Proj. Spec.	02-JAN-89	3F7
3F7	Grace Mina	Unit Manager	02-JAN-89	A3E

COMMENTS:

- *(3HG) Lisa Champagne has returned to school. She will be back on semester breaks and next summer.
- *Blanket Req. will remain open until 2/1/89.
- (3F5)**on hold
- (3CE) Bobby Robinson's last day was 06-JAN-89 making our actual headcount 21 instead of 22.
- (3F7) Grace Mina's salary and fringe will continue to be forecasted from CC3F7 through the end of Q4 FY89.
- (3F7) Ron Martin is not showing up on the PMF Report.
- (3F7,A3E) Faye Arrington and Grace Mina are internal transfers, there were not any requisitions processed.

From: MRED::MARASCO "Joyce Marasco - MK02-2/D14
 :26
 To: SPIRIT::MORRISON
 Subj: HP/MR Headcount Report

PMR HEADCOUNT REPORT - 1/18/89

(Q3)
 CURRENT QUARTER
 BOD HDCNT

ACTUAL HEADCOUNT
 PER PMF DATED 01/13/89

C.C.	CURRENT QUARTER BOD HDCNT			Total	ACTUAL HEADCOUNT PER PMF DATED 01/13/89			Total
	Perm DEC	Temp/Coop	Non-DEC		Perm DEC	Temp/Coop	Non-DEC	
0J	9	0	0	9	8	0	0	8
F4	45	0	2	47	32	0	1	33
F8	47	0	1	48	43	0	0	43
33	48	0	1	49	45	0	1	46
Total	149	0	4	153	128	0	2	130

EMP/COOP:

C.C.	Name	Type	Job Title	Job Code	End Date
None					

NON-DEC HEADCOUNT:

C.C.	Name	Job Title	Job Code	Contract End Date
F4	P. McGan	Wtr/Dev II	K5D	09/29/89
533	M. Fultyn	Tech. Editor	L11	02/17/89

OPEN PERSONNEL/PURCHASE REQS:

C.C.	Req.#	Job Code	Job Title	P/T/C	A/R	Budgeted For
3F8	G188037	K8S	ID III	P	A	Q1
533	G165249	L11	Tech Editor	P	R	Q3

ANTICIPATED TRANSFERS IN:

C.C.	Req. #	Name	Job Title	Start Date
3F4	H326867	Liz Ronai	ESDP Mgr. I	01/09/89
3F4	H327017	John Duffy	W/CD IV	01/23/89
3F4	H327019	Elinor Woods	W/CD IV	01/23/89
3F4	G166755	Randy Neukam	ID III	Jan/89
3F8	G166760	Deb Laderoute	Adm Secy	01/30/89
533	G058935	Brenda Silva	Proj Spec I	1/9/89

ANTICIPATED TRANSFERS OUT:

C.C.	Name	Job Title	Exit Date	To ESDP C.C.
3F8	Larry Holmes	W/CD III	1/16/89	
3F8	Roy Clark	W/CD IV	2/1/89 (retiring)	
533	Barb Mathers	Tech Editor	02/03/89	

COMMENTS:

ESDP ADMIN Headcount Report - 1/18/89

C.C.	(Q3) CURRENT QUARTER BOD HDCNT			Total	ACTUAL HEADCOUNT PER PMF 1/13/89			
	Perm DEC	Temp/ Coop	Non- DEC		Perm DEC	Temp/ Coop	Non- DEC	Total
546	9	0	0	9	7	0	0	7
ARW	4	0	0	4	2	0	0	2
AUS	4	0	0	4	4	0	0	4
30L	5	0	0	5	3	0	0	3
5L5	6	0	0	6	6	0	0	6
5LR	5	0	3	8	3	0	0	3
5F7	8	0	0	8	7	0	0	7
Total	41	0	3	44	32	0	0	32

TEMP/COOP:

C.C.	Name	Type	Job Title	Job Code	End Date
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NON-DEC HEADCOUNT:

C.C.	Name	Job Code	Job Title	Contract End Date
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OPEN PERSONNEL/PURCHASE REQS:

C.C.	Req.#	Job Code	Job Title	P/T/C	A/R	Quarter Budgeted for
5LR	G151819	D28	Prog Anal	P	R	Q3 FY89
546	G151182	KD3	Ops Mgr	P	R	Q2

ANTICIPATED TRANSFERS IN:

C.C.	Req.#	Name	Job Title	Start Date
546	G151180	Holly Labo	Exec Sec	1/30/89

ANTICIPATED TRANSFERS OUT:

C.C.	Name	Job Title	Exit Date	To ESDP C.C. (if applicable)
NONE				

COMMENTS:

546 Ann Collias on LOA
 5F7 Sandy Robertson and Robert Heard on STD
 5F7 John McIntyre (FDP) not in PMF headcount

DEFINITIONS:

BOD HEADCOUNT - Use the current quarter's REV.04 budgeted headcount for the permanent, DEC temp/coop, and Non-DEC categories. The report that is reconciled against the 12/30/88 PMF will be the last report using the Q2, FY89 BOD numbers. The ESDP FAs are responsible for verifying that the correct budget numbers are being used.

ACTUAL HEADCOUNT - These numbers represent Permanent and Temp/Coop headcount per the the PMF report and Non-Dec headcount as submitted independently by each group. If there is a discrepancy between your "actual" headcount and the PMF actual headcount, those discrepancies will be pointed out in other sections of this report. The PMF actuals are the numbers that appear in the quarterly corporate reports, so cost center managers should make sure that the proper paperwork is submitted on a timely basis to assure accuracy of their PMF report. Headcount codes included are Active, Short-Term Disability, Long-Term Disability, Workmen's Comp, and Leave of Absence.

TEMP/COOP - This category is for DECTemps and Co-op headcount. These people have badge numbers and they show up in the personnel master file. If a DECTemp does not show up in the PMF, it is usually because the headcount remains in a "temp pool" cost center and we get cross charged the expense. If the headcount does not show up in our cost center, these temps should only be noted in the "comments" section and NOT include in our headcount or the "non-dec headcount" section of this report.

NON-DEC HEADCOUNT - This represents contract and agency headcount. It is usually for a temporary secretary that fills in until a permanent secretary can be hired or a contract with an individual outside of DEC to work through completion of one of our funded projects. This type of headcount is requested via a purchase requisition. Information in this section includes the cost center, the person's name, there equivalent DEC job code, job title, and the expected contract ending date. This data is submitted by the cost center managers.

OPEN PERSONNEL/PURCHASE REQS - This should include open personnel reqs and purchase reqs for contractors that have been signed off by Joluit but do not have an outstanding offer against them. If an offer is made on a req, it should be listed in the "anticipated transfers in" category for personnel requisitions. Please list contractor purchase requisitions for those contractors that have not started yet, in this category. The information required in this category is cost center, personnel or purchase requisition number, job code, job title, P/T/C which means type of hire, P=Permanent T=Temp/Coop or C=Contract or outside temporary help.

DEFINITIONS:

ANTICIPATED TRANSFERS IN - This category is for transfers or outside offers that have been made to an individual, but they have not started working for the cost center yet or they have started but their names have not appeared in the PMF for our cost center. This category is for permanent and Temp/Coop status only. No contract help should be listed in this category. Information required for the report includes cost center, personnel requisition number, name of the individual who has accepted the offer, their new job title, and the date on which they have agreed to start. Include the actual date on which they will start, if it's available, i.e. 16 JAN 1989. If an offer has been made but not accepted yet, then just state "pending" in place of an actual date, if the offer was accepted but the actual start date has not been decided, just write in the month in which it is anticipated that they will start.

If an individual has started or transferred into the cost center, but they still do not appear in the PMF, they should still be listed in this category. So, it's possible to list a start date of 19 DEC 1988, when you are doing February's report. As soon as the person appears in the PMF, their name should be removed from this category.

ANTICIPATED TRANSFERS OUT - This category includes permanent or Temp/Coop headcount that is transferring to another department, resigning, or retiring, and their name still appears in the PMF. Information required for this category includes cost center, name of the person transferring, their job title, the date that they are leaving or have left the department. For ESDP internal transfers, include the ESDP cost center that they are transferring to. If the person has left the department, but still shows up in the PMF, they should continue to be listed in this category. Employee Data Change forms should be filled out as soon as possible, so that they are quickly transferred to the proper cost center as soon as possible.

COMMENTS - include any pertinent comments regarding the headcount data. Also use this area to detail any differences between your actual headcount and that of your most recent PMF reports. Feel free to use this section to discuss your expected hiring patterns and the probability of fill your open reqs.

ESDP FY89/90 BUDGET

ESDP REV04 BUDGET

	FY89					FY89					CHANGE
	Q1 BUDGET	Q2 BUDGET	Q3 BUDGET	Q4 BUDGET	FY89 TOTAL	Q1 FCST	Q2 FCST	Q3 FCST	Q4 FCST	FY90 TOTAL	
FUNDING											
ES/CM	1162.0	1193.0	1152.0	1199.0	4706.0	0.0	0.0	0.0	0.0	0.0	*>*
SWS	426.3	486.6	390.4	354.4	1657.7	0.0	0.0	0.0	0.0	0.0	*>*
FS	2213.8	2255.4	1994.1	2601.6	9064.9	0.0	0.0	0.0	0.0	0.0	*>*
OTHER E/S	265.1	265.1	255.1	220.1	1005.4	0.0	0.0	0.0	0.0	0.0	*>*
ENGINEERING	2426.5	2563.8	2933.9	3316.4	11240.6	0.0	0.0	0.0	0.0	0.0	*>*
MANUFACTURING	203.0	191.7	176.0	202.3	773.0	0.0	0.0	0.0	0.0	0.0	*>*
OTHER	1137.4	1618.2	2290.4	2160.1	7206.1	0.0	0.0	0.0	0.0	0.0	*>*
WALK-IN	1204.0	1210.9	1287.4	1406.1	5108.4	0.0	0.0	0.0	0.0	0.0	*>*
TOTAL GROSS	9038.1	9784.7	10479.3	11460.0	40762.1	0.0	0.0	0.0	0.0	0.0	*>*
SUBCON											
SUB-IN	1297.0	1441.4	1510.5	1585.7	5834.6	0.0	0.0	0.0	0.0	0.0	*>*
SUB-OUT											
ESDP	-1364.9	-1633.4	-1503.5	-1603.0	-6104.8	0.0	0.0	0.0	0.0	0.0	*>*
MCG	-225.7	-139.0	-113.5	-140.4	-618.6	0.0	0.0	0.0	0.0	0.0	*>*
EXTERN	0.0	-45.0	0.0	0.0	-45.0	0.0	0.0	0.0	0.0	0.0	*>*
NET SUBCONTRACT	-293.6	-376.0	-106.5	-157.7	-933.8	0.0	0.0	0.0	0.0	0.0	*>*
NET FUNDING	8744.5	9408.7	10372.8	11302.3	39828.3	0.0	0.0	0.0	0.0	0.0	*>*
TOTAL EXPENSES	9219.2	9689.4	10210.8	10708.9	39828.3	0.0	0.0	0.0	0.0	0.0	*>*
OPER VAR	474.7	280.7	-162.0	-593.4	-0.0	0.0	0.0	0.0	0.0	0.0	*>*

ESDP FY89/90 FORECAST

ESDP REV04 BUDGET

	FY89					FY90					% CHANGE
	Q1 BUDGET	Q2 BUDGET	Q3 BUDGET	Q4 BUDGET	FY89 TOTAL	Q1 FCST	Q2 FCST	Q3 FCST	Q4 FCST	FY90 TOTAL	
EXPENSES											
LABOR/FRINGE	5717.6	6057.3	6421.8	6695.7	24892.4	0.0	0.0	0.0	0.0	0.0	*>*
CONT LABOR	383.0	335.5	369.6	535.2	1623.3	0.0	0.0	0.0	0.0	0.0	*>*
TRAVEL	193.0	220.6	229.8	247.4	890.8	0.0	0.0	0.0	0.0	0.0	*>*
MATERIALS	421.0	371.8	342.5	401.8	1537.1	0.0	0.0	0.0	0.0	0.0	*>*
MISCELLANEOUS	625.5	756.0	796.7	706.7	2884.9	0.0	0.0	0.0	0.0	0.0	*>*
TELECOMM	152.2	157.7	160.1	161.2	631.2	0.0	0.0	0.0	0.0	0.0	*>*
CAPITAL	378.8	449.4	506.3	557.9	1892.4	0.0	0.0	0.0	0.0	0.0	*>*
FACILITY	700.4	685.4	721.8	732.4	2840.0	0.0	0.0	0.0	0.0	0.0	*>*
OTHER ALLOC.	652.2	656.0	657.2	661.8	2627.2	0.0	0.0	0.0	0.0	0.0	*>*
ESDP ADMIN TAX	-4.5	-0.3	5.0	8.8	9.0	0.0	0.0	0.0	0.0	0.0	*>*
TOTAL EXPENSES	9219.2	9689.4	10210.8	10708.9	39828.3	0.0	0.0	0.0	0.0	0.0	*>*
VENDOR EXPENSE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	ERR
LESS PROJ-REL EXP	218.1	304.7	355.2	431.1	1309.1	0.0	0.0	0.0	0.0	0.0	*>*
NET EXPENSES	9001.1	9384.7	9855.6	10277.8	38519.2	0.0	0.0	0.0	0.0	0.0	*>*
BILLABLE HOURS	150,101	160,704	175,839	190,653	677,297	0	0	0	0	0	*>*
BREAKEVEN RATE	59.97	58.40	56.05	53.91	56.87	ERR	ERR	ERR	ERR	ERR	ERR

ESDP FY89 BUDGET

ESDP REV04

	FY88			FY89				CHANGE	
	Q2 ACT	Q3 ACT	Q4 ACT	Q1 BOD	Q2 BOD	Q3 BOD	Q4 BOD		
HEADCOUNT									
TECHNICAL	212	214	213	227	243	259	262	23.0 %	
PRODUCTION	87	86	82	83	85	85	85	3.7 %	
CONSULTANTS	20	20	25	30	33	33	32	28.0 %	
SR. CONSULTANTS	7	8	7	8	8	8	9	28.6 %	
CXO A/V	7	6	10	13	15	17	20	100.0 %	
OTHER	9	9	9	4	4	4	4	-55.6 %	
TOT PERM BILLABLE	342	343	346	365	388	406	412	19.1 %	
BILLABLE COOPS	2	2	3	4	4	4	5	66.7 %	
BILLABLE CONTRACT	6	10	21	20	16	18	25	19.0 %	
TOTAL BILLABLE	350	355	370	389	408	428	442	19.5 %	
SPECIAL PROG	4	0	0	0	1	1	1	0.0 %	
LONG-TERM DIS/LOA	3	3	2	4	4	4	4	100.0 %	
MANAGERS	23	23	24	27	27	27	27	12.5 %	
SUPERVISORS	36	36	35	39	39	42	42	20.0 %	
CLERICAL	24	24	23	26	26	28	27	17.4 %	
OTHER PERM OPS	32	31	31	33	36	37	38	22.6 %	
TOTAL PERM OPS	115	114	113	125	128	134	134	18.6 %	
OPS COOPS	0	1	1	1	1	1	1	0.0 %	
OPS DEC TEMPS	0	0	1	0	0	0	0	-100.0 %	
OPS NON-DEC TEMPS	1	2	2	5	5	5	5	150.0 %	
TOTAL OPS	116	117	117	131	134	140	140	19.7 %	
TOTAL HDCT	473	475	489	524	547	573	587	20.0 %	
CAP APPROPRIATIONS	300.5	310.6	318.3	1208.2	851.3	65.0	0.0	916.3	-24.2 %
CAP EXPENDITURES	32.2	147.5	484.2	863.1	183.1	419.2	228.7	393.3	11.9 %

I N T E R O F F I C E M E M O R A N D U M

Date: 13-Feb-1989 09:39am EST
From: DOUG SINCLAIR @BUO
SINCLAIR.DOUG AT A1 at CECV03

at BUO

Dept: U.S. BUSINESS MGMT GROUP
Tel No: 249-1371

TO: RUSS GULLOTTI @NPO

CC: BILL GAUDETTE @BUO

CC: JOE FABRIZIO @BUO

Subject: SPI Bundling

Russ,

At the U.S. Area PL002 Business Review Meeting on February 7, 1989, I proposed a strategy for Self-Paced courseware be bundled with associated Digital hardware and software products whenever possible. This strategy would enable the customer to:

1. Become trained earlier and thereby get their new system/application up faster which in turn improves the ROI.
2. Have available on a going forward basis a training package to meet future training needs and serve as a refresher/referential source.

For Digital, this strategy would:

1. Enable the field to recognize incremental Educational Services certs and revenue, and enjoy a 100% penetration rate.
2. Enable the field to easily sell Educational Services without having to become experts in Educational Services products.

The above notwithstanding, this strategy has not been aggressively pursued. My inquiries over the next few days uncovered the following as reasons why:

1. Both product management and sales are reluctant to increase the price of a software or hardware product by adding on an SPI Course.
2. Experienced customers may not want training.
3. It is too problematic, time consuming and expensive to keep SPI courseware current with the software.
4. It is too administratively difficult to work with all of the Product Managers to get Educational Services products bundled with each of their products.
5. Jack Shields purportedly directed that bundling is not a strategy he wishes to pursue.

None of the above appear to me to be gamebreakers. In keeping with the spirit of "eating the elephant one bite at a time", I suggest the following:

1. The Getting Started with Workstations course be bundled with all VMS and ULTRIX workstation shipments. Those courses are inexpensive (CLP \$695) and are an excellent way to become familiar with a workstation.
2. These courses are computer based which is a desired method of

training for the technical end user which is precisely where workstations are being sold.

3. Workstations are a key strategic product for Digital and U.S. sales are forecasted to grow from 15,351 in FY88 to 124,250 in FY 92.
4. The hardware group could even be JV'd revenue dollars if it became necessary.
5. Virtually all workstation shipments will require some form of training.

In addition, I would like to propose that an Orientation Video to be packaged with every hardware shipment. This short, half hour video would replace the "Read Me First" booklet and would tell the user what he or she needs to do to get the gear out of the box and what to plug in where. It also could include a welcome/thank you message from Ken Olson or other Digital executive. I suggest that not only could incremental revenue be recognized, but customer satisfaction would be greatly increased by being able to see what to do as opposed to having to translate it from a book.

Lastly, during the meeting an All-In-1 differences guide was suggested as a candidate for bundling. On closer examination, it appears this could best be handled by being sold as a stand alone product. The reason is that many customers who receive All-In-1 V2.3 will be new users and a differences course will have no applicability. (Currently, there is no way to differentiate between new and installed users.) Also, this product will have a very short shelf life much as the V5 Updates did versus a much longer product life for traditional, i.e. "non-differences" courses.

I would be more than happy to work with whomever you deem appropriate to pursue the above recommendations, and in the meantime, thank you for your interest and support.

Regards,

Doug

digital

TO: Russ Gullotti

DATE: 7 Feb 89
FROM: Doug Sinclair
EXT: 249-1371
LOC/MAIL STOP: BUO/E58

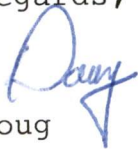
SUBJECT: PL002 PRESENTATION

Russ,

As discussed, attached is a copy of the slides from yesterday's meeting. I will add the elements you suggested to the financial section.

Thanks again for your time and input.

Regards,


Doug

U.S. AREA PL002 BUSINESS
FEBRUARY 7, 1989

DOUGLAS SINCLAIR
BUSINESS MANAGER

U.S. AREA PL002 BUSINESS

I OVERVIEW OF PL002 BUSINESS

- * HISTORICAL PERFORMANCE
- * CURRENT YEAR
- * FUTURE OUTLOOK

II THE OPPORTUNITY

III PROPOSED PL002 DIRECTION

1. PRODUCT DEVELOPMENT/MAINTENANCE
2. ADMINISTRATION/OPERATIONS
3. CHANNELS
4. MARKETING
6. FINANCIAL MODEL

IV PL002 BUSINESS FORECAST

V CONCLUSION

I. OVERVIEW OF PL002/PL122 BUSINESS

HISTORICAL PERFORMANCE

FY	NOR		ACT/BUD%	%GROWTH
	ACTUAL	BUDGET		
83	6027	5563	108.3%	
84	6760	9811	68.9%	12.2%
85	7680	12589	61.0%	13.6%
86	8055	11000	73.2%	4.9%
87	9010	9133	98.7%	11.9%
88	9448	9904	95.4%	4.9%

* PL002 HAS NOT ATTAINED BUDGET SINCE FY83

* AVERAGE GROWTH RATE U.S. 9.5%

* AVERAGE GROWTH RATE EUROPE 16.25% FY83

* AVERAGE GROWTH RATE GIA 42.0% FY83

I OVERVIEW OF PL002 BUSINESS

* HISTORICAL PERFORMANCE

	FY86	FY87	Y/Y	FY88	Y/Y	FY89(FCAST)	Y/Y
SPI	\$7.037M	\$7.507M	6.7%	\$6.958M	(7.3%)	\$ 7.373M	6.0%
BKSTRS	<u>\$1.027M</u>	<u>\$1.507M</u>	46.7%	<u>\$2.547M</u>	69.0%	<u>\$ 2.980M</u>	17.0%
	\$8.064M	\$9.014M	11.8%	\$9.505M	5.4%	\$10.353M	8.9%

* HISTORIC GROWTH RATE APPROXIMATELY 5.6% (DIRECT) LAST 5 YEARS

* DOCUMENTATION HAS LARGELY FUELED BOOKSTORE GROWTH

** IT ACCOUNTED FOR 42% IN FY88

** IT ACCOUNTED FOR ALMOST 60% WITHOUT CAS ORDERS

I OVERVIEW OF PL002 BUSINESS
CURRENT YEAR

	<u>FY89 HY(PRELIM)</u>	<u>%BUDGET</u>	<u>B/(W)</u>
SPI	\$ 3.846M	100.6%	.022
BOOKSTORES	<u>\$ 1.346M</u>	94.7%	<u>(.076)</u>
	\$ 5.192M	99.0%	(54)

	<u>FY89(FCAST)</u>	<u>% BUDGET</u>	<u>B/(W)</u>
SPI	\$ 7.331M	94.7%	(408)
BOOKSTORES	<u>\$ 2.838M</u>	91.6%	<u>(261)</u>
	\$10.169M	93.8%	(669)

WHY WAS THE FIRST HALF UP OVER FORECAST?

- ** PRENTICE-HALL AGREEMENT
- ** GTE ORDER \$72,000
- ** EOY PRICE INCREASE
- ** VERY SUCCESSFUL NEW SPI CATALOG
- ** TREMENDOUS PUSH ON BACKLOG (\$220,000 IN FINAL TWO DAYS)
- ** IMPROVED BACKLOG MANAGEMENT
- ** V5 UPDATE PROGRAM
- ** 120,000 PIECE MAILING ON V5 UPDATE PROGRAM
- ** 115,000 PIECE MAILING ON V5 UPDATE PROGRAM
- ** THE 30 DAY GUARANTEE PROGRAM
- ** ONGOING P/R ON V5 UPDAATE PROGRAM AND SPI
- ** CONTINUED FOCUS ON PROVIDING REPORTS AND INFORMATION TO ATCM'S/ASSMS
- ** ONGOING FIELD AND TELEMARKETING SUPPORT
- ** NEW PACKAGES (F.T.T.P., PROD. PACKS AND STARTER KITS)
- ** REVISED V5 PRODUCTS COMING OTS
- ** SPI DEMONSTRATION CAPABILITIES
- ** BOOKSTORE BUSINESS PLAN
- ** ATTENTION TO DETAIL: AUTOENCLOSURE/ORDER ACKNOWLEDGEMENTS
- ** DECPLAN/SSP PROGRAM INTERMEDIA PROGRAM

WHY WILL 2ND HALF LIKELY BE DOWN?

* LACK OF NEW SPI PRODUCTS (ONLY 6 NEW PRODUCTS IN ALL OF FY89)

HISTORY OF NEW RELEASES

FY	<u>NEW PRODUCTS OTS</u>
FY85	57 (5 IVIS, 5 OA, 10 ACQUISITIONS) 36
FY86	08
FY87	18
FY88	13
FY89	06 (2 OTS YTD; 15 ORIGINALLY PLANNED)
FY90	N/A

** NO "DCL" VMS COURSES FOR FY89 (53% OF REVENUE)

* EXISTING PRODUCT SET IS AGING

** FY88 TOP 20 PL002 COURSES

* NUMBER RELEASED IN FY88	0
* NUMBER RELEASED IN FY87	4
* NUMBER RELEASED IN FY86	1
* NUMBER RELEASED IN FY85	12
* NUMBER RELEASED IN FY84 (OR EARLIER)	3

** FY89 TOP 20 PL002 COURSES THRU Q1 (ADDITIONS)

* OVERVIEW OF VMS 5	REL FY88
* ULTRIX 32 SYSTEM MANAGER	REL FY86
* V5 AND V4 CO-CONTRIBUTION	

FY88	\$3.355M	47.2%
FY89	\$.801M	45.6%

PERFORMANCE OF NEW RELEASES

<u>FY88 COURSES</u>		<u>FY88</u>	<u>FY89</u>		<u>TOT FY89</u>
			<u>Q1</u>	<u>Q2</u>	
MULTIPROC SYS & APP	EY-3487E	0	2625	10658	13283
VMS V5 SATELLITE SEM	EY-A885E	6851	45762	7166	52928
DATABASE SYS CONCEPTS	EY 3492E	28612	8152	7128	15280
AUTO TEXT CONV VAX SCAN	EY-8252E	779	1398	600	1998
USE VAX DEC/CMS & MMS	EY-8267E	840	2576	9332	11908
RSX-11 SYS MGMT					
GET START VMS WORSTA.					
STANALONE SYS	EY-6750	368	2808	736	3544
GET START VMS WORSTA.					
LOCAL AREA VAXCLUSTER	EY-8263E	2907	2933	368	3301
GET START ULTRIX-32 WKST	EY-8257E	1050	1125	0	1125
PROG X-WINDOWS ON WKSTA	EY-8256E	5337	4482	4074	8556
PROGRAMMING WIT GKS	EY-8266E	1783	2501	1753	4254
LEARN MS-WINDOW PCSA/VAX	EY-8265E	625	0	0	0
LEARN MS-WINDOW PCSA/PC	EY-8268E	715	482	750	1232
		<hr/>	<hr/>	<hr/>	<hr/>
		51916	78225	44614	122839

FY89 COURSES

<u>ULTRIX-32 U&C</u>	EY-8271E		0	683	683
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* AVERAGE REVENUE PER COURSE: \$5826 (6 QTRS.)

- ** PROBLEMATIC FOR FIELD TO DRIVE THIS BUSINESS (OFF BY \$607K SPI, \$184K BOOKSTORES, \$791K TOTAL)
- ** NEED FOR ADDITIONAL MARKETING FUNDING
- ** TYPES OF COURSES ARE NOT KEEPING PACE WITH INDUSTRY SHIFTS
- ** NEW TECHNOLOGIES ARE NOT BEING INCORPORATED INTO PRODUCT DEVELOPMENT
- ** CUSTOMER AND FIELD BACKLASH FROM LONG LEAD TIMES CAUSED BY V5 AND BACKLOG
- ** COURSES ARE NOT BEING KEPT CURRENT
- * V5 UPDATE OF SPI COURSEWARE
 - ** ALL 31 COURSES MINIMUM OF ONE MONTH LATE
 - ** OF 31 COURSES IMPACTED, TWO STILL NOT OTS (4/20/89)
 - ** AVERAGE IS OVER 3 MONTHS LATE
 - ** 7 SCHEDULED TO BE OTS 5 TO 10 MONTHS LATE
- * COURSES ARE NOT MAINTAINED IN A TIMELY FASHION

<u>SOFTWARE</u>	<u>RELEASE RATE</u>	<u>TRAINING OTS</u>
RDB V3.0	7/88	Q1 FY 90
DATATRIEVE V4.1	7/88	Q1 FY 90 (V5.0)
CDD-PLUS V4.0	7/88	Q4 FY 89/Q1 FY 90

- ** SQUEEZE ON DOCUMENTATION (CONSTITUTES 42% OF BOOKSTORE REVENUE)

I OVERVIEW OF PL002 BUSINESS

* FUTURE OUTLOOK

- ** CONTINUED EROSION OF CUSTOMER AND FIELD CONFIDENCE IN PL002 PRODUCTS
- ** DIGITAL'S HARDWARE BUSINESS IS DOWN
- ** HIGH END SALES ARE OFF
- ** HIGH END SALES ARE INCREASINGLY INTO EXISTING NETWORKS AND CLUSTERS
- ** PRODUCTS ARE LATE (V5, ALL-IN-1)
- ** COMPETITION IS BEGINNING TO FORM:

ICON AUTHOR
LOTUS, POSTSCRIPT
DATACOMM CONCEPTS
USING VAX/VMS
UNIX TRAINING
DIGITAL DEVELOPMENT

AIMTECH
ADDISON-WESLEY
THE LEARNING TREE
ERI
THE INSTRUCTION SET
ALI

- ** A SUSTAINED VMS PENETRATION RATE WILL MAINTAIN AN AVERAGE GROWTH RATE OF ONLY 2.6% THROUGH FY92.

II THE OPPORTUNITY

* GROWTH RATE COMPARISONS

	FY84	FY85	FY86	FY87	FY88
DIGITAL	30.7%	19.7%	13.5%	23.7%	22.2%
U.S. DIGITAL	32.1%	12.1%	9.1%	12.8%	15.5%
U.S. ED. SVCS.	50.8%	12.3%	5.6%	12.6%	12.4%
U.S. PL002	12.2%	13.6%	4.9%	11.9%	4.9%
WW SVCS.	N/A	N/A	15%	26%	25%
WW SVC. %REV	31.9%	32.2%	32.8%	33.4%	34.3%

* ATTAIN U.S. GROWTH RATE

* ATTAIN SERVICES GROWTH RATE

* BETTER ALIGN TRAINING PRODUCTS WITH DIGITAL'S SALES

* ESTABLISH FIELD PL002 PLATFORM FOR FIELD/HQ. CHANNELS

* CUSTOMERS ARE INCREASINGLY REQUESTING ALTERNATIVES TO TRADITIONAL INSTRUCTOR DRIVEN TRAINING

* ED. SVCS. IS ADDRESSING A SMALL PORTION OF THE TRAINING OPPORTUNITY. INSTALLATIONS CONSTANTLY EXPANDED - SO TOO DO CUSTOMER NEEDS.

FY89

	FY88	NEW COURSES	Q1	FY88 NEW COURSES	FY89 NEW COURSES	Q2	FY88 NEW COURSES	FY89 NEW COURSES	FY89 TOTAL	FY88 NEW COURSES	FY89 NEW COURSES
OLTP	1321	0	0	0	0	0	0	0	0	0	0
OFFICE	55567	0	17798	0	0	10630	0	0	28428	0	0
VMS	3542654	0	1016337	2625	0	1198022	10658	0	2214359	13283	0
ULTRIX	72079	0	46049	0	0	104122	0	683	150171	0	683
RSX/RSTS	210171	2049	25745	3381	0	19245	2049	0	44990	5430	0
DBMS	413043	28612	91865	8152	0	101901	7128	0	193766	15280	0
NETWORKING	803890	0	127895	0	0	198511	0	0	326406	0	0
WORKSTATIONS	9952	12785	10705	14331	0	5928	7681	0	16633	22012	0
LANGUAGES	207806	0	45518	0	0	49784	0	0	95302	0	0
DIGITAL PRESS	59952	0	12159	0	0	12732	0	0	24891	0	0
RESELLER	116241	0	13065	0	0	16455	0	0	29520	0	0
MICROVMS	637699	0	84632	0	0	67810	0	0	152442	0	0
AI	272230	0	43987	0	0	55920	0	0	99907	0	0
PROGRAMMER PRODUCTIVITY	58358	1619	33734	3974	0	39155	9932	0	72889	13906	0
OTHER	619043	6851	203872	45762	0	195059	7166	0	398931	52928	0
TOTAL	7080006	51916	1773361	78225	0	2075274	44614	683	3848635	122839	683
% OF REVENUE		0.7%		4.4%			2.1%	.0%		3.2%	.0%

POTENTIAL HOME RUNS

1. SPG PROGRAM

- * $500 \text{ O.P.M.} \times 84\% \text{ P. RATE} \times 2 \text{ PROD/ORDER} \times \$750/\text{ACV} \times 25\% \times 12 = \1.890M
- * $1000 \text{ O.P.M.} = \$3.780\text{M}$
- * $\text{AT } 100\% = \$15.12\text{M}$
- * 3/1/89

2. CD-ROM PROJECT (C.C. CBI)

- * FY 89 MINIMAL POTENTIAL
- * FY90 POTENTIAL FOR \$2M FIRST YEAR GOING TO PERHAPS \$4M BY FY92

3. HARMONY PROJECT (W/S TBI)

- * FY89 ON HOLD
- * FY90 \$4.0M FIRST YEAR FORECAST GOING TO \$20M BY FY92

III. PROPOSED PL002 DIRECTION: PRODUCT DEVELOPMENT

- * ADOPT NEW FORMAT STRATEGY AND DEVELOP PRICING MODEL TO SUPPORT IT.

PRODUCT FORMAT MATRIX

	PRODUCT		PRODUCT		INDUSTRY	
	KNOW.	ACQ.	SKILLS	ACQ.	INFORMATION	
	TBI	PL003/SEM	CBI	PL003	VBI	SEM
LOW-END						
o First Time	ALT	PRIM	ALT	PRIM	ALT	PRIM
o Experienced	PRIM	ALT	PRIM	ALT	ALT	PRIM
HIGH-END						
o First Time	ALT	PRIM	ALT	PRIM	ALT	PRIM
o Experienced	PRIM	ALT	PRIM	ALT	ALT	PRIM
EXAMPLE:	Decnet Network Management		Introduction to EDT		DBMS System Concepts	

EXAMPLE: CTP/HARMONY

- * DEVELOP SIMULTANEOUS MULTIPLE PRODUCT FORMATS
- * DIGITAL HAS A STRATEGY

III PROPOSED PL002 DIRECTION: PRODUCT DEVELOPMENT

- * DEVELOP 20 NEW PL002 COURSES IN FY90, WITH AT LEAST ONE IN THE TOP 10 AND 3 IN THE TOP 20. (1:5 100 ACTIVE PRODUCTS)
- * BRING ALL COURSEWARE CURRENT TO REV AND KEEP 30 DAY WINDOW.
- * RELEASE NEW COURSEWARE WITHIN 30 DAYS
- * NEW INSTALLED BASE COUSEWARE (SECURITY, PERF PLNG, CAP PLNG)
- * FOCUS ON LOW-END HARDWARE
- * FOCUS ON WORKSTATIONS (FY88 15,351, FY92 124,250, 75% NET/CLUST, 40% WW REVENUE 1991 \$60B)
- * MAINTAIN FIRST TIME HIGH END DOMINANCE
- * FOCUS ON END-USER TRAINING
- * INCREASE PENETRATION BUNDLING (20% RELIEF) & CD-ROM BASED PRODUCTS
- * ESTABLISH ANNUITY SUBSCRIPTION BASED/CONTINUITY SERVICES. E.G. DIGITAL PRODUCT SERVICE, NETWORK MANAGEMENT TIPS, IBM CONVERSION/CO-EXISTANCE TIPS, EXISTING PRODUCTS
- * REDUCE COST PER PRODUCT

FY88 \$2.3 M	13 NP	\$177K
FY89 \$1.99M	06 NP	\$332K
FY90 \$2.410 (30%)	20 NP	\$121K
- * INCREASED USE OF VIDEO FORMATS
- * JOINT VENTURE FOR DESKTOP TRAINING SOLUTIONS
- * DVN BROADCAST TAPES
- * ELIMINATE CBI STRATEDY GUIDES AND INCREASE PRICING
- * INCREASE TBI/M STUDENT GUIDE PRICING

PL002 PRODUCT STRATEGY

- * MODULARIZE & JOB RELEVANT CURRICULUM (HOW TO APPLY VS. HOW TO USE.)
- * REVISE & ENHANCE BEST SELLERS eg. INTRODUCTION TO COMPUTERS.
- * SEQUENCE TOP 20 FOR U&CI, II, III, SYSTEM MOR I, II, III ETC. ADD
LOW/HIGH END MODULES. U&C \$2.622M TO \$5.244M (1 ADD MODULE.)
- * HOW TIE TO CTS, TMS (TRAINING MGMT. SYSTEM TO KODAK)
- * MORE TIGHTLY CUPLE DIGITAL PRESS TO L/L, SEMINARS AND SPI
- * RENEW CUSTOMER FOCUS:
 - * END USER NON-TECH
 - * ENGINEERING/TECHNICAL END USER
 - * OPERATIONS
 - * SUPPORT
 - * SYSTEM MGMT
 - * APPLICATION DEVELOPMENT
- * RESEARCH DECVIEW
- * TELTUTOR SERVICE FOR NEW COURSES
- * PRE-POST TEST/SYSTEM GUIDED INSTRUCTION
- * TIE TO HELP FUNCTION/CONTEXT SENSITIVE SUPPORT.
- * JUST-IN-TIME TRAINING
- * INTERACTIVE VIDEO (VISAGE 340)

III PROPOSED PL002 DIRECTION: PRODUCT DEVELOPMENT
* IMPLEMENTATION ALTERNATIVES

1. ASSUME PRODUCT MANAGEMENT FUNCTION

- * REPLICATE DEVELOPMENT MANAGEMENT FOR SPI
- * COUNTEND WITH CORP MKTG OVER FINITE ESD&P RESOURCES
- * DUPLICATE CONTACTS INTO HARDWARE & SOFTWARE DEVELOPMENT GROUPS
- * DUPLICATE EFFORT WITH OPERATIONS AND MANUFACTURING
- * ELIMINATE ABILITY TO FOCUS ON ANY OTHER PRODUCT RELATED ISSUES
- * REPLICATE VENDOR/MANUFACTURING PROCESS

2. ASSUME RESPONSIBILITY FOR PRODUCT FUNDING DECISIONS

- * INSURE U.S. PRODUCT REQUIREMENTS ARE MET
- * CAPITALIZE ON STRENGTHS OF EXISTING ORGANIZATIONS
- * ENABLE OTHER PRODUCT ISSUES TO BE ADDRESSED, AND BUSINESS TO GROW
- * ENABLE INVESTIGATION OF JOINT VENTURES
- * ENABLE DEVELOPMENT OF A COORDINATD FORMAT/PRICING STRATEGY

III. PROPOSED PL002 DIRECTION: ADMINISTRATION/OPERATIONS

1. TIE TO FOCUS/MACH I AND ORS (\$5.150M YEAR ONE REVENUE)
2. BECOME PART OF THE COMPANY'S OVERALL OTP STRATEGY
3. INSTITUTE A NEW INVENTORY MANAGEMENT AND BACKLOG CONTROL SYSTEM
4. IMPROVE ON PRODUCT LAUNCH/MARKETING MECHANICS

III PROPOSED PL002 DIRECTION: CHANNELS

1. OPEN UP RESELLERS AS A CHANNEL OF DISTRIBUTION
2. OPEN UP DECDIRECT AS A CHANNEL OF DISTRIBUTION
3. OPEN UP THE ELECTRONIC STORE AS A CHANNEL OF DISTRIBUTION, WITH DEMONSTRATION, "INSTANT ACCESS" AND PURCHASE OPTIONS
4. OPEN NEW CHANNELS AS APPROPRIATE SUCH AS JOINT VENTURES
5. ESTABLISH BOOKSTORES TO SERVE AS PL002 PLATFORM AND ESTABLISH ONE PER AREA (MAY BE MOBILE)
6. COUNTRY WILL CONTINUE TO DRIVE RUN RATE/CHANNELS

III. FY90 MARKETING

1. INTEGRATE PRODUCT AND MARKETING MESSAGES INTO OTHER VEHICLES (eg. SPG Catalog)
2. DEVELOP A "NEXT STEP" MARKETING PROGRAM FOR ALL PRODUCTS
3. DEVELOP A PROCESS OF ONGOING COMMUNICATION WITH THE FIELD VIA AUTOMATIC INCLUSION IN SALES UPDATE, DECsell AND RELATED VEHICLES
4. DEVELOP A PROCESS OF ONGOING COMMUNICATION WITH OUR CUSTOMERS AS PART OF THE AREA DIGESTS AND RELATED VEHICLES eg. THE SIX MONTH CONSULTANT.
5. PL002 DEMONSTRATIONS AVAILABLE ON THE NETWORK WITH MARKETING MESSAGES
6. AUTO-ENCLOSURE FOR ALL HARDWARE/SOFTWARE SALES ON EDUCATION SERVICES OPTIONS
7. GET CLOSER TO THE POINT OF SALE E.G. UTILIZING CREDITS/COUPONS/BUNDLING
8. MARKET RESEARCH IS REQUIRED FOR BOTH CUSTOMERS AND PRODUCT AREAS
9. LEAD GENERATION, AND CONTINUITY CAMPAIGNS
10. PROMOTE IN THE RESELLERS, DECdirect AND ELECTRONIC STORE VEHICLES
11. FRONT END PROMOTIONS WITH INDUSTRY SPECIFIC AND/OR SYSTEMS SPECIFIC MESSAGES
12. MORE TIGHTLY COUPLE DIGITAL PRESS TO ALL FORMAT PROMOTIONS
13. EMPLOY REFERENCES SELLING TECHNIQUES AS OFTEN AS POSSIBLE
14. TARGET HIGH END MANAGEMENT SALE (ED. SVCS. BROCHURE)
15. NEED SEPARATE FOCUS FOR NEW CUSTOMERS VS. INSTALLED BASE
16. MORE TIGHTLY COUPLE SPI TO SIB AND RELATED EFFORTS

III. PROPOSED PL002 DIRECTION: FINANCIAL MODEL

EDUCATIONAL SERVICES		U.S. AREA		CORPORATE MARKETING	
\$10.0M	NOR	\$10.0M	NOR	\$5.0M	TRANSFER MARGIN
(2.0M)	STD COST	(5.0M)	TRANSFER MARGIN	(2.0M)	STD COST
(2.0M)	O/H U.S.	(2.0M)	O/H U.S.	(3.0M)	ENG. CM
(3.0M)	ENG. CM				
<hr/>		<hr/>		<hr/>	
\$ 3.0M	30%	\$ 3.0M	30%	\$0.0	

1. ASSUME \$500.00 INVESTMENT CURRENT SCENARIO & CONSTANT U.S. MARGIN

\$12.5M	NOR	\$12.5M	NOR	\$6.25M	TRANSFER MARGIN
(2.5M)	STD COST	(6.25M)	TRANSFER MARGIN	(2.5M)	STD COST
(2.0M)	O/H U.S.	(2.0M)	O/H	(3.0M)	ENG. CM
(3.0M)	ENG. CM	(.5M)	INVEST		
(.5M)	INVEST				
<hr/>		<hr/>		<hr/>	
\$ 4.5M	36%	\$ 3.75M	30%	\$.75M	
\$ 3.75M	30%				

- o 25% INCREASE IN REVENUE
- o 5:1 RETURN ON INVESTMENT (YEAR ONE)

2. ASSUME \$500.000 INVESTMENT WITH EXTERNAL FUNDING & REDUCED U.S. MARGIN

EDUCATIONAL SERVICES		U.S. AREA		CORPORATE MARKETING	
\$11.0M	NOR	\$11.0M	NOR	\$5.5M	TRANSFER MARGIN
(2.2M)	STD COST	(5.0M)	TRANSFER MARGIN	(2.2M)	STD COST
(2.0M)	O/H U.S.	(2.0M)	O/H U.S.	(3.0M)	ENG. CM
(3.0M)	ENG. CM	(.5M)	INVEST		
(.5M)	INVEST				
<hr/>		<hr/>		<hr/>	
\$ 3.3M	30%	\$ 3.0M	27.3%	\$.3M	

- o 10% INCREASE IN REVENUE
- o 2:1 RETURN ON INVESTMENT (YEAR ONE)
- o UTILIZE DPN TO TRACK AND TRANSFER \$.3M TO EDUCATIONAL SERVICES
- o MECHANICS NOT PRIMARY ISSUE

IV PL002 BUSINESS FORECAST

KEY RECOMMENDATIONS

- * COMMONLY HELD TEAM GOALS
 - ** PRODUCT TIMELINESS TO MARKET (OTS \pm 30 DAYS; TIME TO MARKETING \pm 30 DAYS WITH LAUNCH)
 - ** BACKLOG (\$50,000 STOCK OUT CEILING)
 - ** REVENUE (AT LEAST \$25,000 IN NOR, AT LEAST 80% TOTAL WW PRODUCT REVENUE)

- * U.S. AREA BUSINESS MGMT
 - ** PRODUCT FUNDING DECISIONS
 - ** MARKETING FUNDING DECISIONS

- * PRODUCT DEVELOPMENT
 - ** FORMAT & PRICING
 - ** REDUCE COST PER PRODUCT
 - ** CD-ROM PRODUCT(S)
 - ** DECVIEW
 - ** MORE VIDEO
 - ** INCREASE NEW COURSES FROM FY89 6 TO FY90 20 PLUS REVISIONS
 - ** TELETUTOR
 - ** MODULARIZE
 - ** SEGMENT - U&C I, II, III
 - ** BUNDLE - 20% RELIEF LINE

- * MARKETING
 - ** PIGGYPACK ON OTHER PROMOTIONAL ACTIVITIES
 - ** LOCAL CAMPAIGN FUNDING
 - ** SPI PRODUCT FACT SHEETS
 - ** SPI BROCHURES
 - ** CONTINUITY CAMPAIGNS
 - ** LEAD GENERATION PROGRAM
 - ** SPG PROGRAM PROMOTION
 - ** SPACE ADS - "PRESENCE"
 - ** ADVERTISE WITH OTHER CHANNELS: DDD/ES
 - ** 2 CATALOGS & SUPPLEMENTS

INVESTMENTS

HARMONY	\$500,000	ENG.
CD-CBI	50,000	ENG.
MARCOM DIRECT MAIL	400,000	MARCOM
SALES TOOLS	100,000	MARCOM
TELETUTOR TEST	50,000	ENG.
DEMONSTRATION PAC	25,000	ENG.
BOOKSTORE INVESTMENT	99,000	BOOKSTORE
FOCUS/MACH I	N/A	
MARCOM PIGGYBACK(S)	50,000	MARCOM
NEXT STEP ENC.	<u>15,000</u>	MARCOM
	\$ 1.289M	

PL002 BOOKSTORES/PLATFORMS

THREE YEAR GROWTH PLAN

	FY90	FY91	FY92
NOR			
NEA	1080K	1296K	1555K
MAA	1700	1940	2228
CEA	400	650	780
WEA	650	780	936
ADD 3 IN 1990	750	1200	1950
ADD 2 IN 1991		500	800
TOTAL NOR	4580	6366	8249
EXPENSE			
NEA	610	716	843
MAA	949	1073	1220
CEA	305	429	482
WEA	429	490	570
ADD FIXED EXP	54	76	90
ADD 3 IN 1990	743	914	1287
ADD 2 IN 1991		495	609
TOTAL EXPENSE	3090	4193	5102
MARGIN			
NEA	470	580	712
MAA	751	867	1008
CEA	95	221	298
WEA	221	290	366
ADD 3 IN 1990	8	286	663
ADD 2 IN 1991	0	5	191
TOTAL MARGIN	1490	2173	3147
MARGIN %	32.5%	34.1%	38.2%

U.S. CUSTOMER TRAINING

	DIRECT FY88(000)	DIRECT FY89(FCAST 5.46%INC)	TOTAL FY90(FCAST 5%INC)
NET OPER REV	\$7,855	\$8,284	\$10,871
SVC EXPENSE	3,676	4,142	5,436
GROSS MAR	\$4,179	\$4,142	\$ 5.435
GROSS MAR%	53.2%	50.0%	50.0%
PL002 ADMIN	224 2.85%	282 3.40%	343 10% BUD.
MKTG COMM	258 3.28%	352 4.25%	565
TLMKTG	85 1.10%	124 1.50%	136 9%
FD MKTG	110 1.40%	127 1.53%	140 9%
SLS SLG SVCS	35 .04%	31 .04%	34 9%
OTHER ADMIN	534 6.80%	671 8.10%	738 9%
BOOKSTORE	128 1.63%	139 1.68%	238 (99 INV.)
ALLOCATED EXPENSES	1,246	1,586	2,194
CONT MAR	\$2,933	\$2,556	\$3,241
CONT MAR%	37.3%	30.8%	29.8%

TRANSFER ALLOCATION

SPI	
FY90 (FCAST 9%INC)	20 X 121K = \$2.420M
\$9.030M	21.2% STD. .957
4.515	DEMO PACS .025
	REVISIONS .513
	HARMONY .500
	CD-CBI .050
	TELETUTOR .050
\$4.515M	
50.0%	\$4.515M

U.S. AREA PL002 FORECAST

	<u>REVENUE</u>	<u>Y.O.Y.</u>
FY88	\$ 9.448M	4.9%
FY89	10.353M	9.6%
FY90	10.871M	5.0%
FY91	12.067M	11.0%
FY92(3)	13.756M	14.0%

- * TIED TO DIGITAL PERFORMANCE
- * \$1.2M TO SOFTWARE & ALTERNATE PRODUCTS
- * ASSUMES 5 ADDITIONAL BOOKSTORES
- * ASSUMES NEW PRODUCT STRATEGY FULLY IMPLEMENTED

IV CONCLUSION

THIS PROPOSAL IS INTENDED TO PROVIDE A DIRECTION THAT WILL SUPPORT A PERIOD OF SUSTAINED BUSINESS GROWTH.

EACH SECTION MUST THEREFORE BE REVIEWED AND EITHER APPROVED OR ADJUSTED. TO DO NEITHER IS TO ALLOW THIS BUSINESS TO LANGUISH IN A CONTINUED STRUGGLE TO MAINTAIN THE STATUS QUO.

I N T E R O F F I C E M E M O R A N D U M

Date: 3-Feb-1989 01:34pm EST
From: TIM WALSH
WALSH.TIM AT a1 at CECV01 at BUO
Dept: EDUCATIONAL SERVICES
Tel No: 249-1847

TO: Patrick A. Cataldo
TO: RUSS GULLOTTI @NPO

(CATALDO.PAT AT a1 at CECV01 at BUO)

Subject: DEC TP Update -- Educational Services

In response to Sharon Keillor's memo, I took the following actions:

1. Requested training activity data from the U.S. Area.
2. Conducted a TP Review with my staff on 31 January 1989.
3. Conducted a review with Sharon Keillor on 1 February 1989. Which included the following personnel:

Tim Walsh	ES Corporate Marketing
Sharon Keillor	Software Services Engineering
Paddy Griffin	Software Services Engineering
Jim Stewart	ES Technical Software Marketing Manager
June Whalen	ES Software Services Training Manager
Janet O'Neill	ES Sales & Software Training

In each of the two(2) meetings, the following were addressed:

1. Educational Services position.
2. What do we offer today?
3. What is working?
4. What is not working?
5. What is needed?
6. ES OLTP team.

The next page addresses each of these points.

EDUCATIONAL SERVICES OLTP REVIEW

1. EDUCATIONAL SERVICES POSITION:

Educational Services supports Digital's TP Strategy by providing customer and employee training. ES understands the strategic importance of TP to the Company and; therefore, is investing to develop and deliver training.

(All agreed to this point.)

2. WHAT DO WE OFFER TODAY?

Currently ES offers product training on the following products:

- CDD
- ACMS
- DECintac
- RALLY
- TDMS

3. WHAT IS WORKING WELL?

CUSTOMER TRAINING:

Training activity for RDB and CDD is very good. These products are used by our customers outside the scope of TP and; therefore, are very popular.

ACMS application programming has moderate activity and DECintac has low activity but picking up. DECintac is offered only in the Washington, D.C. Training Center.

SWS AND SALES SUPPORT TRAINING:

Software Services and Sales Support have not requested any training at this time. Sharon will be meeting with Bill Ferry to review his plans. Steve Thomas is now putting plans in place for sales.

4. WHAT IS NOT WORKING?

- License sales for the TP products are low: In FY89-Q1/Q2 seven(7) DECintac licenses have been certified and two(2) shipped. There were some initial problems with this release of DECintac. DECintac has been offered at facility two(2) times; one class with five(5) students and the second class had no enrollments. One on-site was conducted with 18 students -- generating a revenue of \$21K. Current enrollment for future courses show no enrollment.
- Coordinated communication among all the service and sales groups who are responsible for launching TP. This is not to say there isn't communication -- there is. However, it needs to be coordinated by developing a consolidated sales and services strategy/support plan and reviewed on a regular basis. (Sharon took the action item to look into this requirement.)

5. What is needed?

- o Courses -- There is a need to develop the following courses and seminars:
 - TP Design Seminar
 - Distributed TP Design Seminar
 - DECintac System: Management
 - Advance ACMS
 - CICS to DEC TP

(Educational Services will work with SWS/E to get these courses developed -- funding is an issue. Charles Tharp is looking into his resources for assistance.)

- o Coordinated and integrated sales/service plan identifying all of the requirements, resources, timing, messages, and etc. which is regularly reviewed by all to monitor progress and

determine action.

(Sharon Keillor will review and take appropriate action.)

6. ES OLTP Team:

Educational Services has established an OLTP Virtual Business Team (Chaired by Lois Pond) to coordinate all of E/S cross-functional strategy, curriculum and course content, implementation/delivery, marketing/sales, sales messages, and input to the integrated sales/service strategy.

In summary, I felt the meeting was very productive in helping to understand the opportunity and issues. I will schedule a meeting at the end of March to review ES progress.

If you have any questions, please call.

Regards,
Tim

I N T E R O F F I C E M E M O R A N D U M

Date: 31-Jan-1989 08:47am EST
From: Patrick A. Cataldo
CATALDO.PAT AT al at CECV01 a
Dept: Educational Services
Tel No: 249-4200

TO: See Below

Subject: ACTION ITEMS

As a follow-up to yesterday's meeting I have noted the following action items for completion of the operations review to Don Busiek.

1. Please send a copy of your presentation to Judi Knowles [John McLean should provide the European slides from Hermann].
2. Europe - Hermann Binder. You should address the accounting change issue in Europe to see whether any relief can be gained for the change in uplift from .6 to .6.
3. After your phone conversation yesterday, there was also a discussion on bringing in incremental business. Could you please respond to Russ and I directly whether it would be possible for you to discount project-related business that would be delivered by the end of this fiscal year which could improve margin dollars but not margin percent. If you need further details on this, please call either Russ or I to discuss.
4. U.S. Additional details should be provided so that Don can understand the facility issues that are being worked in the U.S. and the cause of the \$1.3M in additional costs.
5. Additional information should be provided on sales costs relative to the \$400,000 of budget charge being received from the field selling units.
6. Please explain the functionality change from VMS V5.0 vs 5.1.
7. Please provide any detailed registration lists of companies who are taking UNIX Systems 5 training.
8. GIA. There was a discussion about backlog but no action item due. Any additional quantification that could be provided for expectation of reducing costs to obtain Q4 budget levels would be helpful.

I believe that this information should be sent to Judi Knowles directly so that she can coordinate the inputs for Don. Please finalize these actions and forward them to Judi as soon as possible so that we can formally complete this review. Thanks again for your help. I'm sure with the focus and dedicated efforts of you and your people, we will be able to improve on our forecasted profit contributions prior to year end.

Regards,
Pat
Dicated not read

Distribution:

TO: TIM WALSH @BUO

TO: ROGER BLOMGREN @AKO
TO: JOHN MCLEAN @BUO
TO: JOE FABRIZIO @BUO
TO: HERMANN BINDER @OUO

CC: RUSS GULLOTTI @NPO

I N T E R O F F I C E M E M O R A N D U M

Date: 31-Jan-1989 09:20am EST
From: DREW BOYD
BOYD.DREW AT al at fpovax at
Dept: EDUCATIONAL SERVICES
Tel No: 283-6210

TO: RUSS GULLOTTI @NPO

Subject: ED SERVICES

Russ,

Perhaps some history would be useful in sizing where we are with the U.S. Admin group around the Educational Services training issues.

I first learned about the training group which Mike Kalagher refers to when I met with Dave Beresford last year. Kathy Friedrich reported to Dave at that time and I met Kathy at that meeting.

Once I understood their training plans and strategies, I suggested to Dave and Kathy that they could enhance the effectiveness of their training operations, by becoming formally integrated among the other employee training functions of Educational Services.

Instead of using Educational Services as they do today, which is more of an a' la carte process of acquiring resources, I offered a more formal approach, where I would represent them as an account of Educational Services.

Through the account management approach I feel we can enhance their training operation by providing a broader scope of training resources and allowing their training function to take advantage of the training infrastructure within Educational Services which FS, SWS, Sales, and other SSMI organizations use. Basically the resources exist, but the demand comes mainly from FS, SWS and Sales. If nothing else, I encouraged Dave to use the E.S. quality assurance system to measure the effectiveness of their own training function and to compare their results with other employee training functions.

Dave was quite receptive about persuing the account management approach and stated that he was not certain anymore if it even made sense for him to manage and develop his own training function.

Following that meeting, I met with Kathy Friedrich on two other occasions. The second meeting was held in Bedford, where the Q/A Group made a formal presentation to Kathy and some of her staff. We offered to customize the Q/A documents somewhat to better fit their organizational profile and offered to connect them to the Educational Service Q/A system and as a seperate account.

Kathy said she would consider the Q/A resources, but indicated that they were fairly satisfied using their own measurement instrument, which is a hybrid of the E.S. Q/A system. I have not heard from Kathy Friedrich since that meeting regarding the Q/A system or any other issue.

Basically Russ, there are excellent training resources available within Educational Services which can enhance most of the other training operations in Digital, such as the operation in Mike's organization. Accessing those

resources is most effective using an account focus where some of the senior managers in E.S. can get involved in the process. Otherwise, it is a project by project approach which over the longer term is more expensive and tends to be narrowly focused.

Hope this helps in your understanding. I beleive we can enhance the U.S. Admin function by integrating some of our expertise into their employee development strategies, but the process must make sense for both groups before we can proceed effectively.

On the other hand Russ, Mike could apply most of these same arguements for why his organization should manage the E.S. DIS function. Maybe these are the real issues after all.

Regards,

Drew

I N T E R O F F I C E M E M O R A N D U M

Date: 25-Jan-1989 09:55am EST
From: John McLean
MCLEAN.JOHN AT a1 at CECV01 a

t BUO

Dept:
Tel No:

TO: PAT CATALDO @BUO

CC: MARIANNE MARSHALL @BUO
CC: RUSS GULLOTTI @NPO

Subject: FY90 BUDGET

As far as sizing next year's budget, Marianne and I are currently working on some scenarios, which involve different combinations of the following:

- A) Projected revenue increases of either 15% or 20% over our current BOD commitment to SSMI.
- B) ACM worldwide targets of either 30% or 33%. The current forecast for FY89 is slightly under 30% while the BOD is almost 34%.
- C) Flat spending (in absolute dollars) by the Corporate Headquarters groups, no change in transfer margin dollars, and a reduction in the FASB86 credit of \$1M.
- D) We will also look at working the model from bottom to top. We will begin with a worldwide bottom line margin of 30% (this year's BOD) then determine what would be required in NOR, ACM and HQ spending requirements. We will also prepare a few iterations by mixing the first three assumptions.

I hope to have something that we can use for a basis of discussion by the end of the week.

Regards,
John

Busiek

D. Busiek

X
Extra

I N T E R O F F I C E M E M O R A N D U M
C O R M T S A L L - I N - 1 S Y S T E M

Date: 27-Jan-1989 08:21am EST
From: Jack Smith
SMITH.JACK AT A1 at CORA at C
Dept:
Tel No: 223-2231

TO: JACK SHIELDS @CORE

Subject: TP

Just a note so you won't be blindsided.

Yesterday, at KHO Woods, the presentation by Ed Muth, U.S. Sales Manager OLTP/Data Management on field readiness for Transaction Processing was a disaster. The thrust of the presentation was that, in the seven months since the initial announcement, nothing of substance has happened in field readiness to sell and service Transaction Processing. No sales/support plans, training classes, people commitments to training, demos and equipment, configuration tools, etc., etc.

This was somewhat embarrassing seeing that, at this past Executive Committee review, Sharon Keillor, TP Field Captain and Don Busiek presented that evrything was in order; planning, implementation, resource commitments, etc., etc. Ken, of course, exploded and jumped on me as the organization responsible for the Transaction Processing business for the lack of field readiness -- why haven't we been screaming to the high heavens, etc., etc.

It would only have been further disruptive to the meeting to push back, so I slid us out of it by saying I would look into the situation and report back at the next Woods meeting on February 15th. Fortunately Bob Glorioso was not in attendance or we would have had World War III going; you know how that goes.

We have a few weeks before the next review. Give me a call and let me know who we should work this with.

Sharon

Fax 338-6202

Russ G.

OLTP/DATA MANAGEMENT
SALES PERSPECTIVE

Edmund H. Muth

Observation #1

**Selling and supporting OLTP and commercial
data management is not “. . . business as
usual. . . ”**

Observation #2

OLTP/data management is:

- support intensive
- service intensive
- tools intensive
- experience intensive
- assurance intensive (YBYB)

Observation #3

**OLTP drives a significant part of our data
management business . . . but data
management is more than just TP**

**I have focused on data management driven
by TP first, because field readiness for OLTP
is more problematic and requires longer lead
times to solve**

JULY, 1988 SALES STRATEGY

- **“Event-” and “product-” focused**
- **Conservative sales goals - 45 deals/\$100M in incremental business**
- **Sales support was targeted for readiness investment**
- **Area “TP Drivers” were named in each geography (few full time)**

PROGRESS REPORT

Good News:

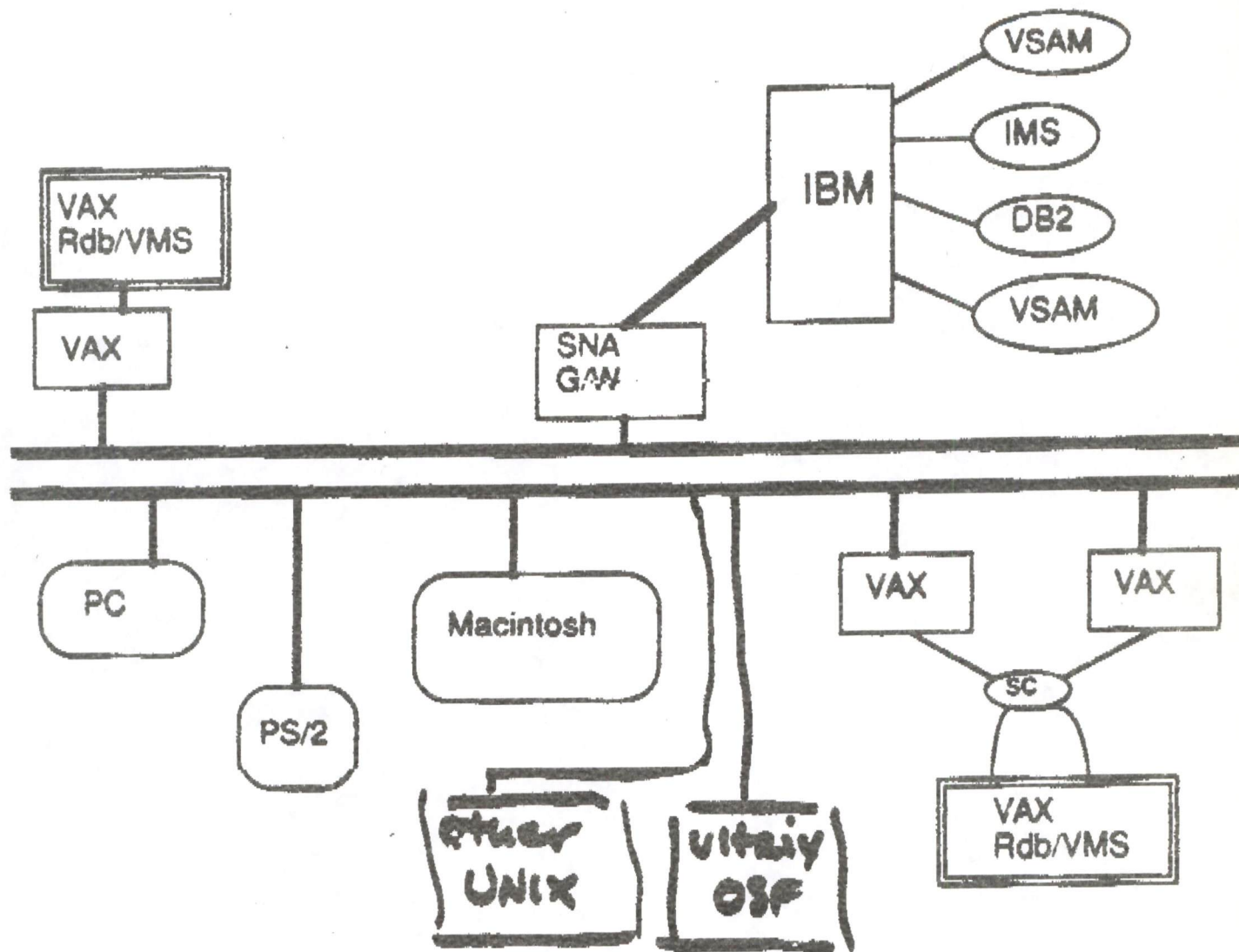
- Digital is a legitimate alternative for leadership technology-sensitive customers
- Digital is a performance player
- Data Management business is growing rapidly since Rdb V3.0

Bad News:

- No dramatic take-off in TP monitor sales
- Inadequate foundation building in most parts of the field organization to support large-scale sales and delivery
- Some product issues

DISTRIBUTED DATABASE

VAX Rdb/VMS, IBM Databases, Desktops



- clear messages
- Field readiness
- configuration & technical aids
- "packaging"; easy to quote & configure
- Demo + /ACT
- PSS model

With respect to customer buying "styles", I believe that we have four kinds of customers -- Technology Driven, Solution Driven, Project Driven and Installed Base -- and that our selling strategies need to reflect each of these

Customer "type"	<-----Stages of the "sales cycle"----->				
	Legiti- mating	Finding	Further- ing	Closing	Deliver- ing
Technology Driven					
Solution Driven					
Project Driven					
Installed Base					

SALES STRATEGY

- Focus on Corporate and NIA accounts through the named Accounts Manager
- "TP/DM Drivers": full time and focused on the 18-22 key districts
- Areas/districts need sales plans to "drive" market development and training plans for FY90
 - how many deals?
 - how much of what kind of support will be required?
 - how many major system engineering assignments?
 - how much large project (PSS) business will be generated?
- Segment the market with specific strategies and programs for the four target industries and the four major customer buying profiles
- Drive sales training based on MAN PLANS

INFRASTRUCTURE

- **Technical Infrastructure**
- **Delivery Infrastructure**
- **Sales Support**
- **Marketing/Sales Programs**
- **3rd Party Solutions**

CONCLUSIONS

- **Focus sales via area plans**
- **Build infrastructure to support much more aggressive goals**
- **Solve product problems where they exist**

● **Aggressively market the "Digital Difference" in interoperability and quality**

Don
① Budgets - going more NOR than reality
② HC in CSS Salem proposal
③

check for CSS too.

Ed SUGS Review

* Show the growth in \$ and % FY88 TO FY89. Did % NOR at the grow?

Pad assumed \$1.5M add'l savings
Heuman 1.1 up next fest
More expenses

* isolate BOB elements to show lower margins eg DDH.

* take lower ~~ROI~~ % Business
Fill more seats by not losing on price.
Don't grow revenues necessarily.

* Headcount flash causing a problem - people highbaling - thousands expected but not hired.

Sales \geq Specialized to ∞ degree
Need to answer Q's re: How decide profit of functions on SIB.

I N T E R O F F I C E M E M O R A N D U M

Date: 25-Jan-1989 09:55am EST
From: John McLean
MCLEAN.JOHN AT a1 at CECV01 a

t BUO

Dept:
Tel No:

TO: PAT CATALDO @BUO

CC: MARIANNE MARSHALL @BUO

CC: RUSS GULLOTTI @NPO

Subject: FY90 BUDGET

As far as sizing next year's budget, Marianne and I are currently working on some scenarios, which involve different combinations of the following:

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I hope to have something that we can use for a basis of discussion by the end of the week.

Regards,
John

I N T E R O F F I C E M E M O R A N D U M

Date: 18-Jan-1989 12:11pm EST
From: Patrick A. Cataldo
CATALDO.PAT AT a1 at CECV01 a
Dept: Educational Services
Tel No: 249-4200

t BUO

TO: PAT CATALDO @OGO
TO: RUSS GULLOTTI @NPO

Subject: MCLEAN MESSAGE ON HIRING RESTRICTION

I N T E R O F F I C E M E M O R A N D U M

Date: 18-Jan-1989 10:35am EST
From: John McLean
MCLEAN.JOHN AT A1 AT CECV01

AT BUO

Dept:
Tel No:

TO: See Below

Subject: ATTACHED: RE HIRING RESTRICTIONS

Distribution:

TO: HERMANN BINDER @OUO
TO: ROGER BLOMGREN @AKO
TO: CHET BOWLES @DLB
TO: DREW BOYD @FPO
TO: PAT CATALDO @BUO
TO: CECIL DYE @OGO
TO: DON ELIAS @BUO
TO: JOE FABRIZIO @BUO
TO: SUSAN GEORGE @PKO
TO: JIM MALANSON @BUO
TO: JOHN MCLEAN @BUO
TO: MEL PIERCE @BUO
TO: ROY STEELE @BUO
TO: CHARLES THARP @FPO
TO: DEL THORNDIKE @BUO
TO: JOLUUT VANDERHOOF T @BUO
TO: TIM WALSH @BUO

I N T E R O F F I C E M E M O R A N D U M

Date: 18-Jan-1989 10:33am EST
From: John McLean
MCLEAN.JOHN AT A1 AT CECV01

AT BUO

Dept:
Tel No:

TO: See Below

Subject: ATTACHED: RE HIRING RESTRICTION

Pursuant to the attached, Marianne will be verifying with you the actual number of permanent and temps/contractors that you had in your respective organizations as of 1/17/89.

Regards,
John

Distribution:

TO: JOE ALBERTI @BUO
TO: GUY PAQUETTE @AKO
TO: PAM BOISVERT @BUO
TO: NANCY BAUSCH @BUO
TO: CHRIS FINGER @BUO
TO: JOE GALLAGHER @FPO
TO: ELAINE JONES @BUO
TO: JOHN LEDOUX @BUO
TO: BOGDAN LJUBIBRATIC @OUO
TO: JACK MAHONEY @BUO
TO: MARIANNE MARSHALL @BUO
TO: DON MINER @MSO
TO: ELLEN OBRIEN @BUO
TO: DENNIS PEARCE @BKO
TO: PAUL RACIOPPI @OGO
TO: STEVE TRAVIS @MKO
TO: BOB BIANCHI @BUO

I N T E R O F F I C E M E M O R A N D U M

Date: 17-Jan-1989 05:12pm EST
From: Patrick A. Cataldo
CATALDO.PAT AT A1 AT CECV01
Dept: Educational Services
Tel No: 249-4200

AT BUO

TO: See Below

Subject: HIRING RESTRICTION

In continuing our efforts to improve the overall productivity of Educational Services for FY'89, effective immediately, all external hiring will be stopped. Replacement requisitions, however, can be approved but must be filled with Digital employees only. This means that each ESMC member has a headcount cap of existing permanent and temporary/contract employees as of January 17, 1989.

This decision has been discussed with Russ Gullotti in a review today and he will continue to manage the business operations until my return.

Distribution:

TO: TIM WALSH @BUO
TO: JOLUUT VANDERHOOF T @BUO
TO: DEL THORNDIKE @BUO
TO: CHARLES THARP @FPO
TO: ROY STEELE @BUO
TO: MEL PIERCE @BUO
TO: JOHN MCLEAN @BUO
TO: JIM MALANSON @BUO
TO: SUSAN GEORGE @PKO
TO: DON ELIAS @BUO
TO: JOE FABRIZIO @BUO
TO: CECIL DYE @OGO
TO: DREW BOYD @FPO
TO: ROGER BLOMGREN @AKO
TO: HERMANN BINDER @OUO
TO: RUSS GULLOTTI @NPO
TO: TOM FITZPATRICK @PKO
TO: KAREN CORBURN @OGO
TO: PHIL HICKS @BUO

1/23
2/16
2/27
→ can I go?

Esme 1/9/88

Dana Lajoie

- competitor in Non-USA. Mike Rensch should RFG.
- R&A. Use them first. Ruggel Kodar.
- FDB is possible.
- Beware Leslie "making us."
- Alan Shay, Dana, Gary Miller, Tom Kramer.
- What happens as Ruggel comes down to Ruggel (non-mil spec)? will compete
- Ray then going to Europe. Are they contacting CSS?? ask Rensch. want Dec to sell for them.

- Solo - there is no delivery strategy. (Emotional ties to Solo)
- this goes away from Dec products
 - 3 man company
 - use of Decvance to replace Solo.

I Deans - Drew Boyd to lead it. Joe F for customer Dani. Need a coordinated ES presentation

Investment/ITJ - not a fractional set of booths. what is strategic plug model for Ed Svcs.

- Meeting is a good start but seems to be missing the benefit of over-riding strategies. People notified at last minute that they will be presenting.

Propose a process to Pat.

Note to Tom/Jam - I don't understand but voice response system as try and needs review. when will we hear a proposal?

* call Cecil a: Investment matter;

* Cecil Dye attend product investment meeting.
Concern over his sole/partner with ESAC.

* Kalagher - has 19 people plus full time person
to develop admin services tag. why not
use ES?
He is perceived as the enemy.
Kathy Friedrich to Steve Zammit.
why doing it himself?

for Glenn - 5% profit margin over 2 yrs
for Paulsen fractions. CSS too?

* 2/6 ok for 1/2 day staff
3/13 BOB meeting

I N T E R O F F I C E M E M O R A N D U M

Date: 19-Jan-1989 01:27pm EST
From: John McLean
MCLEAN.JOHN AT a1 at CECV01 a

t BUO

Dept:
Tel No:

TO: RUSS GULLOTTI @NPO

Subject: ATTACHED: ES Q2 RESULTS/FINAL JANUARY FY89 F/C COMMENTARY

Note we dropped to \$61.0M versus the \$61.4M we talked about. Europe dropped another \$.5M on Monday. I spoke with Pat Monday evening and advised him that we needed to go lower than the \$61.4M.

Give me a call to discuss the whole issue when you return.

Regards,
John

I N T E R O F F I C E M E M O R A N D U M

Date: 18-Jan-1989 01:38pm EST
From: MARIANNE MARSHALL
MARSHALL.MARIANNE AT A1 AT C
Dept: ES HEADQUARTERS FINANCE
Tel No: 249-4226

ECV03 AT BUO

TO: See Below

Subject: Ed Services Q2 Results/Final Jan. FY'89 Forecast Commentary

NOR

NOR for Q2 FY'89 is down by \$1.0M from P-FCST to \$220M. This shortfall was caused by further deterioration in the US Area training business and less than anticipated facility and on-site training in Europe. GIA is holding to its projected NOR for the full year.

To somewhat offset the drop, the US Area will implement selective price increases throughout the areas where we have proprietary advantages. It will implement aggressive pricing to capture more on-site (customer site) business. Europe will also begin aggressively pricing and promoting packaged courseware products to recover its NOR shortfall.

EXPENSES

FY'89 projected expenses based on the January forecast are still high in the US Area and Europe. Europe will review its expense structure specifically for Germany and other countries that are currently running high. The US Area, as well as the rest of Educational Services, will take action to further restrict hiring and to implement additional cost containment measures. The Headquarters organization already has achieved reduction in spending of almost \$6M based on reducing programs and spending restrictions. At this point, however, further cuts will have more and more negative impact on our basic business operations, both immediately and in future quarters. GIA has also succeeded in reducing expenses slightly.

MARGIN

FY'89 FCM has been reduced by \$2.0M from P-FCST to \$61.0M; this is a shortfall of \$5.1M from BOD. In the U.S., the margin shortfall is in excess of \$8M, and Europe is also below BOD by over \$4M. Even with the aforementioned reduction of Headquarters expenses of almost \$6M and better than BOD performance in GIA, we are still forecasting to be below BOD by \$5.1M in total. To prevent further deterioration of margin (12%, or in excess of \$4M vs. BOD), Europe will continue to evaluate its spending. In particular, a review of the German operation (which accounts for most of Europe's

shortfall) is planned next week to find ways to improve its margin performance. GIA paints a relatively bright picture, particularly in Japan, and the Far East in general, and may exceed its present projected margin. The US Area is a major problem whose management is working hard at defining ways to mitigate its present poor performance. Clearly, further Ed Services cost constraints imposed by management will also help the US Area come close to achieving its goals.

ADDITIONAL COMMENTARY

The US Area is doing poorly across the board. Particularly hard hit are the government businesses in Washington and Los Angeles. Also, it is interesting to note that there is a decline (practically a complete stop) in international students attending courses in the US (particularly GIA students), as well as a marked reduction in employees attending customer courses. This overall reduction in activity negatively impacts resource utilization and expense relief.

On the positive side, there are areas that appear promising, and those will be worked very hard. (Note commentary in the Margin section.) US Area management is also optimistic in terms of the large project business on the West Coast, as well as the UNIX/ULTRIX business in New York.

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