U.S.

STRENGTH IN DIVERSITY

~~cc Karen Howard Shane Patterson Some very good suggestions from Peter Foley (USMT) on how we can make diversity real in the USA~~

Diversity Plans

For Every Direct Report

Intragal with Business Plans

Reviewed quarterly as part of regular operations reviews

Succession Planning

9 Box Grid

Cross functional

File Diversity (EEO/AAP)

Committee Participation

Ed Lucente 9 initiatives

Other committees

a' return Ron S.

Speaking Engagements

Invite women + people of color to speak on behalf of Senior Executives for external audiences

Ensure diversity in internal presentations & training sessions

External Recruitment

Establish external recruitment processes to provide pool of qualified women & people of color candidates

External cultural/ethnic group membership - tap into these people for job openings

- Pre-empts need for recruiters fee

Executive Partner Programs

Identify women & people of color for executive partnerships

High Potential Program

Establish Committee to study benefits of implementing Fast Track Program in the U.S.

- Benchmark external programs

- Incorporate mentor program

Directorships

Sponsor and encourage women/people of color membership on external corporate & education Board of Directors

- Raises Digital's personality in the marketplace
- Becomes potential feeder system for diversity candidates

College Hire Program

Implement college hire program that improves diversity in our population & becomes a feeder system for future managers

Russ Gullotti Personal Iniatives

Include small diversity breakfasts/get togethers during customer/field visits — eg group of women a black or Spanish or existing diversity groups etc.

Acknowledgment letters/memos

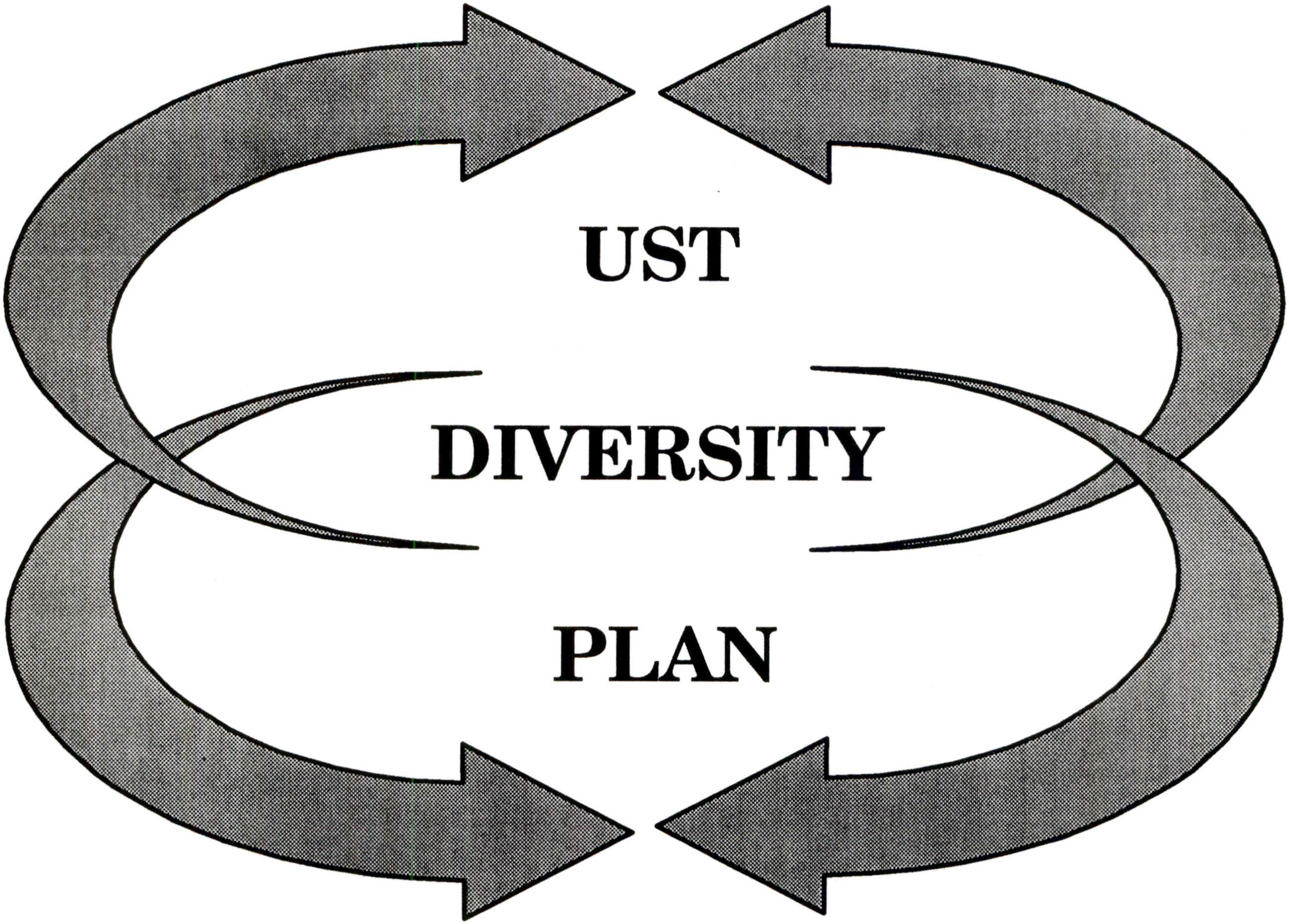
To individuals

To managers who make specific contributions to diversity

memo to ~~[illegible]~~ USMT push them for follow up

Andrea — I want to do this! let's discuss

F-Diversity



UST
DIVERSITY
PLAN

UST Diversity Objectives

* To create and maintain a well managed, engaged UST workforce which is, at all levels, representative of the diversity within our company, our customer base and the communities in which we operate.

Objective #1

» To create and sustain **a work environment** in which each employees' individual and cultural diversity is understood, valued and leveraged to maximize employees' desire and ability to contribute to the success of this enterprise.

Objective #2

» To have **all levels** of the UST organization **reflect** the **diversity** of Digital's employees, customers and markets.

Objective #3

» To establish **management practices and processes** that result in a basis free behavior.

UST DIVERSITY PLAN

Diversity Rationale

* Building a well managed, diverse workforce will give Digital a significant competitive advantage because in so doing we:

  » Increase organizational capacity to assess, understand and respond to the needs and desires of our diverse customer bases in UST.

  » Create work environments that maximize our employees' desire and ability to contribute to the success of this enterprise, and

  » Ensure that we attract and especially <u>retain</u> the best talent available.

* Doing this will result in more business/profit for Digital.

UST DIVERSITY PLAN

Diversity Rationale (Continued)

* A commitment to a diverse workforce is a Core Value for Digital because:

- » It is an essential element in how we demonstrate "Respect for the individual," and
- » It is a key "behavior" that acts as a catalyst for innovation and creativity across the Territory.

UST DIVERSITY PLAN

UST
Current State

* **Objective #1 - Work Environment**

» The absence of a clear, Diversity communication strategy for the UST raise significant questions about our overall commitment to a diverse workforce.

» There is a growing perception at many levels of management and among employees that this is "marginal" work, and they do not understand how this work has direct implications to business success.

» Based on data from employee focus groups, there is some evidence that Minorities and Women do not feel that the Digital environment is supportive of Minorities and Women.

UST DIVERSITY PLAN

U.S. Diversity Focus Group Feedback

» Digital's Norms and Values reflect a culture dominated by White Men.

- Despite a relatively diverse population, control is maintained by a small homogenous group.

» Digital's work environment is not supportive or value difference.

- The "system" demanded that, in one way or another, they conform.

» Management practices are inconsistent at best: Non -existence at worst.

- Performance management system is thought to be subjective and arbitrary
- No formal system for career development.

UST
DIVERSITY
PLAN

UST
Current State
(Continued)

* **Objective #2 - All levels reflect Diversity**

  » Diversity decreasing over last 3 1/2 years.

  » Diversity is less at senior levels than at lower levels.

  » Actions since July '93 in hiring, transition and resignations have not stopped trends.

  » However, all UST workforce plans reflect aggressive Diversity hiring commitments.

UST
DIVERSITY
PLAN

UST OVERALL

Race/Gender Representation

% OF TOTAL

		BLACK		ASIAN		HISPANIC		NATIVE AMERICAN		WHITE	
	Total	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
FY90	35391	4.7	4.1	2.0	1.1	1.9	1.0	0.2	0.1	52.1	32.8
Q2FY94	15031	4.7	3.1	2.3	0.8	2.1	1.0	0.3	0.1	59.6	25.9
90/94	<20360>	0	<1.0>	0.3	<0.3>	0.2	0	0.1	0	7.5	<6.9>

UST
DIVERSITY
PLAN

UST OVERALL

Race/Gender Representation Levels

Q2FY94

	WC2&3	SRI31-37	SRI38-39	SRI40-41	SRI42-CRG	OVERALL
Men (White)	50.2	53.0	65.0	74.4	73.9	59.6
Women (White)	30.9	30.1	23.0	17.2	18.9	25.9
Minorities	18.9	16.6	12.0	8.4	7.2	14.5
All Employees	4,915	3,100	3,902	2,991	111	15,031

UST DIVERSITY PLAN

UST OVERALL

Race/Gender Representation
FY94 YTD

	External Hires	Voluntary Terminations	Involuntary Terminations	Q2 Actual Representation
Men (White)	61.6%	57.6%	56.5%	59.6%
Women (White)	26.7%	25.8%	30.0%	25.9%
Minorities	11.7%	16.6%	13.5%	14.5%
Employees	86	497	200	15,031

UST DIVERSITY PLAN

*UST SALES**

Race/Gender Representation

% OF TOTAL

		BLACK		ASIAN		HISPANIC		NATIVE AMERICAN		WHITE	
	Total	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
FY90	6,483	4.0	3.6	1.0	0.7	1.2	1.1	0.3	0.1	53.7	34.4
Q2FY94	3,236	3.6	3.4	1.3	0.7	1.2	1.3	0.3	0.1	54.7	33.3
90/94	<3,247>	<0.4>	<0.2>	0.3	0	0	0.2	0	0	1.0	<1.1>

* Does not include MCS Sales

UST
DIVERSITY
PLAN

*UST SALES**

Race/Gender Representation Levels

Q2FY94

	WC2&3	SRI31-37	SRI38-39	SRI40-41	SRI42-CRG	OVERALL SALES	UST
Men (White)	1.0	36.4	62.3	76.7	71.1	54.7	59.6
Women (White)	81.3	44.8	26.0	16.6	23.7	33.3	25.9
Minorities	17.7	18.8	11.7	6.7	5.2	12.0	14.5
All Employees	422	451	1,455	860	38	3,236	15,031

* Does not include MCS Sales

01/06/93
DPDIV.PPT

UST DIVERSITY PLAN

*UST SALES**

Race/Gender Representation

FY94 YTD

	External Hires	Voluntary Terminations	Involuntary Terminations	Q2 Actual Representation
Men (White)	54.2%	57.0%	29.4%	54.7%
Women (White)	37.5%	32.4%	52.9%	33.3%
Minorities	8.3%	10.6%	17.7%	12.0%
Employees	24	142	17	3,236

* Does not include MCS Sales.

UST DIVERSITY PLAN

UST
MCS*
Race/Gender Representation

% OF TOTAL

	Total	BLACK Men	BLACK Women	ASIAN Men	ASIAN Women	HISPANIC Men	HISPANIC Women	NATIVE AMERICAN Men	NATIVE AMERICAN Women	WHITE Men	WHITE Women
FY90 (All Services)	23,435	5.1	3.2	2.5	1.0	2.2	1.0	0.3	0.1	56.6	28.0
FY90 (C/S #'s)	13,640	6.3	3.5	2.3	0.7	3.0	1.0	0.3	0.1	58.9	23.7
Q2FY94	6,459	6.6	3.9	2.1	0.6	3.4	1.0	0.3	0.1	60.5	21.5
90(C/S)/94	<7,181>	0.3	0.4	<0.2>	<0.1>	0.4	0	0	0	1.6	<2.2>

* Does include MCS Sales.

UST DIVERSITY PLAN

*UST MCS**

Race/Gender Representation Levels

Q2FY94

	WC2&3	SRI31-37	SRI38-39	SRI40-41	SRI42-CRG	OVERALL MCS	OVERALL UST
Men (White)	60.0	56.4	66.6	64.8	81.8	60.5	59.6
Women (White)	20.1	26.3	19.6	23.7	9.1	21.5	25.9
Minorities	19.9	17.4	13.8	11.5	9.1	18.0	14.5
All Employees	3,774	1,354	874	435	22	6,459	15,031

* Does include MCS Sales.

UST
DIVERSITY
PLAN

*UST MCS**

Race/Gender Representation FY94 YTD

	External Hires	Voluntary Terminations	Involuntary Terminations	Q2 Actual Representation
Men (White)	65.3%	48.6%	40.0%	60.5%
Women (White)	20.4%	29.5%	30.0%	21.5%
Minorities	14.3%	21.9%	30.0%	18.0%
Employees	49	146	20	6,459

* Does include MCS Sales.

UST
DIVERSITY
PLAN

UST
DCS

Race/Gender Representation

% OF TOTAL

		BLACK		ASIAN		HISPANIC		NATIVE AMERICAN		WHITE	
	Total	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
FY90 (All Services)	23,435	5.1	3.2	2.5	1.0	2.2	1.0	0.3	0.1	56.6	28.0
FY90 (EIS #'s)	9,614	3.2	2.6	2.8	1.3	1.4	1.0	0.2	0.1	53.7	33.7
Q2FY94	4,299	3.1	1.6	3.6	1.0	1.3	0.7	0.1	0.1	65.1	23.3
90(EIS)/94	<5,315>	<0.1>	<1.0>	0.8	<0.3>	<0.1>	<0.3>	<0.1>	0	11.4	<10.4>

UST DIVERSITY PLAN

UST DCS

Race/Gender Representation Levels

Q2FY94

	WC2&3	SRI31-37	SRI38-39	SRI40-41	SRI42-CRG	OVERALL DCS	OVERALL UST
Men (White)	24.8	58.2	70.3	78.6	73.1	65.1	59.6
Women (White)	62.2	27.3	17.8	13.0	15.4	23.3	25.9
Minorities	13.0	14.5	11.9	8.4	11.5	11.6	14.5
All Employees	439	1,126	1,341	1,366	26	4,299	15,031

UST
DIVERSITY
PLAN

UST DCS

Race/Gender Representation
FY94 YTD

	External Hires	Voluntary Terminations	Involuntary Terminations	Q2 Actual Representation
Men (White)	61.5%	64.3%	65.5%	65.1%
Women (White)	30.8%	18.1%	21.2%	23.3%
Minorities	7.7%	17.6%	13.3%	11.6%
Employees	13	199	113	4,299

UST FINANCE/OPERATIONS

Race/Gender Representation

% OF TOTAL

		BLACK		ASIAN		HISPANIC		NATIVE AMERICAN		WHITE	
	Total	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Q2FY94	334	2.7	2.4	1.8	3.6	0.3	0.0	0.3	0.3	50.6	38.0

UST DIVERSITY PLAN

UST FINANCE/OPERATIONS

Race/Gender Representation Levels

Q2FY94

						OVERALL	
	WC2&3	**SRI31-37**	**SRI38-39**	**SRI40-41**	**SRI42-CRG**	**FIN/OPS**	**UST**
Men (White)	0.0	33.3	40.6	62.2	66.7	50.6	59.6
Women (White)	82.4	50.0	49.5	26.7	25.0	38.0	25.9
Minorities	17.6	16.7	9.9	11.1	8.3	11.4	14.5
All Employees	17	24	101	180	12	334	15,031

UST DIVERSITY PLAN

UST FINANCE/OPERATIONS

Race/Gender Representation

FY94 YTD

	External Hires	Voluntary Terminations	Involuntary Terminations	Q2 Actual Representation
Men (White)	N/A	100%	66.7%	50.6%
Women (White)	N/A	N/A	33.3%	38.0%
Minorities	N/A	N/A	0%	11.4%
Employees	N/A	3	9	334

UST
DIVERSITY
PLAN

UST MARKETING

Race/Gender Representation

% OF TOTAL

		BLACK		ASIAN		HISPANIC		NATIVE AMERICAN		WHITE	
	Total	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**
FY92	262	0	0.8	0.4	1.5	0	0.4	0	0	55.3	41.6
Q2FY94	337	0.6	1.5	0.6	0.6	0.3	1.5	0.3	0	49.3	45.4
92/94	75	0.6	0.7	0.2	<0.9>	0.3	1.1	0.3	0	<6.0>	3.8

UST
DIVERSITY
PLAN

UST MARKETING

Race/Gender Representation Levels

Q2FY94

						OVERALL	
	WC2&3	**SRI31-37**	**SRI38-39**	**SRI40-41**	**SRI42-CRG**	**MRKT**	**UST**
Men (White)	47.0	33.9	40.5	62.7	80.0	49.3	59.6
Women (White)	47.0	58.9	57.1	32.4	20.0	45.4	25.9
Minorities	6.0	7.2	2.4	4.9	0	5.3	14.5
All Employees	132	56	42	102	5	337	15,031

UST
DIVERSITY
PLAN

UST MARKETING

Race/Gender Representation
FY94 YTD

	External Hires	Voluntary Terminations	Involuntary Terminations	Q2 Actual Representation
Men (White)	N/A	42.9%	100%	41.6%
Women (White)	N/A	42.9%	0	45.4%
Minorities	N/A	14.2%	0	5.3%
Employees	N/A	7	1	337

UST DIVERSITY PLAN

UST Current State (Continued)

* **Objective #3 - Management Practices**

» A commitment to diversity has been communicated by the CEO

» Each UST member has a diversity goal plan for FY94 and beyond

» UST focus on Recognition Programs has produced excellent representation

UST DIVERSITY PLAN

CY '94
Reward & Recognition
Program Results

Top Performer Program:	Eligible	Actual Plan
Females (All)	17%	29%
Minorities (All)	6%	5%

Recognition Program:		
Females (All)	32%	37%
Minorities (All)	16%	16%

Stock (Long-Term) Recognition Program:		
Females (All)	16%	20%
Minorities (All)	6%	7%

COE Program:		
Females (All)	29.4%	31.4%
Minorities (All)	12.0%	11.4%

UST DIVERSITY PLAN

FY94/95
UST
Specific Goals

* **Objective #1 - Work Environment**
  » All people feel equally treated or supported as determined by the 1994 Employee Survey. If not, a plan is in place to correct by next Employee Survey.
* **Objective #2 - All Levels reflect Diversity**
  » External Hiring Goals will be, at least:
    • 18% Minorities
    • 35% Women
  » Representation Goals, by the end of FY'95 will be:
    • Men (White) 55%
    • Women (White) 30%
    • Minorities 15%
  » Each UST Team member will increase diversity of their direct reports.
* **Objective #3 - Management Practices**
  » CY'94 Salary plan is bias free; i.e. performance rating distribution is representative of diversity within the UST and pay is leveraged accordingly.

UST DIVERSITY PLAN

ACTIONS SUPPORTIVE OF UST GOALS

* **Objective #1 - Work Environment**
  - » Publish statement of commitment and goals
  - » Each UST member will participate, regularly, in a multi - cultural experience:
    - • Community based
    - • National Organization: UNCF, LULAC, etc..
    - • Women in Minority Forum
    - • Mentor women or minorities
  - » Develop necessary skills in Manager's to manage diversity and individual contributors to understand and value diversity
    - • Development Program would be regular in frequency, modules (1-2 hours) delivered by line managers.
    - • Topics could include:
      - – Diversity and the Business Connection
      - – How to Build Authentic Cross-Functional Relationships
      - – Building a Diverse Workforce
      - – Using Diversity to Make Good Business Decisions
  - » If employee Satisfaction survey identifies specific issues for women and minorities, plans will be completed to address issues raised

ACTIONS SUPPORTIVE OF UST GOALS
(Continued)

* **Objective #2 - All levels reflect diversity**

» Review hiring against Workforce Plans and other actions:

- Promotions
- Resignations
- Terminations

on a regular basis in each UST member's Quarterly report (Diversity Goal)

* **Objective #3 - Management Practices**

» Review all events: Salary Planning, Recognition, Stock, COE, etc for equity

» Include achievement of Diversity Goal as part of each UST member's performance appraisal

UST DIVERSITY PLAN

OVERALL U.S. TEAM MEMBER ACTIONS

* **Sales and Marketing, MCS, DCS, Finance will develop a Diversity Plan by March 1st**

» The Diversity Plan will include:

- Assessment of their organizations current
  - Environment
  - Representation/Utilization
  - Management Practices
- Set specific goals to
  - Meet the UST goals
  - Specific area of emphasis based on their assessment
- Specific communication strategy to tell all their employees of plan
- Identify any special funding required and review purpose to be used
- All Diversity Plans will include explicit plans for development of women and minorities

UST DIVERSITY PLAN

Russ Gullotti / Scott Roeth

Statements to Release

* Overview UST Diversity Plan including specific Hiring Plans during an upcoming DVN
* Review each quarter, the following actions:
  - » External Hiring
  - » Voluntary Terminations
  - » Involuntary Terminations
* Submit UST Diversity Plan to Bob Palmer

UST DIVERSITY PLAN

Support from Human Resources

* A VTX guide is available for developing plans and recommended actions
* A HR "practice" has been established which will provide:
  - » Develop processes for integrating Diversity and Positive Employee Relations into business plans, practices, and decision making.
  - » Provide Diversity information, consulting services, training, tools and models to clients.
  - » Provide diagnostic methodologies (assessment, etc.) and provide recommended solutions.
  - » Assist in implementation of US business driven events and corporate sponsored programs.

UST DIVERSITY PLAN

UST DIVERSITY PLAN

UST
Diversity Objectives

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Objective #1

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UST DIVERSITY PLAN

Diversity Rationale

* Building a well managed, diverse workforce will give Digital a significant competitive advantage because in so doing we:

- » Increase organizational capacity to assess, understand and respond to the needs and desires of our diverse customer bases in UST.
- » Create work environments that maximize our employees' desire and ability to contribute to the success of this enterprise, and
- » Ensure that we attract and especially <u>retain</u> the best talent available.

* Doing this will result in more business/profit for Digital.

UST
DIVERSITY
PLAN

Diversity Rationale
(Continued)

* A commitment to a diverse workforce is a Core Value for Digital because:
  - » It is an essential element in how we demonstrate "Respect for the individual," and
  - » It is a key "behavior" that acts as a catalyst for innovation and creativity across the Territory.

UST DIVERSITY PLAN

UST Current State

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UST DIVERSITY PLAN

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Current State
(Continued)

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UST DIVERSITY PLAN

UST OVERALL

Race/Gender Representation

% OF TOTAL

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Q2FY94	15031	4.7	3.1	2.3	0.8	2.1	1.0	0.3	0.1	59.6	25.9
90/94	<20360>*	0	<1.0>	0.3	<0.3>	0.2	0	0.1	0	7.5	<6.9>

* Includes all organizational ("Accounting") changes like 3,500 Admin/Logistics employees transferred to Manufacturing and Logistics in July '93.

UST DIVERSITY PLAN

UST OVERALL

Race/Gender Representation Levels

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UST DIVERSITY PLAN

UST OVERALL

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UST DIVERSITY PLAN

*UST SALES**

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UST DIVERSITY PLAN

UST SALES*

Race/Gender Representation Levels

Q2FY94

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UST DIVERSITY PLAN

*UST MCS**

Race/Gender Representation

% OF TOTAL

		BLACK		ASIAN		HISPANIC		NATIVE AMERICAN		WHITE	
	Total	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**
FY90 (All Services)	23,435	5.1	3.2	2.5	1.0	2.2	1.0	0.3	0.1	56.6	28.0
FY90 (C/S #'s)	13,640	6.3	3.5	2.3	0.7	3.0	1.0	0.3	0.1	58.9	23.7
Q2FY94	6,459	6.6	3.9	2.1	0.6	3.4	1.0	0.3	0.1	60.5	21.5
90(C/S)/94	<7,181>	0.3	0.4	<0.2>	<0.1>	0.4	0	0	0	1.6	<2.2>

* Does include MCS Sales.

UST DIVERSITY PLAN

UST
*MCS**

Race/Gender Representation Levels

Q2FY94

	WC2&3	SRI31-37	SRI38-39	SRI40-41	SRI42-CRG	OVERALL MCS	OVERALL UST
Men (White)	60.0	56.4	66.6	64.8	81.8	60.5	59.6
Women (White)	20.1	26.3	19.6	23.7	9.1	21.5	25.9
Minorities	19.9	17.4	13.8	11.5	9.1	18.0	14.5
All Employees	3,774	1,354	874	435	22	6,459	15,031

* Does include MCS Sales.

UST
DIVERSITY
PLAN

*UST MCS**

Race/Gender Representation FY94 YTD

	External Hires	Voluntary Terminations	Involuntary Terminations	Q2 Actual Representation
Men (White)	65.3%	48.6%	40.0%	60.5%
Women (White)	20.4%	29.5%	30.0%	21.5%
Minorities	14.3%	21.9%	30.0%	18.0%
Employees	49	146	20	6,459

* Does include MCS Sales.

UST
DIVERSITY
PLAN

UST DCS

Race/Gender Representation

% OF TOTAL

		BLACK		ASIAN		HISPANIC		NATIVE AMERICAN		WHITE	
	Total	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**
FY90 (All Services)	23,435	5.1	3.2	2.5	1.0	2.2	1.0	0.3	0.1	56.6	28.0
FY90 (EIS #'s)	9,614	3.2	2.6	2.8	1.3	1.4	1.0	0.2	0.1	53.7	33.7
Q2FY94	4,299	3.1	1.6	3.6	1.0	1.3	0.7	0.1	0.1	65.1	23.3
90(EIS)/94	<5,315>	<0.1>	<1.0>	0.8	<0.3>	<0.1>	<0.3>	<0.1>	0	11.4	<10.4>

UST DIVERSITY PLAN

UST
DCS

Race/Gender Representation Levels

Q2FY94

						OVERALL	
	WC2&3	**SRI31-37**	**SRI38-39**	**SRI40-41**	**SRI42-CRG**	**DCS**	**UST**
Men (White)	24.8	58.2	70.3	78.6	73.1	65.1	59.6
Women (White)	62.2	27.3	17.8	13.0	15.4	23.3	25.9
Minorities	13.0	14.5	11.9	8.4	11.5	11.6	14.5
All Employees	439	1,126	1,341	1,366	26	4,299	15,031

UST DIVERSITY PLAN

UST DCS

Race/Gender Representation
FY94 YTD

	External Hires	Voluntary Terminations	Involuntary Terminations	Q2 Actual Representation
Men (White)	61.5%	64.3%	65.5%	65.1%
Women (White)	30.8%	18.1%	21.2%	23.3%
Minorities	7.7%	17.6%	13.3%	11.6%
Employees	13	199	113	4,299

UST DIVERSITY PLAN

UST FINANCE/OPERATIONS

Race/Gender Representation

% OF TOTAL

		BLACK		ASIAN		HISPANIC		NATIVE AMERICAN		WHITE	
	Total	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**
Q2FY94	334	2.7	2.4	1.8	3.6	0.3	0.0	0.3	0.3	50.6	38.0

UST DIVERSITY PLAN

UST FINANCE/OPERATIONS

Race/Gender Representation Levels

Q2FY94

						OVERALL	
	WC2&3	SRI31-37	SRI38-39	SRI40-41	SRI42-CRG	FIN/OPS	UST
Men (White)	0.0	33.3	40.6	62.2	66.7	50.6	59.6
Women (White)	82.4	50.0	49.5	26.7	25.0	38.0	25.9
Minorities	17.6	16.7	9.9	11.1	8.3	11.4	14.5
All Employees	17	24	101	180	12	334	15,031

UST DIVERSITY PLAN

UST FINANCE/OPERATIONS

Race/Gender Representation
FY94 YTD

	External Hires	Voluntary Terminations	Involuntary Terminations	Q2 Actual Representation
Men (White)	N/A	100%	66.7%	50.6%
Women (White)	N/A	N/A	33.3%	38.0%
Minorities	N/A	N/A	0%	11.4%
Employees	N/A	3	9	334

UST DIVERSITY PLAN

UST
MARKETING, TELESELLING, AND DIRECT MARKETING ORGANIZATION

Race/Gender Representation

% OF TOTAL

		BLACK		ASIAN		HISPANIC		NATIVE AMERICAN		WHITE	
	Total	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**
FY92	262	0	0.8	0.4	1.5	0	0.4	0	0	55.3	41.6
Q2FY94	337	0.6	1.5	0.6	0.6	0.3	1.5	0.3	0	49.3	45.4
92/94	75	0.6	0.7	0.2	<0.9>	0.3	1.1	0.3	0	<6.0>	3.8

UST DIVERSITY PLAN

UST MARKETING, TELESELLING, AND DIRECT MARKETING ORGANIZATION

Race/Gender Representation Levels

Q2FY94

						OVERALL	
	WC2&3	SRI31-37	SRI38-39	SRI40-41	SRI42-CRG	MRKT	UST
Men (White)	47.0	33.9	40.5	62.7	80.0	49.3	59.6
Women (White)	47.0	58.9	57.1	32.4	20.0	45.4	25.9
Minorities	6.0	7.2	2.4	4.9	0	5.3	14.5
All Employees	132	56	42	102	5	337	15,031

UST MARKETING, TELESELLING, AND DIRECT MARKETING ORGANIZATION

Race/Gender Representation
FY94 YTD

	External Hires	Voluntary Terminations	Involuntary Terminations	Q2 Actual Representation
Men (White)	N/A	42.9%	100%	41.6%
Women (White)	N/A	42.9%	0	45.4%
Minorities	N/A	14.2%	0	5.3%
Employees	N/A	7	1	337

UST DIVERSITY PLAN

UST Current State (Continued)

* **Objective #3 - Management Practices**
    - » A commitment to diversity has been communicated by the CEO
    - » Each UST member has a diversity goal plan for FY94 and beyond
    - » UST focus on Recognition Programs has produced excellent representation

UST DIVERSITY PLAN

CY '94
Reward & Recognition
Program Results

	Eligible	Actual Plan
Top Performer Program:		
Females (All)	17%	29%
Minorities (All)	6%	5%
Recognition Program:		
Females (All)	32%	37%
Minorities (All)	16%	16%
Stock (Long-Term) Recognition Program:		
Females (All)	16%	20%
Minorities (All)	6%	7%
COE Program:		
Females (All)	29.4%	31.4%
Minorities (All)	12.0%	11.4%

UST DIVERSITY PLAN

FY94/95 UST Specific Goals

* **Objective #1 - Work Environment**

» All people feel equally treated or supported as determined by the 1994 Employee Survey. If not, a plan is in place to correct by next Employee Survey.

* **Objective #2 - All Levels reflect Diversity**

» External Hiring Goals will be, at least:

- 18% Minorities
- 35% Women

» Representation Goals, by the end of FY'95 will be:

- Men (White) 55%
- Women (White) 30%
- Minorities 15%

» Each UST Team member will increase diversity of their direct reports.

* **Objective #3 - Management Practices**

» CY'94 Salary plan is bias free; i.e. performance rating distribution is representative of diversity within the UST and pay is leveraged accordingly.

UST DIVERSITY PLAN

ACTIONS
SUPPORTIVE OF UST GOALS

* **Objective #1 - Work Environment**

- » Publish statement of commitment and goals
- » Each UST member will participate, regularly, in a multi - cultural experience:
  - Community based
  - National Organization: UNCF, LULAC, etc..
  - Women in Minority Forum
  - Mentor women or minorities
- » Develop necessary skills in Manager's to manage diversity and individual contributors to understand and value diversity
  - Development Program would be regular in frequency, modules (1-2 hours) delivered by line managers.
  - Topics could include:
    - Diversity and the Business Connection
    - How to Build Authentic Cross-Functional Relationships
    - Building a Diverse Workforce
    - Using Diversity to Make Good Business Decisions
- » If employee Satisfaction survey identifies specific issues for women and minorities, plans will be completed to address issues raised

UST DIVERSITY PLAN

ACTIONS SUPPORTIVE OF UST GOALS
(Continued)

* **Objective #2 - All levels reflect diversity**

» Review hiring against Workforce Plans and other actions:

- Promotions
- Resignations
- Terminations

on a regular basis in each UST member's Quarterly report (Diversity Goal)

» Establish a consistent resource identification and review program that supports the UST's ability to achieve it's business and diversity objectives.

* **Objective #3 - Management Practices**

» Review all events: Salary Planning, Recognition, Stock, COE, etc for equity

» Include a Diversity Review as part of each UST member's performance appraisal

UST DIVERSITY PLAN

OVERALL
U.S. TEAM MEMBER ACTIONS

* **Sales and Marketing, MCS, DCS, Finance will develop a Diversity Plan by March 1st**

» The Diversity Plan will include:

- Assessment of their organizations current
  - Environment
  - Representation/Utilization
  - Management Practices
- Set specific goals to
  - Meet the UST goals
  - Specific area of emphasis based on their assessment
- Specific communication strategy to tell all their employees of plan
- Identify any special funding required and review purpose to be used
- All Diversity Plans will include explicit plans for development of women and minorities

UST DIVERSITY PLAN

Russ Gullotti / Scott Roeth

Statements to Release

* Overview UST Diversity Plan including specific Hiring Plans during an upcoming DVN
* Review each quarter, the following actions:
  * » External Hiring
  * » Voluntary Terminations
  * » Involuntary Terminations
* Submit UST Diversity Plan to Bob Palmer

UST DIVERSITY PLAN

Support from Human Resources

* A VTX guide is available for developing plans and recommended actions
* A HR "practice" has been established which will provide:
  - » Develop processes for integrating Diversity and Positive Employee Relations into business plans, practices, and decision making.
  - » Provide Diversity information, consulting services, training, tools and models to clients.
  - » Provide diagnostic methodologies (assessment, etc.) and provide recommended solutions.
  - » Assist in implementation of US business driven events and corporate sponsored programs.

U.S. DEMO CENTER PROGRAM

PROPOSAL

July 19, 1993

By Jane Longpre
Barbara Chabrier
and Paul VanCleve

U.S. DEMO CENTER PROGRAM PROPOSAL
July 19, 1993

By Jane Longpre
Barbara Chabrier
and Paul VanCleve

Proposal:

* To provide demonstration capabilities across the U.S. in support of the RMC and CBU efforts to close business

* To provide funding, management, and support of a U.S. wide, client/server demonstration capability

Assumption:

* That the correct number of field located Demo Centers is 80, comprised of 10 large, 30 medium, and 40 small Centers

Note: At present there are 67 Demo Centers within the US Demo Center Program, and approximately 20 Centers which are being maintained via Rot/Con. It should be noted that IBM and HP maintain Demo Centers in every branch office. (re: Attachment A)

FY94 Proposed Investment:

Capital Budget:

(1)	80 Centers and network	$2,600K	

Expense Budget:

(2)	Field resources required to manage 80 Centers	$4,950K	
(3)	Depreciation budget for 80 Demo Centers	$1,770K	(Funded - CPP)
(4)	U.S.-wide demonstration network	$1,280K	(Funded - Sales HQ)
(5)	Resource Group at HQ	$1,990K	(Funded - Sales HQ)
(6)	IBM connectivity	$1,000K	(Funded - Sales HQ)
(7)	Facilities for 80 Demo Centers	TBD	
		$10,990K	

FY'94 Proposed Investment (Continued)

This investment is required to be able to showcase products and solutions to customers as well as to demonstrate strategies and technologies. This investment also saves the corporation money as it eliminates much of the need for off-site announcements and other marketing events. In New York City alone there was a savings of $1,246K in FY93 through using the Solution Center instead of hotels.

1. Capital Budget $2,600K

Based on forecasted products to be added to the Demo Centers during FY94, plus additional 15 Centers to be added. This capital budget is managed by the HQ Resource Group. Refer to Attachment B.

2. Field Resources Required to Manage 80 Centers $4,950K

In the past, Sales Support funded and delivered the system and demo management that Demo Centers require. As there are many small Centers, this staffing has often been in the form of part-time, or after hours, work by many of the Sales Support people in the facility. Large Centers had dedicated staff.

The effort that it takes to manage a demo Center has never been fully recognized. And it is critical that a single designated person be responsible for a Center, rather then sharing the responsibility amongst several people. The most successful Demo Centers in the country have done that.

The reasons are:
1. In order to ensure that the Center stays in maximum operating condition, with known software configurations. This can only be accomplished when one person is in charge.
2. In order for the Resource Group in Sales HQ to develop tools and capabilities to off-load the work of the demo Centers, it is critical that designated people are in place to implement those tools.

The management of a Demo Center is a lower level responsibility then most of Sales Support's other activities.

There are two types of support and management which are needed. One is administrative and one is technical. This proposal splits the responsibilities along those lines and takes advantage of resources that are already existing in many sales offices.

2. Field Resources Required to Manage 80 Centers (Continued)

1. Admin

Each RMC needs one full-time person who is the team leader across the RMC for establishing procedures and standards for customer visits. That person will work with people in each of the sales offices who will provide the logistic support for the local Demo Center. This part-time responsibility per Demo Center could be done by a Secretary or Receptionist already in place.

Funding:

Team leader per RMC: (5 * $50K)	$ 250K
Full-time Admin at 10 Centers ($40 * 10)	$ 400K
Partial Admin at 70 Centers ($40 * 1/4 * 70)	$ 800K
Total	***$1,350K***

This investment should be funded by the CBUs as part of the RMC infrastructure. The Team Leaders will report to the RMMs.

2. Field Resources Required to Manage 80 Centers (Continued)

2. System Management

In the small to medium Centers this work could be done by a junior person at a Cost/Year of $50K, rather then by the higher level professional with a $135K cost/year.

There are several places to secure this person:
1) new college hire program
2) local IM&T
3) local MCS person

This would be an ideal experience for someone who aspires to a sales or sales support position.

The larger Centers (New York in particular) have a full-time staff that does all of the demoing, thus relieving traditional Sales Support from this responsibility. Therefore, their costs are calculated at the full amount.

Funding:

1. 1/2 person for 70 Satellite Centers ($50K * .5 * 40)	$1,750K
2. 2 persons for 10 Standard-plus Centers ($50K * 10)	$ 500K
($135K * 10)	$1,350K
Total	***$3,600K***

This investment should be part of the CBU funding to Sales Support.

Note: (A) Jane Longpre will work with the RMMs to define the best staffing solution per Demo Center.

In the interim Sales Support should allocate the required resources on a shared or part-time basis to manage the Demo Centers. This responsibility should be measured and rewarded.

(B) Sales Support will continue to be responsible for building and running their technology or solution specific demos.

3. Depreciation for 80 Demo Centers: $1,770K

Average cost of depreciation per Demo Center in FY94 will be: $22.125K

Most of the existing 65 Demo Centers in the US have been provided with a "standard hardware core model" of equipment. This core model is the minimum required to showcase a demonstration of Digital's computing advantage. It consists of a server and a suite of desktop equipment representing Digital's strategic desktop environment. The standard core model costs approximately $25K per year for depreciation.

A few Demo Centers have been provided with "satellite core models" which includes a minimum of desktop equipment; these Centers tie back to a standard Center whenever a server is required. The satellite core model costs approximately $13K per year for depreciation.

These two core models have been managed as a franchise operation. This means that the District Managers (AGMs in the past) authorized and funded the Centers and the Resource Group defined, acquired, and distributed the equipment. This allowed the US to realize an economy of scale as, previously, all districts had defined and acquired their own suite of equipment. This franchise concept also meant that all Centers were exactly the same configuration, which allows corporate entities to develop demos for a known field environment. It also builds the infrastructure for Business Partner usage of the Demo Centers.

Many of the largest Centers require equipment beyond the core model. These are called "extension kits" and are optional extras to each Center. These extension kits (for example, the "imaging extension kit") are defined, budgeted (capital), and acquired by the Resource Group. The Districts are responsible for the depreciation.

Note: Some Demo Centers also received or acquired equipment through other organizations such as the Industry Marketing Groups. This will continue as CBUs commit additional resources to the Centers. When the CBUs add industry-specific hardware they will need to also fund the depreciation on that hardware.

Funding for Equipment Depreciation:

1. for 40 Satellite Centers ($13K * 40)	$ 520K
2. for 30 Standard Centers ($25K * 30)	$ 750K
3. for 10 Standard-plus Centers ($50K * 10)	$ 500K
Total	***$1770K***

3. Depreciation for 80 Demo Centers (Continued)

In FY'94, the equipment should be funded as part of the cost/person for U.S. Sales. This cost was included in the advise package given by U.S. Sales to the CBUs.

Note: Jane Longpre will work with the RMMs to define the large, medium, and small Centers per RMC. Some of the existing medium Centers will switch to small.

(4) U.S.-wide demonstration network $1,280

Circuit	$ 750
Operations	$ 200
Depreciation	$ 200
Field Service	$ 130
	$1,280

Multi-protocol (TCP/IP, DECnet, and OSI) network of servers and routers linking Demo Centers together and providing client/server demostration infrastructure.

(5) Resource Group $1,990

Headcount	$1,330
Lab & Super Server (Depreciation & Field Service)	$ 660
	$1,990

See Attachment C

(6) IBM connectivity $1,000K

Multi-vendor connectivity utilizing IBM Resource Center in Littleton. Usage of this Resource Center is critical to proving IBM interconnect abilities and winning very large system sales.

FIELD OFFICE SURVEY

RESULTS

"Demos-To-The-Field"

DEMO'S-TO-THE-FIELD PROPOSAL
May 24, 1993

Authored by
U.S.: Jane Longpre
Europe: Herman Greeve
GIA: Frank Heim

Objective:

* To equip the local Demo Centers worldwide with appropriate software demonstration capabilities

* To enhance the relationship between Corporate (Engineering & CBUs) and the Field so that there is an economy of scale realized in the development of demonstrations

* To increase revenue and to decrease cost of sales

Today's Worldwide Field Demo Center Infrastructure

Demo Center	# Centers	# Visits/Events Per Year	# Customers Per Year
Europe	30	26,000	116,000
GIA	21	8,000	120,000
U.S.	65	29,600	112,000
Total	**116**	**63,600**	**348,000**

Source: Survey of Demo Centers worldwide with 40% response rate; responses were 27 from US, 11 from Europe (6 countries), and 8 from GIA (4 countries)

Why Do We Demo To Customers?

* To showcase and explain our strategy or solution

* To prove our competitive advantage

* To excite

* Effective weapon to ***close business***; "Seeing is Believing"
(Survey in Europe found demos are critical to close business)

* Customer requirement (especially when 3rd party software is involved)

Demos-To-The-Field Proposal (Continued)

Where Do We Demo To Customers?

* Tradeshows, roadshows, announcements, DECworld
  - Very exciting and impressive
  - Presents Digital as substantial vendor
  - Raises awareness
  - Generates leads
  - Helps close sales

* In remote but specialized Demo Centers
  - Focused on specific industry
  - Customized to address the customer's specific business problem
  - Can apply more expensive hardware resources
  - Helps to close large opportunities

* In local Sales Offices and Demo Centers
  - Generates trust in capabilities and talents of local office
  - More convenient for customer; higher probability of luring decision maker and will attract more people from the customer
  - All of Account Team can attend when necessary
  - Fits into the customer's project schedule
  - Supports opportunities that require multiple visits
  - Permanency of center supports growing relationship with customers
  - Creates ad hoc opportunities for new business; keeps customer returning to the center to see the latest
  - Generates interest to attend larger event
  - Are used to follow-up on larger events
  - Helps avoid benchmarks
  - Better alternative then loaners which do not get proper attention at the customer site
  - Reduces sales expense (travel)
  - Reduces customer expense (travel); many customers refuse to travel
  - Flexibility
  - Motivates Sales when they can say YES to customer request for demo
  - Supports small local events, seminars, announcements
  - Allows customers to trial port (to ALPHA) before purchasing
  - Sales and Sales Support training on latest products without travel
  - Can meet government security requirements

* All venues have merit and command a place in the sales cycle.

Tradeshow/Roadshow	Lead generation
Large corporate centers	Industry focus with maximum expertise
Local centers (large & small)	Local environment focus
	Quick to respond to local needs

Demos-To-The-Field Proposal (Continued)

What Does The Competition Do?

Source: IDC and HP employee - numbers are for US only; can extrapolate importance these vendors place on demo'ing

Company	# Demo Centers	VAR Usage	Comments
IBM	100+-	Free	One of their best programs; best of all the competition, easy access; demos, events, seminars
HP	60	Free	Easy access; VAR support; Demo Center in every Sales branch office(45); large demo center per regional office(15)
Apple	13	Free	Product demos, seminar support
NCR	6	Free	Limited functionality per Demo Center
SGI	TBD	Free	In every branch office; entire line of products
SUN	TBD	Free	In every branch office; formal Demo Centers
Microsoft	21	Free	Most equipment provided free by PC vendors

What Are The Characteristics Of A Good Demo?

* Distinguishes us from competition
* Short, concise, foolproof
* Very little prep required
* Customized to specific opportunity, based on customer requirements
* Given at appropriate moment in the sales cycle
* Stable, consistent
* Exciting (audio, video, graphics, animation)
* Supports Digital's strategic messages
* Relevant across lines of business
* Seamlessly integrates with other demos
* Kept current, supported

Demos-To-The-Field Proposal (Continued)

What Are The Characteristics Of A Good Demo? (Cont.)

* ***Quality*** is measured by meeting the stated objectives of the demo, by Sales wanting to bring customers to see it, when it supports the sale with little effort, and the message supports the selling process; quality only comes when there is a good plan

What's Wrong Today (Bad News)

* There is little or no effort placed on porting demonstrations, initially built for specific single events, so that they are usable in the field.

* Typically, demo developer is also demo presenter so documentation, installation procedure, etc., are not created.

* No standards have been applied so a multiple of styles are used; very difficult for another person to understand and replicate.

* Every field office creates demos to meet their local needs. This results in redundancy of effort, inconsistency of message, non-competitive demo.

* Customers get excited by DECworld, roadshows and tradeshows and want further discussion at home office. Because demos were not distributed or documented, local office is unable to recreate them. Result is customer believes: (1) it was smoke and mirrors; (2) it is not as easy as Digital says to develop an interoperable environment, and/or; (3) Digital is weak locally.

(Last DECworld, there were 220 exciting demos of solutions, technologies and products. Only 11 demos were made available to the field.)

Corporate Demo Development Costs Today
(for multi-platform demo)

Demo Development:	$22.7K per demo/per event
Porting:	$15.6K per Demo Center

If 50 field offices port a specific demo, total investment is $802.7K (22.7 + (15.6 * 50))

Demos-To-The-Field Proposal (Continued)

What's Right Today (Good News):

* DEC Standard 206	New standard for developing demos so that they can be easily distributed, customized, and supported
* Documentation Template	Tool that follows a standard format and defines what information is needed
* Demo Library Index	OPAL
* Demo License Agreement	For third party software (Demo Resource Group will negotiate royalty-free arrangement with third parties)
* Hardware Standard	Every U.S. Demo Center has exactly the same configuration of equipment (hardware core model); several non-U.S. centers follow this standard; it is latest Digital strategic desktop product set
* Network	Phase V network tying together most U.S. Demo Centers as well as several non-U.S.; ties into IBM and other strategic resources; also provides true client/server stable environment for demo'ing
* Demo Resource Group	In place to support the Demo Centers and to work with corporate to aid in the delivery of demonstrations to those centers

What Still Needs To Be Done?

* The investment is already being made. Engineering and the CBUs already fund and develop demos, for roadshows, tradeshows, and specific large opportunities. The field also develops demos for specific opportunities. All demos need to be created using consistent application development and system management practices which will support the usage of those demos in other venues, such as Demo Centers, worldwide.

* All demo developers must also document their demos so that others can install and use them. They need only use the DECwrite demo documentation template available from the Demo Center Resource Group.

What Still Needs To Be Done? (Cont.)

* All demo developers should register their demos through OPAL. This registration procedure includes identifying how to obtain the demo.

* Demos must be made available over the network and supported by the developers. This support is only for the demo itself. Supporting the environment will be done by the appropriate geographies. (i.e., U.S. supports U.S.; Japan supports Japan; Germany supports Germany). Any country using English language for demo'ing should be able to show all corporated developed demos without significant prep work.

* Some demos should be delivered remotely (such as IBM connectivity, database access demos, client/server demos, etc.). The territories are responsible for the demo'ing infrastructure; the CBUs and Engineering must collaborate with the territories to define and implement remote demos.

* U.S. Sales will provide support for the demo developers in order for them to build demos that are executable worldwide. We will provide a lab for testing. (It is important to note that demos that work on the systems they were developed on may not work elsewhere. It is critical that this testing take place in another environment such as the Resource Group's lab.)

* Local sales office Demo Centers will be funded by the geographies for hardware, system management, and demo delivery.

Demo Development Costs
(after above process is in place)

Demo Development:	$25.6K per demo (once)
Porting costs:	$ .3K per Demo Center

If 50 field offices port a specific demo, total investment is $40.6K (25.6 + (.3 * 50))

Demos-To-The-Field Proposal (Continued)

Next Steps:

* Close working relationship between the corporate organizations (Engineering, CBUs) and the territories in order to plan for new capabilities and to forecast the delivery of hardware and software (both Digital and third-party) to meet shrinking windows of opportunity

  This should be accomplished by formal support from Engineering and CBU management for this relationship and through linking the territories at appropriate on-going forums within Engineering and the CBUs.

* Engineering and the CBUs should plan for the distribution of demonstrations by creating them so that they can be installed and supported in Demo Centers worldwide

* All roadshow, tradeshow, etc. demos should always be ported so local office can follow-up

  The U.S. Demo Center Resource Group will work with any Engineering or CBU Demo Development Group to support this effort.

* It is important that we understand the total investment that the corporation is making in demo development in order to track improvements.

  The U.S. Demo Center Resource Group commits to work with Engineering to track field porting costs of corporately-developed demos.

Imagine If:

* We gave better demonstrations of equipment and solutions
* We saved money by the use of standards
* We saved money by eliminating redundancy of demo creation
* We were consistent in our messages to customers
* The field spent time adding value by customizing, not building basics
* We improved quality by testing internally first
* We increased revenue by meeting customers' demonstration requirements

CAPITAL BUDGET

5/18/93
1st Pass Edited

FY 94 CAPITAL BUDGET/FORECAST
PRELIMINARY FORECAST

DEMO CENTER/OPENNET PROGRAM OFFICE

PRODUCT	QTY/UNIT COST	Q1	Q2	Q3	Q4	TOTAL
Standard Core Models	10 @ $63,000	104.0	104.0	142.0		
Rot/Con IEG		75.0	75.0	100.0		
Rot/Con Field		5.0	5.0	5.0		
DIAL		5.0	5.0	5.0		630.0
Satellite Core Models	5 @ 31,000	62.0	62.0	31.0		155.0
ULTRA(200 mhz Flamingo Rot/Con	5 @ $22,750	113.8				113.8
Flamingo Plus (Upg)	10 @ 2,200	22.0				22.0
Sandpiper Plus (Upg)	10 @ 2,200	22.0				22.0
VAX4000/700A (Upg)	10 @ 2,100	21.0				21.0
R4000's (5K240 Upg)	15 @ 1,400	21.0				21.0
Morgan Dsktp Alpha PC	85 @ 3,700	277.5	18.5	18.5		314.5
Alpha Graphics Upg.	85 @ 2,200	165.0	11.0	11.0		187.0
Video Equipment External Purchase	40 @ 1,512	30.3	30.2			60.5
PC Multimedia External Purchase	50 @ 2,000	50.0	50.0			100.0
Storage Options	30 @ 2,600	26.0	26.0	26.0		78.0
Morgan Chip UPg.	85 @ 1,200			102.0		102.0
Mustang Alpha PC	85 @ 1,800			153.0		153.0
Mobile Computing DECconnect Prod.	85 @ 2,100			178.5		178.5
Low Cost Color Prntr	85 @ 1,500			75.0	52.5	127.5
JV2	40 @ 1,100	11.0	11.0	11.0	11.0	44.0
Token Ring External Purchase	7 @ 8,000	16.0	16.0	16.0	8.0	56.0
OPEN/net						
Site Routers	40 @ 1,600	64.0				64.0
Backbone Routers	7 @ 10,500	73.5				73.5
		1031.5	394.8	836.6	70.5	2523.3

(Assume 85 D.C.'s)
(5% IEG increase added)
(Core Model includes 5K/240)

RESOURCE GROUP

FY'94 PLAN

U.S. OPEN/net

U.S. Demo Center Program

BUSINESS PROBLEM

- DELIVERING DEMONSTRATIONS IN FIELD IS CONSIDERED TO BE HIGH RISK:
  - TIME CONSUMING
  - VOLATILE ENVIRONMENT
  - LACK LUSTER DEMOS
  - NO STANDARDS
    - HARDWARE
    - SOFTWARE
    - DOCUMENTATION

U.S. OPEN/net

U.S. Demo Center Program

VISION - July 1, 1993

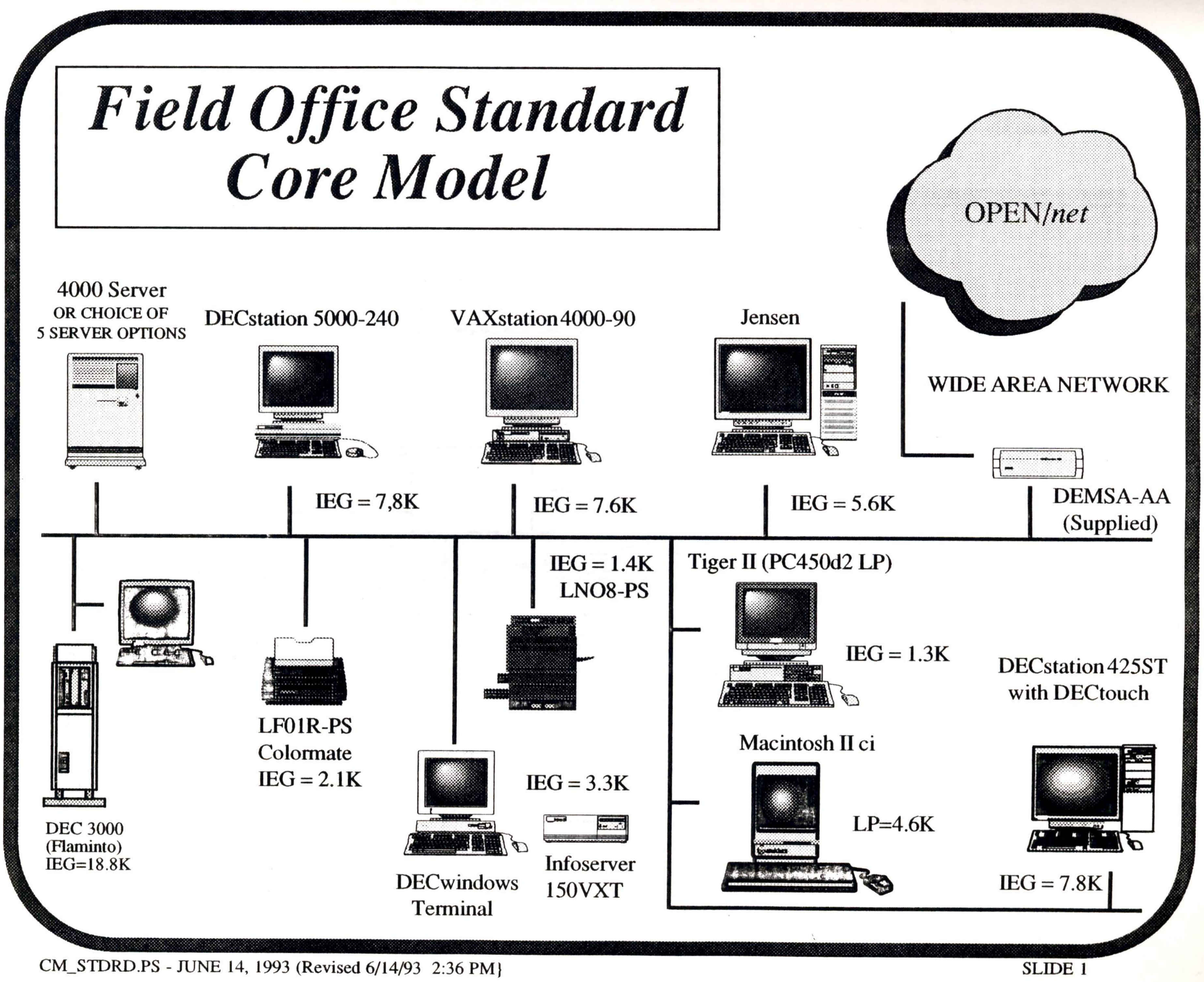
- **DEMO CENTERS ARE A SERVICE, NOT A FACILITY**
- **DEMO CENTERS WILL EXIST IN MOST SALES OFFICES, AND WILL BE DESIGNED APPROPRIATELY TO ADDRESS BUSINESS UNIT OPPORTUNITIES**
- **DEMO CENTERS WILL SHOWCASE DIGITAL'S LATEST BUSINESS & PRODUCT SOLUTIONS**
- **DEMO CENTERS WILL BE EXTENDED BEYOND THE LOCAL ENVIRONMENT WITH A NETWORK OF DISTRIBUTED CLIENT/SERVER DEMONSTRATIONS**
- **CONSISTENT MARKETING MESSAGES WILL BE DELIVERED TO CUSTOMERS ACROSS ALL DEMO CENTERS**

U.S. OPEN/net

U.S. Demo Center Program

PROGRAM STRATEGIES

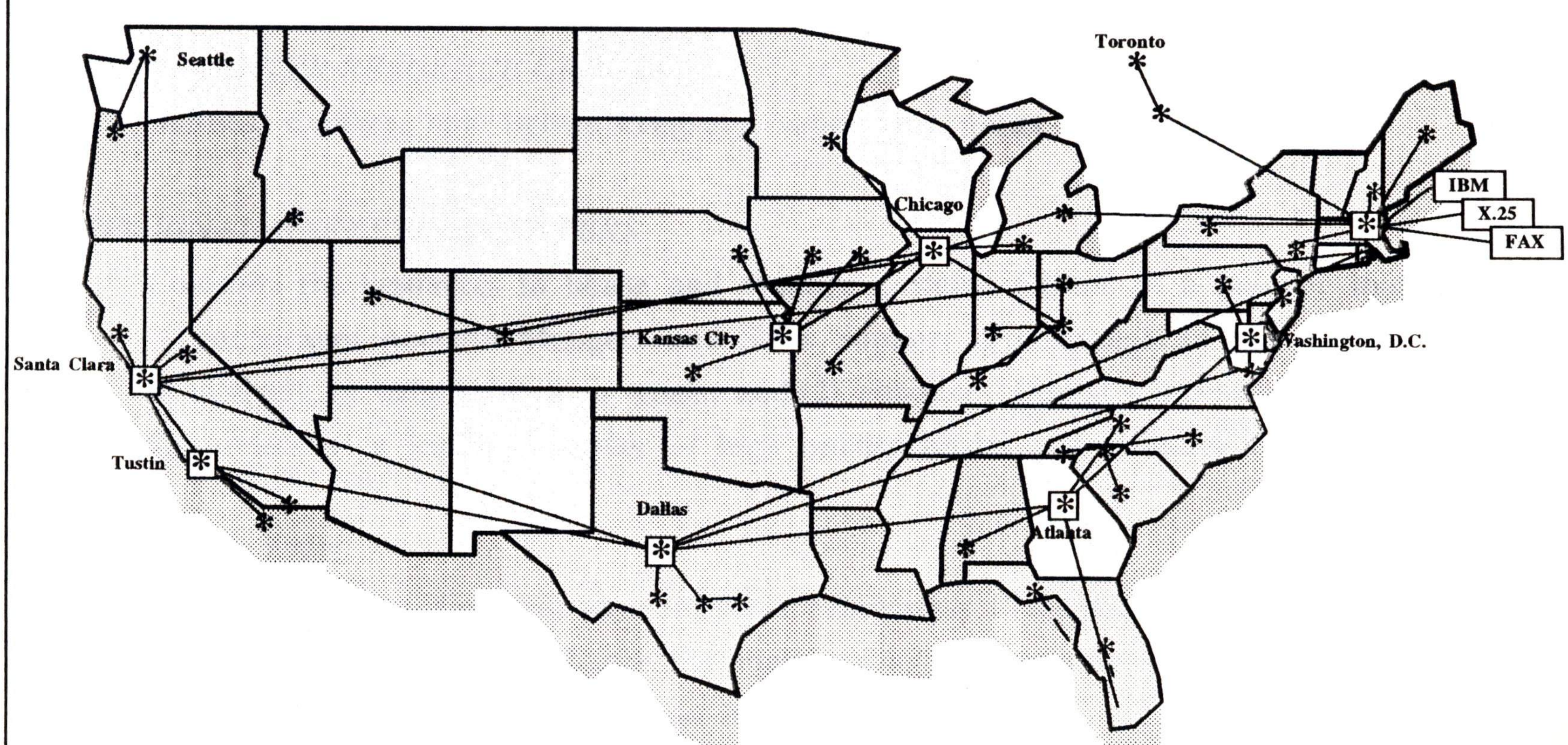
- PROVIDE STABLE, UP-TO-DATE, INFRASTRUCTURE FOR THE DELIVERY OF DEMONSTRATIONS
- ENHANCE LOCAL CENTERS BY PROVIDING DISTRIBUTED DEMONSTRATION CAPABILITIES
- SIMPLIFY THE DELIVERY OF DEMONSTRATIONS
- COORDINATE THE DELIVERY OF PRODUCT & SOLUTION DEMOS TO FIELD DEMO CENTERS
- PROVIDE FOCAL POINT FOR THE EXCHANGE OF DEMOS, INFORMATION, AND IDEAS
- LEAD WITH NEW TECHNIQUES & METHODOLOGIES FOR DELIVERY OF DEMONSTRATIONS


Field Office Standard
Core Model
OPEN/net
4000 Server
OR CHOICE OF
5 SERVER OPTIONS
DECstation 5000-240
VAXstation 4000-90
Jensen
WIDE AREA NETWORK
IEG = 7,8K
IEG = 7.6K
IEG = 5.6K
DEMSA-AA
(Supplied)
IEG = 1.4K
LNO8-PS
Tiger II (PC450d2 LP)
IEG = 1.3K
DECstation 425ST
with DECtouch
LF01R-PS
Colormate
IEG = 2.1K
Macintosh II ci
IEG = 3.3K
LP=4.6K
DEC 3000
(Flaminto)
IEG=18.8K
Infoserver
150VXT
DECwindows
Terminal
IEG = 7.8K

U.S. OPEN/net

U.S. Demo Center Program

U.S. OPENNET



U.S. OPEN/net

U.S. Demo Center Program

PROGRAM PLAYERS AND THEIR ROLES

DEMO CENTER RESOURCE GROUP:

Defines, Evolves, and Drives Program, supporting needs of the Business Units.

REGIONAL MARKETING CENTERS:

Commits the resources to house and manage a Demo Center in a manner that (1) encourages Account Mangers and Sales Support professionals to use it proactively to help meet their goals, and (2) enhances Digital's image with out Customers as a leading supplier of high quality business & product solutions.

BUSINESS UNIT

Creates, Delivers, Updates, and Supports Worldclass Presentations and Demonstrations that (1) enhance the Field's ability to sell the solution, and (2) support the need to customize and integrate demos.

U.S. OPEN/net

U.S. Demo Center Program

RESOURCE GROUP RESPONSIBILITIES

- **DESIGN, EVOLVE, IMPLEMENT & SUPPORT THE DEMO CENTER MODEL**
  - **HARDWARE**
  - **DDE**
  - **NETWORK**
  - **SOFTWARE**
- **MANAGE ADMINISTRATION OF EQUIPMENT DISTRIBUTION AND DISPOSITION**
- **ACTIVELY PARTICIPATE IN SOLUTION OF COMMON PROBLEMS**
- **SUPPORT THE DELIVERY OF BUSINESS UNIT DEMONSTRATIONS TO FIELD**

U.S. OPEN/net

U.S. Demo Center Program

CBU RESPONSIBILITIES

- ACCEPT CORE EQUIPMENT MODEL AS FUNDAMENTAL FRAMEWORK FOR SUCCESSFUL DEPLOYMENT OF FIELD DEMONSTRATION SERVICES

- INDUSTRY SOLUTION RELATED AND/OR OFFSITE EQUIPMENT MAY BE ADDED AT DISCRETION OF CBUs

- ACCEPT PRINCIPLE THAT CORE MODEL MUST STAY INTACT IN THE DEMO CENTER

- PROVIDE AN ENVIRONMENT FOR CUSTOMER VISITS AND DEMONSTRATIONS

    - **Primary function of Demo Center is to Showcase Digital products and services; therefore, Demo Center must be maintained appropriately to allow an Account Manager or Sales Support professional to quickly take advantage of it to deliver a Worldclass Customer Visit (including system management, AV equipment, conference rooms, etc.)**

    - **Secondary function of Demo Center is On-Job-Training for Sales and Sales Support**

- MAINTAIN CONNECTION TO THE OPENnet DISTRIBUTED DEMONSTRATION ENVIRONMENT

U.S. OPEN/net

U.S. Demo Center Program

BUSINESS UNIT RESPONSIBILITIES

- PROVIDE BUSINESS & PRODUCT DEMONSTRATIONS, CONSISTENT WITH DEMONSTRATION STANDARDS, FOR USE WITH THE DEMONSTRATION ENVIRONMENT
  - DDE (HW, SW, NETWORK)
  - DOCUMENTATION
  - TRAINING

- PROVIDE INDUSTRY-SPECIFIC SOLUTIONS COMPONENTS
  - HARDWARE
  - SOFTWARE

- INCLUDE A CUSTOMER TAKE-AWAY THAT IS PRINTED DURING THE DEMONSTRATION

- KEEP DEMOS -UP-TO-UPDATE

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U.S. Demo Center Program

STATUS June 1993

- **65 DEMO CENTERS**
- **HARDWARE CORE MODEL PROCESS IN PLACE**
- **SOFTWARE CORE MODEL IN PLACE**
- **NETWORK**
  - PHASE V (WAVE 2)
    - BINDSERVER ENVIRONMENT
    - APPLETALK
- **DDE SERVICES READY TO BE IMPLEMENTED**
- **PILOT TEST FOR BUSINESS PARTNERS**

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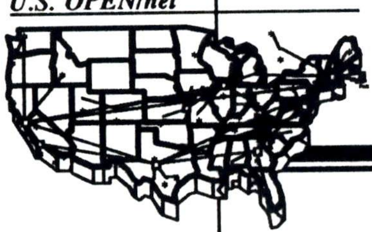
U.S. Demo Center Program

FY'94 PLANS

* RE-ALIGNMENT OF D.C. UNDER RMCs
* DISTRIBUTED DEMO ENVIRONMENT
* PHASE-OUT SERVERS IN MAJORITY OF D.C.
* THIRD PARTY LICENSES
* BUSINESS & PRODUCT UNIT RELATIONSHIPS
* DEMO CENTER UPGRADES
* EVALUATE & PILOT CUSTOMER SITE
* DRIVE DEMO STANDARDS
* CHANNELS
* NETWORK UPGRADES
* GODFATHER PROGRAM



U.S. Demo Center Program

END RESULT

IMAGINE THE ENVIRONMENT WHERE..................

- **We ALWAYS have Strategic Equipment in Place**
- **We Give BETTER Demonstrations of Business & Product Solutions**
- **We SAVE MONEY Because of the Use of Standards**
- **We SAVE MONEY by Accessing Distributed Demonstration Services**
- **We SAVE TIME Preparing for Demonstrations, or Use the Time to Add Value for the Specific Opportunity**
- **We IMPROVE QUALITY of our being Involved with the Design & Implementation of Demonstrations**
- **We Establish a PROFESSIONAL IMAGE with our Customers**
- **We showcase Exciting, State-of-the-Art, Demonstrations that Deliver Messages of Capabilities Far Beyond the Limitations Inherent in a Single Demonstration Center**