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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

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TO: See Below

Subject: Q2 Quarterly Business Review Notebooks

Enclosed is the Territory Business Review notebook containing all Q2 FY94 Territory Presentations made at the Brussels Belgium meeting January 18-19, 1994.

Regards,

Clem O'Brien
Corporate Sales and Marketing
Planning and Operations

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QUARTERLY BUSINESS REVIEW

BRUSSELS, BELGIUM

JANUARY 17-18, 1994

Sales and Marketing
Digital Equipment Corporation

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Quarterly Business Review Meeting

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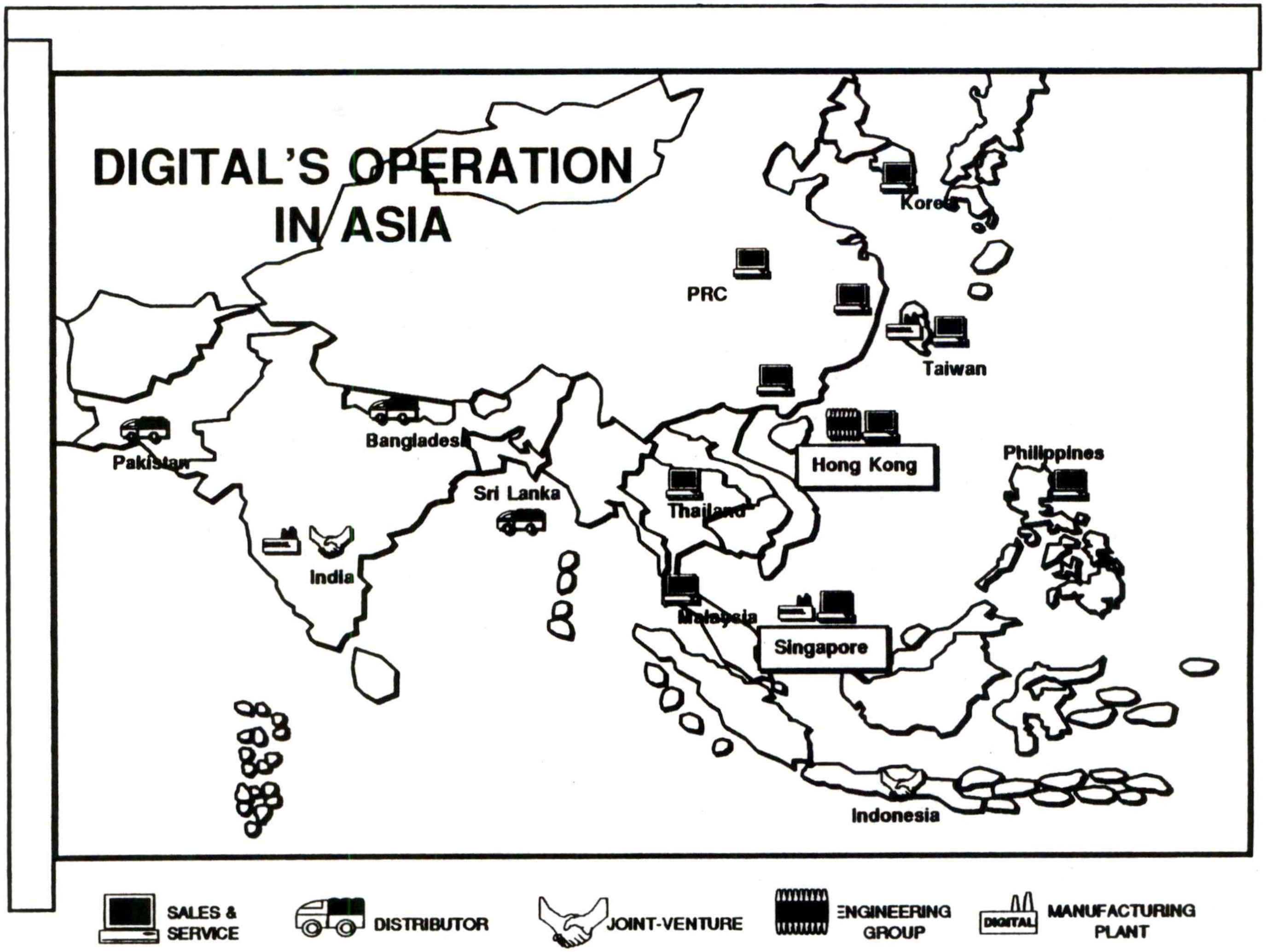
January Quarterly Review
Territory: **ASIA**



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Worldwide Sales and Marketing
January Quarterly Review
Territory : Asia

Q2 CERTS PERFORMANCE

	WK 11 FCST	Q2 ACT	% BOD	YR/YR GROWTH %
CERTS				
PRODUCT	77	81	86%	2%
DCS	15	21	146%	102%
MCS	28	31	123%	25%
TOTAL TERRITORY	120	134	99%	16%

Worldwide Sales and Marketing
January Quarterly Review
Territory : ASIA

Q2 Preliminary Results

	WK11 FCST	Q2 PRELIM	NOV 6 TARGET	% TARGET	% BUDGET
REVENUE					
PRODUCT	78	71.5	82	87.2%	85.3%
DCS	15	18.4	15	122.7%	131.4%
MCS	32.9	32.9	32.9	100.0%	100.0%
TOTAL	125.9	122.8	129.9	94.5%	94.0%

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Q2 MAJOR PROBLEMS

- Taiwan - $12M miss
- Systems/Server - $8M miss
- Storage - $4M miss
- Predictability/Operational Controls

(Total Asia Revenue Miss = $7M)

ASIA TERRITORY

Q2 ACT 'vs TARGET

SHORTFALL IN NOR		10.5
SPECIFIC ISSUES		
THAILAND - KTB SOFTWARE RECLASSED INTO DC	2.5	
ADMINISTRATIVE ISSUES		
KOREA - LC NOT OPENED	0.7	
KINGSUN - PC IN CHINA	1.2	
INDONESIA - FLAMINGO LC NOT OPENED	0.7	
DELIVERY ISSUES		
SINGAPORE - PC s & CSS products	0.5	
BUSINESS DEMAND DROP		
TAIWAN BUSINESS	4.3	
INDONESIA	0.6	
SINGAPORE	0.9	
THAILAND	1.8	
UPSIDES AND PULLINs	-2.7	
		10.5

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ASIA TERRITORY
Q2 PERFORMANCE

CTY	YTD/94 NOR ACT	YTD/94 NOR BOD	ACT/BOD %
PRC	31.8	24.8	128.2%
TWN	41.2	51.8	79.5%
HKG	34.9	33.6	103.9%
KOR	31.3	33.3	94.0%
SING	27.7	30.6	90.5%
MALA	14.5	15.4	94.2%
PHIL	3.9	4.0	97.5%
THAI	41.4	47.1	87.9%
CDG	0.7	2.0	35.0%
INDO	4.7	8.0	58.8%
INDIA	13.4	13.5	99.3%
ASIA	247.0	254.4	97.1%

ASIA TERRITORY
Q2 PERFORMANCE

CTY	YTD/94 CERTS ACT	YR/YR GROWTH %	YTD/94 NOR ACT	YR/YR GROWTH %
PRC	33.6	93.1%	31.3	42.9%
TWN	34.8	-2.8%	44.8	6.9%
HKG	33.7	14.6%	34.9	5.8%
KOR	37.3	25.2%	31.3	13.4%
SING	31.0	39.6%	27.7	6.5%
MALA	12.4	20.4%	14.5	55.9%
PHIL	3.5	94.4%	2.9	52.6%
THAI	37.4	15.1%	41.2	73.1%
CDG	0.6	-14.3%	0.7	0.0%
INDO	4.6	9.5%	4.4	-2.2%
INDIA	12.0	5.3%	13.4	-9.5%
ASIA	**241.0**	**23.0%**	**247.0**	**19.9%**

Worldwide Sales and Marketing
January Quarterly Review
Territory : Asia

FY 94 Assessment

	Q1 Act	Q2 Prelim	Q3 Assessmnt	Q4 Assessmnt	FY94 Assessmnt	FY94 Target	% Target	% Budget
REVENUE								
PRODUCT	80	72	95	111	357	376	95%	95%
DCS	13	18	15	16	62	59	105%	105%
MCS	32	33	34	35	134	133	100%	100%
TOTAL	124	123	144	162	553	568	97%	97%

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Worldwide Sales and Marketing
January Quarterly Review
Territory: ASIA

Product Family View

	Q1 Act	Q2 Prelim	Q3 Assessmnt	Q4 Assessmnt	FY94 Assessmnt	FY94 Target	% Target	% Budget
SYSTEM/SERVERS	16	12	16	15	58.5	68.9	85%	84%
	29%	-22%	-11%	-14%	-6%			
				13%				
WORKSTATIONS	2	7	12	16	37.3	36.5	102%	102%
	-23%	268%	300%	248%	198%			
				201%				
PC'S	18	20	25	35	97.5	73	134%	134%
	210%	205%	187%	202%	200%			
				60%				
ADD-ONS/OPTIONS								
STORAGE	8	10	10	9	36.7	56.4	65%	65%
	-1%	23%	-24%	-43%	-18%			
				7%				
VIDEO/PRINTERS	2	2	2	2	8	14.1	57%	57%
	11%	-13%	-5%	-38%	-15%			
				0%				
SOFTWARE	8	8	10	13	38.3	44	87%	87%
	10%	11%	-3%	-1%	3%			
				50%				
OTH. A-O/OPT.	24	13	19	20	76	77.9	98%	98%
	-22%	-2%	19%	-34%	-16%			
				5%				
S/T A-O/OPTIONS	41.5	33	41	44	159	192.4	83%	83%
	-13%	7%	-1%	-29%	-13%			
				15%				
MIPS	2	1	1	1	5	5.2	96%	96%
	1900%	-69.7%	-70%	-62%	-46%			
				-33%				
TOTAL PRODUCTS	80	72	95	111	357	376	95%	95%
YOY %	16%	26%	28%	13%	20%			
2H/1H				36%				

JANUARY QUARTERLY REVIEW
TERRITORY DETAIL SUBMISSION

TERRITORY : ASR

	Q2		Q3				FY'94		FY'94	
	P-ACT	Budget	Wk11 Fcst	Budget	Assessmnt	Budget	Wk11 Fcst	Budget	Assessmnt	Budget
	$	%	$	%	$	%	$	%	$	%
P & L										
PRODUCT MLP	85	100%	100	117%	100	117%	393	116%	385	113%
NOR										
PRODUCT	72	85%	88	86%	95	93%	351	93%	357	95%
DCS	18	130%	17	106%	15	92%	64	108%	62	105%
MCS	33	100%	34	101%	34	101%	133	100%	134	100%
TOTAL NOR	123	94%	139	91%	144	94%	548	96%	553	97%
PROD NOR YIELD %	84%	(15)pts	88%	(32)pts	95%	(25)pts	89%	(22)pts	93%	(18)pts
GM $										
PRODUCT	34	77%	44	86%	48	93%	178	90%	179	91%
DCS	5	182%	5	150%	3	90%	17	137%	14	115%
MCS	19	109%	18	102%	19	107%	74	104%	76	107%
TOTAL $	58	91%	67	93%	70	96%	269	96%	269	96%
TOTAL %	47%	(2)pts	49%	1 pts	49%	1 pts	49%	0 pts	49%	(1)pts
SG&A										
TERRITORY	24	104%	22	95%	21	89%	88	95%	89	96%
EXCENTRALIZED	2	87%	3	97%	3	105%	10	100%	10	95%
TOTAL $	26	103%	25	96%	24	91%	98	95%	99	96%
Contribution Margin $	32	83%	42	91%	46	99%	171	96%	171	96%
Contribution Margin %	26%	(4)pts	31%	0 pts	32%	1 pts	31%	0 pts	31%	0 pts
Capital Expenditures	1	77%	1	129%	1	129%	4	103%	3	94%
Operational Metrics										
DSO #	108	(21)dys	85	0 dys	85	0 dys	81	0 dys	81	0 dys
Population #	2,456	94%	2,500	96%	2,500	98%	2,548	98%	2,548	98%

JANUARY QUAR[illegible]Y REVIEW
PERFORMANCE TREND SUMMARY

TERRITORY : ASR

	FY'93 Q1	FY'93 Q2	FY'93 Q3	FY'93 Q4	FY'94 Q1 ACT*	Budget %	FY'94 Q2 Act $	Budget %	FY'94 Q3 Fcst$	Budget %	FY'94 Q4 Fcst$	Budget %	FY'94 Fcst	Budget %	FY'94 Assess $	Budget %
ORDERS	81	115	123	143	108	104%	134	99%	141	94%	161	103%	530	97%	544	100%
PROD NOR YIELD **	84%	84%	86%	80%	89%	(3)pts	84%	(15)pts	88%	(32)pts	92%	(43)pts	89%	(22)pts	93%	(18)pts
NOR																
PRODUCT	69	57	74	98	80	101%	72	85%	88	86%	105	94%	351	93%	357	95%
DCS	10	11	13	17	13	102%	18	130%	17	106%	19	116%	64	108%	62	105%
MCS	29	30	31	34	32	99%	33	100%	34	101%	35	101%	133	100%	134	100%
TOTAL NOR	108	98	118	150	124	100%	123	94%	139	91%	159	98%	548	96%	553	97%
GROSS MARGIN $																
PRODUCT	39	35	46	59	41	89%	34	77%	44	86%	53	94%	178	90%	179	91%
DCS	2	3	3	4	4	165%	5	182%	5	150%	4	114%	17	137%	14	115%
MCS	17	17	18	21	18	98%	19	109%	18	102%	20	110%	74	104%	76	107%
TOTAL GM $	57	55	67	84	62	94%	58	91%	67	93%	77	98%	269	96%	269	96%
GROSS MARGIN %	53%	57%	57%	56%	50%	(3)pts	47%	(2)pts	49%	1 pts	48%	0 pts	49%	0 pts	49%	(1)pts
SG&A	22	22	21	21	23	93%	26	103%	25	96%	26	97%	98	95%	99	96%
Contribution Margin $	35	33	46	63	39	95%	32	83%	42	91%	51	99%	171	96%	171	96%
Contribution Margin %	32%	34%	39%	42%	32%	(2)pts	26%	(4)pts	31%	0 pts	32%	0 pts	31%	0 pts	31%	0 pts
POPULATION	1728	1735	1653	1608	2476	94%	2456	94%	2500	96%	2548	98%	2548	98%	2548	98%
DSO	106	104	96	84	103	(9)dys	108	(21)dys	85	0 dys	81	0 dys	81	0 dys	81	0 dys

MARKET SHARE
MORALE
CUSTOMER SATISFACTION

Notes:

*FY93 Restated in FY94 Terms

** PRODUCT NOR YIELD = NOR/MLP

SCHEDULE 10

ACTION PLANS

(Manager assigned to each)

- Continue programs in place:
  - P.C. Business (Alan McMillan)
  - Networks (Navin Mehta)
  - Digital Consulting (Ashok Shah)
  - MCS (Tony Tong)
  - Channels - Improving (Tony Leung)
  - Workstations Plan - Improving (Bob Chen)

- Improve Focus On:
  - Taiwan - Get Well Plan (Jackson Lin)
  - Add On/Options Plan (John Winchester)
  - Systems/Servers Plan (Steven Svet)
  - UNIX (Ashok Shah)

- Industry Focus: (Graham Long)

  - Segment Sales Managers in place
  - Industry Sales Focus in country
  - Need Skilled Resources
  - Need Solution/Partners for Asia
  - Overall Business:

<u>OK</u>	<u>Needs Work</u>
Banking	Public Sector
Electronics	Healthcare
Oil/Gas	Telecom/Media
Transportation	Travel
Education	Automobile/Defense
Utilities	Wholesale/Distribution
Retail	

- Implement Sales/Marketing Org Model
  (Howard Wynne/Country Managers)

  - Sales Specialization
  - Filled several key sales positions
  - Productivity Tools/Systems improvement
  - Skills improvement/training programs
  - DMO
  - SME/New Business
  - Image/Communications
  - Performance Management/Re-skilling

- DSO - Program in place - will meet year end goal (Tom Eaton)

- Supply Chain/Product Simplification Programs (Doug Farwell)

  - Organizational
    - Established Management Focus
    - Initiating Total Integration Across Territory
  - Reduce lead time - Inventory/Specs
  - Implemented Integrated Demand/Supply Planning Process
  - Developing Aggressive Workstation Inventory Strategy
  - Opened PC Integration Center
  - Develop Logistics Strategy PC's (Founders Group PRC)
  - Conducting Country/Territory Process Reviews
  - Product Simplification/Menu Management

- Marketing/Channels Programs (Tony Leung)

- Drive 5 Lucente Goals:

  Customer Satisfaction (Tony Tong)
  Employee Morale (Ron Chan)
  Market Share (Tony Leung)
  Marketing Efficiency (Graham Long)
  Profitability (Tom Eaton)

  (Many detail action plans in place)

- Awareness/Image Improvement Program
  (Jon Rittger)

Worldwide Sales and Marketing
January Quarterly Review
Territory: **ASIA**

Systems/Servers Action Plan

- **Dedicated Team with a system/server $$ goal**
- **Client Server campaign**
  - Client Server centers in all major countries - 04/94
  - Alpha AXP Forum in 2 countries
  - CTG initiative
- **Feb Announcement**
  - US$180M Proposal to be generated
  - Mandatory product training for ALL sales
- **Enabling Software Marketing program**
  - Oracle, SAP, Informix
- **Products Now Competitive**
  - Still problems with application availability
  - OSF product quality
  - Need to improve image

11:12 AM...1/14/94

Worldwide Sales and Marketing
January Quarterly Review
Territory: **ASIA**

SME business in Asia

- Over 80% business in Asia is to "SME" companies ($100M, 1000 people)
- Over 40% of our business is NEW BUSINESS
- Asia will focus on
  - Driving NEW BUSINESS
  - Strategic ISV and System Integrator
  - Expand 2-tier distribution channels - PC-ID, Master Resellers
- Tony Leung will drive

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Asia Digital Consulting

Initiatives

Customer Engagement Process

Unix / OSF Initiative

Client/Server Benchmarking Center

BPDA

Career "DC' Track

Consulting Services Principal

Software Industrialisation

Technical Training

Major SI Programs in Asia - 94Q2

	Customer	Application	Amount	Events	Current Status
PRC	Ministry of Railway	Freight cars & ticketing system	10,000	Qualified - 94Q2 Acct Plan done - 94Q2 Seminar conducted - 94Q3 Initial orders expected - 94Q3	IT dept impressed w/ fault tolerant architect & software appl'n methodology. Digital facilitating collaboration w/ Polish & Belgium Railways. Conducting feasibility study on Software Development Center as part of Acct strategy.
ZPO	Public Works Dept	Electronic Road Pricing System	10,000	Qualified 92Q4 Proposal submitted 93Q1 Shortlisted 93Q2 Award expected 94Q4	Supporting shortlisted Primes on demo.
MAN	Govt Services Insurance System	MIS and Claims appl'n porting to Client/Server environment	10,000	RFP expected 94Q3 Award expected 94Q4	Teaming w/ strategic partner. 3rd party maintenance of IBM ES9000 required.
HGO	Stock Exchange of Hong Kong	Options trading clearing & monitoring	8,000	RFP released 94Q2 Proposal due Jan 31 94 Award expected 94Q4	Digital platform already decided by SEHK on DTB software if Digital can submit credible independent bid
MAN	Phil'pines Gaming Mgmnt Corp	Lottery and facilities maintenance and third party maintenace	5,000	Proposal submitted 94Q2 Award expected 94Q3	Hardware already won. Excellent chance in winning the service contract as well.

Major SI Programs in Asia - 94Q2

	Customer	Application	Amount	Events	Current Status
MSA	Public Bank Bhd.	Banking SI	30,000	Qualified 94Q1 Proposal submitted 94Q2 Expected Award 95Q1	Customer evaluation in progress and will take 2 extra months (Feb). Shortlist bidders no known yet. Customer not talking.
TPO	Dir General Telecom - CROSS	Customer Records Op Support	20,000	Proposal submitted 92Q2 Award expected by 94Q4	Award delay due to DGT internal investigation
HGO	Provisional Airport Authority	Airport NW & Appl'n integration	20,000	Qualified 94Q2 RFP expected 94Q3	Scope and funding of project still not confirmed
DEK	Korea Stock Exchange	Options & Future	3,000	Proposal submitted 94Q1 3 Benchmarks ran and costed 200K Award expected 94Q3	No bid on the 20M Clearing system due to wired spec and benchmark schedule.
PRC	China Stock Exchange	STOCK Exchange	20,000	RFP delayed.	
MAN	BIR	Taxation	18,000	Qualified 93Q1 Proposal submitted 94Q2 Evaluation extended Award expected 94Q3	BIR has submitted recommendation to World Bank. No public announcement made - but Sun/Andersen rumoured to be leading
DEK	KMTC	Customer Information System	13,000	Award expecte 94Q3	

Worldwide Sales & Marketing
January Quarterly Review
Territory : Asia

Sales Coverage

	Q2 ACT	Q2 % TOTAL	FY94 FCST	FY94 % TOTAL
SALES MANAGEMENT	94	14%	91	13%
ACCOUNT SALES	190	28%	187	26%
SALES SPECIALISTS	100	15%	125	17%
MCS SALES SPECIALIST	56	8%	60	8%
TELESALES	14	2%	24	3%
CHANNNEL SALES	52	8%	60	8%
ADVISORY/SALES SUPPORT	173	25%	179	25%
TOTAL SALES	679	100%	726	100%

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WORLDWIDE SALES AND MARKETING

JANUARY QUARTERLY REVIEW

TERRITORY ASIA
SALES TRAINING

Plan	Who	How Many	When	Content/Focus
Q2				
OCT PRODUCT ANNOUNCEMENT	ALL SALES	600	SEP/OCT	10
	DC	100		
GENERAL PRODUCT TRAINING	ALL SPEC	25	OCT	1
BUSINESS/FINANCIAL SELLING	LEVEL 1 SALES MANAGER SENIOR SALES SPEC	95	OCT	5
INDUSTRY TRAINING FOR EVERY CBU BU	ABU/ACCOUNT MANAGERS ARRIS	300	OCT	5
Q3&Q4				
FEB PRODUCT ANNOUNCEMENT	ALL SALES	600	JAN/FEB	13
	DC	80		
	PARTNERS SALES	150		
APRIL PRODUCT ANNOUNCEMENT	ALL SALES	600	MAR	13
	DC	80		
	PARTNERS SALES	150		
GENERAL PRODUCT TRAINING	ALL SPEC	80	JAN	3
		40	MAR	2
		30	APRIL	1
		30	MAY	1
ACCOUNT MANAGEMENT	SELECT ACCOUNT MANAGER	25	MAR	1
	ACCOUNT MANAGER	60	MAY	3
	ACCOUNT MANAGERS ARISS	60	MAY	3
BUSINESS/FINANCIAL SELLING	LEVEL 1 SALES MANAGER	60	MARCH	3
	SENIOR SALES SPEC	20	APRIL	1
SELLING SKILLS	ALL SALES SPEC & PARTNERS	25	JAN	1
		25	FEB	1
		35	MARCH	2
		140	APRIL	8

ISSUE RESOLUTION

ESTABLISH FOCUSED PRODUCT AND PRODUCT ANNOUNCEMENT RESOURCE POOL IN DC WITH ANNOUNCEMENT AND PRODUCT TRAINING TEAM LEADER

- BUILD AND/OR AQUIRE PRODUCT TRAINING SKILL BASE IN DC
- ACQUIRE TEAM LEADER
- WORK WITH AUSTRALIA ON COMMON RESOURCE USAGE

TRAINING ISSUES

COMPLEXITY OF GEOGRAPHY

- 10 COUNTRIES
- 6 MAJOR LANGUAGES
- SIGNIFICANT TRAVEL TIME OVERHEAD AROUND GEOGRAPHY
- COMPLEX LOGISTICS, PLANNING AND SCHEDULING OF COURSES

DIFFICULT TO CENTRALIZE TRAINING

- COUNTRIES EXPECT TRAINING IN COUNTRIES
- TRAVEL COSTS OF STUDENTS
- INCREASED TIME OUT OF JOB BY STUDENTS

TRAINING VOULME

- GROWTH IN NUMBER OF SALES PEOPLE
- ATTRITION RATE OVER 20%
- PARTNERS REQUIRE PRODUCT AND SKILL TRAINING (LARGE NUMBER OF PARTNERS)

TRAINING SKILLS

- DIFFICULT TO ACQUIRE GOOD TRAINERS
- NEED FOR DIVERSIFIED SKILL SETS OF TRAINERS
- TIME TAKEN TO DEVELOP TRAINERS SKILLS
- LIMITED ACCESS TO T3 (US)

TRAINING RESOURCES

- THE PRODUCT ANNOUNCEMENT VOLUME AND FREQUENCY OUTSIDE CURRENT PLANNED RESOURCING
- T3 TIME AND COST FOR ANNOUNCEMENTS
- COORDINATION LOGISTICS OF TRAINERS TO DELIVER IN ALL LOCATIONS

CONTROLS/PREDICTABILITY

- Poor audit result in India
  - Corrective plan established

- Thailand continues with organization & integration difficulties (Ex-Philips). New management in place

- Common issues include Logistics cycle (front end) and Systems Integration projects. Logistics support provided and PMBS in development

- Established business controls review teams

- Issues concentrated in India & Thailand

- Population reductions in Business Operations and Finance due to spending (lower) directives from Functions

- DSO problems concentrated in a few large accounts

Worldwide Sales and Marketing
January Quarterly Review
Territory : Asia

Channel Mix

	FY93 MIX % TOTAL	FY94 FCST MIX % TOTAL	FY94 MIX % GOAL	YTD Q2/94
DIRECT:				
ISV Leveraged	27%	22%	19%	19%
DecDirect/DMO	4%	6%	6%	5%
Digital End User	35%	25%	28%	35%
TOTAL DIRECT	65%	53%	53%	59%
INDIRECT:				
Distributors	8%	17%	14%	16%
Master Resellers	0%	5%	5%	1%
TOEMS/COEMS	0%	1%	1%	1%
VARS	26%	20%	23%	24%
System Integrators	0%	4%	4%	0%
TOTAL INDIRECT	35%	47%	47%	41%
TOTAL	100%	100%	100%	100%

(ASRPRET2.XLW)CHANMIX.XLS

Worldwide Sales and Marketing
January Quarterly Review
Territory: **ASIA**

Asia Channels Operation

Manager - Tony Leung

Volume	Value	Country Operation
ASEAN - Randy Tan	**North Asia** - Tony Tsao	**Hong Kong** - Kenny Wong
Developers - Teresa Leung	**Integrators** - Albert Lim	**Taiwan** - Tony Wu
	Channels Programs - Kin Chan	**Korea** - S. S. Min
		China - Edwin Lo
		Singapore - Sun-Whye Mun
		Malaysia - VS Lingam
P.C. ID's - Alan MacMillilan	**"Big 6"** - Ashok Shah	**Thailand** - Kittiporn
C&P/Storage-Dist - John Winchester		**India** - MJ Aravind
		Indonesia - Christono Santoso

11:12 AM...1/14/94

Worldwide Sales and Marketing
January Quarterly Review
Territory: ASIA

Channels Strategy

- ❑ **Channels Sales/Marketing team**
  - Asia HQ team + Country sales teams in place
- ❑ **New Business Focus**
  - New business incentive for Partners - 01/94
  - CO-OP program for all business partners - 01/94
  - New business penetration goal for Channels Sales - FY94
  - Industry specific packaged lead generation programs (Electronics in Taiwan, PRC) - Q3/94
  - New client server solutions using PC and AXP servers (Linkworks solution for Manufacturing) - Q2/94
  - Integrated Sales and Marketing plan using Partners and Digital lead generation programs

Worldwide Sales and Marketing
January Quarterly Review
Territory: ASIA

Channels Strategy

❑ Master Reseller Recruitment

- 80% of PC business sold through dedicated PC-IDs with 2nd tier dealers and VARs
- Small volume VAR (more than 100) shifted under MR

❑ Ease of Doing Business

- Partner support center under Sales Desk
- DECgenisys electronic tools - Q3/94
- Standard DBA using Corporate channels definition and discount structure - 12/93
- Comprehensive sales development program for partners

7:47 PM...1/12/94

Worldwide Sales and Marketing
January Quarterly Review
Territory: ASIA

Channels Strategy

- **Strategic ISV**
  - Asia top ISV - Oracle, Informix, SAP, ROSS, ASK
  - Integrated joint-marketing initiative (Oracle in Q3, Informix/SAP in Q4)
  - Assist/Fund software localization effort (Informix for $150K in FY94)
  - Porting assistence (BPDA Asia) - Q3/94
- **Top Integrator/VAR**
  - Identify top SI/VAR in each country
  - Develop Account plan for top 15 in Asia - Q3/94

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Worldwide Sales and Marketing
January Quarterly Review
Territory: ASIA

FY94 New Partner

Country	PARTNER	CBU	RECRUITED IN	RELATION	ANNUAL COMMITTMENT
Korea	HUMANWARE	DMD	Q1	VAR	500K
	BITEK SYSTEM	DMD/CPT	Q1	VAR	700K
Hong Kong	ABSOLUTE LOGIC	ALL	Q1	MR	1500K
	SYSTEM-PRO	FPP/CEM	Q1	MR	1500K
	TRICOM	CPT	Q1	MR	1500K
PRC	FOUNDER	CEM	Q2	VAR	2000K
	GIGATEK	CPT	Q2	VAR	1000K
	SCM (Shanghal)	FPP	Q2	VAR	1000K
	SIPAI	CPT	Q2	VAR	1000K
	JINYUE (GZ)	FPP	Q2	VAR	1000K
	AMTRONIX	CPT	Q2	VAR	2000K
	INCOM	DMD	Q2	VAR	3000K

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Worldwide Sales and Marketing
January Quarterly Review
Territory: ASIA

FY94 New Partner (Cont'd)

Country	PARTNER	CBU	RECRUITED IN	RELATION	ANNUAL COMMITTMENT
Thailand	HATTA TECH	DMD	Q2	VAR	1000K
Taiwan	SYSTEX	CPT	Q2	VAR/ID	1000K
	DIMERCO	DMD	Q2	VAR	1000K
	KSIC	CPT	Q2	VAR	500K
Indonesia	AREADATA	CPT	Q2	VAR	1000K
	MEGADATA	FPP	Q2	VAR	500K
	SIGMA	FPP	Q2	VAR	300K
	NSI	FPP	Q2	VAR	300K
Cross Asia	CEI	DMD/CPT	Q1	VAR	1000K
	SUMMA	FPP	Q2	VAR	800K
	ESHCOL	FPP/VAR	Q2	VAR	500K

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ASIA TERRITORY

Support Needed

- Continued Resource Support for Specialised Skills
- Logistics (Integration Centre and Improved Quality)
- Porting Programs Support
- Demo Equipment/Seed Units
- Organisation Development Retention Programs
- Localisation - Software - Terminals - Printers
- Complete Packaged Program Roll-out
- Digital Image Programs
- Sales Productivity and Automation Tools
- Sales Training Support
- Cross-Border Business
- Implement Asia Growth/Investment Plan
- Fix Engineering/Product Quality Issues

Worldwide Sales and Marketing
January Quarterly Review
Territory : Asia

General Issues for Discussion

* SUPPLY CHAIN

AVAILABILITY
WORKSTATION

PROCESS
SYSTEM ARCHITECTURE
COMPLEX DISTRIBUTION CENTERS
IVL'S (WERE IMPROVE GREATLY)

QUALITY
PRODUCT
PROCESS

* S I PROJECT

LARGE : LONG SALES CYCLE/COMPETITIVE
MEDIUM : NEED MORE FOCUS ON "REPEATABLES"
SMALL : NETWORKS DRIVE GOOD
APSH(CSS) PROJECT IS DOING WELL

Worldwide Sales and Marketing
January Quarterly Review
Territory : Asia

General Issues for Discussion

* ORGANIZATION EFFICIENCY/ EFFECTIVENESS

COUNTRY MODEL BEING IMPLEMENTED
- SALES SPEC
- FOCUS

SUPPLY CHAIN PROCESS-TIME LOSS
ORGANIZATION QUALITY
- PROGRAM TO IMPROVE
- KEY HIRES & DEVELOPMENT

HIRING / TURNOVER
SKILL SET / TRAINING
SALES PRODUCTIVITY TOOLS NEED
NEED TEMP SUPPORT/RESOURCES

* CUSTOMER SATISFACTION

IMAGE
SUPPLY CHAIN
COVERAGE
EASE OF DOING BUSINESS

Worldwide Sales and Marketing
January Quarterly Review
Territory : Asia

General Issues for Discussion

* BU POTENTIAL ISSUES

    LOW END PC STRATEGY
    HEALTH CARE SOLUTIONS NEEDED
    ATM COMPETITION
    BANKING SOLUTIONS
    BCFI SUPPORT
    POS COMPETITIVENESS
    HIGH END SECTOR - OIL & GAS
    PUBLIC ADMIN - OSF SOLUTIONS
    MCS PRODUCT QUALITY/ ENGINEERING ISSUES
    GENERIC :
        BRINGING PARTNERS TO ASIA
        EXPERTISE/SKILL SET
        PROJECT MANAGEMENT/BID RESOURCES

* PREDICTABILITY / BUSINESS CONTROL

* IMPLEMENTATION - ASIA GROWTH / INVESTMENT PLAN

Worldwide Sales and Marketing
January Quarterly Review
Territory : Asia

Product Issues

- Commercial UNIX features availability
  - e.g. SMP, COBOL, Production systems
- Product Quality
  - e.g. OSF/1 on DEC 7000
- Product Marketing
  - Need worldwide program planning and roll-out
  - Need benchmark information at announcement (TPC-c)
  - Need Escalation channel on positioning and pricing issues

Worldwide Sales and Marketing
January Quarterly Review
Territory : Asia

Application Issues

- Enabling Software
  - Performance (e.g. Oracle - V7, Oracle Forms)
  - Delay in porting to OSF/1 (e.g. COBOL, Sybase, Unify)
  - Delay in localization (e.g. Linkworks, Windows NT, Informix...)
- Workstation
  - No plan to port to OSF/1 (e.g AutoCAD, Cadence tools)
- Vertical application
  - Slow introduction to Asia

Worldwide Sales and Marketing
January Quarterly Review
Territory: **ASIA**

HP Asia - 1993

US$M	HP	DIGITAL	Digital/HP
KOREA	168	62	36.7%
TAIWAN	81	97	120.2%
HONG KONG	99	67	67.8%
THAILAND	21	67	318.9%
MALAYSIA	53	27	50.7%
SINGAPORE	80	59	73.6%
INDONESIA	19	13	68.7%
CHINA	60	43	72.3%
PHILIPPINES	10	6	60.1%
TOTAL	591	441	74.7%

Note: HP #"s include US$134M printers,
do not include US$230M test instruments

Source: ResearchAsia 9/93

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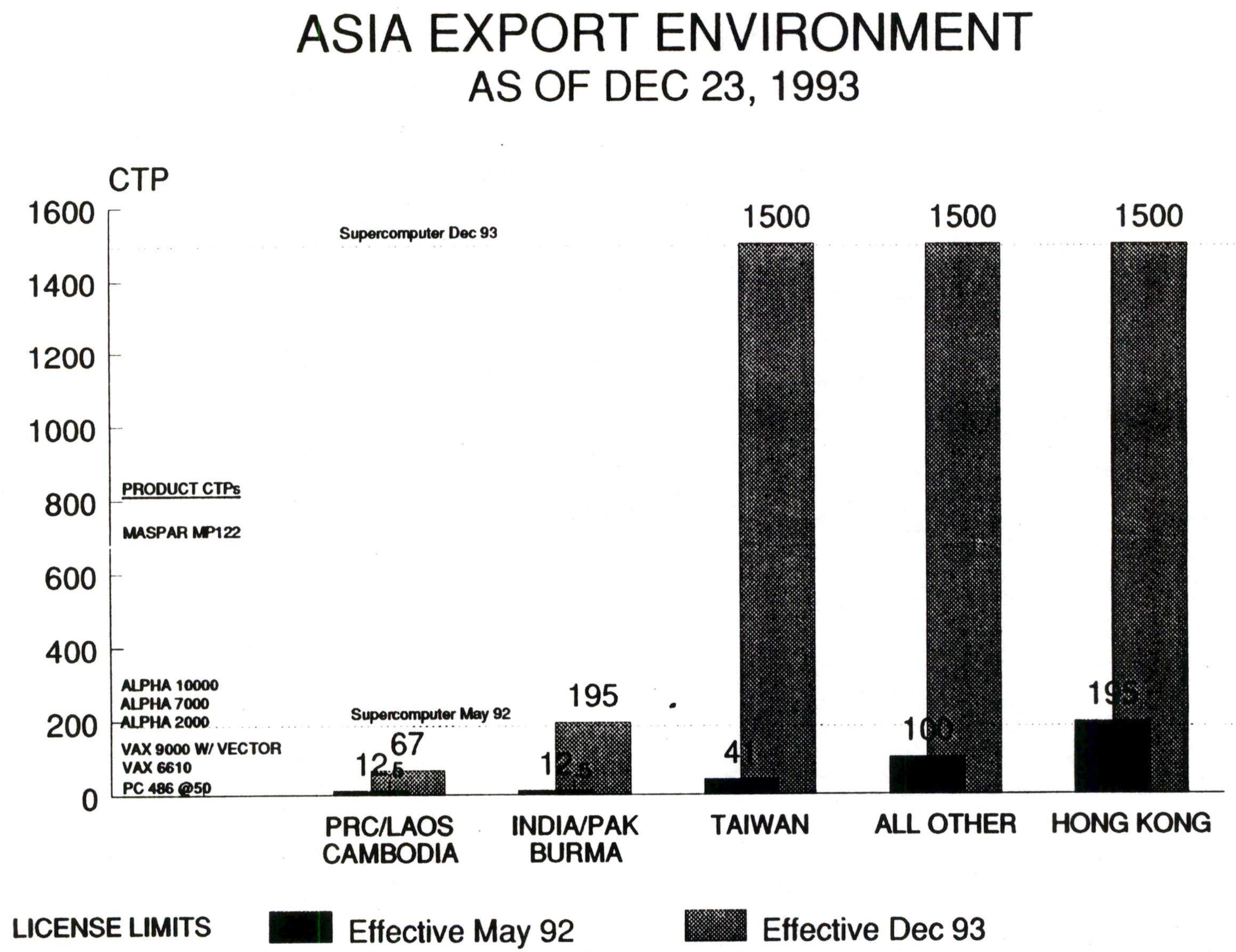


Vietnam is still embargoed.

Worldwide Sales and Marketing
January Quarterly Review
Territory : E U R O 4

Q2 Preliminary Results

	WK11 FCST	Q2 PRELIM	NOV 6 TARGET	% TARGET	% BUDGET
REVENUE					
PRODUCT	145.2	136	180	81%	82%
DCS	49.8	57	49	102%	123%
MCS	94.1	97	99	95%	99%
TOTAL	289.1	290	328	88%	93%

Worldwide Sales and Marketing
January Quarterly Review
Territory : E U R O 4
Win Analysis

	Account	Project	Value	Sales Cycle Days	Reason	Who Won
Belgium	SWISSLIFE	Win Back Bull	0.6 M$	60	Knowledge Sales of Industry High level relations	Digital
	NMBS	Sabin/TGV	2.5 M$	600	Trust, Continuity	Digital
	Belgacom-Mobile	GSM Billing General Admin	1.0 M$	15	Pactel Application on VAX Fast + flexible approach	Digital
Switzerland	SBB	CDS Cargo Domicile	10 M$	300	- Proposal as General Contractor - Technology - Relationship	Digital
	PTT	SAP Pilot	0.2 M$ (potential 8 M$)	150	OSF/1 integration with VAX/VMS Relationships	Digital
Netherlands	GAK	GGV/ECHO	5.7 M$	180	Flexible solution with good fit for customer	Digital
	Mees Pierson	Dealing Room	5.5 M$	120	Sound solution with both Hardware and Software	Digital
	Department of Education	Comenius	100 M$ (4 years including services)	450	Operating and Application Software Pricing and organisation	Digital

Worldwide Sales and Marketing
January Quarterly Review
Territory : E U R O 4

Loss Analysis

	Account	Project	Value	Sales Cycle Days	Reason	Who lost
Belgium	GKB/CCBI	PC in agencies	8 M$	180	PC-pricing	Olivetti
	Banksys	Upgrade ATM	2 M$	90	Availability of solution	IBM
	Belgacom	Billing	30 M$	420	Development from scratch No solid consortium	ev. CSC-NCR- Coopers&Lybrand
Switzerland	NZZ	SAP	0.2 M$	120	Commitment of HP to NeXT	HP
	SGB	ITV-DBM (retail Mktg. Project)	10 M$	300	Product/application availability	SNI
Netherlands	ABP	ECHO in NOVA	10-15 M$	200	Doubts in continuity of Software solution by Digital	Staffware/IBM
	RVS	Notebooks (600)	1.8 M$	30	Image in Notebook market-place Low cost Toshiba system	Toshiba
	Dept. of Finance Tax Dept.	Unix Tender	20-30 M$	60	Digital's experience and image on client/server technology	Bull

Worldwide Sales and Marketing
January Quarterly Review
Territory : E U R O 4

FY 94 Assessment

	Q1 Act	Q2 Prelim	Q3 Assessmnt	Q4 Assessmnt	FY94 Assessmnt	FY94 Target	% Target	% Budget
REVENUE								
PRODUCT	121.4	136	140	173	570	570	100%	89%
DCS	33.9	57	46	48	185	185	100%	103%
MCS	89	97	93	95	374	374	100%	95%
TOTAL	244.3	290	279	316	1129	1129	100%	93%

Worldwide Sales and Marketing
January Quarterly Review
Territory : E U R O 4

Product Family View

	Q1 Act	Q2 Prelim	Q3 Assessmnt	Q4 Assessmnt	FY94 Assessmnt	FY94 Target	% Target	% Budget
SYSTEM/SERVERS	29	30	27	30	115	115	100%	89%
	-22%	0	1%	-6%	-16%			
			-4%					
WORKSTATIONS	18	22	22	32	94	94	100%	81%
	-9%	0	37%	63%	22%			
			37%					
PC'S	22	17	20	30	89	89	100%	95%
	283%	1	284%	196%	206%			
			30%					
ADD-ONS/OPTIONS								
STORAGE	8	10	12	12	42	42	100%	114%
	-34%	0	-8%	2%	-17%			
			35%					
VIDEO/PRINTERS	5	7	12	14	39	39	100%	140%
	-20%	0	72%	50%	18%			
			111%					
SOFTWARE	17	23	23	25	87	87	100%	91%
	6%	0	41%	37%	25%			
			18%					
OTH. A-O/OPT.	20	25	22	28	95	95	5400%	69%
	-49%	-1	-49%	-32%	-46%			
			11%					
S/T A-O/OPTIONS	50.067	65	68	79	263	263	57	88%
	-32%	0	-13%	-2%	-20%			
			28%					
MIPS	3	1	2	2	8	8	1400%	242%
	-3%	-1	-14%	-22%	-27%			
			9%					
TOTAL PRODUCTS	121	136	140	173	570	570	100%	89%
YOY %	-13%	0	8%	19%	-2%			
2H/1H			22%					

Worldwide Sales and Marketing
January Quarterly Review
Territory : E U R O 4

Second Half vs. Targets

	Q3			Q4			2nd HALF		
	Assessmnt	Target	%	Assessmnt	Target	%	Assessmnt	Target	%
SYSTEM/SERVERS	27	27	100%	30	30	100%	56	56	100%
								-4%	
							-4%		
WORKSTATIONS	22	22	100%	32	32	100%	54	54	100%
								37%	
							37%		
PC'S	20	20	100%	30	30	100%	50	50	100%
								30%	
							30%		
ADD-ONS/OPTIONS									
STORAGE	12	12	100%	12	12	100%	24	24	100%
								35%	
							35%		
VIDEO/PRINTERS	12	12	100%	14	14	100%	27	27	100%
								111%	
							111%		
SOFTWARE	23	23	100%	25	25	100%	47	47	100%
								18%	
							18%		
OTH. A-O/OPT.	22	22	100%	28	28	100%	50	50	100%
								11%	
							11%		
S/T A-O/OPTIONS	68	68	100%	79	79	100%	148	148	100%
								28%	
							28%		
MIPS	2	2	100%	2	2	100%	4	4	100%
								9%	
							9%		
TOTAL PRODUCTS	140	140	100%	173	173	100%	313	313	100%
								22%	
							22%		

Worldwide Sales and Marketing
January Quarterly Review
Territory : E U R O 4

Second Half vs. Budgets

	Q3			Q4			2nd HALF		
	Assessmnt	Budget	%	Assessmnt	Budget	%	Assessmnt	Budget	%
SYSTEM/SERVERS	26.59	33.38	80%	29.68	35.74	83%	56.27	69.11922	81%
								17%	
							-0.04		
WORKSTATIONS	22.39	28.97	77%	31.81	32.76	97%		61.736	0%
								56%	
							-1.00		
PC'S	20.40	25.12	81%	30.06	27.09	111%	50.46	52.21445	97%
								35%	
							0.30		
ADD-ONS/OPTIONS									
STORAGE	11.64	8.56	136%	12.49	9.33	134%	24.13	17.88254	135%
								0%	
							0.35		
VIDEO/PRINTERS	12.33	7.62	162%	14.17	8.26	172%	26.51	15.88051	167%
								27%	
							1.11		
SOFTWARE	22.66	24.57	92%	24.59	27.25	90%	47.25	51.81427	91%
								29%	
							0.18		
OTH. A-O/OPT.	21.85	35.95	61%	28.17	38.34	73%	50.02	74.28905	67%
								65%	
							0.11		
S/T A-O/OPTIONS	68.48	76.69105	89%	79.42	83.17531	95%	147.90	159.8664	93%
								38%	
							0.28		
MIPS	2.14	0.84	255%	2.03	0.89	229%	4.16	1.723965	242%
								-55%	
							0.09		
TOTAL PRODUCTS	140.00	165	85%	173.00	180	96%	313.00	344.66	91%
								34%	
							0.22		

Worldwide Sales and Marketing
January Quarterly Review
Territory : E U R O 4

Q3 Overview

	Begin Backlog	Frontlog	Total	Q3 Assessmnt	% Total	Q3 Target	% Total	Assessmnt % Target	Assessmnt % Budget
SYSTEM/SERVERS	18.972	56.69	76	26.59	35%	27	35%	100%	80%
WORKSTATIONS	13.844	28.74	43	22.39	53%	22	53%	100%	77%
PC'S	7.675	30.52	38	20.40	53%	20	53%	100%	81%
ADD-ONS/OPTIONS									
STORAGE	6.231	7.09	13	11.64	87%	12	87%	100%	136%
VIDEO/PRINTERS	4	8.81	13	12.33	96%	12	96%	100%	162%
SOFTWARE	11.5	23.30	35	22.66	65%	23	65%	100%	92%
OTH. A-O/OPT.	18.067	27.96	46	21.85	47%	22	47%	100%	61%
S/T A-O/OPTIONS	39.798	67.15	107	68.48	64%	68	64%	100%	89%
MIPS	3	1.80	5	2.14	44%	2	44%	100%	255%
TOTAL PRODUCTS	83	184.91	268	140.00	52%	140	52%	100%	85%

Worldwide Sales and Marketing
January Quarterly Review
Territory : E U R O 4

Channel Mix

	FY93 MIX % TOTAL	FY94 FCST MIX % TOTAL	FY94 MIX % GOAL
DIRECT:			
ISV Leveraged	3%	3%	
DecDirect/DMO	10%	18%	
Digital End User	75%	60%	
TOTAL DIRECT	88%	81%	0%
INDIRECT:			
Distributors	2%	5%	
Master Resellers	0%	1%	
TOEMS/COEMS	2%	4%	
VARS	8%	10%	
System Integrators	0%	0%	
TOTAL INDIRECT	12%	19%	0%
TOTAL	100%	100%	0%

Worldwide Sales and Marketing
January Quarterly Review
Territory : E U R O 4

Channels Strategy

Actions and Plans in Place to develop SME Channels:

1. Protect SME bases and migrate to Alpha (will take two years).
   CH : 500 ex Philips
   200 ex Kienzle customers
   NL : 500 ex Philips customers
   BE : 2000 ex Philips customers

2. Verify current LOB's for investment / disinvestment.
   CH : We keep solutions / approach for municipalities and manufacturing
   NL : Disinvest municipalities to VAR IGA
   Move other fragmented solutions to
   - ABS (140 customers)
   - AG&B (300 customers)

3. After migration hand over installed base to solid distributor
   (get out of direct selling efforts)

4. Build up new SME segments through VAR recruitment

Worldwide Sales and Marketing
January Quarterly Review
Territory : E U R O 4

Channels Strategy

Actions and Plans in for Other Indirect Channels of Distribution:

VAR's:

- Sell more with / less through
  - increase synergy with CBU sales (new selling model)
- Focus on ISV's, incl. Account Management for top ISV's
- Improve quality of VAR's
  - Transfer low volume to distributor
  - Recruit key new ones
  - Support and Accountability

Product Resellers:

- Focus on distributors and selected product resellers
- Need 'product by channel' strategy (vs PSS, DECdirect, direct sales)

TOEM

- CH, BE good focus
- NL being expanded

System Integrators

- Sell more with
- Focus on selected domains
- Avoid competition with DC

Worldwide Sales and Marketing
January Quarterly Review
Territory : E U R O 4

Channels Strategy

Specific Plans in Place for selling with Partners:

- Partner's participation at all selling events
- Implementation of new Sales Branch concept in all EURO4 countries

Worldwide Sales & Marketing
January Quarterly Review
Territory : E U R O 4

Sales Coverage

	Q2 ACT	Q2 % TOTAL	FY94 FCST	FY94 % TOTAL
SALES MANAGEMENT	67	7%	67	7%
ACCOUNT SALES	144	15%	145	15%
SALES SPECIALISTS	214	23%	235	25%
MCS SALES SPECIALIST	43	5%	54	6%
TELESALES	41	4%	41	4%
CHANNNEL SALES	81	9%	81	8%
ADVISORY/SALES SUPPORT	342.2	37%	331.2	35%
TOTAL SALES	932.2	100%	954.2	100%

Worldwide Sales and arketing
January Quarterly Review
Territory : E U R O 4

Sales Training

Plan	Who	How Many	When	Content/Focus
TZERLAND				
	NETWORK SALES	20	Jan-28	NETWORK OS/-MANAGEMENT TRAINING (NETVIEW)
	ALL SALES	250	Feb 2-3	FEBRUARY 8 TRAINING
	AMs	50	Feb-15	LINKSWORKS
	MARKETING	250	Apr 5-7	RESERVED FOR PRODUCT TRAINING (APRIL ANNOUNCEMENT)
	NETWORK SALES		Apr-28	ATM TRAINING
HERLANDS				
DIST TRAINING	SALES/AMGs	60	Q3-Q4	CONSULTATIVE SELLING SKILLS
SPIN TRAINING	SALES/AMGs	50	Q3-Q4	GENERIC SELLING SKILLS
NEGOTIATION	SALES	40	Q3-Q4	NEGOTIATION SKILLS
CLIENT/SERVER	ALL SALES	250	Q3	PRODUCT ANNOUNCEMENT FEBRUARY
APBW	A.MGR.	30	Q3	PLANNING AND BUDGETTING
GIUM				
	ALL SALES /MKT	120	JAN 25-27	FEBRUARY 8 ANNOUNCEMENTS
	SELECTED ACCOUNT MANAGERS	30	Q3	COMPETITIVE BIDDING WORKSHOP

Worldwide Sales and Marketing
January Quarterly Review
Territory: E U R O 4

General Issues for Discussion

* Supply of PC's
* Delivery performance
* Alpha application availibility
* Pricing
  - WS pricing
  - EURO_multinationals
  - Brokering
* Resources required and coordination of training (timing, frequency,consistency), selling events

WORLDWIDE SALES & MARKETING QUARTERLY REVIEW JANUARY '94

AGENDA

- Q2 REVIEW
- Market Analysis
- Products Business Review
- FY94 Assessment
- FY94 Marketing Plans
- FY94 Target
- Product Training
- Feedback to Corporate

1ST HALF CERTS PERFORMANCE

U.S. M$	WK 11 FCST	Q2 ACTUAL	% BOD	YR/YR GROWTH %	local currency
PRODUCTS	58.5	66.5	110%	13%	17%
DC	21.6	17.9	77%	3%	8%
MCS	26.9	31.9	93%	14%	19%
TOTAL TERRITORY	107.0	116.3	99%	12%	16%
LOCAL CURRENCY GROWTH				16%	

	WK 11 FCST	Q2 YTD ACTUAL	% BOD	YR/YR GROWTH %	
PRODUCTS	103.1	111.1	108%	13%	15%
DC	41.8	36.6	95%	40%	46%
MCS	60.1	65.1	100%	20%	26%
TOTAL TERRITORY	205.0	212.8	103%	18%	23%
LOCAL CURRENCY GROWTH				23%	

Worldwide Sales and Marketing
January Quarterly Review
Territory: CANADA

Q2 Preliminary Results

	WK11 FCST	Q2 PRELIM	NOV 6 TARGET	% TARGET	% BUDGET
REVENUE					
PRODUCT	52.0	45.0	57.0	78.9%	81.8%
DCS	18.8	18.6	18.8	98.9%	81.6%
MCS	36.2	36.3	36.0	100.8%	89.2%
TOTAL	107.0	99.9	111.8	89.4%	84.3%

5 of miss – PC supply
3 – currency
3 shippers & f.c.

6 m of
miss is
currency

Q2 WINS

Account	Project	Value CDN M$	Selling Days	Reason
Canadian Federal Gov't	Workstations	12	360	Price Performance
CUCM	Retail Banking	12	1,080	Application Exc Reference Repeatable Solution Program Mgt.
Shell	Credit Card	4	300	Expertise Program Mgt.
Equitable Life	Downsizing	2	100	SI Solution Price
Scotia McLeod	Branch Automation	5	220	Telerate Partnership Reference

Q2 LOSSES

Account	Project	Value CDN $M	Selling Days	Reason	Who Won
London Life	Maintenance	2	90	Pricing delta 700K	Sorbus
Northern Telecom	Maintenance Worldwide	12 (U.S.)	180	Corporate Bid Price delta 2M	Bell Atlantic
Schneiders	UNIX Servers	1	120	Price	HP
Consumer Gas	Application Development Environment	3	90	Stay with Mainframe	IBM
U of T	SAP financials	1	100	Price Reference	IBM

2 MAJOR TRENDS
1. SHIFT FROM PROPRIETARY TO UNIX
2. PC GROWTH HIGHER THAN EXPECTED BY IDC - FROM $2.1B TO $2.8B

CANADIAN MARKET SEGMENT BY PRODUCT

C$ Million Revenue

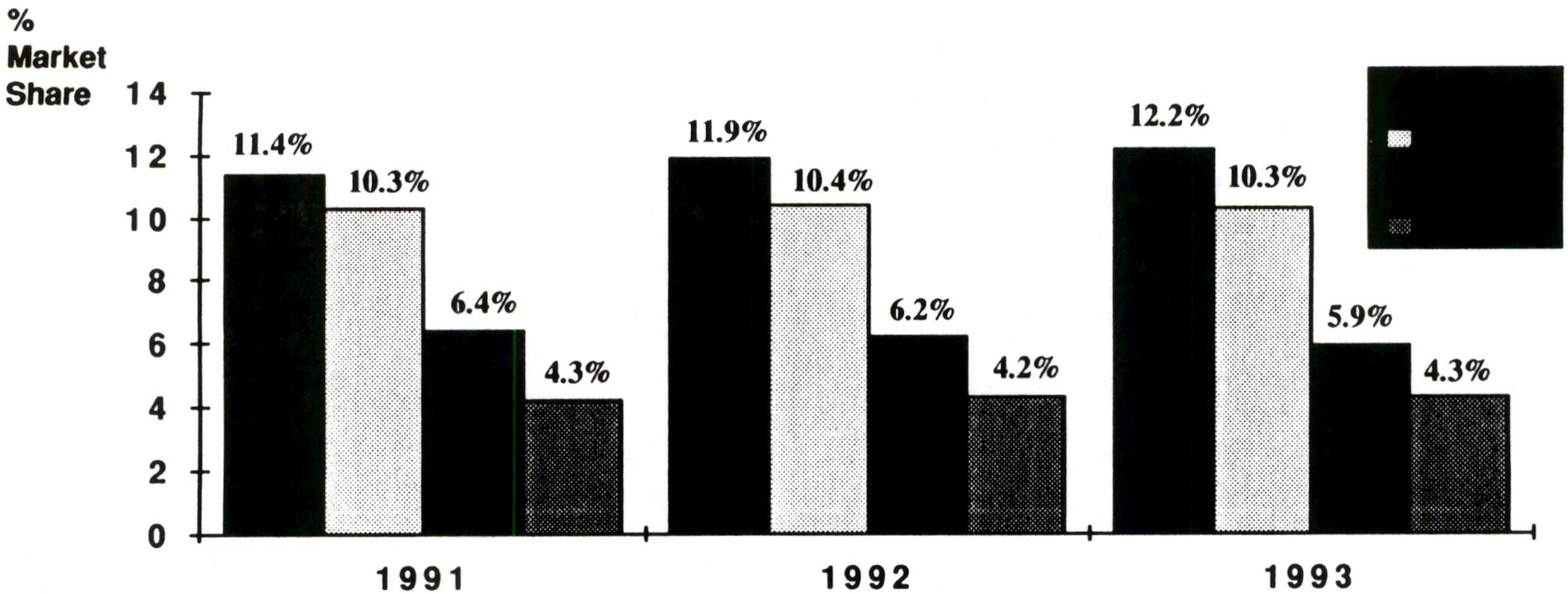
	1991	1992	1993F	1994F	91/94 Growth
Total Hardware	6,375	6,290	6,090	6,032	
Growth		<1.3%>	<2.9%>	<0.9%>	<5.4%>
Medium Scale Systems	1,280	1,160	990	900	
Growth		<9.4%>	<14.7%>	<10.0%>	<27.7%>
Small Scale Systems	676	685	700	718	
Growth		2.2%	2.5%	3.1%	6.2%
Unix Systems	575,5	635.5	704.5	792.3	
		10.4%	10.9%	12.5%	37.7%

	1991	1992	1993F	1994F	1995F	1996F	1997F
Systems Revenue							
Unix	19%	23%	26%	31%	35%	39%	43%
Proprietary	81%	77%	74%	69%	65%	61%	57%

Digital Canada Marketshare (1993F)
Unix: 4.3%
Workstation/W/S Server: 16.0% (Approximately 9% VMS based)

Source: IDC Canada- CY - Preliminary 1993 data.

UNIX MULTIUSER SYSTEMS (C$0.3B)



HP

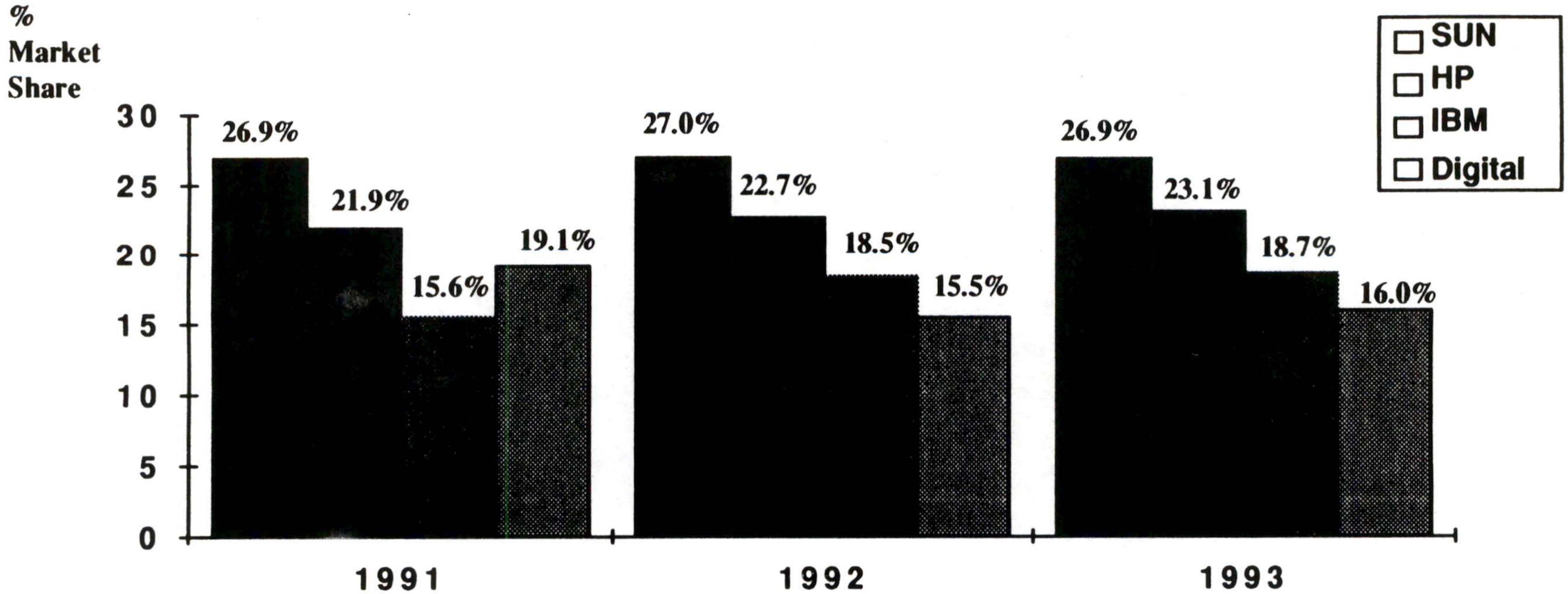
Strengths

- Product Focused Sales Force
- Leads with UNIX
- Commercial UNIX market momentum
- Strong Partners/Partner Programs

Weaknesses

- Stated transition to 64 bits
- Service & Systems Integration is lacking
- No longer Price/Performance leader
- Client/Server strategy

WORKSTATION/WORKSTATION SERVERS (C$0.3B)



SUN

Strengths

- Marketshare leader/momentum
- Product Focused Sales Force
- Lean organization (Sales Agents)

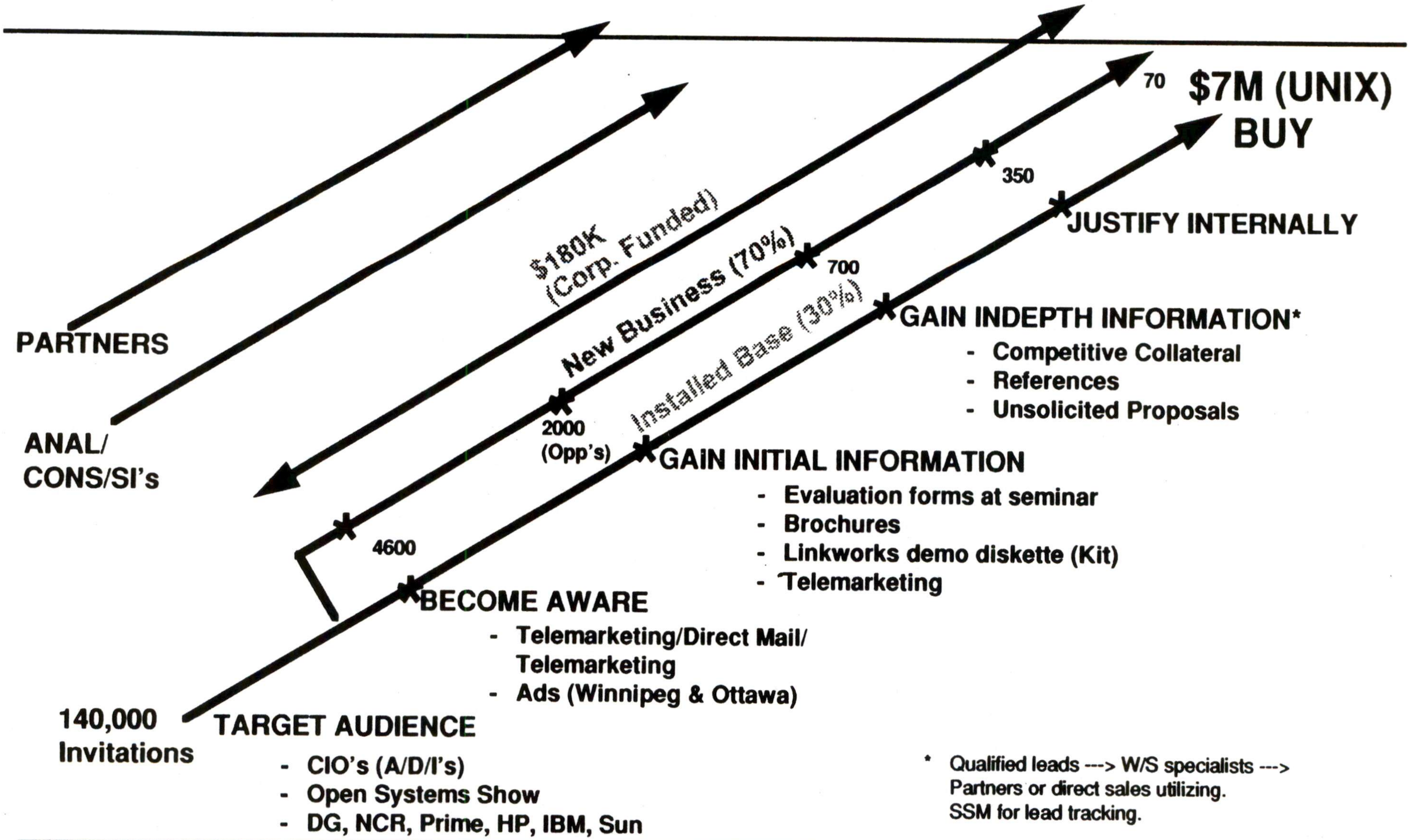
Weaknesses

- Lack Price/Performance
- Sparc architecture is falling behind-transition ahead
- SUN/OS to Solaris migration issues
- Service/Systems Integration

Installed Base Breakout

Product Installed	Installed #	ASV	Target # Units	Total Revenue
VAX 4000	1306	30	225	6.8M
VAX 8000	406	200	20	4.0M
VAX 6000	586	150	30	4.5M
VAX 11/7XX	386	75	10	.7M
VAX 3000 Q Bus	2154	75	50	3.8M
m VAX 3100	2140	30	100	3.0M
				22.8M

New World Now Tour Results Path



* Qualified leads ---> W/S specialists ---> Partners or direct sales utilizing. SSM for lead tracking.

PC FOCUS - MAJOR OPPORTUNITIES

NMSO - Total 6000 units	
External Affairs	1000
Finance	400
Revenue	400
Justice	400
RCMP	300
Environment	300
DND	300
Transport	250
Corrections	200
Private Sector:	
York University	400
Richardson Greenshields	400
Cdn Surety	250
London Life	200

DIGITAL "NMSO IMPACT" PROGRAM
OVERVIEW

Provides "MARKET AWARENESS and TARGETS LEAD GENERATION" For The Fed. Gov. Workstation Standing Offer.

- **Program Features:**
  - **Targets Application Users with New Or Upgrade Software Licenses Purchases**
  - **Offers Higher Software Discounts with NMSO ALPHA Workstations Configuration**
  - **Joint Mailing Campaign To Gov. Dept. Across Canada**
  - **Joint Telemarketing Campaign For Follow Through**

DIGITAL "MUST WIN" PROGRAM

OVERVIEW

Provide ~~Corporate~~ Canadian Resources for "BIG DEAL" opportunities that are Deemed Strategic by Geography Mgrs. & Meet a Run Rate Requirement greater than 100k/mth

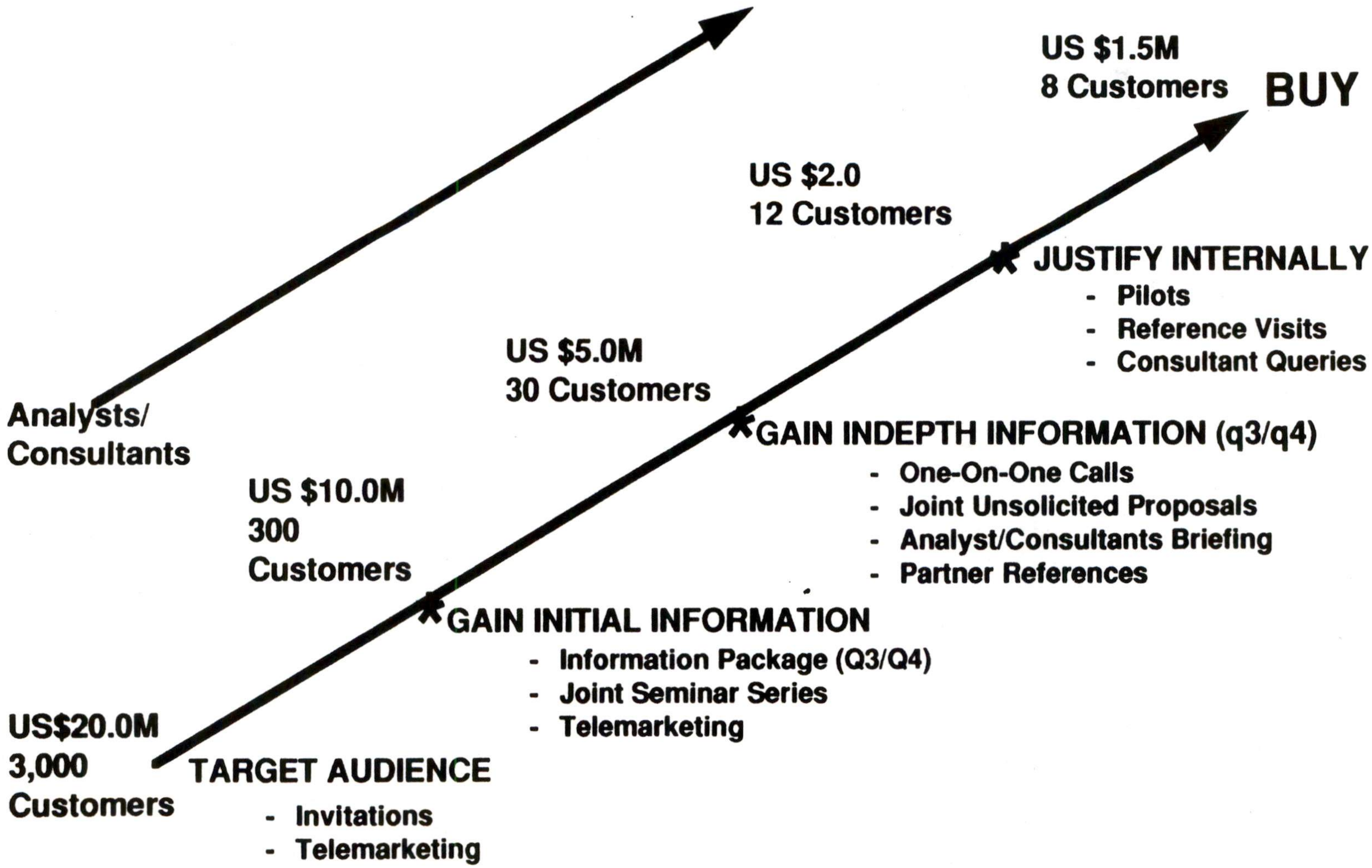
- Program Features:
  - Regional Allowance/Financing Approval
  - Seed Units.
  - Senior Sales Mgt. Involvement
  - Corporate Visits
  - Pre-Sales Resources
  - Future Product Non-Disclosure Pitch
  - Benchmark Eval's
  - Corporate Competitive Information
  - Porting Dollar for Apps.
  - Access To Corporate Eng

DIGITAL ALPHA "RISC FREE" PROGRAM
OVERVIEW

Provides Selected Partners on Qualified Opportunities access To Fully Configured ALPHA 3000 Workstations & Servers with 60 Day Money Back Guarantee Offer

- **Program Features:**
  - **Full ALPHA Configuration Support Regardless of Order Size**
  - **Includes All Associated Peripherals and Software**
  - **Deal Closer Tool, Removes Final Barriers (Perceived Risk, Final Objections)**
  - **Promoted by Both Digital & Partner Sales Force**

DIGITAL UNIX/ALPHA & ORACLE V7.0
RESULTS PATH (Q3/Q4)



PRODUCT TRAINING

Q1/Q2

- Canadian Sales Forum
- Open Client/Server Phase 1
    - October 12th Announcement
      (Pre-course and Mandatory Test)

Q3

- Open Client/Server Phase 2
    - February 8th Announcement
    - Major Competitive Focus: HP

Q4

- Open Client/Server Phase 3
    - April Announcement

Worldwide Sales & Marketing
January Quarterly Review
Territory: CANADA

Sales Coverage

	Q2 ACT	Q2 % TOTAL	FY94 FCST	FY94 % TOTAL
SALES MANAGEMENT	58	12%	50	11%
ACCOUNT SALES	140	30%	120	27%
SALES SPECIALISTS	72	15%	67	15%
MCS SALES SPECIALIST	39	8%	43	10%
TELESALES	24	5%	24	5%
CHANNNEL SALES	28	6%	28	6%
ADVISORY/SALES SUPPORT	106	23%	105	24%
TOTAL SALES	467	100%	437	100%

CHANNEL MIX

	FY93 MIX % TOTAL	FY94 FCST MIX % TOTAL	FY94 MIX % GOAL
DIRECT:			
ISV Leveraged	9	8	10
Digital End User/DMO	49	45	31
TOTAL DIRECT	58	53	41
INDIRECT:			
Distributors/Resellers	25	31	36
TOEMS/COEMS	9	8	11
VARS/SI	8	8	12
TOTAL INDIRECT	42	47	59
TOTAL	100	100	100

Worldwide Sales and Marketing
January Quarterly Review
Territory: CANADA
Channels Strategy

ACTIONS AND PLANS IN PLACE TO DEVELOP SME CHANNELS

- o CREATE AN SME FOCUSSED ORGANIZATION

- o CONTINUED FOCUS TO ENHANCE THE MASTER RESELLER CHANNELS MODEL

  - Increase volume and market share through tiered VAR

  - Minimum business and marketing support requirements for Master Resellers

    - o Separate division as Master Reseller (for distributors)
    - o Tiered VAR Program Manager required
    - o Sales representatives to support/recruit tiered VAR

- o INDUSTRY SALES SPECIALIST JOB CATEGORY

  - Focused on non-named CBU accounts

  - Sell through channels only

  - Support Recruitment of new Channels partners

- o NEW ACCOUNT INCENTIVE PROGRAM -- Q3FY94 - Q1FY95

  - Focus on new accounts and reward partners

- PARTNER MANAGEMENT MEETINGS

  - Executive Review Board for distributors - quarterly
  - Advisory council for VARS, Developers and TOEMs - semi-annually

- COMPLIMENTARY SALES METRICS FOR CHANNELS SALES WITHIN DIGITAL SALES FORCE

- ACTIVELY INVOLVE DMO ORGANIZATION TO SUPPORT PARTNERS

  - Alpha Achievers Program - Q3 and Q4FY94

  - Train distributors in direct marketing and telemarketing techniques

  - Distributor lead generation programs (ongoing)

  - Sundown Campaign with AVNET - Q2 and Q3FY94

  - Disk Campaign with Zentronics - Q2FY94

  - VIPS Campaign with ONYX and AVNET - Q3FY94

  - Advantage Upgrade campaign with AVNET - Q3 and Q4FY94

PC BUSINESS STRATEGY

- Corporate awareness campaigns with resellers

  - PACRIM computer show participation Jan. 94
  - COMDEX Canada participation June 94
  - Ingram roadshow April 94 (5 cities across Canada)
  - Microsoft product support for all show events

- PC specialists focused on demand creation in major accounts with channels fulfillment strategy

- Faxback support for reseller information through 1-800-DIGITAL

ISSUES

OSF/1 APPLICATION SOFTWARE	Lack of complete portfolio of software solutions on OSF/1
MCS COMPETITIVE ISSUE	TPM new entrants Pricing toward cost
PRODUCT DELIVERY	ALPHA workstations, Pathworks V.5 and PC (Bluebird) products delayed under OSF
CURRENCY	$17.8 negative impact to TCM on full year

PRODUCTS BUSINESS REVIEW

	FY93 ACTUAL	FY94 ASSESSMENT	FY94 TARGET	FY94 PLAN
NOR	216.0	202.5	220.0	229.9
Gross Margin	121.2	92.6	100.6	128.9

Canadian Product Marketing Plans

January 24 - Feb 6th - Field Product Training

February 7 - 28th - New World Now Tour (12 cities)

- **February 8th Announcement**
- **Digital and DMR (Andrew Toller - Analyst)**

February 25th

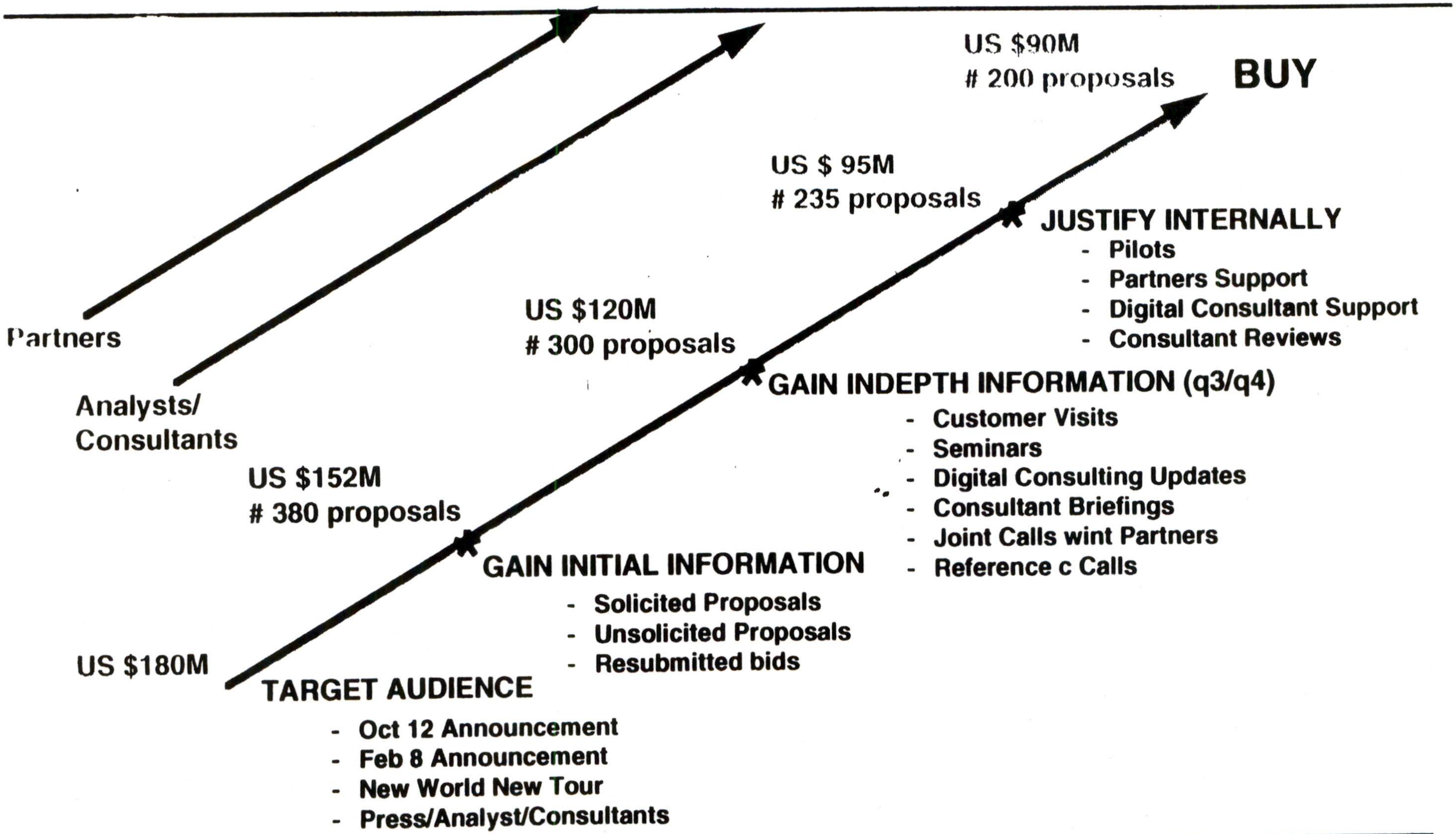
- **Mainframe Alternatives Seminar**
- **Digital and Gartner Group (Jim Kassel)**

March 1 - 10th - SI (6) Briefings

(DMR, Anderson, SHL, LGS, Bell Sygma/CGI and EDS)

April - Focused Oracle V.7/Alpha AXP OSF Seminars

PROPOSALS RESULTS PATH



FY94 ASSESSMENT

	FY94	2nd Half
S$ NOR	$202.4M	$123.7M

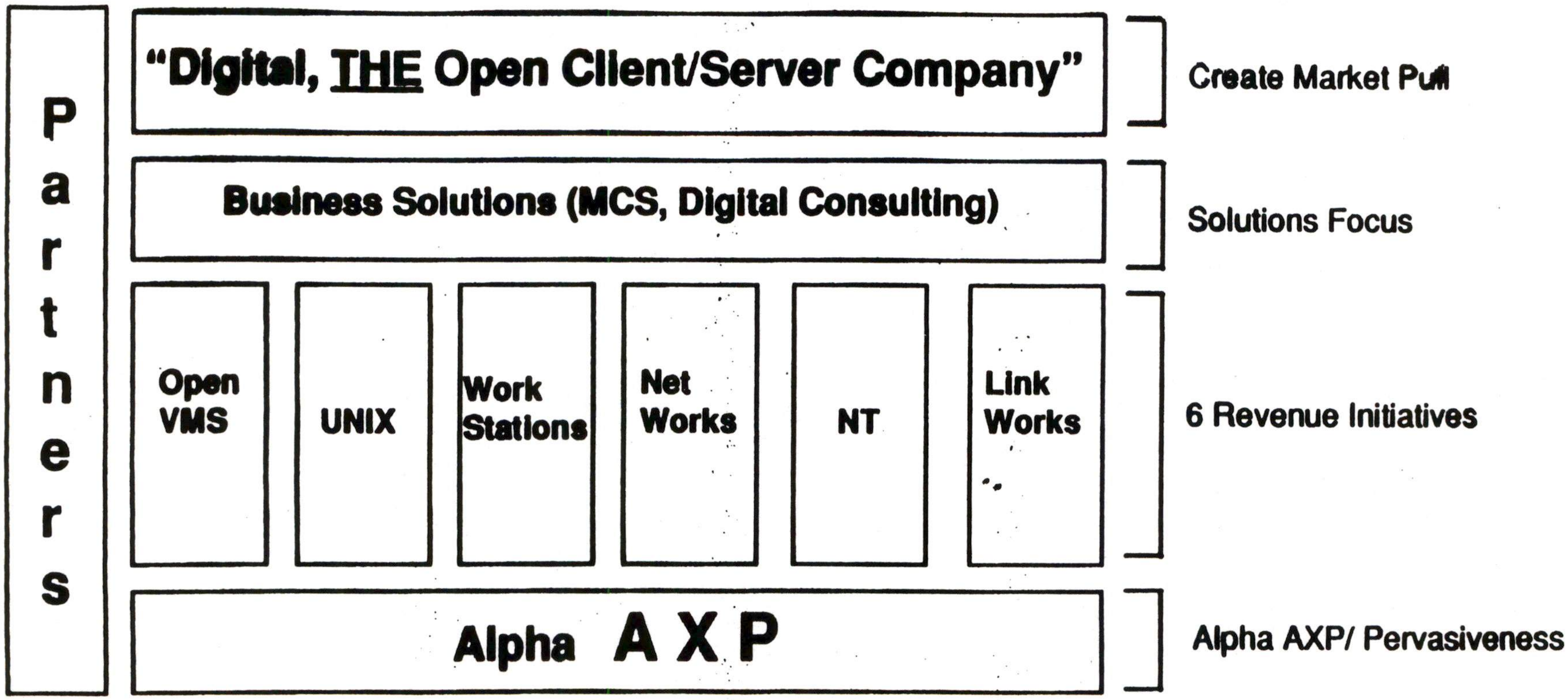
lajor Programs:

- Installed Base Upgrades
  - VAX to VAX
  - VAX to Alpha AXP
- Open Client/Server Proposals
  - February 8th Announcements

MAJOR CUSTOMER OPPORTUNITIES

Customer	Value
Canadair	2000
Stentor	2000
Ministry Transport (Ont)	1500
Ontario Hydro	1500
CBC	1500
Canadian Surety	1000
CAATS	1000
TCPL	1000
Total	11.5M

CANADIAN MARKETING MANDATE



Canada digital

FY94 TARGET

		FY94
US$ NOR	Target	$220.OM
	Assessment	202.4M
	delta	$\boxed{\$17.6M}$

Focused Programs:

◆ New World Now Tour - Unix off-base focus (Feb 8th Announcement)	$7.0 M
◆ PC's - NMSO and Private Sector focus	4.2
◆ Workstations - NMSO - "Risc Free" - Must Win	4.9
◆ Oracle V.7/Alpha AXP - Customer Events	1.5
	$17.6 M

Worldwide Sales and Marketing
January Quarterly Review
Territory: CANADA

Presentation Outline

- Q2 Preliminary Results
- Win/Loss Analysis
- FY 94 Assessment
  - FY 94 Assessment
  - Product Family View
- Second Half
  - vs Targets
  - vs Budgets
- Q3 Overview
- Channels
  - Channel Mix
  - Channels Strategy
- Sales Coverage
- Sales Training
- General Issues

Worldwide Sales and Marketing
January Quarterly Review
Territory: CANADA
Q2 CERTS PERFORMANCE

U.S. M$

	WK 11 FRCT	Q2 ACTUAL	% BOD	YR/YR GROWTH %
PRODUCTS	58.5	66.5	110%	13%
DC	21.6	17.9	77%	3%
MCS	26.9	31.9	93%	14%
TOTAL TERRITORY	107.0	116.3	99%	12%

Worldwide Sales and Marketing
January Quarterly Review
Territory: CANADA

Q2 Preliminary Results

	WK11 FCST	Q2 PRELIM	NOV 6 TARGET	% TARGET	% BUDGET
REVENUE					
PRODUCT	52.0	45.0	57.0	78.9%	81.8%
DCS	18.8	18.6	18.8	98.9%	81.6%
MCS	36.2	36.3	36.0	100.8%	89.2%
TOTAL	107.0	99.9	111.8	89.4%	84.3%

Worldwide Sales and Marketing
January Quarterly Review
Territory: CANADA
Win/Loss Analysis

Account	Project	Value $K CDN	Sales Cycle Days	Reason	Who Won
Canadian Federal Gov't	Alpha workstation standing offer	$12,000	360	• Placed 1st in price/ performance specifications in all 3 categories	Digital
CUCM	New Banking System	$12,000	1,080	• Application Partner Sanchez • Repeatable Solution • Strength of Local Program Management & Methodology	Digital
Shell	String Ray Applic Dev Proj for Credit Cd Processing	$3,900	300	• Business Expertise • Relationship • Stength of Local Program Management & Methodology	Digital
Equitable Life	M/F Downsizing	$2,000	100	• Complete SI Solution • Price • VAX vs AS/400	Digital
Scotia McLeod	Branch Automation	$4,700	220	• Telerate/Digital Partnership • Experience of Partners in similar projects	Digital
London Life	HPS and new MVS	$1,600	90	• Pricing • Digital value recognized but delta too large	Sorbus
Northern Telecom	HPS and new MVS Worldwide	$12,000 U.S.	180	• Corporate Bid • Competitor had $2M+ pricing advantage • Value of Digital not perceived	Bell Atlantic
Schneiders	UNIX Servers	$1,000	120	• Price/performance based on Pick benchmark • Maturity of commercial UNIX	HP
Consumer Gas	Application Development Environment	$3,000	90	-Mainframe User -Cambridge Tech Group Unable to demonstrate Apps development in client server mode	IBM
U of T	SAP Financials	$500K	100	Price Installations of SAP	IBM

Worldwide Sales and Marketing
January Quarterly Review
Territory: CANADA

FY 94 Assessment

	Q1 Act	Q2 Prelim	Q3 Assessmnt	Q4 Assessmnt	FY94 Assessmnt	FY94 Target *	% Target	% Budget
REVENUE								
PRODUCT	33.8	45.0	58.5	65.2	202.5	220.0	92%	88%
DCS	16.3	18.6	18.5	21.6	75.0	75.0	100%	80%
MCS	34.8	36.3	36.7	37.2	145.0	145.0	100%	89%
TOTAL	84.9	99.9	113.7	124.0	422.5	440.0	96%	87%

* no targets received for DC and MCS, assessment used for target.

Worldwide Sales and Marketing
January Quarterly Review
Territory: CANADA

Product Family View

	Q1 Act	Q2 Prelim	Q3 Assessmnt	Q4 Assessmnt	FY94 Assessmnt	FY94 Target	% Target	% Budget
SYSTEM/SERVERS	5.8	6.2	7.9	16.5	36.4	41.9	87%	70%
	-48%	-66%	-44%	-25%	-44%			
				103%				
WORKSTATIONS	3.5	3.5	3.2	3.5	13.7	16.5	83%	64%
	344%	13%	-30%	-36%	-2%			
				-4%				
PC'S	7.6	14.5	22.8	17.5	62.4	64	98%	162%
	48%	118%	70%	102%	84%			
				82%				
ADD-ONS/OPTIONS								
STORAGE	5.6	5.9	7.8	9.4	28.7	28.7	100%	69%
	8%	2%	4%	47%	15%			
				50%				
VIDEO/PRINTERS	1	2.5	2.7	3.1	9.3	12	78%	54%
	-20%	-1%	11%	29%	8%			
				66%				
SOFTWARE	8.3	8.5	8	9.6	34.4	37.8	91%	85%
	20%	-25%	-39%	-25%	-22%			
				5%				
OTH. A-O/OPT.	1.7	3.8	6	5.6	17.1	18.6	92%	96%
	-68%	30%	24%	-33%	-20%			
				111%				
S/T A-O/OPTIONS	16.6	20.7	24.5	27.7	89.5	97.1	92%	76%
	-11%	-8%	-12%	-8%	-10%			
				40%				
MIPS	0.2	0.1	0.1	0	0.4	0.5	80%	80%
	-72%	-92%	-92%	-100%	-89%			
				-67%				
TOTAL PRODUCTS	33.7	45	58.5	65.2	202.4	220	92%	88%
YOY %	-7%	-13%	-5%	-2%	-6%			
2H/1H				57%				

Worldwide Sales and Marketing
January Quarterly Review
Territory: CANADA

Second Half vs. Targets

	Q3			Q4			2nd HALF		
	Assessmnt	Target	%	Assessmnt	Target	%	Assessmnt	Target	%
SYSTEM/SERVERS	7.9	9.8	81 %	16.5	20.3	81 %	24.4	30.1	81 %
								151 %	
							103 %		
WORKSTATIONS	3.2	3.8	84 %	3.5	4.4	80 %	6.7	8.2	82 %
								17 %	
							-4 %		
PC'S	22.8	25.4	90 %	17.5	17.5	100 %	40.3	42.9	94 %
								94 %	
							82 %		
ADD-ONS/OPTIONS									
STORAGE	7.8	7.8	100 %	9.4	10.3	91 %	17.2	18.1	95 %
								57 %	
							50 %		
VIDEO/PRINTERS	2.7	3.2	84 %	3.1	3.9	79 %	5.8	7.1	82 %
								103 %	
							66 %		
SOFTWARE	8	9.1	88 %	9.6	12	80 %	17.6	21.1	83 %
								26 %	
							5 %		
OTH. A-O/OPT.	6	6.7	90 %	5.6	6.8	82 %	11.6	13.5	86 %
								145 %	
							111 %		
S/T A-O/OPTIONS	24.5	27.6	89 %	27.7	33.7	82 %	52.2	59.8	87 %
								60 %	
							40 %		
MIPS	0.1	0.1	100 %	0	0	#DIV/0!	0.1	0.1	100 %
								-67 %	
							-67 %		
TOTAL PRODUCTS	58.5	66.0	89 %	65.2	75.2	87 %	124	141	88 %
								79 %	
							57 %		

Worldwide Sales and Marketing
January Quarterly Review
Territory: CANADA

Second Half vs. Budgets

	Q3			Q4			2nd HALF		
	Assessmnt	Budget	%	Assessmnt	Budget	%	Assessmnt	Budget	%
SYSTEM/SERVERS	7.9	14.2	56%	16.5	14.1	117%	24.4	28.3	86%
								136%	
							103%		
WORKSTATIONS	3.2	5.8	55%	3.5	4.9	71%	6.7	10.7	63%
								53%	
							-4%		
PC'S	22.8	11.7	195%	17.5	12.8	137%	40.3	24.5	164%
								11%	
							82%		
ADD-ONS/OPTIONS									
STORAGE	7.8	10.8	72%	9.4	10.9	86%	17.2	21.7	79%
								89%	
							50%		
VIDEO/PRINTERS	2.7	4.9	55%	3.1	5	62%	5.8	9.9	59%
								183%	
							66%		
SOFTWARE	8	11.7	68%	9.6	11.7	82%	17.6	23.4	75%
								39%	
							5%		
OTH. A-O/OPT.	6	5.3	113%	5.6	5.3	106%	11.6	10.6	109%
								93%	
							111%		
S/T A-O/OPTIONS	24.5	32.8	75%	27.7	32.9	84%	52.2	65.6	80%
								76%	
							40%		
MIPS	0.1	0.1	100%	0	0.1	0%	0.1	0.2	50%
								-33%	
							-67%		
TOTAL PRODUCTS	58.5	64.7	90%	65.2	64.9	100%	124	129	96%
								64%	
							57%		

Worldwide Sales and Marketing
January Quarterly Review
Territory: CANADA

Q3 Overview

	Begin Backlog *	Frontlog	Total	Q3 Assessmnt	% Total	Q3 Target	% Total	Assessment % Target	Assessment % Budget
SYSTEM/SERVERS	4.5	16.5	21	7.9	38%	9.8	47%	81%	56%
WORKSTATIONS	1.2	9.9	11	3.2	29%	3.8	34%	84%	55%
PC'S	4.8	7.4	12	22.8	187%	25.4	208%	90%	195%
ADD-ONS/OPTIONS									
STORAGE	2.6	4.1	7	7.8	116%	7.8	116%	100%	72%
VIDEO/PRINTERS	0.5	0.4	1	2.7	300%	3.2	356%	84%	55%
SOFTWARE	1.5	1.2	3	8	296%	9.1	337%	88%	68%
OTH. A-O/OPT.	1.2	0.9	2	6	286%	6.7	319%	90%	113%
S/T A-O/OPTIONS	5.8	6.6	12	24.5	198%	27.6	223%	89%	75%
MIPS	0.1	0.3	0	0.1	25%	0.1	25%	100%	100%
TOTAL PRODUCTS	16.4	40.7	57	58.5	102%	66.0	116%	89%	90%

* Q3 backlog

Worldwide Sales and Marketing
January Quarterly Review
Territory: CANADA

Channel Mix

	FY93 MIX % TOTAL	FY94 FCST MIX % TOTAL	FY94 MIX % GOAL
DIRECT:			
ISV Leveraged	9%	8%	10%
DecDirect/DMO	0%	0%	0%
Digital End User	49%	45%	31%
TOTAL DIRECT	58%	53%	41%
INDIRECT:			
Distributors	25%	31%	36%
Master Resellers	0%	0%	0%
TOEMS/COEMS	9%	8%	11%
VARS	8%	8%	12%
System Integrators	0%	0%	0%
TOTAL INDIRECT	42%	47%	59%
TOTAL	100%	100%	100%

Integrator volume included in VARS

Master Reseller volume included in Distributors

CNA defined as 125 Named Accounts

GBG defined as all other accounts

Worldwide Sales and Marketing
January Quarterly Review
Territory: CANADA
Channels Strategy

ACTIONS AND PLANS IN PLACE TO DEVELOP SME CHANNELS

- o CREATE AN SME FOCUSSED ORGANIZATION

- o CONTINUED FOCUS TO ENHANCE THE MASTER RESELLER CHANNELS MODEL

  - Increase volume and market share through tiered VAR

  - Minimum business and marketing support requirements for Master Resellers

    - o Separate division as Master Reseller (for distributors)
    - o Tiered VAR Program Manager required
    - o Sales representatives to support/recruit tiered VAR

- o INDUSTRY SALES SPECIALIST JOB CATEGORY

  - Focused on non-named CBU accounts

  - Sell through channels only

  - Support Recruitment of new Channels partners

- o NEW ACCOUNT INCENTIVE PROGRAM -- Q3FY94 - Q1FY95

  - Focus on new accounts and reward partners

- o ONGOING RECRUITMENT OF TOEM
  - Develop new TOEMs with ALPHA AXP
  - Six new TOEMs have been recruited
  - Currently working with six new opportunities
  - Active participation at TOEM seminars to create interest/demand

- o CONTINUED DEVELOPMENT OF TELESALES CAPABILITY
  - High Tech Show
  - COMDEX CANADA
  - IEEE Conference

PC BUSINESS STRATEGY

- o Master Reseller focus to expand existing coverage to the VAR and dealer indirect channels:

  Hartco - Rollout of new agreement to cover 58 Microage locations across Canada with focus on a phased rollout to the retail market through Compucentre in late FY94.

  Ingram - Continue focus on ramping to increase business 50% per quarter for FY94.

  Universe Info - Rollout of Quebec based Master Reseller 30 locations

- o Target advertising in reseller news to recruit new VARS for Master Resellers

- o Promotional campaigns with Resellers i.e. product specials, bundling, etc.

- Selective addition of agreements with other Master resellers i.e. Merisel, Arrow and direct resellers Computerland and Crowntek

ACTIONS AND PLANS FOR OTHER INDIRECT CHANNELS OF DISTRIBUTION

- FOCUSED RECRUITMENT STRATEGY OF TOP 10 SUN RESELLERS IN CANADA

  - Recruited todate: Conceptual Technologies Inc.
    ESRI
    Dehan EDP
    Fuji Graphics

  - Significant progress with Rand Technologies and University Campus Resellers

- DEVELOPING THE UNIVERSITY CAMPUS RESELLER CHANNEL

  - 10 Universities targeted in Canada

- SIGNIFICANT RECRUITMENT ACTIVITY WITH TOEMS

- CURRENTLY ESTABLISHING CANADIAN MASTER RESELLER RELATIONSHIPS WITH:

  MICROAGE - completed
  TECHWAY TECHNOLOGIES - contract in progress
  ARROW ELECTRONICS - contract in progress
  INGRAM MICRO - completed
  PIONEER SYSTEMS - contract in progress

- DEVELOPER RELATIONSHIPS ESTABLISHED WITH THE MAJOR DATABASE COMPANIES IN CANADA

  - SYBASE, ASK/INGRES, ORACLE - all completed

- IMPLEMENT THE MVP PROGRAM FOR VARS AND DEVELOPERS - Q3FY94

- OPPORTUNITY REGISTRATION AND MARKET MAPPING - Q3/Q4FY94
  - Focus on distribution sales activity
  - Minimize conflict between distributors
  - Maximize sales activity with Digital sales force
- STRATEGIC PARTNER SALES UNIT ESTABLISHED
  - Oracle, Cognos, Systemhouse, CGI, DMR, EDS, SAP.

PC BUSINESS STRATEGY

- Ongoing negotiations with major direct distributors
  - Crowntek and Computerland
- Planning move into retail selling
  - Compucentre, Beamscope, Microage, Universe Info, etc.
- Increased penetration with large direct dealers
  - Compugen

SPECIFIC PLANS IN PLACE FOR SELLING WITH PARTNERS

- JOINT PARTICIPATION AT NATIONAL SALES FORUM (Q2FY94)
  - Approx. 150 attendees from partners
- JOINT PARTICIPATION AT INDUSTRY FOCUSSED SEMINARS AND TRADE SHOWS
  - Showcase 94; Q2 and Q3FY94
  - Downsizing Seminars - Q3FY94
  - Digital World Tour - Q3FY94
  - TOEM Road Show - Q3 and Q4FY94

- o PARTNER MANAGEMENT MEETINGS

  - Executive Review Board for distributors - quarterly
  - Advisory council for VARS, Developers and TOEMs - semi-annually

- o COMPLIMENTARY SALES METRICS FOR CHANNELS SALES WITHIN DIGITAL SALES FORCE

- o ACTIVELY INVOLVE DMO ORGANIZATION TO SUPPORT PARTNERS

  - Alpha Achievers Program - Q3 and Q4FY94

  - Train distributors in direct marketing and telemarketing techniques

  - Distributor lead generation programs (ongoing)

  - Sundown Campaign with AVNET - Q2 and Q3FY94

  - Disk Campaign with Zentronics - Q2FY94

  - VIPS Campaign with ONYX and AVNET - Q3FY94

  - Advantage Upgrade campaign with AVNET - Q3 and Q4FY94

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  - Ingram roadshow April 94 (5 cities across Canada)
  - Microsoft product support for all show events

- o PC specialists focused on demand creation in major accounts with channels fulfillment strategy

- o Faxback support for reseller information through 1-800-DIGITAL

Worldwide Sales & Marketing
January Quarterly Review
Territory: CANADA

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SALES MANAGEMENT	58	12%	50	11%
ACCOUNT SALES	140	30%	120	27%
SALES SPECIALISTS	72	15%	67	15%
MCS SALES SPECIALIST	39	8%	43	10%
TELESALES	24	5%	24	5%
CHANNNEL SALES	28	6%	28	6%
ADVISORY/SALES SUPPORT	106	23%	105	24%
TOTAL SALES	467	100%	437	100%

* assessment

Note: input of 427 adjusted as follows:

427
10 (CBU)
437

Mkt decreases by 10 CBU to keep territory at plan

Worldwide Sales and Marketing
January Quarterly Review
Sales Training
Territory: CANADA

Plan	Who	How Many	When	Content/Focus
Metrics and Compensation	Sales	380	Q1	
SPIN	Sales	50	Q1	Qualifying skills
Value Selling	Sales	25	Q1	Mack Hanan
Various CBU US training (Health,DMD,CPT,FPPS,CEM)				
Canadian Sales Forum	Sales,DC,MCS,Prtnrs (all CBU's)	800	Q2	3 day event. Focus on product training
Client/Server Phase I	Sales,DC,MCS,Prtnrs	450	Q2	Product training with testing and pass/fail req
Client/Server Phase II	Sales,DC,MCS,Prtnrs	550	Q3	2 day Product training with precourse
FTP (Field Training Plan)	Graduates	20 to 24	Q3	Campus recruitment starting Jan '94
Client/Server Phase III	Sales,DC, MCS,Prtnrs	550	Q4	2 day Product training
Selling Value	SLAMS	25	Q4	Digital version of Mack Hanan

Worldwide Sales and Marketing
January Quarterly Review
Territory: CANADA

General Issues for Discussion

CURRENCY :	$17.8 negative impact to TCM on full year.
OSF/1 APPLICATION SOFTWARE:	Lack of complete portfolio of software solutions on OSF/1
PRODUCT DELIVERY:	ALPHA workstations, Pathworks V.5 and PC (Bluebird) products
MCS COMPETITIVE ISSUE:	TPM new entrance Pricing toward cost
MARKETING PROGRAM FUNDING:	Funding for programs

WORLDWIDE SALES & MARKETING
JANUARY QUARTERLY REVIEW
TERRITORY DETAIL SUBMISSION

TERRITORY : CAN

	Q2 Actual $	Q2 Budget %	Q3 Wk11 Fcst $	Q3 Budget %	Q3 Assessmnt $	Q3 Budget %	FY'94 Wk11 Fcst $	FY'94 Budget %	FY'94 Assessmnt $	FY'94 Budget %
P & L										
PRODUCT MLP	63	84 %	89	100 %	81	92 %	300	95 %	284	90 %
NOR										
PRODUCT	45	82 %	63	97 %	59	90 %	212	92 %	203	88 %
DCS	19	81 %	21	86 %	19	74 %	80	85 %	75	80 %
MCS	36	89 %	38	92 %	37	90 %	149	91 %	145	89 %
TOTAL NOR	100	84 %	122	93 %	114	87 %	441	91 %	423	87 %
PROD NOR YIELD %	71 %	(2)pts	71 %	(2)pts	72 %	(1)pts	71 %	(2)pts	71 %	(2)pts
GM $										
PRODUCT	20	62 %	31	83 %	26	70 %	106	79 %	93	69 %
DCS	4	88 %	4	86 %	4	77 %	15	80 %	16	88 %
MCS	24	98 %	23	96 %	24	98 %	91	94 %	93	96 %
TOTAL $	48	78 %	59	88 %	54	81 %	211	85 %	201	81 %
TOTAL %	48 %	(4)pts	48 %	(3)pts	47 %	(4)pts	48 %	(3)pts	48 %	(4)pts
SG&A										
TERRITORY	17	100 %	18	103 %	18	98 %	72	101 %	70	98 %
EXCENTRALIZED	1	62 %	1	91 %	1	91 %	3	84 %	3	84 %
TOTAL $	18	98 %	19	103 %	18	98 %	75	100 %	73	97 %
Contribution Margin $	30	70 %	39	83 %	35	74 %	136	78 %	128	74 %
Contribution Margin %	30 %	(6)pts	32 %	(4)pts	31 %	(6)pts	31 %	(5)pts	30 %	(5)pts
Capital Expenditures	1	74 %	1	229 %	1	229 %	5	100 %	5	100 %
Operational Metrics										
DSO #	60	7 dys	66	0 dys	66	0 dys	65	0 dys	65	0 dys
Population #	1,711	98 %	1,717	98 %	1,531	87 %	1,721	98 %	1,531	87 %
Market Share										
Morale										
Customer Satisfaction										

WORLDWIDE SA[illegible] & MARKETING
JANUARY QUARTERLY REVIEW
PERFORMANCE TREND SUMMARY

TERRITORY : CAN

	FY'93 Q1	FY'93 Q2	FY'93 Q3	FY'93 Q4	FY'94 Q1 ACT*	Budget %	FY'94 Q2 ACT	Budget %	FY'94 Q3 Fcst$	Budget %	FY'94 Q4 Fcst$	Budget %	FY'94 Fcst	Budget %	FY'94 Assess $	Budget %
ORDERS	77	104	123	113	97	108%	116	99%	129	96%	134	96%	466	97%	466	97%
PROD NOR YIELD **	70%	68%	73%	74%	69%	(4)pts	71%	(2)pts	71%	(2)pts	71%	(2)pts	71%	(2)pts	71%	(2)pts
NOR																
PRODUCT	36	52	61	66	34	75%	45	82%	63	97%	63	97%	212	92%	203	88%
DCS	17	19	20	22	16	83%	19	81%	21	86%	24	89%	80	85%	75	80%
MCS	40	38	38	40	35	87%	36	89%	38	92%	40	97%	149	91%	145	89%
TOTAL NOR	93	109	119	128	85	81%	100	84%	122	93%	127	96%	441	91%	423	87%
GROSS MARGIN $																
PRODUCT	22	31	37	39	18	64%	20	62%	31	83%	31	84%	106	79%	93	69%
DCS	2	3	2	3	2	63%	4	88%	4	86%	6	100%	15	80%	16	88%
MCS	24	22	23	24	21	89%	24	98%	23	96%	25	103%	91	94%	93	96%
TOTAL GM $	48	56	62	66	40	75%	48	78%	59	88%	63	92%	211	85%	201	81%
GROSS MARGIN %	51%	51%	52%	52%	47%	(4)pts	48%	(4)pts	48%	(3)pts	49%	(2)pts	48%	(3)pts	48%	(4)pts
SG&A	25	24	23	22	19	99%	18	98%	19	103%	19	100%	75	100%	73	97%
Contribution Margin $	23	32	39	44	21	62%	30	70%	39	83%	43	89%	136	78%	128	74%
Contribution Margin %	25%	29%	33%	34%	25%	(8)pts	30%	(6)pts	32%	(4)pts	34%	(2)pts	31%	(5)pts	30%	(5)pts
POPULATION	2039	1845	1841	1713	1726	99%	1711	98%	1717	98%	1721	98%	1721	98%	1531	87%
DSO	68	67	66	65	64	4 dys	60	7 dys	66	0 dys	65	0 dys	65	0 dys	65	0 dys

MARKET SHARE
MORALE
CUSTOMER SATISFACTION
Notes:
*FY93 Restated in FY94 Terms
** PRODUCT NOR YIELD = NOR/MLP

WORLDWIDE SALES & MARKETING
JANUARY QUARTERLY REVIEW
PRODUCT BEAKDOWN

TERRITORY: XXX

	Q1 ACT				Q2 Wk 11 FCST					Q3 Wk 11FCST					FULL YEAR FY'94 WK 11 FCST				
	Certs Q1 Act	Budget %	NOR $	Budget %	Beginning Backlog	Certs Q2 Fcst	Budget %	NOR $	Budget %	Beginning Backlog	Certs Q3 Fcst	Budget %	NOR $	Budget %	NOR $	Budget %	%INC/ DEC	%Inc/Dec Of Bud	Mix % Of Total
SYSTEM/SERVERS																			
ALPHA	1	53%	1	37%	1	4	55%	3	55%	2	4	41%	3	39%	15	57%	699%	57%	7%
UNIX	0	50%	0	36%	0	1	53%	1	53%	1	1	43%	1	40%	4	42%	N/A	42%	2%
VMS	1	53%	1	37%	1	3	56%	3	56%	1	3	41%	2	39%	11	65%	529%	65%	5%
VAX	7	84%	5	60%	4	11	131%	9	127%	5	9	135%	8	130%	31	115%	48%	115%	14%
UNIX		N/A		N/A			N/A		N/A			N/A		N/A	0	N/A	N/A	N/A	0%
VMS	7	84%	5	60%	4	11	131%	9	127%	5	9	135%	8	130%	31	115%	48%	115%	14%
SUB-TOTAL S/S	8	78%	6	55%	5	14	97%	13	95%	7	13	83%	11	80%	45	87%	69%	87%	21%
UNIX	0	50%	0	36%	0	1	53%	1	53%	1	1	43%	1	40%	4	42%	N/A	42%	2%
VMS	8	78%	6	55%	5	13	102%	12	100%	6	12	89%	11	86%	42	95%	64%	95%	20%
WORKSTATIONS																			
ALPHA	2	63%	2	44%	1	3	58%	3	59%	2	4	81%	4	77%	12	70%	205%	70%	6%
UNIX	0	60%	0	40%	0	1	58%	1	59%	1	2	81%	2	77%	6	73%	N/A	73%	3%
VMS	2	63%	1	45%	0	1	58%	1	59%	1	2	81%	2	77%	7	67%	112%	67%	3%
NT	0	N/A	0	N/A	0	0	N/A	0	N/A		0	N/A	0	N/A	0	N/A	N/A	N/A	0%
VAX	3	169%	2	118%	0	1	108%	1	100%	1	1	157%	1	143%	5	115%	59%	115%	2%
UNIX	0	N/A	0	N/A	0	0	N/A	0	N/A		0	N/A	0	N/A	0	N/A	N/A	N/A	0%
VMS	3	169%	2	118%	0	1	108%	1	100%	1	1	157%	1	143%	5	115%	59%	115%	2%
SUB-TOTAL W/S	5	98%	4	69%	1	4	69%	4	68%	3	6	90%	5	85%	17	78%	121%	78%	8%
UNIX	0	60%	0	40%	0	1	58%	1	59%	1	2	81%	2	77%	6	73%	N/A	73%	3%
VMS	4	102%	3	72%	0	3	76%	3	74%	2	3	97%	3	91%	11	81%	81%	81%	5%
NT	0	N/A	0	N/A	0	0	N/A	0	N/A	0	0	N/A	0	N/A	0	N/A	N/A	N/A	0%
PC'S	10	187%	8	68%	5	15	159%	13	155%	10	19	154%	18	150%	52	118%	169%	118%	25%
INTEL	10	206%	7	145%	5	14	185%	13	180%	10	19	175%	17	171%	52	156%	168%	156%	24%
ALPHA	0	33%	0	2%	0	0	8%	0	8%		0	13%	0	7%	0	4%	N/A	4%	0%
NETWORKS	2	76%	2	56%	1	2	63%	2	67%	1	2	73%	2	71%	7	66%	106%	66%	3%
HARDWARE	2	76%	2	56%	1	2	63%	2	67%	1	2	73%	2	71%	7	66%	106%	66%	3%
SOFTWARE		N/A		N/A			N/A		N/A			N/A		N/A	0	N/A	N/A	N/A	0%
MIPS																			
SERVER/STATIONS	0	100%	0	100%		0	200%	0	200%		0	100%	0	100%	1	100%	14%	100%	0%
LINE ITEM SOFTWARE	11	160%	8	117%	3	9	82%	8	81%	6	12	93%	11	91%	39	96%	88%	96%	18%
OTHER ADD-ON/OPTIONS																			
STORAGE	6	83%	4	53%	2	5	66%	4	64%	3	6	73%	6	71%	20	66%	105%	66%	9%
ADD ON	6	83%	4	53%	2	5	66%	4	64%	3	6	73%	6	71%	20	66%	105%	66%	9%
OEM		N/A		N/A			N/A		N/A			N/A		N/A	0	N/A	N/A	N/A	0%
VIDEO/PRINTER	1	47%	1	31%	1	3	71%	3	68%	3	5	94%	5	92%	12	72%	114%	72%	6%
ADD ON	1	47%	1	31%	1	3	71%	3	68%	3	5	94%	5	92%	12	72%	114%	72%	6%
OEM		N/A		N/A			N/A		N/A			N/A		N/A	0	N/A	N/A	N/A	0%
MEMORIES		N/A		N/A			N/A		N/A			N/A		N/A	0	N/A	N/A	N/A	0%
ASO/K P/OTHER	2	79%	2	53%	3	6	140%	6	137%	3	7	118%	6	115%	19	107%	89%	107%	9%
SUB-TOTAL A/O/OPT.	10	74%	7	48%	6	15	87%	13	85%	9	18	92%	16	90%	52	79%	100%	79%	24%
TOTAL PRODUCTS	45	106%	34	66%	21	59	97%	52	95%	36	70	100%	63	97%	212	90%	98%	90%	100%
MEMO:																			
TOTAL ALPHA	3	56%	2	21%	2	7	52%	6	52%	4	8	52%	7	49%	27	50%	340%	50%	13%
TOTAL VAX	9	98%	7	69%	4	12	128%	11	123%	6	10	137%	9	131%	35	115%	49%	115%	17%

WORLDWIDE SALES & MARKETING
JANUARY QUARTERLY REVIEW
MAJOR PARTNER ASSESSMENT

TERRITORY: XXX

	—TOTAL INDUSTRY—		—DIGITAL—		
	PARTNER	ANNUAL SALES	PARTNER	FY 94 NOR	% TOTAL
Distributors					
Ind/Dig Part 1	Computerland	304			
Ind/Dig Part 2	Crowntek	220.4			
Ind/Dig Part 3	G.E. Hamilton	153.5		38.2	25%
Ind/Dig Part 4	Microage	76		1.5	2%
Ind/Dig Part 5	Compucenter	45.6		1	2%
Digital Part 1	GE Hamilton			38.2	
Digital Part 2	Avnet Electronics			10.6	
Digital Part 3	Zentronics			10.3	
Master Reseller					
Ind/Dig Part 1	Merisel	304			
Ind/Dig Part 2	Ingram	167.2		2.3	1%
Ind/Dig Part 3	Hartco	174		2.3	1%
Ind/Dig Part 4	Computer Brokers Cc	106.4			
Ind/Dig Part 5	Tech Data	76			
Digital Part 1	Zentronics			4.6	
Digital Part 2	Ingram			2.3	
Digital Part 3	Hartco			2.3	
TOEM/COEM					
Ind/Dig Part 1	CAE Electronics	38		1.9	5%
Ind/Dig Part 2	Northen Telecom	27.4		2.7	10%
Ind/Dig Part 3	3D Micro	15.2			
Ind/Dig Part 4	Sidus	11.4			
Ind/Dig Part 5	Baily Canada	7.6			
Digital Part 1	Hughes			3.3	
Digital Part 2	MacDonald Detwiller			3.2	
Digital Part 3	Northern Telecom			2.7	

Notes:
Total Industry: Provide top 5 partners in total industry for each category based on sales
Digital : Provide top 3 Digital partners for each category based on FY 94 NOR FCST
Digital Partners may not be consistent with Industry Partners
% Total = Digital NOR/Total Annual Sales

WORLDWIDE SALES & MARKETING
JANUARY QUARTERLY REVIEW
MAJOR PARTNER ASSESSMENT

TERRITORY: XXX

	—TOTAL INDUSTRY—		—DIGITAL—		
VARS	PARTNER	ANNUAL SALES	PARTNER	FY 94 NOR	% TOTAL
Ind/Dig Part 1	:cognition Cda (MDS)	26.6			
Ind/Dig Part 2	Reynolds & Reynolds	20.5			
Ind/Dig Part 3	Monenco	12.5		1.1	9%
Ind/Dig Part 4	Strohn	11.4			
Ind/Dig Part 5	Varnet	11.4			
Digital Part 1	Health Vision			1.9	
Digital Part 2	DAU			0.9	
Digital Part 3	PRC			1.1	

System Integrators

Ind/Dig Part 1	ISM	241.7			
Ind/Dig Part 2	IBM	187			
Ind/Dig Part 3	EDS	145.9		1.7	1%
Ind/Dig Part 4	DMR	108.3		0.1	0%
Ind/Dig Part 5	SHL Systemhouse	67.6		3	5%
Digital Part 1	SHL Systemhouse			3	
Digital Part 2	EDS			1.7	
Digital Part 3	Anderson			1.7	

ISVS

Ind/Dig Part 1	Computer Associates	57.8			
Ind/Dig Part 2	Oracle	41		2.4	6%
Ind/Dig Part 3	Novell	30.4			
Ind/Dig Part 4	D & B Software	19.8			
Ind/Dig Part 5	Cognos	19		3.3	17%
Digital Part 1	Oracle			2.4	
Digital Part 2	Ross			2.3	
Digital Part 3	SAP			1.9	

Notes:
Total Industry:Provide top 5 partners in total industry for each category based on sales
Digital : Provide top 3 Digital partners for each category based on FY 94 NOR FCST
Digital Partners may not be consistent with Industry Partners
% Total = Digital NOR/Total Annual Sales

WORLDWIDE SALES & MARKETING
JANUARY QUARTERLY REVIEW
CUSTOMER OVERVIEW and
MAJOR PROGRAMS

TERRITORY:XXX

	FY '93 ACT	FY'94 FCST	% TOTAL BUSINESS	FY '94 BUDGET	BUDGET %	% TOTAL BUSINESS
MAJOR CUSTOMERS:						
Gov't of Ontario	20.3			23.1		5%
Transalta Utilities	18.1			18.4		4%
Canada Post	17.6			10.4		2%
Dept. of Nat. Defense	16.5			15.5		3%
Bell Canada	16.0			17.5		4%
Environment Canada	12.1			13.5		3%
Transport Canada	10.4			7.7		2%
London Life	7.7			6.8		1%
DOW	7.5			7.5		2%
Solicitor General	7.3			4.0		1%
	133.5			124.4		26%
Total Territory	450.7			487.0		100%

NOTES:

FCST REFLECTS ASSESSMENT

WORLDWIDE SALES & MARKETING
JANUARY QUARTERLY REVIEW
CUSTOMER OVERVIEW and
MAJOR PROGRAMS

TERRITORY:XXX

MAJOR SI/OUTSOURCING PROGRAMS:	-LIFETIME- -THRU FY'93-	Q1 NOR ACT	Q1 BUDGET %	Q1 Digital Product CONTENT $	Q1 GROSS MARGIN %	FY'94 FCST GROSS MARGIN $	FY'94 FCST GROSS MARGIN %	FY'94 FCST B/(W) PLAN $
SI PROJECTS								
CAATS	9.6	1.5	147.2%	1.1	72.6%	2.6	64.6%	0.0
CDW	10.3	0.9	184.5%	0.3	10.3%	0.4	23.7%	0.0
CUCM	0.0	0.9	54.3%	0.7	32.0%	2.4	35.3%	0.2
CAIPS	7.0	0.1	28.5%	0.0	11.5%	0.4	33.7%	0.0
IDFS	2.3	0.3	123.8%	0.0	63.3%	0.5	57.9%	0.0
BLISS	4.0	0.5	80.2%	0.3	13.9%	0.4	13.9%	-0.3
	33.2	4.2	95.0%	2.4	41.1%	6.7	38.5%	-0.5
OUTSOURCING								
TRANSALTA	19.0	4.3	84.7%	0.0	5.5%	2.3	13.0%	-2.6
ESSO RESOURCES	3.7	0.9	112.9%	0.0	19.2%	0.1	5.1%	-0.1
CANADA POST	2.8	0.4	104.4%	0.0	56.0%	0.6	41.3%	0.1
RBC DOMINION SECURITIES	1.8	0.5	93.1%	0.0	-10.6%	-0.3	-15.0%	0.0
MUSEUMS	0.7	0.4	101.9%	0.0	14.5%	0.2	14.4%	0.0
	28.0	6.5	90.5%	0.0	10.1%	2.9	11.8%	-2.8

NOTE: Program Margin is before bid investment
FCST REFLECTS ASSESSMENT

Worldwide Sales and Marketing
January Quarterly Review
Market Share Summary

Territory: Canada

	Market Assessment			Digital Performance		
Products:	Total Market	Yr/Yr Growth	Projected CAGR	Digital Share	Yr/Yr Growth	Q1/Q1 Growth
Large/Medium Systems (>100 k)	$1,373	-7%	-4%	4%	-15%	**-56%**
Small Systems (<100k)	$625	1%	3%	11%	15%	**-40%**
Workstations	$299	6%	5%	9%	-3%	**50%**
Personal Computers	$1,232	1%	3%	3%	68%	**71%**
Networking HW	$467	4%	3%	4%	-9%	**-17%**
Storage	$1,063	13%	0%	5%	13%	**-26%**
Peripherals	$635	4%	2%	3%	-18%	**-32%**
Software	$1,374	16%	10%	3%	14%	**23%**
Services:						
Support	$1,100	1%	1%	14%		-13%
Professional	$1,187	19%	14%	7%		-6%
Total	$2,287	10%	8%	10%		-11%
<adjustment>	($1,015)					
Total	$8,340	4%	5%	5%		-9%
		1993	1997			
Market Size	8236	8,559	10,302			
Adjusted Market	(235)	(219)	(208)	0.02		
Adjusted	8,001	8,340	10,094			

Market Assessment through June 1993
CAGR projection through June 1997

Digital growth rates based on FY93/FY92 and Q194/Q193 NOR

Schedule 25

1/6/94 7:54 PM
CANSHARE.XLS
digital confidential

WORLDWIDE SALES & MARKETING
JANUARY QUARTERLY REVIEW
POPULATION/SALES COVERAGE

Territory: xxx

	CURRENT 31-DEC	WK11 FY 94 FCST
Sales Management		
Level 3	58	58
Level 2	1	1
Level 1	13	13
Account Sales	44	44
Global Account Manager	140	127
Selected Large Account Manager	1	1
Account Reps.	8	8
General Territory Reps	104	91
Sales Specialist	27	27
Application	72	72
Workstation	5	5
Network	10	10
PC	0	0
Peripherals	15	15
Software	7	7
Design - in (includes TOEM support)	0	0
Other	8	8
MCS Sales Specialist	27	27
Base Sales	39	39
New Sales	19	19
Telesales	20	20
ChannelSales	24	24
VAR	28	28
-Industry	12	12
-Cross Industry		
Distributor		
-Master Reseller		
-PC	5	5
-General	4	4
Integrator	7	7
Advisory / Sales Support		
TOTAL SALES	106	112
DCS (not included in above sales support)	**467**	**460**
Marketing	381	387
Finance	51	54
IM&T	76	76
Human Resources	58	62
Other Admin	21	23
Other Territory	152	151
	505	508
TOTAL TERRITORY	**1711**	**1721**

Total Should tie to total headcount as reported through CDPR

Worldwide Sales and Marketing
January Quarterly Review
Territory__________FRANCE

Presentation Outline

- Q2 Preliminary Results
- Win/Loss Analysis
- FY 94 Assessment
    - FY 94 Assessment
    - Product Family View
- Second Half
    - vs Targets
    - vs Budgets
- Q3 Overview
- Channels
    - Channel Mix
    - Channels Strategy
- Sales Coverage
- Sales Training
- General Issues

Worldwide Sales and Marketing
January Quarterly Review
Territory__________FRANCE

Q2 Preliminary Results

	WK11 FCST	Q2 PRELIM	NOV 6 TARGET	% TARGET	% BUDGET
REVENUE					
PRODUCT	76	71.6	89	80%	67%
DCS	29	24.2	34	71%	78%
MCS	72	73.3	76	96%	94%
TOTAL	177	169.1	199	85%	78%

Worldwide Sales and Marketing
January Quarterly Review
Territory__________FRANCE

Win/Loss Analysis

Account	Project	Value	Sales Cycle Days	Reason	Who Won
WIN					
F.TELECOM	PASTEL	10M$	2YEARS	SI Capabilities SLIGOS partnership SS7 Comm Products	Digital
PSA	1000PC	1.2M$	4MONTHS	Account Management Positive image (Digital own PC's) Good price/performance (GM 6%)	Digital
ORPI	FM CONTRACT	3M$ (total 8M$)	2MONTHS	Capacity to manage distributed systems UNILOG partnership Best recovery test	Digital vs sligos GSI, IBM/CGI
MATRA MARCONI SPACE	SATELLITE TEST BENCHES	700K$		ALPHA OSF WS performance Account management ESA involment (pro-DEC)	vs HP

Worldwide Sales and Marketing
January Quarterly Review
Territory__________FRANCE

Win/Loss Analysis

Account	Project	Value	Sales Cycle Days	Reason	Who Won
WIN					
HISPANO SVIZA	CATIA Winback	150K$		Price performance of DEC3000/600 vs RS6000 PTC partnership	Digital vs IBM
LOSS					
RHONE-POULENC	SYCOMORE (SAP)	15M$	2YEARS	SERCON expertise and experience of SAP R3 projects on Aix Digital or Coopers prime contractorship rejected CFO pro-IBM	IBM/ SERCON
SOCIETE GENERALE	500 PORTABLE PC's	1.5M$	6MONTHS	AST Partnership disruption (switch to Olivetti) Direct purchase to AST (best price)	AST
INSA Rouen	25 ALPHA ws	200K$		Lack of very low cost ALPHA WS	SUN

Worldwide Sales and Marketing
January Quarterly Review
Territory__________FRANCE

FY 94 Assessment

	Q1 Act	Q2 Prelim	Q3 Assessmnt	Q4 Assessmnt	FY94 Assessmnt	FY94 Target	% Target	% Budget
REVENUE								
PRODUCT	64.1	71.6	85.9	86.2	307.8	363.8	85%	72%
DCS	20.1	24.2	27.2	30	101.5	104	98%	90%
MCS	64.6	73.3	71.3	74.9	284.1	293.9	97%	92%
TOTAL	148.8	169.1	184.4	191.1	693.4	761.7	91%	82%

Worldwide Sales and Marketing
January Quarterly Review
Territory__________FRANCE

Product Family View

	Q1 Act	Q2 Prelim	Q3 Assessmnt	Q4 Assessmnt	FY94 Assessmnt	FY94 Target	% Target	% Budget
SYSTEM/SERVERS	15.6	17.1	18	18	68.7		#DIV/0!	63%
	-50%	-47%	-36%	-45%	-45%			
				10%				
WORKSTATIONS	7.3	9.3	12.5	14.5	43.6		#DIV/0!	76%
	-52%	-11%	25%	12%	-10%			
				63%				
PC'S	5.4	12.2	13	13	43.6		#DIV/0!	82%
	-16%	53%	128%	59%	54%			
				48%				
ADD-ONS/OPTIONS								
STORAGE	3.3	5.6	8	8	24.9		#DIV/0!	57%
	-58%	-32%	-25%	-38%	-37%			
				80%				
VIDEO/PRINTERS	7.7	6	5	5	23.7		#DIV/0!	51%
	13%	-19%	-23%	-35%	-17%			
				-27%				
SOFTWARE	12.3	11	13	16	52.3		#DIV/0!	79%
	-28%	-35%	-26%	-20%	-27%			
				24%				
OTH. A-O/OPT.	10.8	9	14.5	11.7	46		#DIV/0!	97%
	-32%	-66%	-14%	-52%	-45%			
				32%				
S/T A-O/OPTIONS	34.1	31.6	40.5	40.7	146.9		#DIV/0!	72%
	-29%	-46%	-12%	-37%	-34%			
				24%				
MIPS	1.8	1.4	1.9	0	5.1		#DIV/0!	131%
	-28%	-46%	-44%	-100%	-58%			
				-41%				
TOTAL PRODUCTS	64.2	71.6	85.9	86.2	307.9	0	#DIV/0!	72%
YOY %	-38%	-36%	-8%	-30%	-29%			
2H/1H				27%				

Worldwide Sales and Marketing
January Quarterly Review
Territory__________FRANCE

Second Half vs. Targets

	Q3			Q4			2nd HALF		
	Assessmnt	Target	%	Assessmnt	Target	%	Assessmnt	Target	%
SYSTEM/SERVERS	18		######	18		######	36	0	#######
								-100%	
							10%		
WORKSTATIONS	12.5		######	14.5		######	27	0	#######
								-100%	
							63%		
PC'S	13		######	13		######	26	0	#######
								-100%	
							48%		
ADD-ONS/OPTIONS									
STORAGE	8		######	8		######	16	0	#######
								-100%	
							80%		
VIDEO/PRINTERS	5		######	5		######	10	0	#######
								-100%	
							-27%		
SOFTWARE	13		######	16		######	29	0	#######
								-100%	
							24%		
OTH. A-O/OPT.	14.5		######	11.7		######	26.2	0	#######
								-100%	
							32%		
S/T A-O/OPTIONS	40.5		######	40.7		######	81.2	0	#######
								-100%	
							24%		
MIPS	1.9		######	0		######	1.9	0	#######
								-100%	
							-41%		
TOTAL PRODUCTS	85.9		######	86.2		######	172	-8	#######
								-106%	
							27%		

Worldwide Sales and Marketing
January Quarterly Review
Territory__________FRANCE

Second Half vs. Budgets

	Q3			Q4			2nd HALF		
	Assessmnt	Budget	%	Assessmnt	Budget	%	Assessmnt	Budget	%
SYSTEM/SERVERS	18	29.8	60%	18	27.7	65%	36	57.5	63%
								76%	
							10%		
WORKSTATIONS	12.5	15.6	80%	14.5	14.6	99%	27	30.2	89%
								82%	
							63%		
PC'S	13	14.4	90%	13	13.5	96%	26	27.9	93%
								59%	
							48%		
ADD-ONS/OPTIONS									
STORAGE	8	9.4	85%	8	8.8	91%	16	18.2	88%
								104%	
							80%		
VIDEO/PRINTERS	5	12.6	40%	5	11.8	42%	10	24.4	41%
								78%	
							-27%		
SOFTWARE	13	20	65%	16	19	84%	29	39	74%
								67%	
							24%		
OTH. A-O/OPT.	14.5	12.9	112%	11.7	12.1	97%	26.2	25	105%
								26%	
							32%		
S/T A-O/OPTIONS	40.5	54.9	74%	40.7	51.7	79%	81.2	106.6	76%
								62%	
							24%		
MIPS	1.9	1.1	173%	0	1	0%	1.9	2.1	90%
								-34%	
							-41%		
TOTAL PRODUCTS	85.9	115.8	74%	86.2	108.5	79%	172	224	77%
								65%	
							27%		

Worldwide Sales and Marketing
January Quarterly Review
Territory__________FRANCE

Q3 Overview

	Begin Backlog	Frontlog	Total	Q3 Assessmnt	% Total	Q3 Target	% Total	Assessmnt % Target	% Budget
SYSTEM/SERVERS	8.4	10	18	18	98%	0	0%	#DIV/0!	60%
WORKSTATIONS	4.8	7	12	12.5	106%	0	0%	#DIV/0!	80%
PC'S	7.7	6	14	13	95%	0	0%	#DIV/0!	90%
ADD-ONS/OPTIONS									
STORAGE	3.4	3	6	8	125%	0	0%	#DIV/0!	85%
VIDEO/PRINTERS	1	3	4	5	125%	0	0%	#DIV/0!	40%
SOFTWARE	2	4	6	13	217%	0	0%	#DIV/0!	65%
OTH. A-O/OPT.	2.2	5	7	14.5	201%	0	0%	#DIV/0!	112%
S/T A-O/OPTIONS	8.6		9	40.5	471%	0	0%	#DIV/0!	74%
MIPS	1.9		2	1.9	100%	0	0%	#DIV/0!	173%
TOTAL PRODUCTS	31.4	38	69	85.9	124%	0	0%	#DIV/0!	74%

Worldwide Sales and Marketing
January Quarterly Review
Territory__________FRANCE

Channel Mix

	FY93 MIX % TOTAL	FY94 FCST MIX % TOTAL	FY94 MIX % GOAL
DIRECT:			
ISV Leveraged	10%	7%	
DecDirect/DMO	13%	13%	
Digital End User	48%	50%	
TOTAL DIRECT	71%	69%	0%
INDIRECT:			
Distributors	4%	6%	
Master Resellers	0%	3%	
TOEMS/COEMS	7%	6%	
VARS	13%	12%	
System Integrators	5%	4%	
TOTAL INDIRECT	29%	31%	0%
TOTAL	100%	100%	0%

Wor lwide Sales and Marketin
January Quarterly Review
Territory__________FRANCE

Channels Strategy

Actions and Plans in Place to develop SME Channels:

. VAR recruitment program : 50 aligned by vertical market segments (out of 400 targeted) - impact 8M$
status : 14 signed

. Develop our high potential existing VAR's : GEGID (10 M$), SEPI, PSI, GST, SIS

. Implementation migration programs :

- On-base : Philips, Kienzle, Digital
- Off-base : Nixdorf

Actions and Plans in for Other Indirect Channels of Distribution:

. Distributors ramp-up program :

- new contracts signed with Metrologie (7M$ 1st year), INELCO (2M$ 1st year), TEKELEC (2M$ 1st year)
- recruit new master resellers and distributors (6 of the top10 : Agena, ISTC, Feeder, Omnilogic...)
- specialize by product (NAC, WS, Storage...)

. YTD Q2 : 17M$ CERTS FCST FY94 : 34M$ (134% BOD)

Specific Plans in Place for selling with Partners:

. ALPHA achievers program : 14 focused VARs (GSI, CINCOM, ROSS, SAP, MDTV, PTC...) expected impact 8M$

. Large SSO's (Integrators) : focus on the top 50 (CAPSESA, ANDERSEN, SLIGOS, EDS, GSI...) with a clear service positioning strategy

Worldwide Sales & Marketing
January Quarterly Review
Territory__________FRANCE

Sales Coverage

	Q2 ACT	Q2 % TOTAL	FY94 FCST (**)	FY94 % TOTAL
SALES MANAGEMENT	47	8%	47	8%
ACCOUNT SALES	146	26%	146	23%
SALES SPECIALISTS	38	7%	97	16%
MCS SALES SPECIALIST	58	10%	71	11%
TELESALES	32	6%	37	6%
CHANNNEL SALES	34	6%	37	6%
ADVISORY/SALES SUPPORT (*)	210	37%	188	30%
TOTAL SALES	565	100%	623	100%

(*) Including sales operations
(**) Including 81 redeployed people

Worldwide Sales and Marketing
January Quarterly Review
Territory__________FRANCE

Sales Training

Plan	Who	How Many	When	Content/Focus
Sales talk		All Sales	Monthly	
Feb. 8th Announcem.	TTT Team (6 p.)	318 Sales	Jan 19 - 28th (2.5 days)	client/server + HP Competition
Account management	All AM's	36	3 days end jan/feb	Account planning
April announcement		318 Sales		To be defined
DONE				
Summer University		350	24-28 Aug. 93 (5 days)	Products, industries, DDP3
Oct 12th announcement		140	7/8 Oct. (0.5 day)	New product announcement
Open client server		222	15-19 Nov. 6-10 Dec. (1 day)	Client/server products, services

Worldwide Sales and Marketing
January Quarterly Review
Territory__________FRANCE

General Issues for Discussion

PRODUCT

1. ALPHA/OSF : need to accelerate ramp-up of layered software and top applications availability (ex : CADDS5, AUTOCAD, Capital market...)
2. Lack of a very low cost Alpha WS to address the largest segment of WS market demand
3. PC Gross margin too weak (Q2 : 12% vs COMPAQ 25%)
4. Intensive Corporate communication campaign to build up our Unix momentum

SUPPLY CHAIN QUALITY (reliability, Delivery performance), ex : PC, WS

Q2 impact NOR <5M$> + Sales force waste of time (pb solving)

CLEAR SERVICE STRATEGY POSITIONING versus large SSO's (competition/synergy)

COMPLEXITY OF SELLING MODEL (overlapping structures, systems...)

EMPLOYEE MORALE

. Fear, uncertainty about lay-offs
. Too complex organization, many changes
. Concerns about Digital future and performance

SALES FORCE PRODUCTIVITY IMPROVEMENT

. AFV initiative / CCV Sales consultative group (14 Sales rep.)

SUBJECT INDEX

CLASS SCHEDULE

TIME									
MON.									
TUE.									
WED.									
THU.									
FRI.									
SAT.									

FINAL EXAMINATIONS

DAY	DATE	TIME	PLACE	COURSE

NAME ______________________ TELEPHONE ______________

ADDRESS ______________________________________

SCHOOL ______________________ CLASS ______________

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Worldwide Sales and Marketing
January Quarterly Review
Territory: GER

Presentation Outline

- Q2 Preliminary Results
- Win/Loss Analysis
- FY 94 Assessment
  - FY 94 Assessment
  - Product Family View
- Second Half
  - vs Targets
  - vs Budgets
- Q3 Overview
- Channels
  - Channel Mix
  - Channels Strategy
- Sales Coverage
- Sales Training
- General Issues

Worldwide Sales and Marketing
January Quarterly Review
Territory: GER

Q2 Preliminary Results

	WK11 FCST	Q2 PRELIM	NOV 6 TARGET	% TARGET	% BUDGET
REVENUE					
PRODUCT	155	153	216	72%	72%
DCS	48	45	58	83%	81%
MCS	105	103	127	83%	84%
TOTAL	308	301	401	77%	77%

Worldwide Sales and Marketing
January Quarterly Review
Territory: GER

Win/Loss Analysis

Account	Project	Value	Sales Cycle Days	Reason	Who Won
Bosch	several smaller Projects	15 Mio $ HW		Pricing / Strategy	Brokers
Telecom	I.N.	18 Mio $		Pricing / local content	SNI
Hypobank	Trading	6 Mio $		Pricing / Appl. Availability [DECtrade on OSF1]	SUN / Reuters
Opportunity Continental	Outsourcing	73 Mio $ (over 5 years)		Negotiations reopened by Continental	IBM won initially

Worldwide Sales and Marketing
January Quarterly Review
Territory: GER

FY 94 Assessment

	Q1 Act	Q2 Prelim	Q3 Assessmnt	Q4 Assessmnt	FY94 Assessmnt	FY94 Target	% Target	% Budget
REVENUE								
PRODUCT	120	153	151	202	628			82%
DCS	31	45	43	73	194			89%
MCS	102	103	104	120	431			88%
TOTAL	253	301	298	395	1253	0		85%

Worldwide Sales and Marketing
January Quarterly Review
Territory: GER

Product Family View

	Q1 Act	Q2 Prelim	Q3 Assessmnt	Q4 Assessmnt	FY94 Assessmnt	FY94 Target	% Target	% Budget
SYSTEM/SERVERS	14	13	16	15	60		#DIV/0!	75%
	-46%	-64%	-43%	-48%	-50%			
				15%				
WORKSTATIONS	18	15	25	30	90		#DIV/0!	78%
	20%	-29%	47%	76%	29%			
				67%				
PC'S	10	12	17	19	60		#DIV/0!	105%
	43%	20%	143%	138%	88%			
				64%				
ADD-ONS/OPTIONS								
STORAGE	10	6	12	9	39		#DIV/0!	103%
	-9%	-63%	0%	-31%	-25%			
				31%				
VIDEO/PRINTERS	5	5	9	9	31		#DIV/0!	79%
	-29%	-44%	29%	29%	3%			
				80%				
SOFTWARE	12	11	15	20	62		#DIV/0!	95%
	-29%	-52%	-17%	11%	-18%			
				52%				
OTH. A-O/OPT.	45	86	53	100	273		#DIV/0!	82%
	-32%	-3%	-24%	35%	-9%			
				17%				
S/T A-O/OPTIONS	72	108	89	138	405		#DIV/0!	85%
	-29%	-21%	-17%	23%	-11%			
				26%				
MIPS	6	2	3	1	13		#DIV/0!	186%
	-45%	-88%	-75%	-92%	-75%			
				-50%				
TOTAL PRODUCTS	120	150	150	203	628	0	#DIV/0!	86%
YOY %	-25%	-32%	-12%	13%	-14%			
2H/1H				31%				

Worldwide Sales and Marketing
January Quarterly Review
Territory: GER

Second Half vs. Targets

	Q3			Q4			2nd HALF		
	Assessmnt	Target	%	Assessmnt	Target	%	Assessmnt	Target	%
SYSTEM/SERVERS	16		#####	15		#####	31	0	######
							15%	-100%	
WORKSTATIONS	25		#####	30		#####	55	0	######
							67%	-100%	
PC'S	17		#####	19		#####	36	0	######
							64%	-100%	
ADD-ONS/OPTIONS									
STORAGE	12		#####	9		#####	21	0	######
							31%	-100%	
VIDEO/PRINTERS	9		#####	9		#####	18	0	######
							80%	-100%	
SOFTWARE	15		#####	20		#####	35	0	######
							52%	-100%	
OTH. A-O/OPT.	53		#####	100		#####	153	0	######
							17%	-100%	
S/T A-O/OPTIONS	89		#####	138		#####	227	0	######
							26%	-100%	
MIPS	3		#####	1		#####	4	0	######
							-50%	-100%	
TOTAL PRODUCTS	150		#####	203		#####	353	0	######
							31%	-100%	

Worldwide Sales and Marketing
January Quarterly Review
Territory: GER

Second Half vs. Budgets

	Q3			Q4			2nd HALF		
	Assessmnt	Budget	%	Assessmnt	Budget	%	Assessmnt	Budget	%
SYSTEM/SERVERS	16	21	76%	15	20	77%	31	40.5	77%
								50%	
							15%		
WORKSTATIONS	25	36	69%	30	35	86%	55	71	77%
								115%	
							67%		
PC'S	17	14	121%	19	16	119%	36	30	120%
								36%	
							64%		
ADD-ONS/OPTIONS									
STORAGE	12	11	109%	9	11	82%	21	22	95%
								38%	
							31%		
VIDEO/PRINTERS	9	9	100%	9	12	75%	18	21	86%
								110%	
							80%		
SOFTWARE	15	18	83%	20	17	118%	35	35	100%
								52%	
							52%		
OTH. A-O/OPT.	53	76	70%	100	113	89%	153	188	81%
								44%	
							17%		
S/T A-O/OPTIONS	89	114	78%	138	153	90%	227	266	85%
								48%	
							26%		
MIPS	3	3	100%	1	1	100%	4	4	100%
								-50%	
							-50%		
TOTAL PRODUCTS	150	188	80%	203	224	91%	354	413	86%
								53%	
							31%		

Worldwide Sales and Marketing
January Quarterly Review
Territory: GER

Q3 Overview

	Begin Backlog	Frontlog	Total	Q3 Assessmnt	% Total	Q3 Target	% Total	Assessmnt % Target	Assessmnt % Budget
SYSTEM/SERVERS	11	2	13	16	123%	0	0%	#DIV/0!	76%
WORKSTATIONS	8	5	13	25	192%	0	0%	#DIV/0!	69%
PC'S	11	3	14	17	121%	0	0%	#DIV/0!	121%
ADD-ONS/OPTIONS									
STORAGE	3	2	5	12	240%	0	0%	#DIV/0!	109%
VIDEO/PRINTERS	1	3	4	9	225%	0	0%	#DIV/0!	100%
SOFTWARE	3	4	7	15	214%	0	0%	#DIV/0!	83%
OTH. A-O/OPT.	27	28	55	53	96%	0	0%	#DIV/0!	70%
S/T A-O/OPTIONS	34	37	71	89	125%	0	0%	#DIV/0!	78%
MIPS	1	0	1	3	300%	0	0%	#DIV/0!	100%
TOTAL PRODUCTS	65	47	112	150	134%	0	0%	#DIV/0!	80%

Worldwide Sales and Marketing
January Quarterly Review
Territory: GER

Channel Mix

	FY93 MIX % TOTAL	FY94 FCST MIX % TOTAL	FY94 MIX % GOAL
DIRECT:			
ISV Leveraged	8%	4%	
DecDirect/DMO	12%	13%	
Digital End User	56%	57%	
TOTAL DIRECT	76%	74%	0%
INDIRECT:			
Distributors	0%	0%	
Master Resellers	2%	4%	
TOEMS/COEMS	9%	9%	
VARS	12%	12%	
System Integrators	1%	1%	
TOTAL INDIRECT	24%	26%	0%
TOTAL	100%	100%	0%

Worldwide Sales and Marketing
January Quarterly Review
Territory: GER

Channels Strategy

Actions and Plans in Place to develop SME Channels:
- 100 % indirect selling approach
- Network Management of Solution Suppliers and indirect sales forces
- Dedicated SME promotion activities (SME - Center)

Actions and Plans in for Other Indirect Channels of Distribution:
- Channel setup inline with corporate strategy
- Dedicated partner Organisation
- Platform migration towards ALPHA
- Demand Generation Programmes
- New Partner Recruitment (Application-Portfolio / Revenue)
- Powerful Support Concept (Training, Advertising, Communication, etc..)

Specific Plans in Place for selling with Partners:
- Fairs/ events with partner focus
  (Business Partner Management Forum, CEBIT ´94, Alphaworld, etc..)
- General partner Programms
  - Alpha achievers program, C&P upgrade programmes, individual partner programmes
- Dedicated sales programmes
  - SAP/R3; CBU/Industry - aligned Dealers (Education, spec. Industries)
- Partner Product Promotion
  (publications + Network/PCI Campaign with DECdirect)

Worldwide Sales & Marketing
January Quarterly Review
Territory: GER

Sales Coverage

	Q2 ACT	Q2 % TOTAL	FY94 FCST	FY94 % TOTAL
SALES MANAGEMENT	124	12%		######
ACCOUNT SALES	330	34%		######
SALES SPECIALISTS	114	12%		######
MCS SALES SPECIALIST	35	4%		######
TELESALES	28	3%		######
CHANNNEL SALES	38	4%		######
ADVISORY/SALES SUPPORT	311	31%		######
TOTAL SALES	980	100%	0	######

Worldwide Sales and Marketing
January Quarterly Review
Territory: GER

Sales Training

Plan	Who	How Many	When	Content/Focus
Major Product Trainings				
SW Products	SW-Sales	12	Jan 26 - 29	Office, DB, Polycenter
Feb. 8 Products	All Sales (incl. MCS)	480	Jan 20 - Feb 4 (2days)	Feb. 8 Pre-Ann. Training
DMD-Applications	- DMD Sales - Selected Partner Sales	180	Jan 20 - Feb 18 (1 day)	DMD Applic., incl. SAP
Workgroup Syst.	All Sales	400	End Q3 (1 day)	LinkWorks, Teamlinks
Workst./Graph./ UNIX	All Sales	400	Q4 (1 day)	OSF/1, Workstations and Graphics - Systems

Worldwide Sales and Marketing
January Quarterly Review
Territory: GER

General Issues for Discussion

- Availablity of ALPHA Applications (Vertical / Horizontal)
- Partner Focus / SME Strategy, Securing Customer Base
- PC Direct / Indirect Selling
- Product Availability
- Short-Term Revenue Enhancement Programs
- Off-Base MCS Initiatives
- Reporting Systems
- Morale

WORLDWIDE SALES & MARKETING
JANUARY QUARTERLY REVIEW
TERRITORY DETAIL SUBMISSION

TERRITORY : GER

	Q2		Q3				FY'94		FY'94	
	Prel. ACT	Budget	Wk11 Fcst	Budget	Assessmnt	Budget	Wk11 Fcst	Budget	Assessmnt	Budget
	$	%	$	%	$	%	$	%	$	%
P & L										
PRODUCT MLP	182	N/A	198	N/A	198	N/A	801	N/A	801	N/A
NOR										
PRODUCT	153	71%	151	80%	151	80%	628	82%	628	82%
DCS	45	77%	43	65%	43	65%	194	90%	194	90%
MCS	103	82%	104	84%	104	84%	431	88%	431	88%
TOTAL NOR	301	75%	297	79%	297	79%	1.253	85%	1.253	85%
PROD NOR YIELD %	84%	#WERT!	76%	#WERT!	76%	#WERT!	78%	#WERT!	78%	#WERT!
GM $										
PRODUCT	66	57%	66	66%	66	67%	278	68%	278	68%
DCS	7	57%	2	14%	2	14%	25	73%	25	73%
MCS	48	66%	55	80%	55	80%	230	84%	230	84%
TOTAL $	121	60%	122	68%	123	68%	533	74%	533	74%
TOTAL %	40%	(10)pts	41%	(7)pts	41%	(7)pts	43%	(6)pts	43%	(6)pts
SG&A										
TERRITORY	40	54%	59	80%	59	80%	228	79%	228	79%
EXCENTRALIZED	4	N/A	11	N/A	11	N/A	50	N/A	50	N/A
TOTAL $	44	59%	69	95%	69	95%	279	97%	279	97%
Contribution Margin $	78	60%	53	49%	53	49%	254	59%	254	59%
Contribution Margin %	26%	(6)pts	18%	(11)pts	18%	(11)pts	20%	(9)pts	20%	(9)pts
Capital Expenditures	4	172%	4	396%	4	396%	15	214%	15	214%
Operational Metrics										
DSO #	51	3 dys	54	0 dys	54	0 dys	47	0 dys	47	0 dys
Population #	4.332	N/A	4.230	N/A	4.230	N/A	4.041	N/A	4.041	N/A
Market Share										
Morale										
Customer Satisfaction										

WORLDWIDE SALES & MARKETING
JANUARY QUARTERLY REVIEW
PERFORMANCE TREND SUMMARY

TERRITORY : GER

	FY'93 Q1	FY'93 Q2	FY'93 Q3	FY'93 Q4	FY'94 Q1 ACT*	Budget %	FY'94 Q2P.ACT	Budget %	FY'94 Q3 Fcst$	Budget %	FY'94 Q4 Fcst$	Budget %	FY'94 Fcst	Budget %	FY'94 Assess $	Budget %
ORDERS	209	305	179	243	171	91%	222	85%	209	94%	222	81%	824	87%	824	87%
PROD NOR YIELD **	81%	91%	90%	86%	78%	78 pts	84%	#WERT!	76%	#######	77%	######	78%	#WERT!	78%	#WERT!
NOR																
PRODUCT	161	218	172	179	120	86%	153	71%	151	80%	204	91%	628	82%	628	82%
DCS	36	62	59	65	31	121%	45	77%	43	65%	76	113%	194	90%	194	90%
MCS	110	130	126	139	102	91%	103	82%	104	84%	122	95%	431	88%	431	88%
TOTAL NOR	307	410	357	383	254	91%	301	75%	297	79%	402	96%	1.253	85%	1.253	85%
GROSS MARGIN $																
PRODUCT	80	120	91	85	56	80%	66	57%	66	66%	90	74%	278	68%	278	68%
DCS	-1	6	11	13	2	-60%	7	57%	2	14%	14	124%	25	73%	25	73%
MCS	55	73	65	75	48	80%	48	66%	55	80%	79	107%	230	84%	230	84%
TOTAL GM $	135	199	168	172	106	84%	121	60%	122	68%	183	89%	533	74%	533	74%
GROSS MARGIN %	44%	49%	47%	45%	42%	(4)pts	40%	(10)pts	41%	(7)pts	46%	0 pts	43%	(6)pts	43%	(6)pts
SG&A	103	90	81	85	76	112%	44	59%	69	95%	89	121%	279	97%	279	97%
Contribution Margin $	32	109	86	87	30	52%	78	60%	53	49%	94	71%	254	59%	254	59%
Contribution Margin %	11%	27%	24%	23%	12%	(9)pts	26%	(6)pts	18%	(11)pts	23%	0 pts	20%	(9)pts	20%	(9)pts
POPULATION	7093	6540	6265	5825	4556	N/A	4332	N/A	4230	N/A	4041	0%	4041	N/A	4041	N/A
DSO	63	51	57	49	64	0 dys	51	3 dys	54	0 dys	54	0 dys	47	0 dys	47	0 dys

MARKET SHARE
MORALE
CUSTOMER SATISFACTION

Notes:
*FY93 Restated in FY94 Terms
** PRODUCT NOR YIELD = NOR/MLP

WORLDWIDE SALES & MARKETING
JANUARY QUARTERLY REVIEW
PRODUCT BEAKDOWN

TERRITORY: GER

	Q1 ACT				Q2 Wk 11 FCST					Q3 Wk 11FCST					FULL YEAR FY'94 WK 11 FCST				
	Certs Q1 Act	Budget %	NOR $	Budget %	Beginning Backlog	Certs Q2 Fcst	Budget %	NOR $	Budget %	Beginning Backlog	Certs Q3 Fcst	Budget %	NOR $	Budget %	NOR $	Budget %	%INC/ DEC	%Inc/Dec Of Bud	Mix % Of Total
SYSTEM /SERVERS																			
ALPHA	2	35%	3	46%	2	3	40%	3	31%	2	6	48%	6	66%	20	58%	977%	58%	3%
UNIX	1	40%	2	88%	1	1	29%	2	46%	1	3	50%	3	75%	11	72%	1179%	72%	2%
VMS	1	31%	1	25%	1	2	50%	1	20%	1	3	47%	3	59%	9	47%	815%	47%	1%
VAX	11	100%	11	89%	5	13	68%	12	96%	5	11	108%	10	85%	40	87%	34%	87%	6%
UNIX	0	N/A	0	#DIV/0!	1	1	N/A	1	N/A	0		N/A		N/A	1	N/A	15%	N/A	0%
VMS	11	96%	11	89%	4	12	62%	11	92%	5	11	108%	10	85%	39	85%	35%	85%	6%
SUB-TOTAL S/S	**14**	**76%**	**14**	**75%**	**7**	**16**	**60%**	**14**	**69%**	**7**	**17**	**76%**	**16**	**77%**	**60**	**74%**	**50%**	**74%**	**9%**
UNIX	**2**	**55%**	**2**	**89%**	**2**	**2**	**57%**	**2**	**61%**	**1**	**3**	**50%**	**3**	**75%**	**11**	**76%**	**226%**	**76%**	**2%**
VMS	**12**	**80%**	**12**	**74%**	**5**	**14**	**60%**	**12**	**71%**	**6**	**14**	**84%**	**13**	**77%**	**48**	**74%**	**42%**	**74%**	**8%**
WORKSTATIONS																			
ALPHA	9	59%	8	55%	5	22	78%	11	59%	8	20	79%	20	55%	66	64%	638%	64%	11%
UNIX	4	50%	3	43%	2	10	75%	4	50%	4	10	83%	10	63%	31	65%	686%	65%	5%
VMS	5	67%	5	65%	3	12	81%	7	67%	4	10	76%	10	55%	35	65%	601%	65%	6%
NT	0	N/A	0	N/A			N/A		N/A			N/A	0	0%	0	0%	N/A	0%	0%
VAX	9	130%	10	184%	4	7	146%	6	145%	2	5	417%	5	333%	23	200%	40%	200%	4%
UNIX		N/A		N/A			N/A		N/A			N/A		N/A	0	N/A	N/A	N/A	0%
VMS	9	130%	10	184%	4	7	146%	6	145%	2	5	417%	5	333%	23	200%	40%	200%	4%
SUB-TOTAL W/S	**18**	**79%**	**18**	**89%**	**10**	**29**	**88%**	**17**	**74%**	**10**	**25**	**95%**	**25**	**66%**	**90**	**77%**	**129%**	**77%**	**14%**
UNIX	**4**	**50%**	**3**	**43%**	**2**	**10**	**75%**	**4**	**50%**	**4**	**10**	**83%**	**10**	**63%**	**31**	**65%**	**686%**	**65%**	**5%**
VMS	**14**	**96%**	**15**	**113%**	**8**	**19**	**97%**	**13**	**87%**	**6**	**15**	**104%**	**15**	**76%**	**59**	**89%**	**90%**	**89%**	**9%**
NT	**0**	**N/A**	**0**	**N/A**	**0**	**0**	**N/A**	**0**	**N/A**	**0**	**0**	**N/A**	**0**	**0%**	**0**	**0%**	**N/A**	**0%**	**0%**
PC'S	**13**	**101%**	**10**	**76%**	**3**	**15**	**83%**	**13**	**85%**	**6**	**17**	**116%**	**17**	**118%**	**60**	**105%**	**186%**	**105%**	**10%**
INTEL	12	112%	10	78%	3	15	101%	13	98%	6	16	154%	16	139%	57	114%	176%	114%	9%
ALPHA	1	37%	1	50%	0	1	15%	1	20%	0	1	21%	1	34%	3	44%	N/A	44%	1%
NETWORKS	**7**	**117%**	**7**	**161%**	**1**	**6**	**62%**	**7**	**88%**	**3**	**7**	**91%**	**8**	**125%**	**29**	**104%**	**94%**	**104%**	**5%**
HARDWARE	6	124%	6	150%	1	5	63%	6	86%	3	6	100%	7	140%	25	104%	92%	104%	4%
SOFTWARE	1	85%	1	600%	0	1	57%	1	100%	1	1	59%	1	71%	4	103%	106%	103%	1%
MIPS																			
SERVER/STATIONS	4	234%	6	359%	2	2	72%	2	114%	1	4	308%	3	103%	13	176%	25%	176%	2%
LINE ITEM SOFTWARE	**12**	**86%**	**12**	**98%**	**6**	**14**	**62%**	**14**	**87%**	**6**	**16**	**105%**	**15**	**81%**	**62**	**96%**	**82%**	**96%**	**10%**
OTHER ADD-ON/OPTIONS																			
STORAGE	10	115%	8	87%	4	13	113%	7	65%	3	9	99%	10	107%	31	82%	74%	82%	5%
ADD-ON	10	113%	8	86%	4	13	116%	7	68%	3	9	102%	10	109%	30	82%	72%	82%	5%
OEM	0	300%	0	150%			0%		0%			0%	0	67%	1	77%	N/A	77%	0%
VIDEO/PRINTER	6	67%	5	66%	2	10	78%	7	66%	5	9	90%	9	95%	31	79%	100%	79%	5%
ADD-ON	4	84%	4	80%	1	5	63%	5	71%	2	6	100%	6	109%	20	85%	98%	85%	3%
OEM	2	45%	1	43%	1	5	107%	2	58%	3	3	75%	4	100%	12	77%	114%	77%	2%
MEMORIES	2	88%	2	94%	1	2	76%	2	100%	1	2	100%	2	111%	8	102%	84%	102%	1%
ASG/K-P/OTHER	55	69%	38	76%	3	55	60%	71	65%	4	66	79%	44	68%	245	74%	91%	74%	39%
SUB-TOTAL A/O/OPT.	**72**	**73%**	**53**	**77%**	**9**	**80**	**67%**	**87**	**66%**	**13**	**87**	**82%**	**66**	**76%**	**315**	**76%**	**90%**	**76%**	**50%**
TOTAL PRODUCTS	**139**	**81%**	**120**	**86%**	**38**	**162**	**70%**	**155**	**71%**	**46**	**172**	**89%**	**150**	**80%**	**628**	**82%**	**86%**	**82%**	**100%**
MEMO:																			
TOTAL ALPHA	**12**	**51%**	**12**	**52%**	**8**	**25**	**65%**	**14**	**48%**	**10**	**26**	**65%**	**27**	**56%**	**89**	**61%**	**719%**	**61%**	**14%**
TOTAL VAX	**20**	**111%**	**21**	**118%**	**9**	**20**	**84%**	**17**	**108%**	**7**	**16**	**140%**	**15**	**113%**	**63**	**110%**	**36%**	**110%**	**10%**

WORLDWIDE SALES & MARKETING
JANUARY QUARTERLY REVIEW
CHANNEL MIX

TERRITORY: GER

	FY 93 NOR	MIX % TOTAL	FY 94 FCST	MIX % TOTAL	MIX % GOAL
Direct:					
ISV Leveraged	56	8%	27	4%	
DecDirect/DMO	86	12%	81	13%	
Digital End User	412	56%	354	57%	
Total Direct	554	76%	462	74%	0%
Indirect:					
Distributors	1	0%	1	0%	
Master Resellers	13	2%	23	4%	
TOEMS/COEMS	67	9%	57	9%	
VARS	89	12%	74	12%	
System Integrators	7	1%	5	1%	
Total Indirect	177	24%	159	26%	0%
Total	730	100%	621	100%	0%

WORLDWIDE SALES & MARKETING
JANUARY QUARTERLY REVIEW
MAJOR PARTNER ASSESSMENT

TERRITORY: GER

	---TOTAL INDUSTRY--		---DIGITAL---		
	PARTNER	ANNUAL SALES	PARTNER	FY 94 NOR	% TOTAL
Distributors					
Ind/Dig Part 1					
Ind/Dig Part 2					
Ind/Dig Part 3					
Ind/Dig Part 4					
Ind/Dig Part 5					
Digital Part 1	FUBA	6,0	FUBA	0,2	3,3%
Digital Part 2	Transtec	36,6	Transtec	0,6	0,2%
Digital Part 3	PSP	18,3	PSP	0,2	0,1%
Master Reseller					
Ind/Dig Part 1	C 2000	610,0	C 2000	1,2	0,2%
Ind/Dig Part 2	Raab Karcher	300,0	Raab Karcher		
Ind/Dig Part 3	Metrologie	122,0	Metrologie	1,2	1,0%
Ind/Dig Part 4	Makrotron	396,0	Makrotron		
Ind/Dig Part 5	Anixter	30,0	Anixter		
Digital Part 1	Component/E2000	520,0	Component/E20	11,0	2,0%
Digital Part 2	AZLAN		AZLAN	0,6	
Digital Part 3	Merisel	243,0	Merisel	1,7	0,7%
TOEM/COEM					
Ind/Dig Part 1	SIEMENS	220	SIEMENS	13	6%
Ind/Dig Part 2	AEG	40	AEG	7	18%
Ind/Dig Part 3	SNI	250	SNI	1	0,4%
Ind/Dig Part 4	VOBIS	200	VOBIS	10	5%
Ind/Dig Part 5	ESCOM	120	ESCOM	1,5	15%
Digital Part 1	SEL Alcatel	35	SEL Alcatel	7	20%
Digital Part 2	Atlas Electronic	7	Atlas Electronic	4	57%
Digital Part 3	VOBIS	200	VOBIS	10	5%

Notes:
Total Industry:Provide top 5 partners in total industry for each category based on sales
Digital : Provide top 3 Digital partners for each category based on FY 94 NOR FCST
Digital Partners may not be consistent with Industry Partners
% Total = Digital NOR/Total Annual Sales

WORLDWIDE SALES & MARKETING
JANUARY QUARTERLY REVIEW
MAJOR PARTNER ASSESSMENT

TERRITORY: GER

	---TOTAL INDUSTRY--		---DIGITAL---		
	PARTNER	ANNUAL SALES	PARTNER	FY 94 NOR	% TOTAL
VARS					
Ind/Dig Part 1	CAP GEMINI	150			
Ind/Dig Part 2	STEMHAUS GEI	150			
Ind/Dig Part 3	TECHNODATA	10			
Ind/Dig Part 4	PDV GmbH	103			
Ind/Dig Part 5	KO SOFTWARE	45			
Digital Part 1			COMPUTERVIS.	7	10%
Digital Part 2			APPLICON	5	8%
Digital Part 3			SHD	5	30%
System Integrators					
Ind/Dig Part 1	PSI	75			
Ind/Dig Part 2	MBP	50			
Ind/Dig Part 3	DACOS	10			
Ind/Dig Part 4	SOFTLAB	35			
Ind/Dig Part 5	ΓRÄSSELE/RWT	25			
Digital Part 1			PSI	2,0	2,6%
Digital Part 2			MBP	1,2	2,4%
Digital Part 3			SOFTLAB	0,5	1,4%
ISVS					
Ind/Dig Part 1	SAP	298			
Ind/Dig Part 2	CAP DEBIS	290			
Ind/Dig Part 3	PLOENZKE	135			
Ind/Dig Part 4	ANDERSEN	111			
Ind/Dig Part 5	SOFTWARE AG	90			
Digital Part 1			SOFTWARE AG	1,8	2,0%
Digital Part 2			PATSCHKE & R	1,0	1,0%
Digital Part 3			ANDERSEN	0,6	0,5%

Notes:
Total Industry:Provide top 5 partners in total industry for each category based on sales
Digital : Provide top 3 Digital partners for each category based on FY 94 NOR FCST
Digital Partners may not be consistent with Industry Partners
% Total = Digital NOR/Total Annual Sales

WORLDWIDE SALES & MARKETING
JANUARY QUARTERLY REVIEW
CUSTOMER OVERVIEW and
MAJOR PROGRAMS

TERRITORY:GER

MAJOR CUSTOMERS:	FY '93 ACT	FY'94 FCST	% TOTAL BUSINESS	FY '94 BUDGET	BUDGET %	% TOTAL BUSINESS
SIEMENS	42,6	41,1	2,80%	46,2	89%	3,10%
BOSCH	37,3	22,9	1,60%	30,2	75,80%	2,00%
ABB	25,2	20,3	1,40%	20,8	97,60%	1,40%
TELECOM	69,1	45,1	3,10%	45,1	100%	3,10%
COMMERZBANK	9,4	21,4	1,50%	16,9	126,60%	1,10%
EUROP. PATENTAMT	1,0	9,2	0,06%	9,5	96,80%	0,06%
CITIBANK	25,7	17,7	1,20%	17,7	100%	1,20%
BAYER	9,2	11,1	0,07%	11,1	100%	0,07%
LAND BADENWUERTEMB.	11,3	12,0	0,08%	12,0	100%	0,08%
VW (incl. AUDI)	14,2	10,9	0,07%	12,2	89,30%	0,08%

WORLDWIDE SALES & MARKETING
JANUARY QUARTERLY REVIEW
CUSTOMER OVERVIEW and
MAJOR PROGRAMS

TERRITORY:GER

MAJOR SI/OUTSOURCING PROGRAMS:	-LIFETIME- -THRU FY'93-	Q1 NOR ACT	Q1 BUDGET %	Q1 Digital Product CONTENT $	Q1 GROSS MARGIN %	FY'94 FCST GROSS MARGIN $	FY'94 FCST GROSS MARGIN %	FY'94 FCST B/(W) PLAN $
SI PROJECTS								
D1 OSS(MOBIL TELECOM)	53,9	0,0	0,0%	0,0	0,0%	1,5		0,0
COMIL IN (AIR TRAFFIC CONTROLL) 1)	7,8	0,9	100,0%	0,1	35,0%	0,2	25,0%	0,0
SIEMENS (MED) PROD CUSTOMISATION 2)	0,0	1,3	N/A	0,9	45,0%	0,5	35,0%	N/A
COMMERZBANK 3)	4,0	1,5	100,0%	0,0	28,0%	0,4	28,0%	0,0
CITIBANK (RETAIL BANKING)	10,0	0,4	100,0%	0,1	35,0%	0,1	32,0%	0,0

Note: 1) COMIL PRODUCTS CONTENT was invoiced in FY93 (4M$)
2) This is a "RE-use" Order, off the shelf services ie NO Program Budget
3) Products are sold in other Territories ca. 5-6 M$

WORLDWIDE SALES & MARKETING
JANUARY QUARTERLY REVIEW
POPULATION/SALES COVERAGE

Territory: xxx

	CURRENT 31-DEC	FY 94 FCST
Sales Management	124	0
Level 3	13	
Level 2	26	
Level 1	85	
Account Sales	330	0
Global Account Manager	3	
Selected Large Account Manager	17	
Account Reps.	310	
General Territory Reps		
Sales Specialist	114	0
Application	31	
Workstation	6	
Network		
PC	6	
Peripherals	4	
Software	17	
Design - in (includes TOEM support)	2	
Other	48	
MCS Sales Specialist	35	0
Base Sales	35	
New Sales		
Telesales	28	
ChannelSales	38	0
VAR	32	
-Industry		
-Cross Industry		
Distributor	6	
-Master Reseller		
-PC		
-General		
Integrator		
Advisory / Sales Support	311	
TOTAL SALES	**980**	**0**
DCS (not included in above sales support)	1081	
Marketing	94	
Finance	90	
IM&T	142	
Human Resources	86	
Other Admin		
Other Territory	1859	4041
TOTAL TERRITORY	**4332**	**4041**

Total Should tie to total headcount as reported through CDPR

Worldwide Sales and Marketing
January Quarterly Review
Market Share Summary

Territory: Germany

	Market Assessment			Digital Performance		
Products:	Total Market	Yr/Yr Growth	Projected CAGR	Digital Share	Yr/Yr Growth	Q1/Q1 Growth
Large/Medium Systems (>100 k)	$2.374	-26%	-7%	2%	-45%	-53%
Small Systems (<100k)	$1.713	12%	4%	8%	-17%	-50%
Workstations	$1.033	5%	12%	11%	8%	-24%
Personal Computers	$4.256	0%	11%	1%	92%	111%
Networking HW	$714	15%	3%	7%	3%	-40%
Storage	$2.610	-9%	2%	4%	-21%	-46%
Peripherals	$1.726	-10%	-3%	3%	-11%	-37%
Software	$5.913	10%	12%	1%	9%	-29%
Services:						
Support	$4.604	2%	2%	11%		-11%
Professional	$7.841	9%	8%	3%		-25%
Total	$12.445	6%	6%	6%		-14%
<adjustment>	($1.976)					
Total	$30.807	2%	8%	4%		-15%

Market Assessment based on IDC data through June 1993
CAGR projection through June 1997

Digital growth rates based on FY93/FY92 and Q194/Q193 NOR

Schedule 25

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Territory Operations Review

Japan

Jan 17, 1994

Worldwide Sales and Marketing
January Quarterly Review
Territory JAPAN

Presentation Outline

Q2 Preliminary Results
Win/Loss Analysis
FY 94 Assessment
- **FY 94 Assessment**
- **Product Family View**

Second Half
- **vs Targets**
- **vs Budgets**

Q3 Overview
Channels
- **Channel Mix**
- **Channels Strategy**

Sales Coverage
Sales Training
General Issues

Worldwide Sales and Marketing
January Quarterly Review
Territory JAPAN

Q2 Preliminary Results

	WK11 FCST	Q2 PRELIM	NOV 6 TARGET	% TARGET	% BUDGET
REVENUE					
PRODUCT	85	80	78	103%	98%
DCS	46	45	43	103%	110%
MCS	74	75	76	99%	112%
TOTAL	204	200	197	101%	106%

Worldwide Sales and Marketing
January Quarterly Review
Territory JAPAN

Win/Loss Analysis

	Account	Project	Value	Sales Cycle Days	Reason	Who Won
WIN						
	Sharp	Technical Infol	1.29	4 Month	Migration	DIGITAL
	Chugai Pha	Labo.	1.38	24 Month	SI	DIGITAL
	AGRO RESOl	Labo.	4.32	15 Month	Product DECmpp	DIGITAL
	Kazusa DNA	Labo.	4.32	12 Month	Product DECmpp	DIGITAL
	Toyohashi Unv	Date Center	2.08	18 Month	Product Alpha	DIGITAL
	DDI	Network Moni	6.10	12 Month	SE Support Product (S/W)	DIGITAL
Loss						
	NTT	NSSP	27.00	24 Month	MIA(UNIX) product availability	HP
	NTT	APRICOT	16.00	20 Month	Price	NEC
	Muroran Insut	Info. Network	0.56	4 Month	PRICE	Fujitsu
	Kobe Steel	Reseller	0.51	3 Month	Postpone	N/A
	Nomura Invest	Upgrade	0.69	2 Month	Maintenance Cost	SUN

Super Computer Bid Status
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	Account	Prime Contractor	Digital NOR (¥M)	Delivery Schedule	Digital Product
Won	MITI-RIPS CENTER	Cray Research	200	Mar	DEC10000
Won	MITI-ATP	Fujitsu	200	Mar	DEC10000
Won	DNA Bank	MSS	500	Mar	DEC10000 DECmpp
Won	Tohoku University	Hitachi	140	Mar	DEC7000
Won	Institute of Phisics & Chemical Research	Fujitsu	20	Mar	GIGA Switch
Won	Ministry of Post & Telecom. -Communication Research Lab.	Fujitsu	12	Mar	DEC3800
Won	Kazusa DNA	Rikei	500	Mar	DEC10000 DECmpp
	Total		1,572(¥M) ($14.16M)		
Pending	National Cancer Center	5 vendors(*) will bid with Digital Products. (*)NRI, NEC, IBM, UNISYS, & Sumitomo Metal. Hitachi will bid with Non Digital products.	400	Jun	DEC7000 DECmpp
Lost	- None -				
No bid	Tsukuba University	Fujitsu			
No bid	Aero Space Technology Lab.	Intel			
No bid	Power Reactor & Nuclear Fuel Development Corporation	Pending			

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FY 94 Assessment

	Q1 Act	Q2 Prelim	Q3 Assessmnt	Q4 Assessmnt	FY94 Assessmnt	FY94 Target	% Target	% Budget
REVENUE								
PRODUCT	89	80	75	122	366	415	88%	99%
DCS	46	44	42	45	178	178	100%	105%
MCS	74	75	70	69	287	287	100%	107%
TOTAL	209	200	187	236	831	880	94%	103%

Q3/Q4 Actions
=============

Opprotunity	Action	Person in Charge
WS	New Sales Team	N. Murakami
NW	New Sales Team	S. Kashihara
PC	Competitive Pricing New Person for PC-LAN	K. Hayamizu
CPS	New Manager	N. Usui
GOVERNMENT	New Sales Team	Y. Ono
CHANNEL	SME Focus	T. Shiga
MCS	PCI Microsoft Services	S. Kawai
DC	New Manager	T. Ueda

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Product Family View

	Q1 Act	Q2 Prelim	Q3 Assessmnt	Q4 Assessmnt	FY94 Assessmnt	FY94 Target	% Target	% Budget
SYSTEM/SERVERS	17	10	16	25	67	67	100%	121%
	-32%	-47%	-10%	40%	-15%			
				51%				
WORKSTATIONS	12	8	12	19	50	64	79%	102%
	136%	78%	44%	153%	101%			
				47%				
PC'S	14	20	17	26	77	103	75%	105%
	######	742%	165%	143%	284%			
				24%				
ADD-ONS/OPTIONS								
STORAGE	0	0	0	0	0	0	#DIV/0!	0%
	######	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!			
				#DIV/0!				
VIDEO/PRINTERS	10	10	9	17	45	45	100%	113%
	50%	23%	-9%	19%	18%			
				26%				
SOFTWARE	15	12	15	24	67	72	93%	113%
	16%	7%	9%	68%	27%			
				45%				
OTH. A-O/OPT.	18	18	7	11	54	58	94%	66%
	33%	70%	-34%	-36%	3%			
				-48%				
S/T A-O/OPTIONS	43	40	31	52	166	175	95%	87%
	30%	33%	-10%	13%	16%			
				0%				
MIPS	3	2	1	1	6	6	100%	277%
	######	-27%	500%	-79%	-12%			
				-68%				
TOTAL PRODUCTS	89	80	75	122	366	415	88%	99%
YOY %	39%	38%	14%	42%	34%			
2H/1H				17%				

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Second Half vs. Targets

	Q3			Q4			2nd HALF		
	Assessmnt	Target	%	Assessmnt	Target	%	Assessmnt	Target	%
SYSTEM/SERVERS	16	16	100%	25	25	100%	40	40.2	100%
								51%	
							51%		
WORKSTATIONS	12	19	61%	19	24	77%	30	43	70%
								110%	
							47%		
PC'S	17	26	65%	26	43	60%	43	68.5	62%
								100%	
							24%		
ADD-ONS/OPTIONS									
STORAGE	0	0	#####	0	0	#####	0	0	#####
								#DIV/0!	
							#DIV/0!		
VIDEO/PRINTERS	9	9	94%	17	17	100%	25	25.5	98%
								29%	
							26%		
SOFTWARE	15	17	88%	24	28	87%	39	45	88%
								65%	
							45%		
OTH. A-O/OPT.	7	9	80%	11	13	88%	19	22	85%
								-39%	
							-48%		
S/T A-O/OPTIONS	31	35	88%	52	57	92%	83	92.5	90%
								12%	
							0%		
MIPS	1	1	100%	1	1	100%	2	1.5	100%
								-68%	
							-68%		
TOTAL PRODUCTS	75	96	78%	122	150	82%	197	245.2	80%
								45%	
							17%		

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Second Half vs. Budgets

	Q3			Q4			2nd HALF		
	Assessmnt	Budget	%	Assessmnt	Budget	%	Assessmnt	Budget	%
SYSTEM/SERVERS	16	15	105%	25	16	157%	40	31	132%
								15%	
							51%		
WORKSTATIONS	12	13	86%	19	15	127%	30	28	107%
								37%	
							47%		
PC'S	17	19	87%	26	25	102%	43	45	96%
								30%	
							24%		
ADD-ONS/OPTIONS									
STORAGE	0	0	#####	0	0	#####	0	0	######
								#DIV/0!	
							#DIV/0!		
VIDEO/PRINTERS	9	12	69%	17	12	134%	25	25	101%
								25%	
							26%		
SOFTWARE	15	16	95%	24	18	136%	39	34	117%
								24%	
							45%		
OTH. A-O/OPT.	7	26	28%	11	25	46%	18.6	50.66	37%
								41%	
							-48%		
S/T A-O/OPTIONS	31	54	57%	52	55	95%	83	109	76%
								32%	
							0%		
MIPS	1	1	115%	1	0	600%	2	1	224%
								-86%	
							-68%		
TOTAL PRODUCTS	75	156	48%	122	166	74%	197	322	61%
								90%	
							17%		

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Q3 Overview

	Begin Backlog	Frontlog	Total	Q3 Assessmnt	% Total	Q3 Target	% Total	Assessmnt % Target	Assessmnt % Budget
SYSTEM/SERVERS	7	13	20	16	77%	16	77%	100%	105%
WORKSTATIONS	8	8	17	12	70%	19	115%	61%	86%
PC'S	3	26	29	17	57%	26	88%	65%	87%
ADD-ONS/OPTIONS									
STORAGE	0	0	0	0	#######	0	######	#DIV/0!	#DIV/0!
VIDEO/PRINTERS	4	7	11	9	76%	9	81%	94%	69%
SOFTWARE	8	11	19	15	77%	17	88%	88%	95%
OTH. A-O/OPT.	12	12	23	7	31%	9	39%	80%	28%
S/T A-O/OPTIONS	24	30	54	31	57%	35	65%	88%	57%
MIPS	1	5	6	1	11%	1	11%	100%	115%
TOTAL PRODUCTS	44	81	125	75	60%	96	76%	78%	48%

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Channel Mix

	FY93 MIX % TOTAL	FY94 FCST MIX % TOTAL	FY94 MIX % GOAL
DIRECT:			
ISV Leveraged	5%	6%	9%
DecDirect/DMO	2%	2%	2%
Digital End User	58%	55%	52%
TOTAL DIRECT	65%	62%	63%
INDIRECT:			
Distributors	9%	8%	8%
Master Resellers	2%	4%	4%
TOEMS/COEMS	7%	8%	8%
VARS	17%	16%	15%
System Integrators	1%	2%	2%
TOTAL INDIRECT	35%	38%	37%
TOTAL	100%	100%	100%

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Channels Strategy

Actions and Plans in Place to develop SME Channels:
* Create Partner's Chain to recruit FABS applications and Selling Resources.

*Recruiting Partners for Clients/Server and Linkworks related application.

Actions and Plans in for Other Indirect Channels of Distribution:
* Re-establish Channels Business Practices. (T's & C's, DPP, Sales Process, etc)

*Workstations FARMS promotion program to focus on Local Government Market through Channels.
* Establish Program for Large Potential SI Resellers.

Specific Plans in Place for selling with Partners:
* Joint advertisement program to focus on Clients/Server Data Base Partners. (ORACLE, GnOsIs, INFORMIX, uniface)

* Implement Incentive program for "sell with" Partners. (SAS, SAP, ORACLE,GnOsIs, INFORMIX, uniface, etc)

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Sales Coverage

	Q2 ACT	Q2 % TOTAL	FY94 FCST	FY94 % TOTAL
SALES MANAGEMENT	115	14%	108	13%
ACCOUNT SALES	277	34%	265	32%
SALES SPECIALISTS	35	4%	64	8%
MCS SALES SPECIALIST	34	4%	37	5%
TELESALES	9	1%	10	1%
CHANNNEL SALES	44	5%	44	5%
ADVISORY/SALES SUPPORT	308	37%	294	36%
TOTAL SALES	822	100%	822	100%

Note: 25% of sales support will be transferred to sales specialists, 20% product and 5% channel sales specialists .

Worldwide Sales and Marketing
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Sales Training

Plan	Who	How Many	When	Content/Focus
Client/Server	Sales	500	Jan	Feb announcement
Leadership	Partners	100		
	Sales	500	Apr	
	Partners	100		
Network University	Sales	150	Mar	Network Product
	Partners	50		
Managers Meeting	Sales Manager	100	Apr	Making Plan (Work Session)
Skill		500		Selling skill Management skill Administration skill

Need Focus Training for Sales Managers.

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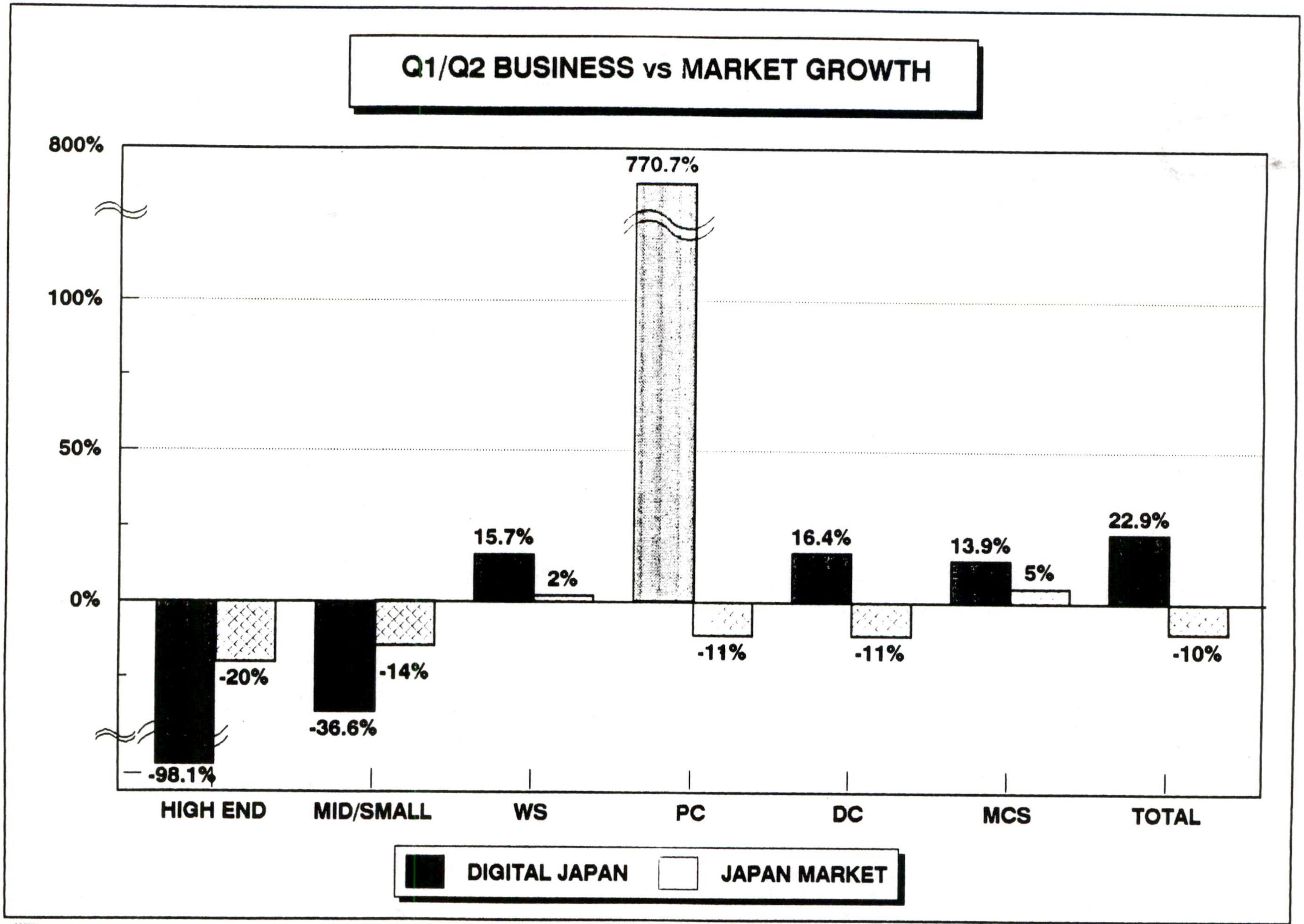
General Issues for Discussion

- Upgrade Organization Quality
- Alpha Alliance
    - More Corporate Guidance + Quick Action
- Delivery Performance
- Advertizing
    - Alpha
    - Distributors
    - Corporate Profile/Image
- Applications/Products on Alpha
    - Digital
    - 3rd Parties



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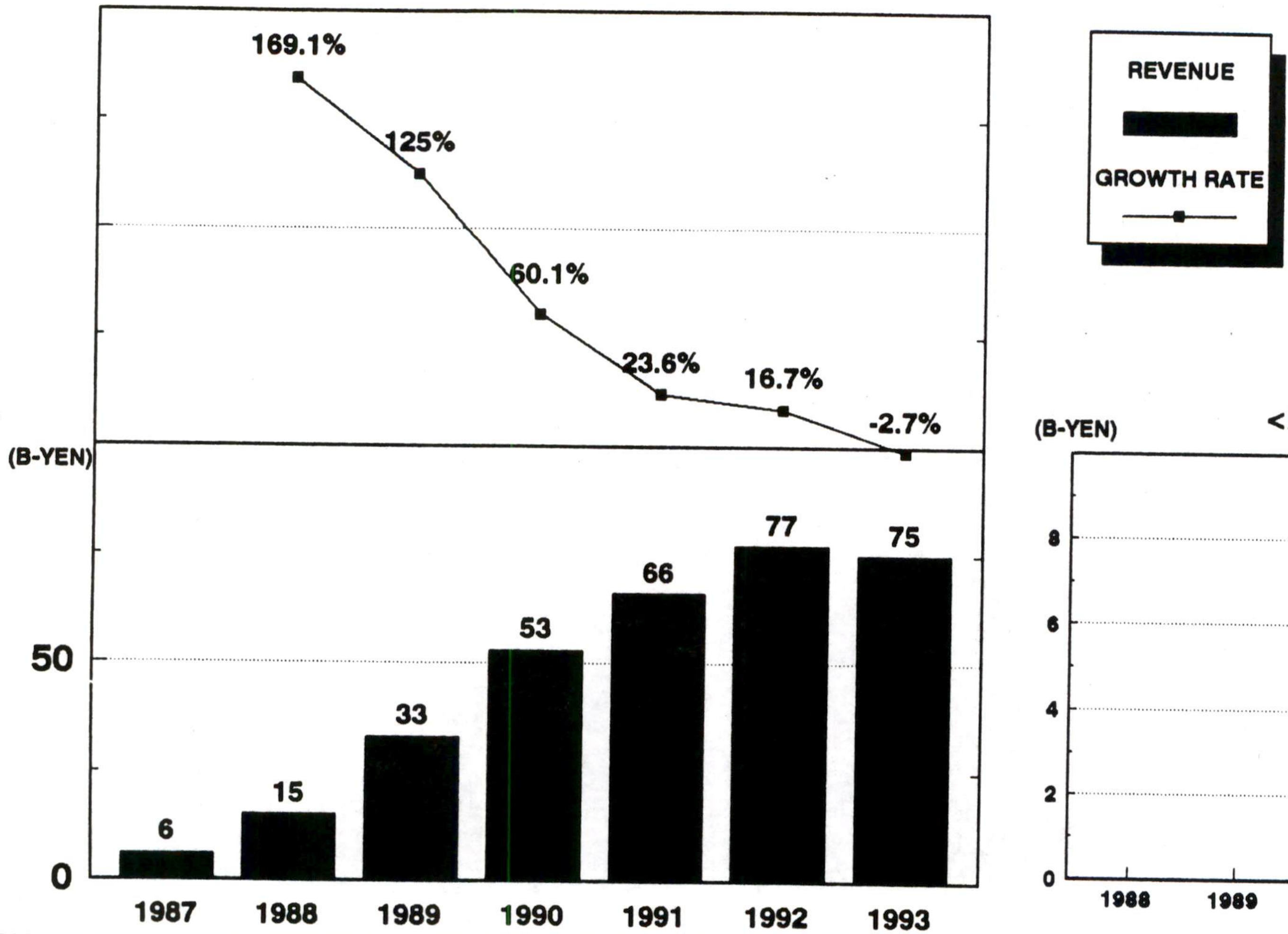
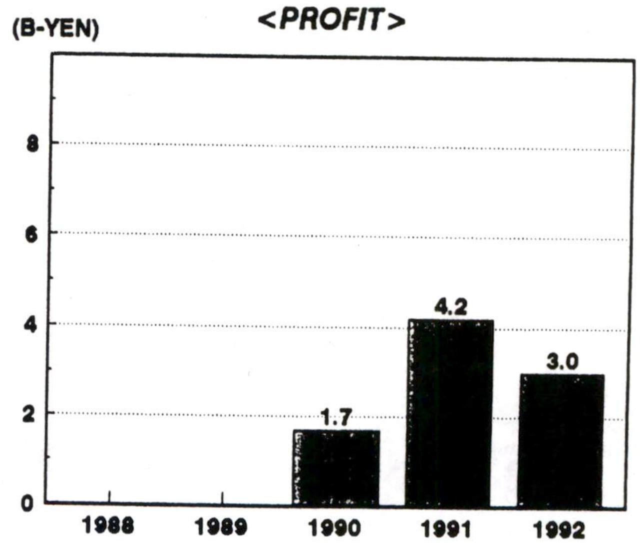
SUN-J REVENUE TREND & GROWTH RATE





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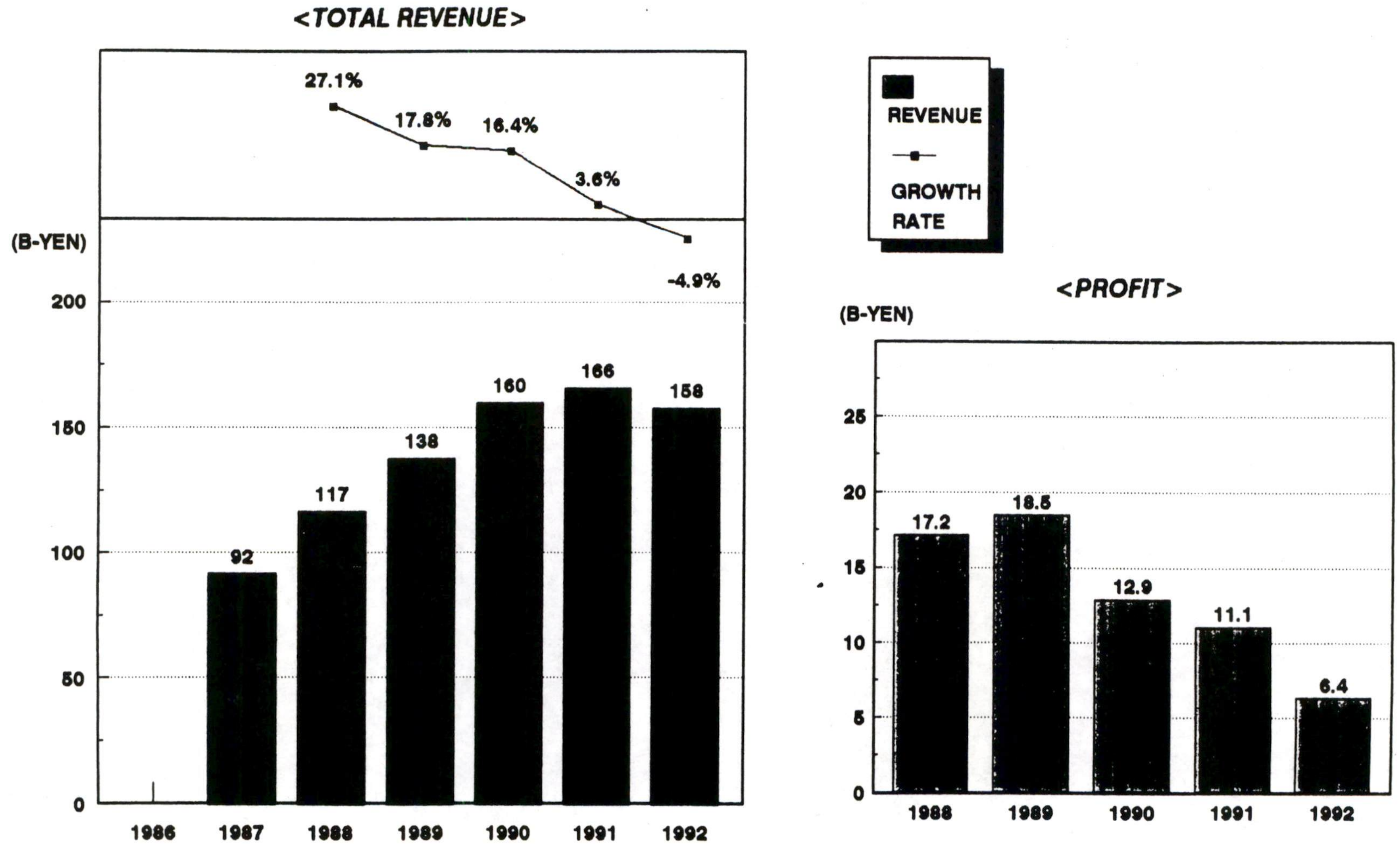
SUN-REV

YHP REVENUE TREND & GROWTH RATE



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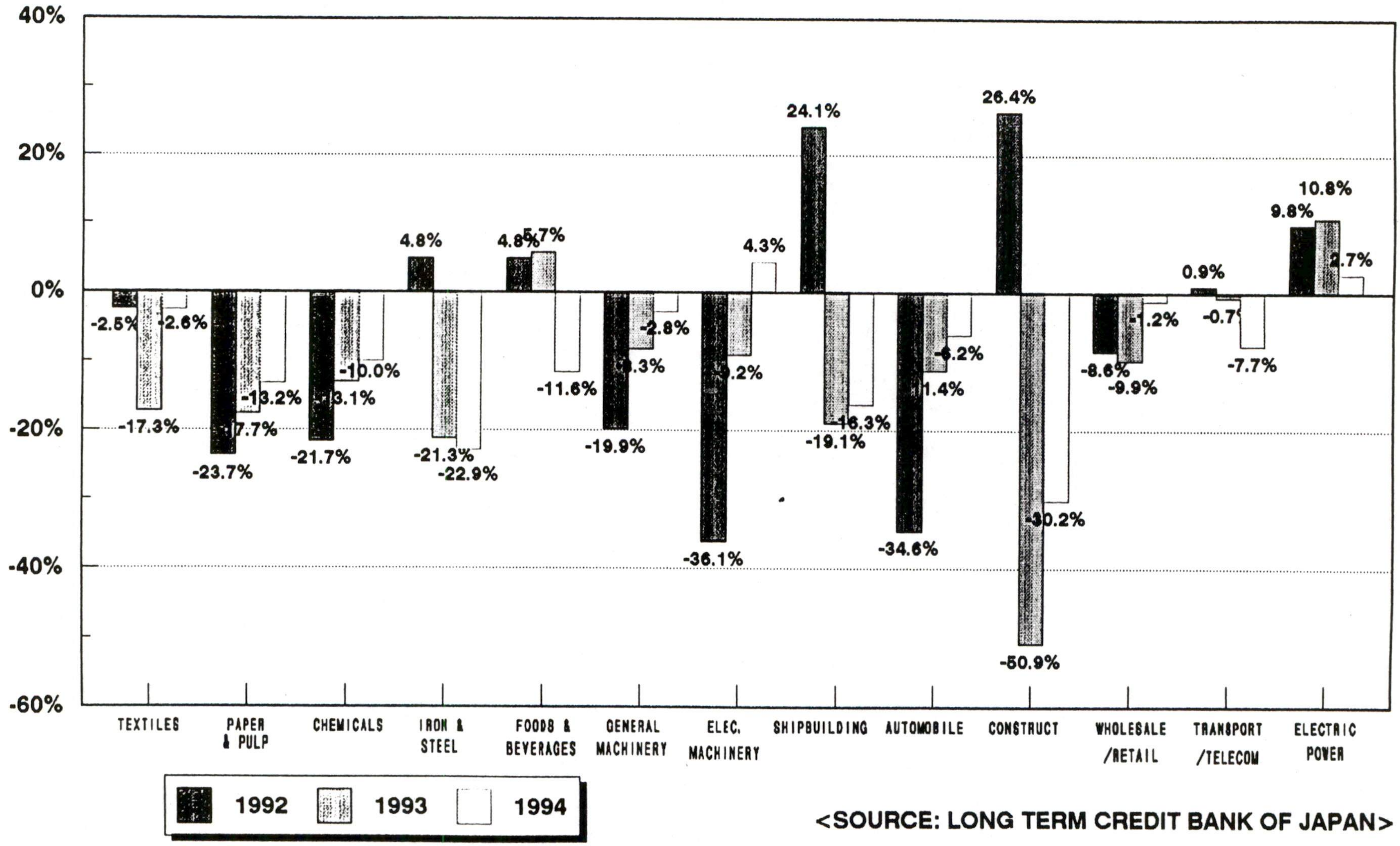
YHP-REV

FACILITIES INVESTMENT BY INDUSTRY



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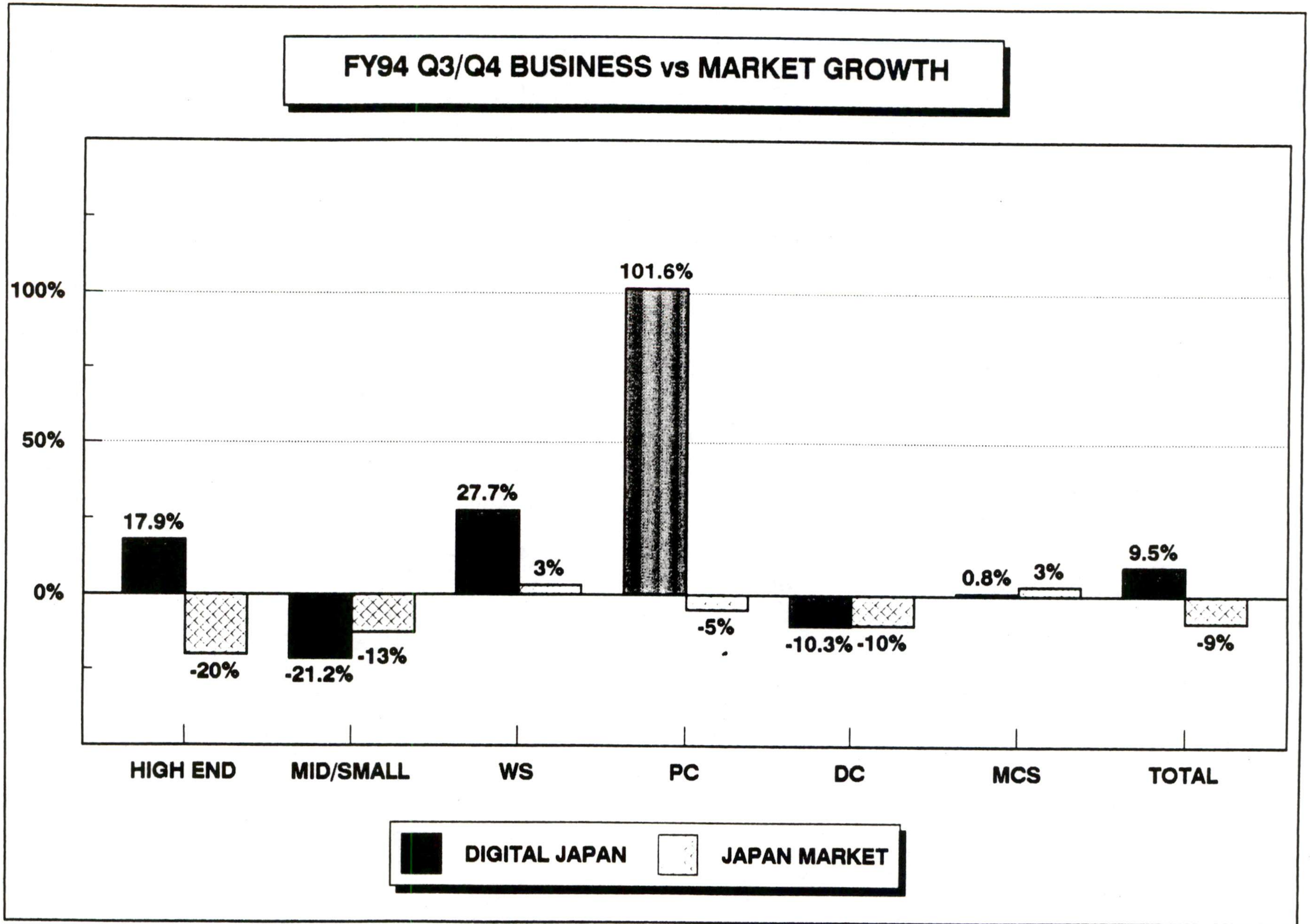

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DIGITAL JAPAN ORGANIZATION

Jan. 5,1994

- **President** — Y.HAMAWAKI
  - **VP Operations** — T.THERET
  - **CPT** — G.NARUI
  - **DMD** — N.ISHINABE
  - **FPP** — H.WATANABE
  - **CEM** — T.UEDA/M.TAKEMURA
  - **HI** — Y.KOMATSU
  - **Sales Operations** — H.WATANABE
  - **Channels** — T.SHIGA
  - **WS** — N.MURAKAMI
  - **NW** — S.KASHIHARA
  - **DC** — T.UEDA
  - **MCS** — S.KAWAI
  - **CPS** — N.USUI
  - **PC** — Y.SOEDA
  - **Logistic** — K.KAWASE
  - **Marketing** — N.MURAKAMI
  - **Technology** — K.HAYAMIZU
  - **F&A** — S.NAKAO/Y.SUGIMOTO
  - **HR** — Y.TORIUMI
  - **Legal** — K.WATANABE