

# DIALOGUES

VOL. 2 / NO. 3 / SEPTEMBER-DECEMBER

## Coopers & Lybrand Chooses AGS for Project Support Throughout North America



Michael Bealmear, C&L Partner and National Director of Systems Development, speaks at Dallas training session.

Coopers & Lybrand (C&L), one of the largest accounting firms in the United States, has selected AGS' System Development Methodology products as the methodology of choice for their management consulting practice. AGS will provide training, consulting and enhancements to the methodology which will be used on



left to right — Dick Thatcher, Corporate Vice President, with members of the AGS Team: Jim Schepers, Susan Ball and Lou Yannaco.

C&L client projects throughout North America.

In order to service this multi-year, multi-million dollar contract, a team of AGS Management Systems consultants and support staff has been transferred to our Systems Development Division (SDD) under the management of Lou Yannaco, New Jersey Regional Director. The AGS Team, under the direction of Susan Ball, has been developing C&L specific training courses and pro-

viding consulting support. Michael Bealmear, C&L Partner and National Director of systems development consulting, recently stated, "We have about 1,000 professionals in our management consulting ranks across the country, and I needed some way to standardize our approach to systems delivery engagements. Before we had the (AGS) methodology, work would often be done inconsistently or incompletely." By utilizing the tools and

techniques of our methodology, especially structured techniques, C&L intends to increase their systems implementation contracts.

In order to inform the Regional Offices about the methodology and introduce the members of the AGS Team, C&L held a four-day training session in Dallas, Texas, for regional information systems management. C&L partners and directors from twenty-five U.S. cities and Canada were introduced to the techniques of structured analysis and design and learned about the full range of AGS products.

Over the next few years, C&L intends to train every member of their information systems staff in structured techniques, the AGS product line, project administration and quality assurance. With a proven methodology and trained professional staff, C&L intends to obtain a bigger share of the systems development market. AGS will contribute to C&L's growth by providing training and enhancements to the methodology as well as by participating in joint projects.

The Coopers & Lybrand relationship with AGS is another example of the full range of services AGS is bringing to the marketplace. AGS will shortly begin training key SDD regional personnel in the Systems Development Methodology to provide expanded support to C&L's clients and to the marketplace at large.

## 'Tis The Season

Rich Huntley, Vice President, New Jersey Region, presented a check for \$5,000 to the Valerie Fund, an all volunteer, non-profit organization which supports care for children with cancer and their families. In the past, AGS gave gifts to our customers; this year, we decided to make a contribution to a charitable organization in lieu of these gifts. In keeping with the spirit of the holidays, AGS chose to make that contribution to an organization that specifically works with children.

With our donation, we received holiday cards to send to our customers that were drawn by children at the Valerie Fund Children's Centers. The cards

indicated that a donation was made by AGS to the Valerie Fund.

There are five Valerie Fund Children's Centers in New Jersey: Overlook Hospital, Summit; Monmouth Medical Center, Long Branch; Children's Hospital of New Jersey-United Medical Center, Newark; Middlesex General-University Hospital, New Brunswick; and Newark Beth Israel Medical Center, Newark. Our donation supports all of these centers along with Camp Happy Times, a one-week sleep-away camping experience for the children. Last summer, ninety children were able to enjoy this camp, with all costs assumed by the Valerie Fund.



Rich Huntley, Vice President of NJ Region (left) and Seymour Frankel, President of Valerie Fund, take time out from holiday party to pose with parents and children of the Center.

## The Corporate Corner by Larry Schoenberg

Once again, AGS achieved record results for the quarter and nine-month period ending September 30, 1985. Revenues rose 23% and net income 4% for the quarter.

Banking software sales accelerated as the quarter progressed and produced the best results. Telecommunication and project management/methodology software sales were also better than budgeted goals. These groups had major sales to several computer manufacturers and Coopers & Lybrand (C&L), respectively. C&L selected AGS' system development methodologies for use in all of its North American Offices.

AGS has discontinued the sale and development of Smart-C. Customer expectations for new features continued to expand more rapidly than our belief in the economic recoverability of the costs to produce and maintain these additional features. All costs (approximately \$1 million in 1985) associated with this product have been expensed.

Systems development software revenues rose 16% from last year but profits were negatively impacted (\$300,000) by the closing of many of our clients in expectation of Hurricane Gloria. New business in this area came from six new aerospace clients and several computer manufacturers. Microamerica, despite a weak microcomputer market, increased its market share and met its projections, and with AST, Hayes, OKI, Princeton Graphics, Wyse and Mountain Computer sales rising, anticipates a strong fourth quarter.

Our nine-month figures place us on target for achieving our twelfth consecutive record year by a significant margin.

AGS Computers, Inc. and Subsidiaries

### CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

	For the three months ended September 30		For the nine months ended September 30	
	1985	1984	1985	1984
Sales:				
Software	\$29,213,000	\$24,715,000	\$ 87,178,000	\$ 70,469,000
Microcomputer distribution	38,306,000	29,993,000	116,251,000	88,912,000
Interest income	98,000	128,000	257,000	290,000
	<u>67,617,000</u>	<u>54,836,000</u>	<u>203,686,000</u>	<u>159,671,000</u>
Cost of sales:				
Software	19,424,000	16,410,000	57,657,000	46,540,000
Microcomputer distribution	32,773,000	25,239,000	99,766,000	75,895,000
	<u>52,197,000</u>	<u>41,649,000</u>	<u>157,423,000</u>	<u>122,435,000</u>
Selling, general and administrative expenses	11,269,000	8,787,000	33,244,000	25,489,000
Interest expense	540,000	792,000	1,791,000	2,020,000
	<u>64,006,000</u>	<u>51,228,000</u>	<u>192,458,000</u>	<u>149,944,000</u>
Income from continuing operations before income taxes	3,611,000	3,608,000	11,228,000	9,727,000
Income taxes	1,757,000	1,748,000	5,715,000	4,712,000
Income from continuing operations	<u>1,854,000</u>	<u>1,860,000</u>	<u>5,513,000</u>	<u>5,015,000</u>
Loss from discontinued operations (less applicable income taxes of \$70,000 and \$343,000)		(82,000)		(371,000)
Net income	<u>\$ 1,854,000</u>	<u>\$ 1,778,000</u>	<u>\$ 5,513,000</u>	<u>\$ 4,644,000</u>
Income per share from continuing operations	\$0.35	\$0.35	\$1.05	\$0.95
(Loss) per share from discontinued operations		(0.01)		(0.07)
Net income per share	<u>\$0.35</u>	<u>\$0.34</u>	<u>\$1.05</u>	<u>\$0.88</u>
Weighted average shares outstanding	<u>5,250,000</u>	<u>5,281,000</u>	<u>5,253,000</u>	<u>5,265,000</u>

## Employee Spotlight



Lawrence Thimsen has recently been promoted to Systems Development Manager, reporting to Rich Nackson, New York Region. He began his data processing career in 1973 and has since worked on the development of various commercial application systems.

Currently on assignment at a large brokerage firm in New York City, Lawrence is the Systems Development Manager working with a team of ten AGS programmers who are developing a home PC information system. This system allows customers to connect to the brokerage house to receive up-to-date information on portfolios and electronic mail.

Some other assignments Lawrence has worked on include assisting in the installation of a new accounts payable system for a major magazine corporation. Lawrence's duties included the design and implementation of additional screens, modification of programs, and system documentation.

As a consultant for AGS at a major bank, Lawrence was responsible for the

design, implementation and testing of a national automated teller machine system. His responsibilities included the coding of programs designed to start up the system, handle region status messages and all administrative handling and processing.

For a major retail banking corporation, Lawrence was responsible for the design and implementation of a multi-purpose program as part of a major credit card system. The dual function of the program was to maximize the compression of data to the most economical record size for transmission from the bank location to the client location and then to expand data back to its original size once received by the client.

At another banking association, Lawrence researched and documented one of the major billing systems for auditing purposes. This system applies billing charges to varied types of credit authorizations to all member banks. His responsibilities included verifying that all transactions were being accepted correctly and billed to the member bank with the appropriate charge.

Lawrence also modified a CICS online credit system. This system performs credit card holder authorizations, updates cardholder master files, and accepts monetary and non-monetary information from member banks. His responsibilities also included modifications of programs designed to retrieve, change or display daily sales information for requested accounts.

At a large book distribution company, Lawrence participated in the development of a system designed to handle the cataloging of books by the Library of Congress Standard Identification numbers. Lawrence has also been involved in our internal education department where he has taught Basic Assembler, JCL, VSAM, CICS and IMS batch courses.

## Low Kabza Joins AGS As Midwest Regional Manager

Lewis J. Kabza joined AGS on November 1 to become Regional Manager for our Midwest Region. Based at our Oakbrook, Illinois Office, Lew will be responsible for managing our marketing and technical activities throughout the greater Chicago area and will also be responsible for the work we are currently doing in Columbus, Ohio. Lew will report to Tony Stepanski, Executive Vice President.

Prior to joining AGS, Lew was Regional Manager for Spectrum International, a builder of Structured Methodologies, and was responsible for Spectrum's sales, marketing and consulting activities in the Midwest. He had previously served as the Midwest Regional Marketing Manager for our subsidiary, AGS Management Systems, the Chicago Branch Manager for Com-



Lew Kabza

puter Task Group, and an account executive for Applied Information Development, Inc. Lew started out in this business as a programmer in Buffalo, New York. He lives with his wife and two children in Hanover Park, Illinois.

## Martin Studd and Bill Zack Appointed Regional Systems Managers

Martin Studd has been appointed Regional Systems Manager reporting to John Kalli, Regional Director of the New Jersey Central Region. Martin is responsible for the technical staff in Holmdel, Middletown and West Long Branch and also provides support for the marketing staff in this region.

Joining AGS in 1981, Martin has since been a Coordinator and Systems Development Manager in Freehold and Holmdel. While on assignment at AT&T, he was responsible for the UNIX block device drivers for the UNIX port to the AT&T PC 6300 Plus. Martin was recently promoted to Software Engineering Manager, responsible for SMART-C until the cancellation of the project.

Martin graduated with a B.S. in



Martin Studd



Bill Zack

Computer Science from Loughborough University of Technology in England. Martin's background has allowed him to gain knowledge of and extensive experience with 'C' language in a UNIX environment, Assembler language for microprocessors, and various high level

(continued on page 4)



# ACROSS THE MILES



## New York

Frank Tantillo, formerly Technical Director, New York Region, has been appointed Regional Director for the Mid-Hudson Valley Region. Frank is responsible for all technical activities of the region and for our business relationship with IBM.

Frank's first position with AGS was as Director of Information Services, Facilities Management Group, for five years. This group developed and maintained an entire data processing system for the Ford Foundation and also created new payroll, grant analysis, and budget control systems.

He and his wife, Toni, live in Manhasset Hills, Nassau County, New York with their three sons, Frank, Christopher and Jeffrey.



Frank Tantillo

Formerly a Regional Technical Director for our Orlando Office, Janet Suydam has transferred to New York and is now a Technical Director for this office.

Janet began working for AGS in 1980 as a consultant in the New York Office. She was sent to New Jersey to manage the development of a computerized Transportation Management Information System for a large food



Janet Suydam

cooperative. After working on several projects as a consultant, Janet was promoted to Technical Director, and in 1983, relocated with John Kridel to open an office in Orlando. She was responsible for the technical staff for this office until 1985, when the Southeast Regional Headquarters was moved to Fort Lauderdale.

Neville Prosper has been appointed Technical Director for the New York



Neville Prosper

Region. Joining AGS in 1978, Neville began working as a consultant assigned to a major electronics company. Here, he was involved in the development of a variety of financial and statistical applications. He designed and developed a financial modeling and display system for data retrieval and report generation for this company's subsidiary divisions.

Neville also developed an information center which coordinated and controlled microcomputers within the organization. He was involved in the development of tutorials and microcomputer courses and was a Systems Development Manager until 1983.

Neville is a graduate of the University of Toledo where he received his B.S. in computer and information science, and he received his master's in computer science at Pratt Institute.

## California



A new hometown for Mic Andrew (left) and John Weald (right).

John Weald and Michael Andrew (Mic) travelled 3,000 miles from London to join AGS, and they have travelled another 3,700 miles to work for AGS in California. The opportunity that became available for John and Mic is a good case study on how all technical staff are potential salespersons and, therefore, must be aware of and be able to respond to business opportunities.

The beginning of this California odyssey occurred during a meeting at AT&T-IS in Morristown, New Jersey. Peter Shah, an AGS Senior Consultant, was on assignment at AT&T to help evaluate independent software vendor products in the financial marketplace. Representatives from Santa Clara Land and Title (SCLT), based in California, came into town to discuss porting their software to the AT&T 3B product line. The software was developed by SCLT personnel to support escrow accounting for real estate transfers. Buoyed by internal success of the software, Santa Clara wanted to develop the product for commercial use and rewrite the software in 'C' for the 3B product line.

The meeting went well, and the outlook for Santa Clara product sales within California and beyond was very positive. AT&T, however, was not in a position to provide the resources to convert the software.

After the meeting, Peter Shah approached the Santa Clara representatives to learn more about their conversion plans. It quickly became evident that they were unsure of the conversion process and did not have any experienced UNIX or C development staff. Peter told them about AGS and the full range of services we could provide in their conversion—from training to porting support. Santa Clara was interested in learning more about our company, so Peter put them in contact with the Mountainside Office.

Santa Clara management came to our Mountainside Office to discuss their needs and, shortly thereafter, Frank Greco, Principal Instructor with AGS, went to their offices and conducted a one-week UNIX/Shell/C course. To further assist SCLT, Robert Guindon, (continued on page 4)

## Atlanta

AGS has established its presence in another sunbelt location—Atlanta, Georgia. Under the direction of our Southeast Region, AGS of Atlanta opened its doors July 1, 1985 to a rapidly growing economy in the southeast.

AGS is quickly becoming a "household" name under the direction of Bob Malpede. Janice Grant, originally a Personnel Administrator with our Mountainside Office, (continued on page 4)



left to right — John Kridel, Vice President, Southeast region, Bob Malpede, Atlanta Branch Manager, and Tony Stepanski, Executive Vice President, enjoy the surroundings of the atrium at Perimeter Center West, the Atlanta Office headquarters.

## New Jersey

Due to the rapid growth and restructuring of our New Jersey region, an office has been established in the Holmdel area. The office is located at 230 Half-Mile Road in Red Bank, New Jersey and is under the direction of John Kalli, Regional Director. The move from the Mountainside Office took place in September, and with the diligent work of our staff, the transition is now complete.

This facility has six offices and a conference room/classroom and enables us to better serve our staff and customers in Central and South Jersey. Dave Marden and Martin Studd, Regional Systems Managers, Jody Garofalo and Vicki McCauley, Field Service Representatives, will operate out of this office. Joel Caccia is our Personnel Administrator and Elizabeth Cosgrove is our part-time receptionist/secretary. Elise Del Gaudio, Office Manager, will be responsible for the administrative functions of the office.

## London

Lawrence Gibb has joined Kevin Betts and Kathy Winton in the London Office as Senior Consultant. He is the first consultant to join our technical staff since the initial expansion of our London Office. At the present time, he is assisting Kevin in efforts to generate new business in the United Kingdom.

Lawrence obtained a BSc (Hons) in Mathematics at Leeds University before joining ITT Business Systems to work on their range of message switching systems. He worked on systems development in their UK office and at a variety of locations in the south of

England and in West Germany.

After this, Lawrence became part of the Business Systems Division of the Standard Telephones and Cables (STC) group of companies and was assigned for a time to the International Development and Engineering Center to work on the design and development of a new range of text communications systems. Upon his return to STC Business Systems, Lawrence worked extensively on country variants of the software package and was responsible for on-site development of the systems.

Lawrence has over fourteen years of experience in the data processing industry.

## Molly Secours Opens California Office

Molly Secours, formerly a marketing representative for our Denver Office, has transferred to California to open an office in Pleasanton, California. Here, she will be responsible for the marketing efforts of this area, which is in close proximity to both San Francisco and San Jose.

Molly joined our company in 1983 as a Technical Recruiter for the Orlando

Office with John Kridel and Janet Suydam. In November of 1983, she was transferred to the Denver Office to work as a marketing representative.

Molly is happy to be back in the Bay Area where she previously worked for Xerox Corporation. She says she misses Denver very much, but prefers reading about snowstorms instead of driving in them.

## Smokers Unite

Imagine if you will . . . a dark room crowded with people. A heavy cloud of gray smoke hangs in the air while all eyes are gazing ahead at the images flashing on a screen. An instructor reminds the group to glance over at fellow class members as they awkwardly puff on their cigarettes. Occasional groans or coughs echo among the participants while the smokers are asked to concentrate on all the unpleasant sensations they are feeling. Some may snap an elastic wrist band to punish their cigarette urges, others may dwell on some uncomfortable consequence of smoking. Whatever the technique they choose, the goal is the same—the bond existing between cigarettes and pleasure is being severed.

The Smokeless System was presented to a group of eight AGS employees in the Mountainside Office by Ann Oliva,

Director of Health Education at Overlook Hospital, Summit, NJ.

Smokeless is a highly structured program in which the participants learn the skills necessary to achieve permanent abstinence from smoking. The smoking habit is viewed from psychological, sociological, physiological and behavioral perspectives. Participants were taught techniques that have been proven effective in both preventing and eliminating cigarette urge sensations. Components of the program also included: diet and stress management, changing beliefs about smoking, understanding our environment, assertiveness training and positive and negative reinforcement.

The six-week class was extremely successful. Six out of the eight employees have not returned to smoking. We do have one cheat who wishes to remain anonymous but has been caught taking a few puffs behind closed doors. Shame!

## Studd and Zack (continued from page 2)

languages. His projects have included simulations, speech recognition, communications and telephone exchanges.

Martin is married to the former Debbie Gurch, who worked for AGS as Staff Services Coordinator. They have a little girl, Ashley, and another baby in on the way.

Bill Zack has been appointed Regional Systems Manager, Southeast New Jersey Region. In this capacity, he will be reporting to Marge Linn, Regional Director, and will be responsible for the technical staff and marketing support for this region.

Bill joined AGS in 1975 and has over eighteen years of experience as a consultant and manager. As a Systems

Development Manager, he has recently been responsible for managing an AGS project that provides support to companies in porting applications to AT&T 3B computers and UNIX. Previously, as a staff consultant, Bill was responsible for a Home Financial Services System and has contributed heavily to the development of ENS/Net 1000. He is also a part-time instructor at Middlesex County College where he teaches Data Communications and Advanced Information Systems.

Bill is a graduate of Boston University with a B.S. in Physics. He and his wife, Marcia, live in Aberdeen, New Jersey with their three children, Amy, David and Steven.

## California (continued from page 3)

Kevin Betts and Michael Andrew went to California to evaluate the software and the conversion schedule. As a result of the AGS review of their plans, SCLT decided to contract AGS' services for training and consulting. John and Mic were subsequently dispatched to work for AGS in San Jose.

The business opportunity that became apparent to Peter resulted in exciting new business for AGS. All technical staff should be aware of business opportunities that exist in their daily work environment. It may result in additional business for AGS and exciting job opportunities for our staff.

## New Faces

### TECHNICAL

Frank Adamo  
Dianne Babcock  
William Bataille  
Stephen Bolt  
Dina Charles  
Anthony Cordasco  
Eleanor D'Erasmo  
Joseph DiCaprio  
Nancy Dillon  
Michael Eichner  
Shirley Eick  
Judy Fan  
Alfred Fritsch  
John Hagarty  
Antony Haines  
Andrea Han  
Randy Hoheisel  
Shu Hwa Hsu  
Mohamed Khaki  
Refen Koh  
Kenneth Lavel

Kevin Lockwood  
Pierre Luu  
Edward McMahon  
Anthony Phillips, Jr.  
Edward Prest  
Michael Rabinowitz  
Herbert Rice  
Steven Rubin  
Carol Ann Schloetzer  
Charles Straus  
Jonathan G. Taylor  
Timothy Tober  
Jeffrey Vaughn  
Brian Walsh  
Saul Warshavsky  
Maurice Wysocki  
Janice Yarmula  
Gregory Zarhardt  
Mohamed Zeineldine

### ADMINISTRATIVE

Mary Addonizio  
Maria Alaimo  
Christy Aldridge  
Lotus Boss  
Joel Caccia  
Elizabeth Cosgrove  
Susan Dabrowski  
George Enchill  
Theresa Fischetti  
David Heath  
Robert Jackson  
Terry Jones  
Jeffrey Kleiman  
Dorothy Malone  
Colin McKiernan  
Margaret Ntarelli  
Jeffrey Porter  
Neville Prosper  
Diana Riggs  
Trudy Scinto  
Molly Secours  
Rolanda Snell

## ANNIVERSARIES

### SEPTEMBER

Kenneth Almquist	5 Years
Martin Baade	15
Tom Furth	8
Michael Merritt	10
Robert Metthe	5
Joseph Scarpelli	8
Gracita Soyemi	5
David Tang	11

### OCTOBER

Frank Gray	8
Mario Incalicchio	6
Dave Marden	8
Jim Paul	6
Tony Stepanski	17

### NOVEMBER

Eileen Gallagher	6 Years
Elaine Karver	7
Robert Provost	8
Richard Thatcher	18
Art Whitehead	7

### DECEMBER

Creighton Clarke	6
Luann DiGirolamo	5
Edward Greene	7
Mike Kolba	12
Robert Seals	7
Susan Smyth	5
Pearl Turtleaub	5

## Atlanta (continued from page 3)

relocated with her husband to Atlanta. She is now working in the same capacity for this office. Brian Weyandt is our marketing representative and Christy Aldridge is our secretary/receptionist.

Currently, we are involved in a variety of contracts, from CICS/

COPICS for IBM to IMS design for a national telecommunications company. Pending contracts are in the beverage, telecommunications and healthcare industries. In addition to Atlanta, we are pursuing opportunities in Alabama. AGS is on the move!

Karen O'Connor  
Editor

Mike Dolan  
Director, Human Resources

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