

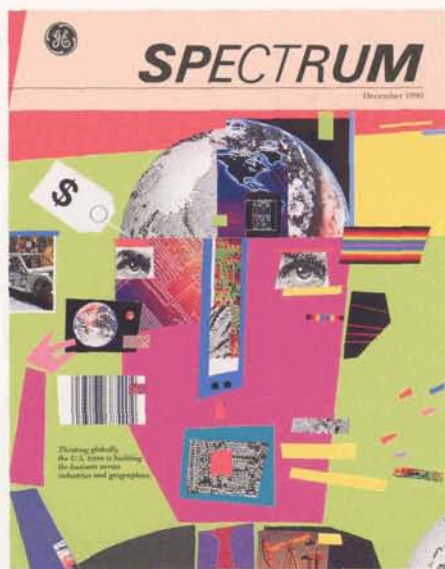


SPECTRUM

December 1990



*Thinking globally,
the U.S. team is building
the business across
industries and geographies.*



ABOUT THE COVER

In the United States market, GE Information Services applies a sound business strategy across industries and geographies. Thinking globally, the U.S. team is penetrating key industry focus areas while growing the business in strategic geographic areas.

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GE Information Services

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WINNING STRATEGIES FROM COAST TO COAST

In the United States, GEIS has developed strategies to penetrate key industries in which it is focusing the business. At the same time, strong regional teams support present clients and have strategies to expand the business in their areas.

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BANKING ON A WINNER

The Australian banking team is building an integrated services platform for Westpac Banking Corp., which they believe will revolutionize the way banks support their corporate customers. The system will give the corporate client a single window to all his financial services needs.

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QUALITY WINS THE DAY

Teleinformatica, GE Information Services' distributor in Spain, took a consultative approach to winning a major contract with Spain's top ranking bank. After observing the banking patterns of Banco Bilbao Viscaya's corporate clients, they devised a solution that enables clients to make all their banking transactions electronically.

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INTO THE 21ST CENTURY

Through a partnership that dates back to 1985, GE Information Services and the Association of American Publishers (AAP) is changing the way college book stores fill their shelves. Called Publishers' Network (PUBNET), the GEIS-developed system makes the whole process electronic.

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WHEN EAST MEETS WEST

GE Information Services combined industry expertise with understanding the Japanese way of doing business to win a contract with Mazda Motor of America. They got support from their friends at ISI-D who opened some corporate doors for them.

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WITH ITALIAN APLOMB

Using a consultative approach, GEIS in Italy identified why Philips, the giant consumer electronics company, was having problems gaining market share in Italy. Then they proposed creative solutions to those problems.

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LET YOUR (ELECTRONIC) FINGERS DO THE WALKING

GE Information Services has developed an electronic order transmission system for members of the Yellow Pages Publishers Associations. The system streamlines the process for placing orders for advertising space in what has become big business—the *Yellow Pages*. Now GEIS is proposing other ways the association can gain efficiency.

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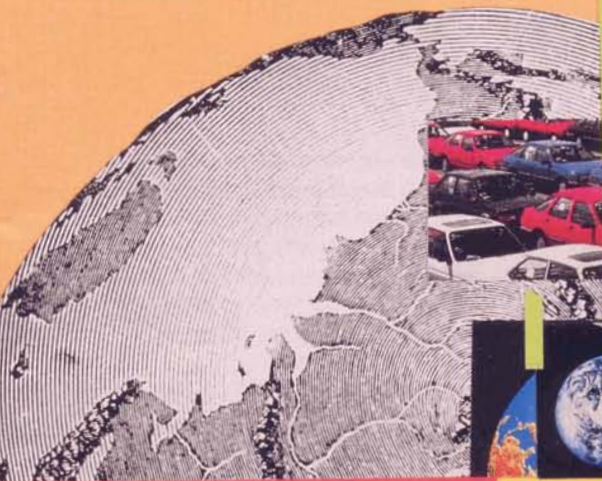
WINNING STRATEGIES FROM COAST TO COAST

GE Information Services approach to the United States market applies sound business strategies across geographies and industries and at the same time takes advantage of special regional and industry needs.

This is the first of a two-part story that looks at the North American market. In this issue, SPECTRUM looks at five industries identified as focus areas for the United States, including two that are now expanding globally, and at the strategy for growth in major metropolitan areas of the U.S. In the next issue, SPECTRUM will look at the business in Canada and at how GE Information Services supports GE Corporate and other GE components.

IN THE NORTH AMERICAN market, companies are rethinking their strategies in light of the changing global landscape. The nation as a whole has gone through a crisis in confidence, as it watched its number one position in industry after industry challenged by competitors from Japan and more recently from Europe. This jolt to American industry has spurred increasing attention to quality in





PURCHASE ORDER

products and services. And companies are looking for ways to improve quality without driving costs up—indeed while driving costs down.

"The business climate in the U.S. today is ripe for our services," says Haskell Mayo, vice president, North American Sales & Services. "The drive toward globalization of markets and the need to gain greater productivity while raising levels of quality play to our strengths, and we need to capitalize on that. Above all, we must give superb service to our clients so they can give superb service to theirs."

IN THE RETAIL BUSINESS, SERVICE has always been a distinguishing factor. But in today's market, in which consumers have many more choices about where to spend their consumer dollar, quality of service and efficiency of operation can make or break a retail chain.

In this fiercely competitive industry, how are the toughest players sharpening their competitive edge? Retailers are embracing EDI both to streamline their operations and to build solid business relationships with their suppliers.

GEIS has been providing EDI to the retail industry since it began offering EDI.

"You might say we've grown up with the retail market in learning how to bring greater efficiency to their operations," says Al Boynton, marketing manager, Retail Industry. "Today the name of the game is Quick Response and we're a leading player in that game."

Today GEIS offers a family of products and services that help retailers provide Quick Response—having the right merchandise on the shelf when the customer wants it. In addition to the full suite of EDI offerings, GEIS offers UPC*Express Electronic Catalog and Cross Reference software that gives retailers fast, reliable information they need to manage ordering, receiving, price checking, item tracking, and sales analysis.

GEIS provides EDI to some 75 retail operations and mass merchandisers and 2,000 of their suppliers. Its growth strategy is threefold.

First, GEIS will continue to solidify



its relationships with present retail clients by expanding its support services.

"As is true in other industries we serve, we should approach our retail clients with system solutions that use all our capabilities to respond to their total business needs," says Todd Fryburger, manager, Retail Industry. "EDI will always be fundamental to our serving this industry, but like any other business, retail has dimensions other than forging relationships with suppliers. Right now we're working with marketing to define the dimensions of a BusinessTalk application for the retail community."

A second dimension to its growth strategy is to redefine the retail industry.

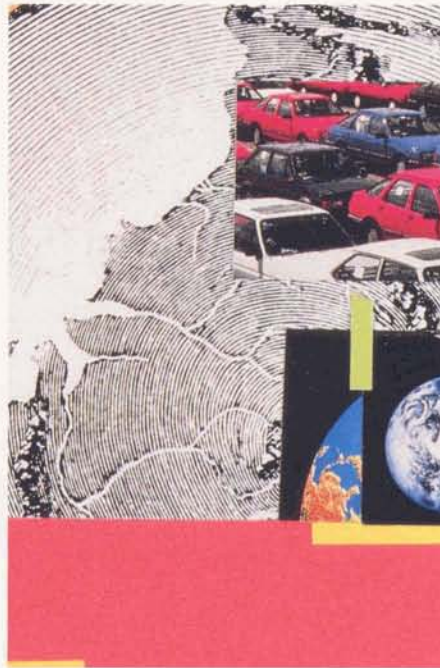
"Retail is far more than just department stores and mass merchandisers," says Todd. "It's fast food chains, furniture stores, and hardware chains. It constitutes a third of the consumer market. So we have to broaden our horizontal view of the market and also our vertical view. Manufacturers directly supporting retailers—apparel, jewelry, sporting good, toys—are also a viable market. We can draw on our industry expertise to find ways to support this retail market as well."

A third dimension of the strategy is to begin to penetrate the credit systems market.

"We've commercialized the credit system originally developed for Catherine's," says Todd. "Now we have to find the right market for this application."

AS THE U.S. AUTOMOTIVE AND manufacturing industry enters the decade of the '90s, it faces increased competition from non-U.S. manufacturers, especially from the Japanese, who now command 27.5 percent of the U.S. automotive market. To regain market share, American manufacturers are strengthening their distribution channels, increasing their manufacturing efficiencies, and shortening their product development cycles.

The GEIS Automotive/Manufacturing industry team is exploiting these trends by leveraging GEIS core products and international infrastructure and forming alliances that add industry specific



software to GEIS' solutions tool kit.

As competition increases, American manufacturers are making major investments in their distribution channels to gain market share. They are making greater use of technology like Data Communications Systems (DCS) to accelerate the movement of information from the customer to the plants. Historically, GEIS has worked with manufacturers to provide some or all of the modules that make up these systems. DCS clients include Chrysler, Peugeot, and, most recently, Mazda. GEIS will continue to penetrate this market by partnering with manufacturers to provide comprehensive services to their dealers and distributors.

In mature markets like automotive/manufacturing, base cost reduction is as important as growing the top line. To gain cost effectiveness, manufacturers are moving to Just-In-Time management—having material arrive at the plant just when it is needed. EDI is one of the linchpins of the Just-In-Time philosophy. Our key EDI clients in this industry include Caterpillar, Chrysler, and Nissan.

To enhance its position in this market segment, GEIS is augmenting its software portfolio with alliances. An

alliance with Wagner Systems enables GEIS to offer Kanban and Scanning software, both critical to Just-In-Time operations. Another with MSI positions GEIS to add quality software to the front end capabilities of DESIGN*EXPRESS.

While manufacturing efficiencies are important to manufacturers, shortening product development cycles is critical. To be competitive in shrinking markets, a manufacturer must get to market first or be frozen out. The key to doing this is concurrent manufacturing, an approach that involves all parts of the manufacturing cycle at the conceptual stage, so design flaws can be identified at the outset rather than well into production.

This approach to doing business requires tremendous movement of data on an intercompany basis. To penetrate this market, GEIS has entered into an alliance with ITI, a Cincinnati based firm specializing in concurrent manufacturing and IGES translation software that facilitates communication of CAD/CAM files between incompatible systems. Additional alliances being formed to gain direct CAD/CAM translation software will ensure success in this promising market segment.

"The automotive/manufacturing industry depends on intercompany systems to increase competitive position," says Jim Conners, manager, Central Area. "The international scope of the industry and the excellent reputation GEIS enjoys in it puts us in a good position to assist this industry in its renaissance activities. It's a tough market, but one worth focusing on and winning in."

IN THE FAST PACED, HIGH RISK computer industry, ability to bring product to market ahead of one's competition can determine market leadership. Hardware companies rely on outside software developers to create applications that will make their computer platforms more attractive. Software developers compete for the attention of distributors who can place their software in the hands of dealers and retailers. To compete in this volatile market, hardware and software developers are banding together with each

