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Sarahan: White Plains Nov 18, '58

1. machine should offer something different not just speed.
2. Should withhold some features from 705 to make ~~it~~ market hot.

(705 code translator? ← very imp. sales point) Sheehan.  
to avoid reprogramming.

3. Low costs on 7090 + 7050 are partly from fact we hold our customers for 2 or 3 years longer on the 709 + 705 (to get full life).
4. Hard to combat 7050 or 7090 on their cost-performance range with another machine.
5. Market - it would own 100 budget 705 customers. (See Sheehan in 2 weeks)

Shady-Sheehan

White Plains

Nov 18, '58

time table - most import  
prog. compatib

if its a successor to 7090 and 7050 is 5 years down  
the road

then we would want prog. compatibility. - (could use simulator)

if machine language were sufficiently flexible to be any

704 compatib package was 1.4 to 1 now slightly less than 1.

if ~~2000-X~~ 2000-X costs  $\frac{?}{90}$  7090 then must run 50% faster.

Market 5 years from now:

then we should know more about operating of business - scheduling.

- scheds, inventory + production + distribution - very big mkt.

{ 90% spent - "doing something"     ← important to hit here  
10% spent - record keeping, etc.     as well as  
   ← has

7070 will try some of these things.

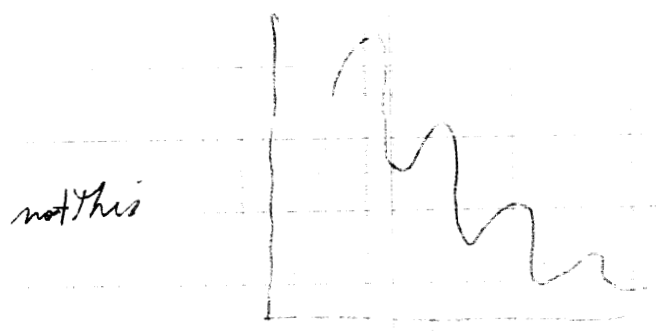
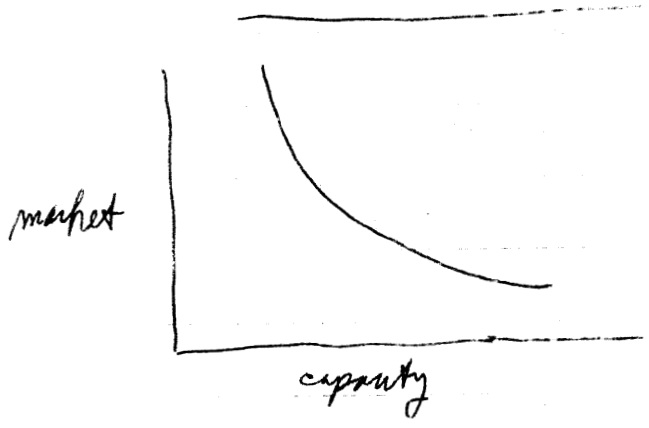
Don't know whether big or small machine is needed

should be { - a natural extension of our line.  
- new features included.

- we always want large prestige machine eg. STRATUS  
must look beyond to tap mkt.

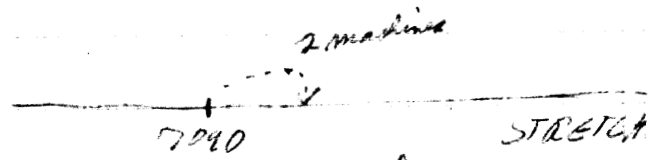
→ Important to get back to one machine 705-209 - mbt, education, etc advantages

Bull gamma 60, vs 705 - tie in with Sperry-Rand -  
(Ref: last Comm. Bull.)



remains present, what is the way - they  
Tend to stick to range they are in.

What is exposure -



what is mbt here? probably not large  
because of funding.

Mbt. viewpoint:

application of 705 is different from 209.

maybe we want high speed tape machine, data handler, can't get this now,  
and then a high speed computer.

also a low speed tape & low speed computer, get 4 models  
for price of 2.

Conclusion:

5 years will mbt in more specialized way - response to market application  
- 705th is example of this pressure.

combined machine before '63 or '62 is not likely.

-but probably aim machines at specific application eg. transportation, public utilities.

→ 705 program simulation very important - during transition ← (Sheehan)

question: STRETCH customers - not yet? most people think of giant 704.

mbt for ~ \$100K is very large, <sup>~100-150 machines</sup> but we don't know  
\$200K 40 machines

could we bring out both machines at once? - -

if it's a cut-down stretch we should think of prog. comp. with STRETCH,  
- ~~204~~ - should be able to take 705 prog & run but not buy hardware. - sometime we must make customers to reprogram. ←

question: can same machine be used by commercial & scientific?

yes, if customer is combined he will get economic advantage, but political difficulties - "backups" arguments are strong, get two machines the same - -

[eg. Air Force bty in WASH. 705 + 704 couldn't get together  
on 209 - supported a 3<sup>rd</sup> agency to get 704

people are different type on 705 + 704 -- diff. programmers.

Ref. SE Hanford ←

List of pot. customers: (For Alamos config. were disabled - ~~Application~~  
not contraction - 2 us mem only)

Met Potential in \$100K range combination of commercial.

~~AT~~ Telephone Cos.

Oil Cos.

Insurance Cos.

at \$200K range only Cos. with Govt. contracts. - scientific only.

- combinational use - would have to be sold.

Reprogramming effort eg. 704 → 709 people deferred machines

eg. Westinghouse department also deferred NYU & Combustion Engrs.

- deferred on Mock Donald monitor & compatibility package.

Applied Programming support: stretch 15 men 1958

estimated manpower 35 " 59

for a machine announced 40 " 60

in sept '58 for delivery in '61 15 " 61

105

does not include commercial programs - merge, sort, etc.

~~Relay~~ Customers:

we have @ 90 709's on order - only going to build 21.

709TX 's will go in instead.

Same customers as for STRETCH

- Same will appear on several lists.

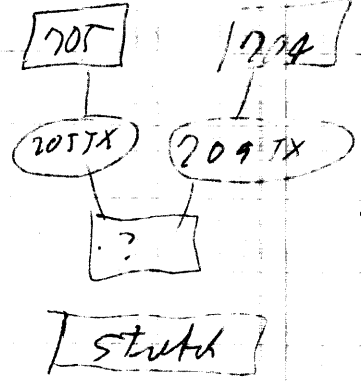
Later:

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Rlembesker - Simmons - Sheehan - White Plains (cont)

- additional req.
- backup storage
  - real time opn



must be able to about both

first define: function + price,

AX speed = 25% + \$ increase

(also I/O + storage must be considered)

then check with mkt forecasting

mkt Replacement? - new mkt?

previous study showed  $\approx 100$  machines mkt for Sketch-like machine at  $\sim \$100K$ .

30 at  $\$200K$ .

\$100K objective would be good to examine.

real reluctance in 705 area against reprog.

Kantze:

unstable transistor cost -- until first quarter '59.

- too many projects now