

KS.

7.4.89.

RCI
STRATEGY SESSION

MISSION

TO SATISFY DEFINED CUSTOMER NEEDS FOR EXCELLENT QUALITY PRODUCTS AND SERVICES FOR INFORMATION AND TELECOMS SYSTEMS WHILE PROVIDING OUR OWNERS WITH ACCEPTABLE RETURNS.

VALUES

- . PEOPLE - TO PROVIDE COMPANY INTELLIGENCE, VITALITY AND REPUTATION

- . PROFITS - PROFITS ARE THE ULTIMATE MEASURE OF HOW EFFICIENTLY WE PERFORM. PROFITS ARE REQUIRED TO SURVIVIE AND GROW.

GUIDING PRINCIPLES

- . QUALITY COMES FIRST
- . CUSTOMER ARE THE FOCUS OF EVERYTHING WE DO
- . CONTINUOUS IMPROVEMENT IS ESSENTIAL TO OUR SUCCESS
- . WE WILL BE EFFICIENT IN EVERYTHING WE DO
- . WE ARE A TEAM. WE MUST TREAT EACHOTHER WITH TRUST AND RESPECT
- . INTEGRITY IS NEVER COMPROMISED

OBJECTIVE 1989 AND BEYOND

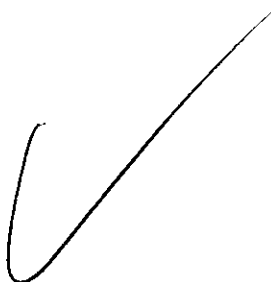
TO ACHIEVE PROFITABLE GROWTH

COMPANY STRATEGY

. PRODUCTS

- SIMPLIFY AND MERGE PRODUCTS INTO A COHERENT PRODUCT LINE
- BASE PRODUCTS ON MS DOS IN PC AREA AND UNIX IN SMALL/MID SYSTEMS
- COMPLEMENT PRODUCTS WITH APPLICATION SOLUTIONS TO ADDRESS CUSTOMER NEEDS
- ESTABLISH STRATEGIC PRODUCT LINE WITH FULL COMPANY SUPPORT
- ENSURE TARGETTED TECHNICAL DEVELOPMENT BASED ON MARKET OPPORTUNITIES
- ENSURE THAT PRODUCT LINE IS KEPT COMPETITIVE
- IMPLEMENT STRINGENT ANNOUNCEMENT PROCEDURE
- ESTABLISH FUNCTION WITH COMPANY WIDE PRODUCT LINE RESPONSIBILITY

COMPANY STRATEGY



. MARKETS

- DANISH MARKET PLACE BASIS FOR SALES OF BOTH COMPUTER AND TELECOMS SYSTEMS

- NORDIC AREA BASIS FOR SHORT TERM EXPANSION IN CONJUNCTION WITH ICL

- EUROPE TO BE PENETRATED THROUGH THIRD PARTY CHANNEL (ICL) FOR INFORMATION SYSTEMS

- TELECOMS TO BE DISTRIBUTED ON A SELECTIVE BASIS CROSS EUROPE

- OEM SALES STRATEGY TO BE DEVELOPED

- OVERSEAS MARKETS TO BE DEVELOPED EITHER THOROUGH STRATEGIC ALLIANCES OR TECHNOLOGY TRANSFER

- SYSTEMS INTEGRATION TO UTILIZED TO ACHIEVE PARTICIPATION

COMPANY STRATEGY

PRICING

- . ENTIRE PRICING SHOULD BE RELATED TO COMPETITIVENESS (P/P)
- . PRICING SHOULD BE USED ACTIVELY TO MAXIMIZE MARGINS AND ENSURE COMPETITIVENESS THROUGH LIFECYCLE
- . PHASE OUT PROGRAMS SHOULD BE IMPLEMENTED AS PART OF PRICING STRATEGY
- . DISCOUNT LEVELS TO BE CONTROLLED
- . BOTTOM LINE BIDS INTRODUCED
- . SPECIAL PRICING FOR SW, APPLICATIONS AND SERVICES

COMPANY STRATEGIES

ORGANIZATION

. FIT FOR PURPOSE

. GET RID OF PROCESSES IF NOT NECESSARY (ZERO BASE APPROACH)

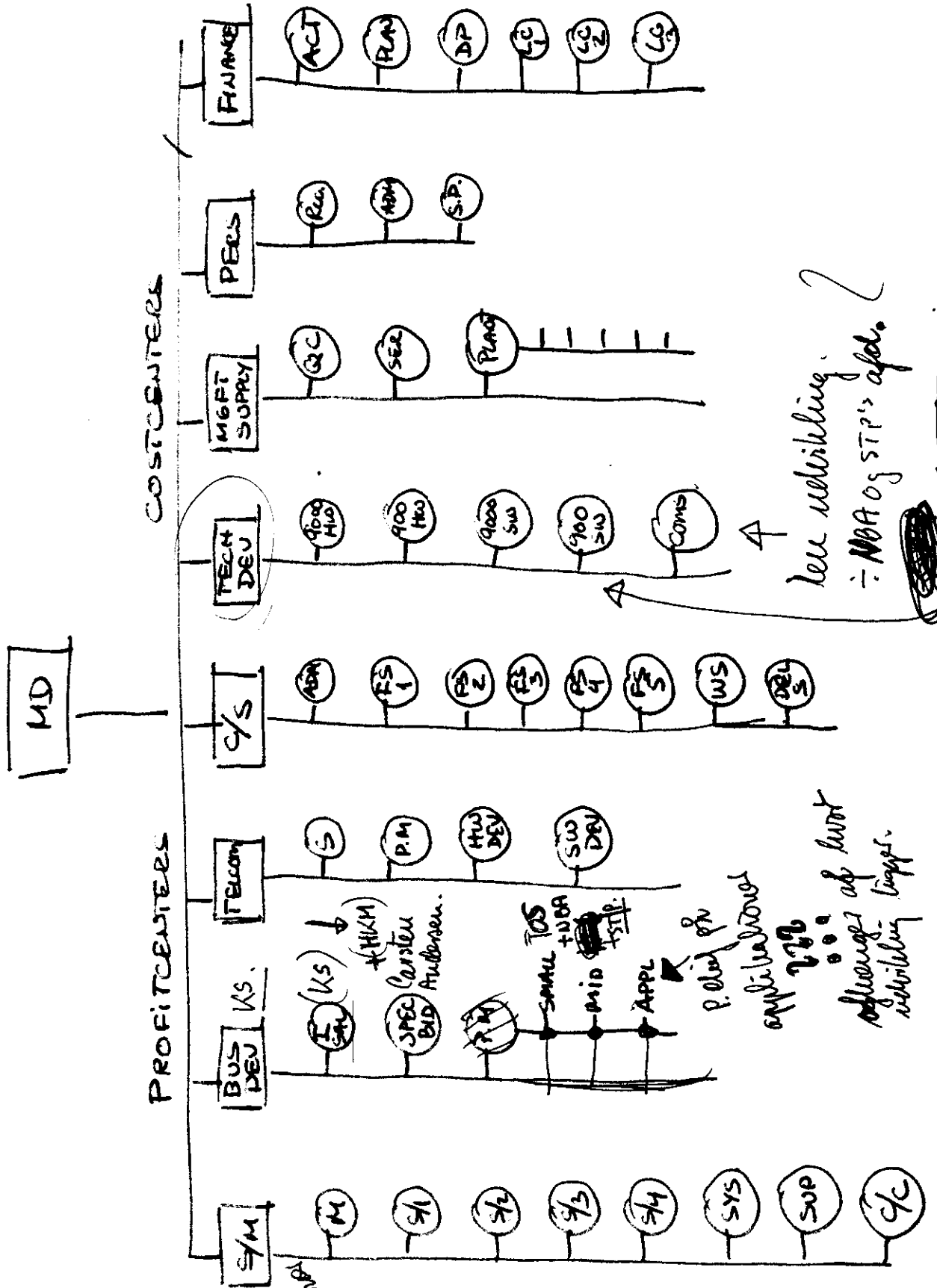
. ESTABLISH PROFIT/COST CENTERS AND MEASUREMENTS

. FLATTEN HIERACHY ✓

. SIMPLIFY ✓

. AVOID REPLICATION

ORGANIZATION PROPOSAL MAY 1



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 Publishing of...
 Publishing of...
 Publishing of...

P. bid on
 applications
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 publishing

less advertising.
 ÷ NGA of STP's ad.

FUNCTIONAL STRATEGIES

SALES & MARKETING

. DEVELOP & IMPLEMENT COHERENT DANISH MARKET STRATEGY

- LOCAL GOVERNMENT MORE VERTICAL SOLUTIONS
- STATE ACHIEVE CONTRACTS AND PRE??
- ORGANIZATIONS MORE SOLUTIONS
- PRIVATE IMPLEMENT VERTICAL APPROACH

. PARTICIPATION IN LARGE BIDS

- SPECIAL BOTTOM LINE BID PROCEDURE
- SYSTEMS INTEGRATION (IN/OUT)

. GET MARKETING FUNCTION TO WORK WITH COORDINATED YEAR PROGRAM/BUDGET

. TRAIN/ENHANCE/CHANGE SKILLS SR/SE

. ESTABLISH DISCIPLINE & PROCEDURES

. GET FORECASTING TO WORK

FUNCTIONAL STRATEGIES

BUSINESS DEVELOPMENT

INTERNATIONAL SALES

- . DEDICATED RESOURCE FOR INTERNATIONAL SALES THROUGH
ICL, OTHER DISTRIBUTION CHANNELS OR OEMS

- . CONCENTRATE ON LARGE OPPORTUNITIES/VOLUME ORDERS

SPECIAL BID

- . PERFORM COMPANY WIDE SPECIAL BID FUNCTION AIMED AT
LARGE/COMPLEX SOLUTIONS

- . CONCENTRATE ON BOTTOM LINE BIDDING, SYSTEMS INTE-
GRATION AND PRODUCT LINE AVAILABLE AND IN PIPELINE

PRODUCT MANAGEMENT

- . REFLECT FUTURE NEEDS AND COORDINATE THESE REQUIRE-
MENTS WITH DEVELOPMENT AND/OR ALTERNATIVE SOURCING

- . ACT AS FOCAL POINT FOR TOTAL PRODUCT ANNOUNCEMENTS-
/ENHANCEMENTS

- . RESPONSIBLE FOR P/L DURING PRODUCT LIFECYCLE

FUNCTIONAL STRATEGY

TELECOMS

- . CONSIDER AS SEPARATE BUSINESS UNIT

- . ENHANCE MARKET PARTICIPATION BY ACTIVE MARKETING AND SALES

- . BASE PRODUCT LINE ON "STANDARDS" TO UTMOST DEGREE (HW/SW)

- . INVESTIGATE DA PARTICIPATION AND DECIDE MID '89

- . DEVELOP COORDINATED VENTURES WITH STC/CCI OR OTHER PARTIES

- . INVESTIGATE OPPORTUNITY OF ADDED VALUES

FUNCTIONAL STRATEGY

CUSTOMER SERVICE

- . DIRECT OPERATIONS TO A BUSINESS APPROACH (P/L ORIENTATION)

- . ENSURE COVERAGE AND CUSTOMERS SATISFACTION OF SERVICES RENDERED

- . UPGRADE SKILLS TO COVER ALL RELEVANT OFFERING (HW/SW)

- . RATIONALIZE OPERATIONS BY AVOIDING REPLICATION AND BY USING UP TO DATE TOOLS (ADMIN)

- . TRACK PRODUCT QUALITY AND INTERFACE WITH MANUFACTURING & DEVELOPMENT FOR CORRECTIVE ACTION

FUNCTIONAL STRATEGIES

TECHN. DEVELOPMENT

- . DEVELOP AND ENHANCE PRODUCTS AS REFLECTED BY PRODUCT MGT.

- . ENSURE COST EFFICIENCY OF OPERATIONS

- . ENSURE IMPLEMENTATION OF PROPER PLANNING SYSTEM AND REFLECT STATUS, ISSUES AND OPPORTUNITIES IN DUE TIME

- . DEVELOP SKILLS ON A CONTINUOUS BASIS

- . COOPERATE DEVELOPMENT EFFORTS WITH ICL AND/OR OTHER THIRD PARTIES TO ENSURE EFFICIENCY AND COVERAGE

- . AVOID "PET PROJECTS"

FUNCTIONAL STRATEGIES MANUFACTURING/SUPPLY

- . ENSURE LOW COST / HIGH QUALITY SUPPLY

- . MINIMIZE INVENTORIES/WASTE/WRITE OFFS

- . SIMPLIFY OPERATIONS AND ADMINISTRATION

- . IMPLEMENT PRODUCTION TO ORDER AND PRODUCTION TO PLAN
PROCESS

- . SMOOTH PEAKS AND VALLEYS

- . RESPOND TO DEVELOPMENT/MARKET NEEDS BASED ON SOUND
ECONOMICS

FUNCTIONAL STRATEGIES PERSONNEL

- . DEVELOP AND IMPLEMENT RELEVANT TRAINING PROGRAMS

- . ENSURE STRICT CONTROL ON RECRUITMENT PROGRAM -
QUALITY OF EMPLOYEES IS KEY

- . IMPLEMENT PROPER PERSONNEL COMMUNICATION PROGRAMS
(SU-CLUBS-EMPLOYEE ROUND TABLES)

- . PERFORM REGULAR OPINION SURVEYS AND ENSURE EMPLOYEE
MORALE

- . RECOMMEND CAREER PROGRAMS SUCH AS FAST TRACK, ROTA-
TIONAL, CAREER PLANNING

- . COMPENSATION PROGRAMS TO BE BASED ON "PAY FOR PERFOR-
MANCE" AND BONUS SYSTEMS SHOULD BE FOCAL POINT

- . ENSURE PROPER ADMINISTRATION

FUNCTIONAL STRATEGIES FINANCE

- . ENSURE FULL INTEGRITY OF BOOK KEEPING, ORDER ADMINISTRATION AND LEGAL

- . RATIONALIZE ADMIN SYSTEMS BY USING PAPER TOOLS/TECHNOLOGIES

- . ADVISE MANAGEMENT ON STATUS AND ENSURE REPORTING SYSTEM

- . PERFORM COMPANY PLANNING / BUDGETTING

- . ENSURE HIGH LEVEL OF PROFITABILITY

- . INTRODUCE NEW FINANCING SCHEMES

- . ENSURE LOW GEARING OF COMPANY

- . INTERFACE WITH ICL & BOARD

- . P/L & BALANCESHEET REPORTING

RC INTERNATIONAL

STRATEGIES

and

PLANS

APRIL '89

COMPANY

* MISSION
* GUIDELINES
* OBJECTIVES

STRATEGY

OPERATING PLAN
BUDGET 2nd YEAR

DIVISIONAL &
DEPARTMENT
BUDGETS

ORGANISATION
"FIT FOR PURPOSE"

PERFORMANCE & IMPROVEMENTS

OBJECTIVES
SETTING

ACHIEVEMENTS
* BUSINESS
* PERSONAL

ACTIVITIES
x MONEY
OPS / INVEST

JOB EVALUATION
= LEVELS =

PERFORMANCE
RATING
A, B, C, D, E

SALARY STRUCTURE
o PERFORMANCE
x LEVEL
x POSITION
o BONUS

COMPENSATION

RC INTERNATIONAL

* MISSION

TO SATISFY DEFINED MARKET NEEDS FOR EXCELLENT QUALITY PRODUCTS AND SERVICES FOR INFORMATION AND TELECOM SYSTEMS, WHILE PROVIDING OUR OWNERS WITH ACCEPTABLE RETURNS

* GUIDELINES

- CUSTOMERS ARE FOCUS OF EVERYTHING WE DO
- QUALITY, EFFICIENCY AND CONTINUOUS IMPROVEMENTS WILL BE PRIORITIZED AND ARE ESSENTIAL TO OUR SUCCESS
- DEDICATED AND SKILLED PEOPLE ARE THE BASIS TO PROVIDE COMPANY INTELLIGENCE, VITALITY AND REPUTATION. WE ARE A TEAM AND MUST TREAT EACH OTHER WITH MUTUAL TRUST AND RESPECT
- PROFITS AND CASH ARE THE ULTIMATE MEASURES OF OUR PERFORMANCE AND ARE REQUIRED TO SURVIVE AND GROW
- INTEGRITY IS NEVER COMPROMISED

* OBJECTIVE 1989 AND BEYOND

TO ACHIEVE PROFITABLE GROWTH

RC INTERNATIONAL

MDKK

BUSINESS PLAN 89-92

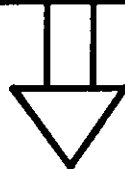
| | '89 | '90 | '91 | '92 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| DK INFO SYS. SALES | 275 | 300 | 330 | 365 |
| BUS. DEVELOPMENT | 15 | 60 | 105 | 165 |
| TELECOMS SALES | 110 | 140 | 175 | 200 |
| CUST.SERVICES | 140 | 135 | 125 | 115 |
| REVENUE | 540 | 635 | 735 | 845 |
| PROD.COST | 198 | 242 | 299 | 363 |
| MARGIN (%) | 342 (63%) | 393 (62%) | 436 (59%) | 482 (57%) |
| INV.OBSOL./ MANUF.VAR. OP.EXPENSE | 23 285 | 21 310 | 19 340 | 17 365 |
| OP.INCOME | 34 | 62 | 77 | 100 |
| INTEREST/ MANAGEMENT FEE | 27 | 27 | 24 | 16 |
| P/L BEFORE TAX | 7 | 35 | 53 | 84 |
| P/L AFTER TAX | 7 | 35 | 30 | 42 |
| EQUITY | 115 | 150 | 180 | 222 |
| % RETURN | 6% | 23% | 17% | 19% |

| | | | | |
|--------------------------|--------------|---------------|--------------|------------|
| BREAK-EVEN POINT: | 530 | 580 | 645 | 700 |
| REVENUE | (+9%) | (+11%) | (+9%) | |

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STRATEGIC MODEL '89-92

| COMP.STRATEGY FUNCT.STRATEGY | DISTRIBU- TION | PRODUCT MANAGE- MENT | INFRA- STRUCTURE | REPUTATION |
|--|---------------------------|-------------------------------------|-----------------------------|-------------------|
| SALES & MARKT-DK (PROFITCENTER) | X | | X | X |
| BUS-DEVELOPMENT (PROFITCENTER) | X | X | X | X |
| TELE COMS DIV (PROFITCENTER) | X | X | X | X |
| CUST.SERVICES (PROFITCENTER) | X | X | X | X |
| DEVELOPMENT (COSTCENTER) | | X | X | X |
| MANUFACTURING (COSTCENTER) | | X | X | X |
| PERSONNEL (COSTCENTER) | | | X | X |
| FINANCE AND ADMIN. (COST CENTER) | | X | X | X |



- **ACTION AND IMPLEMENTATION PLANS**
- **OPERATING PLANS (BUDGET PLUS 1. YEAR)**
- **MEASUREMENTS AND REPORTING**

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COMPANY STRATEGY : DISTRIBUTION

* MARKETS:

- DENMARK: AS BASIS
- NORDIC: SHORT TERM OPPORTUNITY
- EUROPE: GROWTH AREA
- OVERSEAS: OPPORTUNITY SELLING

* CHANNELS:

- DIRECT/INDIRECT APPROACH IN DENMARK
- INDIRECT APPROACH EUROPE
 - INFO SYSTEMS - ICL
 - TELECOMS SYSTEMS SELECTIVE/STC
 - OEM AND SYSTEMS INTEGRATION
- INDIRECT APPROACH OVERSEAS
 - STRATEGIC ALLIANCES
 - TECHNOLOGY TRANSFER

* SEGMENTS:

- VERTICALS & LARGE OPPORTUNITIES IN DENMARK
- LARGE OPPORTUNITIES EUROPE
- UTILIZE FUNDS AVAILABLE

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COMPANY STRATEGY : PRODUCT MANAGEMENT

* PRODUCTS

- ESTABLISH STRATEGIC PRODUCT LINE (CAT1)
 - SIMPLIFY/MERGE TO COHERENT LINE
 - COOPERATE WITH ICL
 - IMPLEMENT SW AND APPLICATION STRATEGY
 - IMPLEMENT VERTICAL APPLICATION STRATEGY
- IMPLEMENT STRUCTURED PRODUCT-SUPPORT (CAT1-4)
 - STRUCTURED PHASE OUT PROGRAMS
 - UTILIZE BASE ROLL APPROACH
- ADDRESS MARKET NEEDS
 - DEVELOPMENT TO BE TARGETTED TO MARKET OPPORTUNITIES
 - ACTIVATE OUTSIDE SOURCING (ICL)
 - STRINGENT PRODUCT ANNOUNCEMENT PROCEDURE
 - ENHANCEMENTS TO DRIVE LIFECYCLE

* PRICING

- TO REFLECT COMPETITIVENESS
- USED AS ACTIVE LEVER DURING LIFECYCLE
- DISCOUNT LEVELS TO BE CONTROLLED
- BOTTOM LINE LARGE BIDS
- SPECIAL PRICING SW/APPL/SERVICES

RC INTERNATIONAL

COMPANY STRATEGY : INFRASTRUCTURE

* PROCESSES

- SCRAP UNNECESSARY PROCESSES (ZERO BASE APPROACH)
- SIMPLIFY AND AVOID REPLICATION (LEAN)
- AUTOMATE WHERE POSSIBLE

* ORGANIZATION

- FIT FOR PURPOSE
- PROFIT/COSTCENTERS
- FLATTEN HIERACHY
- UPGRADE SKILLS AND ROTATE
- JOBLEVELLING AND CAREER PLANS

* MANAGEMENT SYSTEM

- ACCOUNTABILITY AND OBJECTIVES
- PAY FOR PERFORMANCE
- TWO YEAR OPERATINGPLANS
- MEASUREMENTS OF OPERATIONS AND INVESTMENTS

* LOCATION

- CONSOLIDATE COPENHAGEN
3 TO 1 BUILDING

RC INTERNATIONAL

COMPANY STRATEGY : REPUTATION

* CUSTOMER SATISFACTION

- REFLECT CUSTOMER NEEDS
- SURVEYS
- CUSTOMER CALL PROGRAMS
- ENSURE QUALITY OF DELIVERABLES
- MAKE ORGANIZATION WORK
- NO OVERCOMMITMENTS

* VENDOR SATISFACTION

- ENSURE PROFESSIONAL PURCHASING
- STICK TO AGREEMENTS
- PAY ON TIME

* EXTERNAL IMAGE

- NEW NAME - NEW ERA
- UTILIZE PRESS ACTIVELY
- MAKE SURE OF CONTENTS

* INTERNAL IMAGE

- CREATE WINNING SPIRIT
- ESTABLISH BUSINESS ATTITUDE
- COMMUNICATION PROGRAMS
 - ICL
 - RC NEWS
 - FLASH NEWS
 - ROUNDTABLES
 - EMPLOYEE MEETINGS
- OPINION SURVEYS

RC INTERNATIONAL

FUNCTIONAL STRATEGY : SALES AND MARKETING

SCOPE AND RESPONSIBILITY: INFORMATION SYSTEMS SALES AND SUPPORT DENMARK

* IMPLEMENT STRUCTURED SALES AND MARKETING IN DENMARK

- LOCAL GOVERNMENT - MORE VERTICAL SOLUTIONS
- CENTRAL GOVERNMENT - CREATE PRESENCE
- ORGANIZATIONS - CROSS FUNCTIONAL APPL.
- PREPARE NEW STRUCTURE
- PRIVATE - IMPLEMENT VERTICALS
- REDIRECT TO LARGE ACCOUNTS
- LARGE ACCOUNTS - GROW MAINFRAME CUSTOMERS
- SELECTIVE LA MARKETING

* ESTABLISH COORDINATED MARKETING PROGRAMS

- MARKET RESEARCH TO TARGET SALES
- PROGRAMS TO SUPPORT SALES

* PRODUCTLINE

- BASE ON CAT 1-2 STANDARD CONFIGURATIONS
- STRUCTURE APPLICATION AVAILABILITY & SUPPORT
- CONTROL PRICING

* ORGANIZATION

- ESTABLISH PROCEDURES AND DISCIPLINES
- UPGRADE AND CHANGE SKILLS
- IMPROVE SUPPORT STRUCTURE
- GET FORECASTING TO WORK
- INCREASE "BLOODPRESSURE"

RC INTERNATIONAL

FUNCTIONAL STRATEGY: BUSINESS DEVELOPMENT

SCOPE AND RESPONSIBILITY: INT.SALES/SPEC.BIDS. AND
PRODUCTMANAGEMENT
INFO.SYSTEMS

* INTERNATIONAL SALES & SUPPORT

- SALES AND SUPPORT OF ICL EUROPEAN ACTIVITIES
- MANAGEMENT OF OEM OPPORTUNITIES
- MANAGEMENT OF SYSTEMS INTEGRATION OPPORTUNITIES
- TECHNOLOGY TRANSFER/OPPORTUNITY SELLING OVERSEAS

* SPECIAL BIDS (COMPANY RESPONSIBILITY)

- PREPARATION OF SPECIAL BID PROPOSALS FOR LARGE/
COMPLEX SOLUTIONS
- BOTTOM LINE BIDDING APPROACH INCL. SYS. INTEGRATION
AND PRODUCTS IN PIPELINE

* PRODUCT MANAGEMENT

- REFLECT MARKET NEEDS AND COORDINATE REQUIREMENTS
WITH DEVELOPMENT OR OUTSIDE SOURCING
- PRODUCTS-PROFIT RESPONSIBILITY
 - SMALL: 900 / DRS500, UNICORN /(HW/SW)
 - MID/LARGE: 9000 / S/39 (HW/SW)
 - APPLICATION: SOURCING OF APPL. TO NEEDS
- ACCOUNTABLE FOR PRODUCT ANNOUNCEMENTS

RC INTERNATIONAL

FUNCTIONAL STRATEGY : TELECOM DIVISION

SCOPE AND RESPONSIBILITY: SALES, SUPPORT, DEVELOPMENT
OF TELECOM SYSTEMS

* SALES AND MARKETING

- IMPLEMENT ACTIVE DANISH MARKETING STRATEGY THROUGH PTT AND PHONE COMPANIES
- IMPLEMENT ACTIVE EUROPEAN MARKETING STRATEGY WITH STC/CCI AND UTILIZE MDNS OPPORTUNITY AS PLATFORM

* PRODUCTMANAGEMENT

- BASE PRODUCT LINE ON "STANDARDS" (HW/SW)
- INVESTIGATE VALUE ADDED OPPORTUNITIES
- INTELLIGENT NETWORKS WITH STC/CCI
- DA PARTICIPATION TO BE DECIDED FALL '89
- UTILIZE DEVELOPMENT FUNDING FROM EEC AND DANISH CARRIERS

* ORGANIZATION

- SEPARATE BUSINESS UNIT (DIVISION)
- RESOURCES/SKILLS TO BE ENHANCED IN SALES & MARKETING
- RESOURCES TO BE SPLIT HW/SW/SUPPORT

RC INTERNATIONAL

FUNCTIONAL STRATEGY : CUSTOMER SERVICES

SCOPE AND RESPONSIBILITY: MAINTENANCE AND SERVICE
TO RC/ICL INSTALLED PRODUCTS
(HW/SW)

* SALES AND MARKETING

- DIRECT ORGANIZATION TO BUSINESS APPROACH
- ENSURE COVERAGE OF INSTALLED BASE
- MAXIMIZE REVENUE AND PROFITS OF MEDIA AND SPAREPART SALES

* PRODUCTMANAGEMENT

- DEVELOP CONCEPTS FOR NEW BUSINESS OPPORTUNITIES
- WIDEN AND DIFFERENTIATE MEDIA AND SPARES OFFERING
- TRACK PRODUCT QUALITY AND PROPOSE CORRECTIVE ACTION TO DEVELOPMENT AND MANUFACTURING

* ORGANIZATION

- REDUCE SPAN OF CONTROL
- UPGRADE SKILLS TO COVER RELEVANT OFFERINGS IN QUALITY WAY
- RATIONATLZE OPERATIONS BY AVOIDING REPLICATE FUNCTIONS OR PROCESSES
- UPGRADE ADMIN. TO USE NEW TOOLS

RC INTERNATIONAL

FUNCTIONAL STRATEGY : DEVELOPMENT

SCOPE & RESPONSIBILITY: DEVELOP AND ENHANCE COMPANY
PRODUCT LINE FOR INFO.SYS. AS
DIRECTED BY MARKET AND
CUSTOMER NEEDS
REFLECTED BY PROD.MANAGEMENT

* PRODUCT DEVELOPMENT

- DEVELOPMENT EMPHASYS WILL BE SMALL AND MIDRANGE SYSTEMS AND I/O EQUIPMENT BASED ON STANDARD SW AND COMS PROCEDURES
- COST EFFICIENCY WILL BE PRIORITIZED
- PROPER PLANNING AND PROJECT SYSTEMS WILL BE USED TO REFLECT STATUS, ISSUES AND OPPORTUNITIES
- NEW TECHNOLOGIES WILL BE DEPLOYED WHEN RELEVANT AND REQUIRED
- COOPORATIVE DEVELOPMENT EFFORTS TO BE IMPLEMENTED WITH ICL

* ORGANIZATION

- TO BE SPLIT IN TWO SEPARATE AREAS
- SKILLS WILL BE DEVELOPED ON A CONTINUOUS BASIS
- OBJECTIVES AND GOAL ORIENTATION SHOULD BE ESTABLISHED

RC INTERNATIONAL

FUNCTIONAL STRATEGIES : MANUFACTURING AND SUPPLIES

SCOPE & RESPONSIBILITY: QUALITY, MANUFACTURING AND MATERIALS MANAGEMENT

* PRODUCT AVAILABILITY

- INSURANCE OF LOW COST/HIGH QUALITY PRODUCTS
- MINIMIZE INVENTORIES/WASTE/WRITE OFFS.
- IMPLEMENTATION OF PRODUCTION TO ORDER AND PRODUCTION TO PLAN CONCEPT
- REFLECTION OF MARKET NEEDS BASED ON SOUND ECONOMICS
- UTILIZE SYSTEMS AVAILABLE

* ORGANIZATION

- SIMPLIFICATION OF OPERATIONS AND ADMIN.
- ESTABLISH QUALITY ORGANIZATION AND CONCEPTS COMPANY WIDE
- BRIDGE BETWEEN DEVELOPMENT AND PRODUCTION

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FUNCTIONAL STRATEGIES : PERSONNEL

**SCOPE AND RESPONSIBILITY: EMPLOYEE MORAL, SKILLS
AND COMPENSATION PROGRAMS**

*** INFRASTRUCTURE**

- **RECOMMEND AND IMPLEMENT PROPER PERSONNEL COMMUNICATION PROGRAMS**
- **DEVELOP AND IMPLEMENT RELEVANT TRAINING PROGRAMS**
- **ENSURE RECRUITMENT OF QUALITY EMPLOYEES**
- **PERFORM REGULAR OPINION SURVEYS AND RECOMMEND CORRECTIVE ACTIONS TO ENSURE EMPLOYEE MORALE**
- **RECOMMEND AND IMPLEMENT CAREER PROGRAMS (FAST TRACK, ROTATION, REPLACEMENT)**
- **IMPLEMENT PAY FOR PERFORMANCE PROGRAM**
- **ENSURE PROPER ADMINISTRATION AND ADVISE MANAGEMENT ON SITUATIONS OFF TRACK**

RC INTERNATIONAL

FUNCTIONAL STRATEGIES : FINANCE

SCOPE AND RESPONSIBILITY: FINANCE AND ADMINISTRATION

*** INFRASTRUCTURE**

- ENSURE FULL INTEGRITY OF BOOK KEEPING, ORDER ADMINISTRATION AND LEGAL
- RATIONALIZE ADMIN. SYSTEMS BY USING PROPER TOOLS/ TECHNOLOGIES
- ADVISE MANAGEMENT ON STATUS AND ENSURE REPORTING SYSTEM
- PERFORM COMPANY PLANNING / BUDGETTING
- ENSURE HIGH LEVEL OF PROFITABILITY
- INTRODUCE NEW FINANCING SCHEMES
- ENSURE LOW GEARING OF COMPANY
- INTERFACE WITH ICL & BOARD
- P/L & BALANCESHEET REPORTING

RC INTERNATIONAL

PRIORITIES 1989

1.GET HOUSE IN ORDER

- | | |
|-------------------------------|-------------|
| • REORGANIZE | MAY |
| • SALES AND MARKETING PROGRAM | MAY - JUNE |
| • PROCESS SIMPLIFICATION | MAY - JUNE |
| • SPRING EVENT | APRIL - MAY |
| • INTERNAL COMMUNICATIONS | APRIL - MAY |
| • CUSTOMER PROGRAM | MAY |
| • TRAINING | MAY - JUNE |
| • PRODUCT PLAN | MAY |

2.PERFORMANCE / IMPROVEMENTS

- | | | |
|---------------------------|-------|----|
| • INCREASE SALES VOLUME | APRIL | ON |
| • IMPROVE MARKETING | APRIL | ON |
| • IMPROVE COST EFFICIENCY | MAY | ON |
| • KEEP DEVELOPMENT PLANS | MAY | ON |
| • IMPROVE LIQUIDITY | MAY | ON |

3.MANAGEMENT SYSTEM

- | | |
|--------------------------|-----------|
| • ROA | APRIL |
| • PAY FOR PERFORMANCE | APRIL-JAN |
| • BUSINESS CASE APPROACH | MAY |
| • QUALITY PROGRAMS | SEPT. |
| • OPERATING PLANS | JUNE |

4.NEW STRATEGY IMPLEMENTATION

MAY

RC International

Five-Year Plan

1990 - 94

RC International

1. New Strategic Approach
2. RCI's Business Areas
3. Strategic Prerequisites
4. Strategic Model
5. Financial Goals
6. RCI's Mission and Basic Principles
7. Main Strategies
 - Product Line
 - Distribution
 - Infrastructure
 - Reputation

RC International

New Strategic Approach

- Sound Economy and Liquidity given Top Priority
- 1989-90 are Years of Consolidation and 1991-94 are Years of Growth
- Goal-directed Own Development and Production
- The Company is Restructured as Systems Integrator Supplying Complete Solutions in Denmark and Platforms in the International Marketplace
- Investment in Applications and Acquisition of Specialist Businesses in order to Complement Product Portfolio
- Expedient Marketing Activities and Well-functioning Support Structure
- Active International Effort
- Revitalisation of Internal Affairs

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Business Areas (BA)

| | | |
|------|--|--|
| BA 1 | Hardware | <ul style="list-style-type: none">• Terminals, PCs, Workstations• Servers• Mainframes• I/O Units |
| BA 2 | Basic Software | <ul style="list-style-type: none">• DOS / OS2• UNIX• TX• VME |
| BA 3 | High Level Software | <ul style="list-style-type: none">• Informix, Ingres, Oracle• 4 GL, Programming Tools |
| BA 4 | Networks | <ul style="list-style-type: none">• LAN• WAN X25 |
| BA 5 | Applications <ul style="list-style-type: none">- Horizontal- Vertical- Niche | <ul style="list-style-type: none">• Office Automation• Public Institutions• Organisations• Private Companies• CAD, Desk Top etc. |
| BA 6 | System Service | <ul style="list-style-type: none">• Presale• Postsale• Training <p> > BA 3, 4, 5</p> |
| BA 7 | Technical Service | <ul style="list-style-type: none">• Installation• Postsale BA 1, 2 |
| BA 8 | Media | <ul style="list-style-type: none">• Sale of Consumables |

RC International

Strategic Prerequisites

- * Market
 - Reduced Growth in HW/SW
 - Growth in Networks, Applications and Services
 - Complete Solutions
 - International Opportunities
 - = **SYSTEM INTEGRATION**

- * Technology
 - Continued P/P Improvement of HW/SW
 - Increased Division of Labour
 - Coherent Networks
 - Focus on Open Standards
 - = **SYSTEM INTEGRATION**

- * Open Standards
 - UNIX (V.4)
 - ISO/OSI
 - X400/X500
 - Complete Solution Concept
 - Differentiators
 - = **SYSTEM INTEGRATION**

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Strategic Model 1990-94

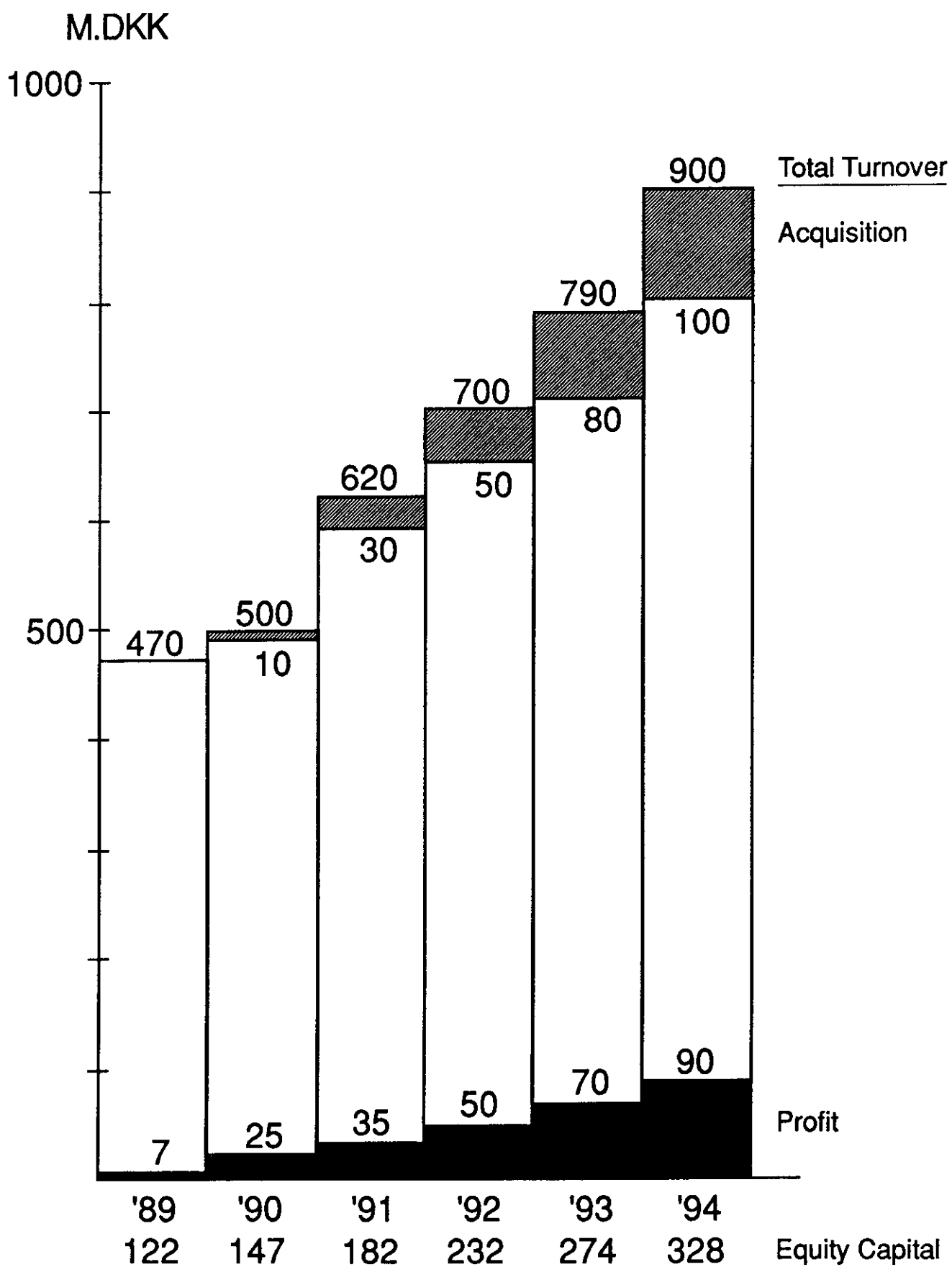
| Main Strategy for Functional/ Strategy | Product Line | Distri- bution | Infra- structure | Reputa- tion |
|---|-----------------|-------------------|---------------------|-----------------|
| * Sales and Marketing Denmark | X | X | (X) | X |
| * Sales and Marketing Internationally | | X | (X) | X |
| * Telecomms | X | X | (X) | X |
| * Customer Service | X | X | (X) | X |
| * Development and PM | X | (X) | (X) | X |
| * Logistics | X | | (X) | X |
| * Finance and Admini- stration | | | X | X |
| * Quality | | | X | X |
| * Staff | | | X | X |



- * Action and Implementation Plans
 - * Operating Plans (Budget + 1 year)
 - * Follow up and Reporting

RC International

Financial Goals



RC International

RCI's Mission and Basic Principles

Mission

RCI Objective:

- * To Develop, Manufacture and Market High Quality Telecommunications and Information systems while at the same time Securing an Acceptable Return on the Invested Capital

Basic Principles:

- * The Customer is the Focal Point of all RCI Activities
- * Quality, Efficiency and Constant Improvement are Decisive of RCI's Success
- * The Performance of a Goal-directed and Well-educated Staff forms the Basis of RCI's Reputation
- * Positive Financial Results are Decisive of RCI's Ability to Grow

RC International

Strategy: Product Line (Category 1-4)

| | | |
|------|---------------------|--|
| BA 1 | Hardware | <ul style="list-style-type: none">• Rationalisation of I/O Units• Further Development of GP Servers• Further Development of OLTP FT Servers• Latest CHIP Technology |
| BA 2 | Basic Software | <ul style="list-style-type: none">• UNIX V.4• DOS/OS2• TX HW Integration |
| BA 3 | High Level Software | <ul style="list-style-type: none">• Informix, Ingres, Oracle on All Servers |
| BA 4 | Networks | <ul style="list-style-type: none">• ISO/OSI LAN/WAN• X400/X500 Services on WAN |
| BA 5 | Applications | <ul style="list-style-type: none">• Investment in Vertical Solutions- Public/organisations |
| BA 6 | System Service | <ul style="list-style-type: none">• Total Service - Postsale• Broad Training |
| BA 7 | Technical Service | <ul style="list-style-type: none">• Facility Management• 3rd Party/Cabling Service |
| BA 8 | Media | <ul style="list-style-type: none">• Direct Trading Service• Wider Product Range |

RC International

Strategy : Distribution / Sales & Marketing

- Denmark
- Complete Solutions Based on System Integration
 - Market Segmentation
 - Structured Marketing in Selected Segments
 - Investment in Applications through
 - Own Development or Collaboration
 - Acquisition
 - Sales Activities
 - Direct Sale of Complete Solutions
 - Indirect Sale of PCs/Workstations
 - Sale of Media through Direct Trading
 - Full Support
 - Presale
 - Postsale
 - Technical Service

RC International

Strategy: Distribution / Sales & Marketing

International Marketplace

- Platform Sale Based on Own Development

- Geographical Division of Markets
 - Europe through ICL Companies
 - The US and Far East through Distributors/System Integrators
 - Technology Transfer

- Investment in Niche Products
 - Workstations
 - FT Systems

- Direct Sales to "Professionals"

- Support: Presale

RC International

Strategy: Infrastructure

- | | |
|-------------------|--|
| Processes | <ul style="list-style-type: none">• Simplification through Rationalisation• Quality Programme and ISO 9000• Automation of Office Routines and Project Management |
| Organisation | <ul style="list-style-type: none">• Customer Oriented• Profit and Cost Centres• Flat Hierarchy |
| Staff | <ul style="list-style-type: none">• Well-educated and Goal-directed• Career Planning• Pay by Performance |
| Management System | <ul style="list-style-type: none">• Distribution of Responsibility and Objectives• Job Description and Levels• Two-year Detailed Plans• Business Cases• Follow-up on Results |
| Locations | <ul style="list-style-type: none">• Consolidation• Improvement |

RC International

Strategy: Reputation

Customer Satisfaction

- Live Up to the Customer's Expectations
- Quality Products and Complete Solutions
- Support Structure
- Customer Surveys and Meeting Programmes

Supplier Satisfaction

- Professional Purchase Policy
- Keep Agreements Made
- Pay in Time

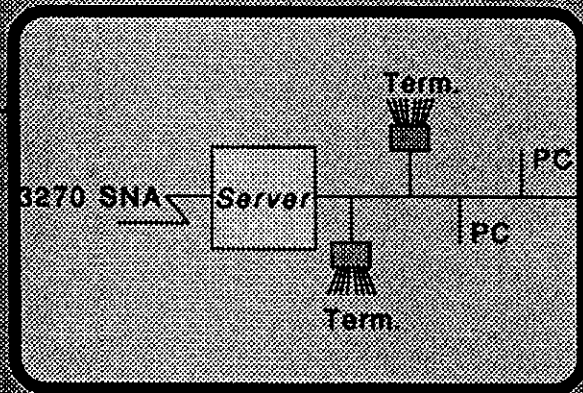
Image

- Sound Economy
- High Level of Customer Satisfaction
- Press Releases, etc.
- Advertising Campaigns

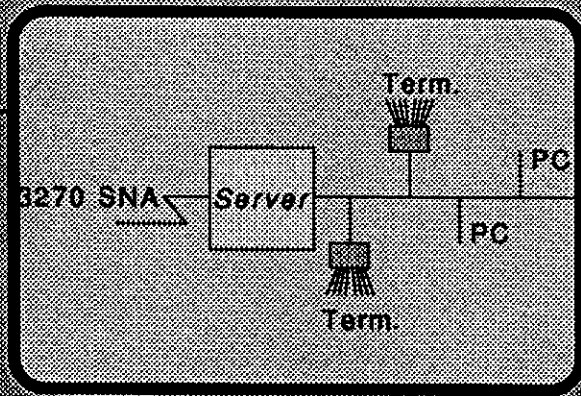
Internal Affairs

- 'Winner Attitude'
- Businesslike Attitude
- Communication
 - RCnews
 - Flash News (electronic)
 - Round Tables
 - Appraisal Discussions
 - Opinion Polls
 - Proposals Programmes

RC International

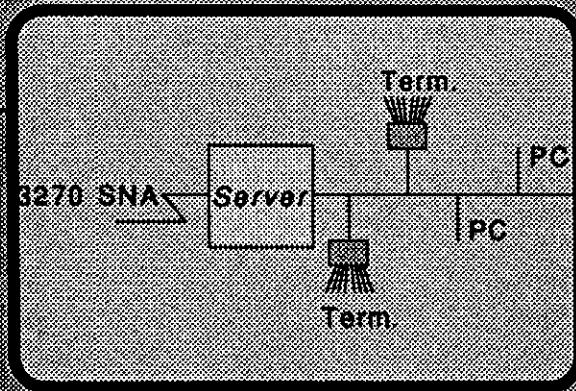


RC International
Strategi
Informationssystemer



Udviklingstendenser

- **Distribuerede løsninger**
- **Integreret informationsbehandling**
- **Åbne systemer**



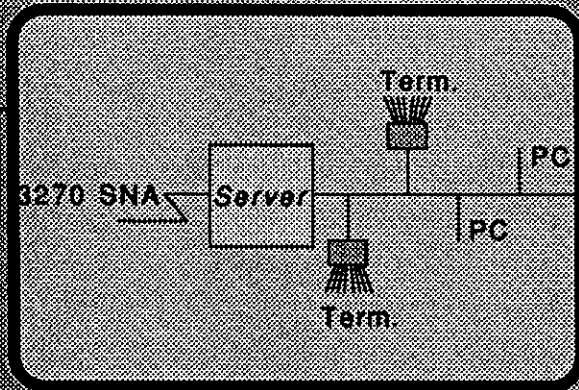
Åbne systemer

Hvad er åbne systemer?

- **Maskiner og programmer fra mange (alle) leverandører kan integreres (arbejde sammen)**

Hvem presser på?

- **Kunderne**
- **Mindre og mellemstore leverandører**
- **Programmelleverandører**



Systemkomponenter i et distribueret system

I Arbejdspladser

Terminaler
Arbejdspladsdatamater

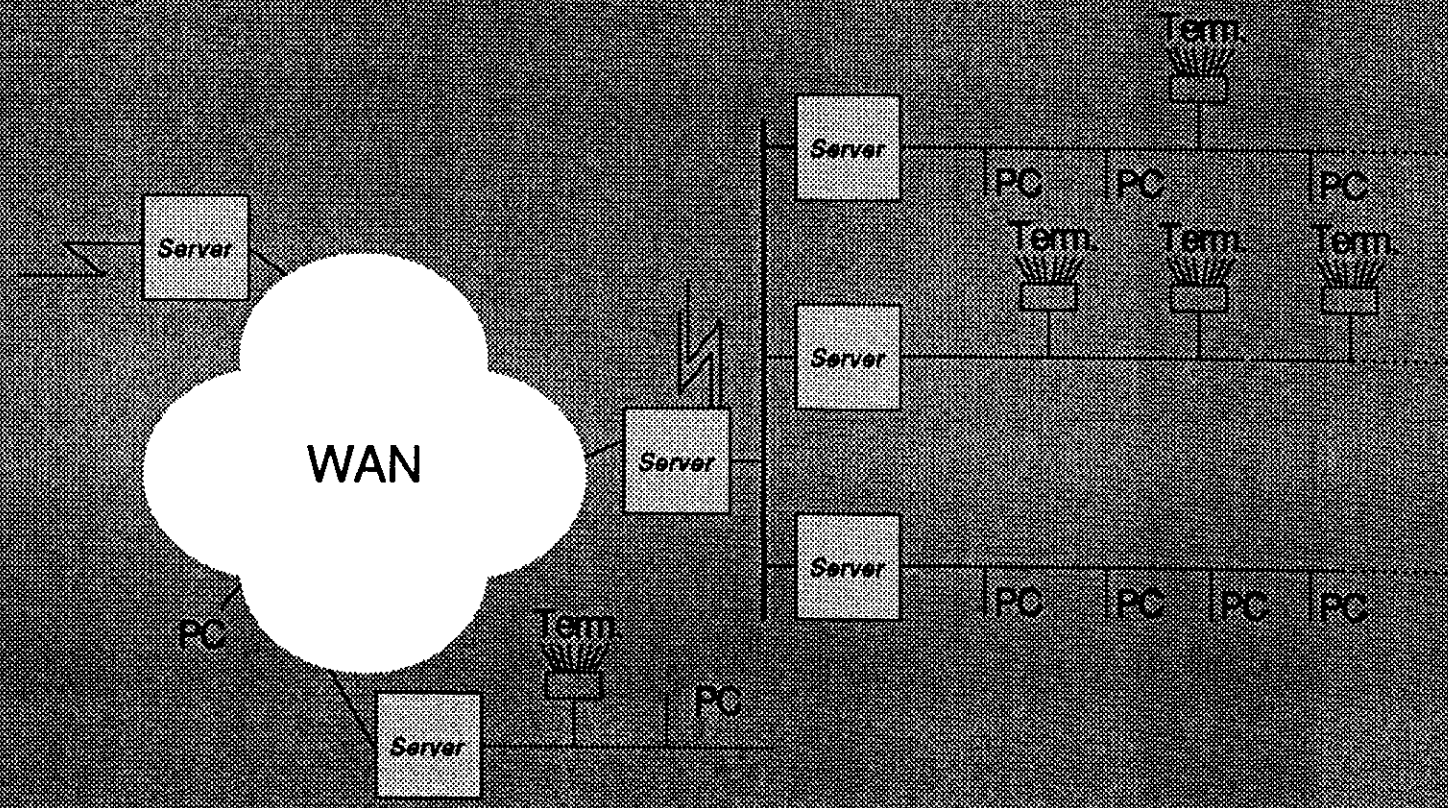
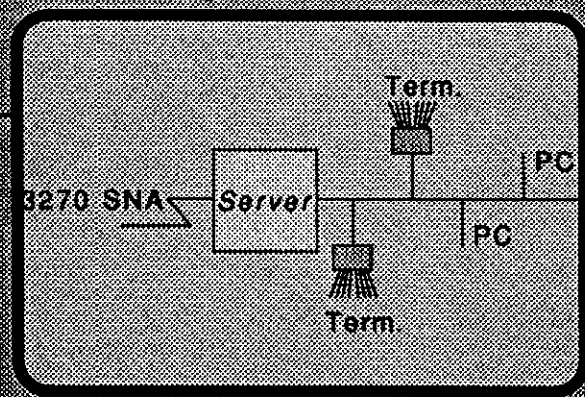
II Servers

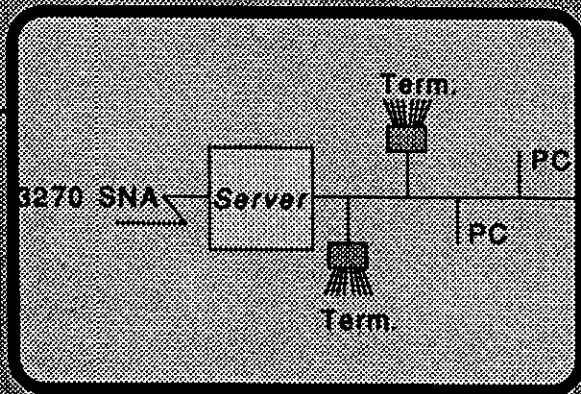
Centrale Serverfunktioner (Database, kommunikation med omverdenen)
Decentrale serverfunktioner (programafvikling, fil-server for PC'er, printer-server)

III Netværksudstyr

LAN-komponenter
WAN-komponenter

Distribuerede systemer

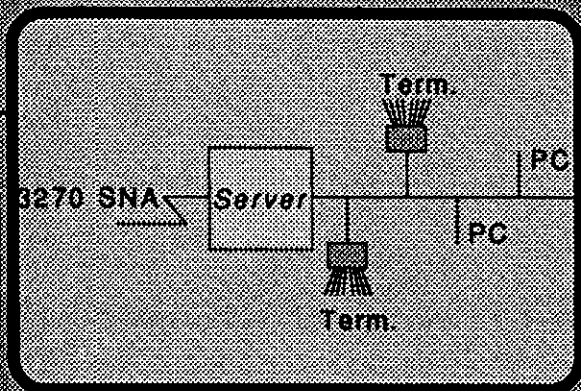




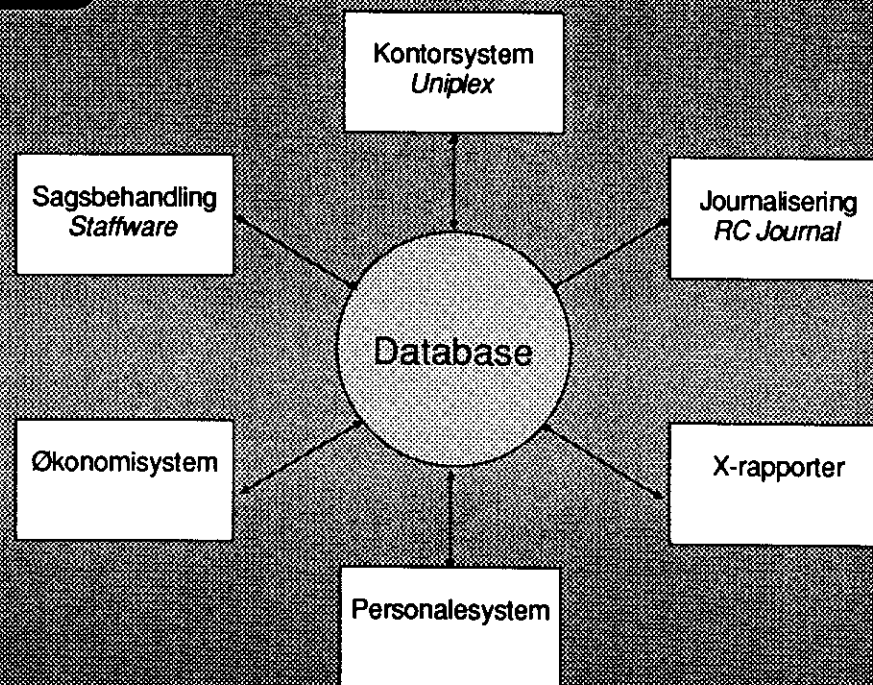
Hvorfor Distribuerede Systemer?

Fordele:

- **Bedre pris/ydelsesforhold**
- **Kan baseres på populære standarder**
- **Bedre brugergrænseflader**
- **Trinvis udbygning**
- **Trinvis udskiftning**

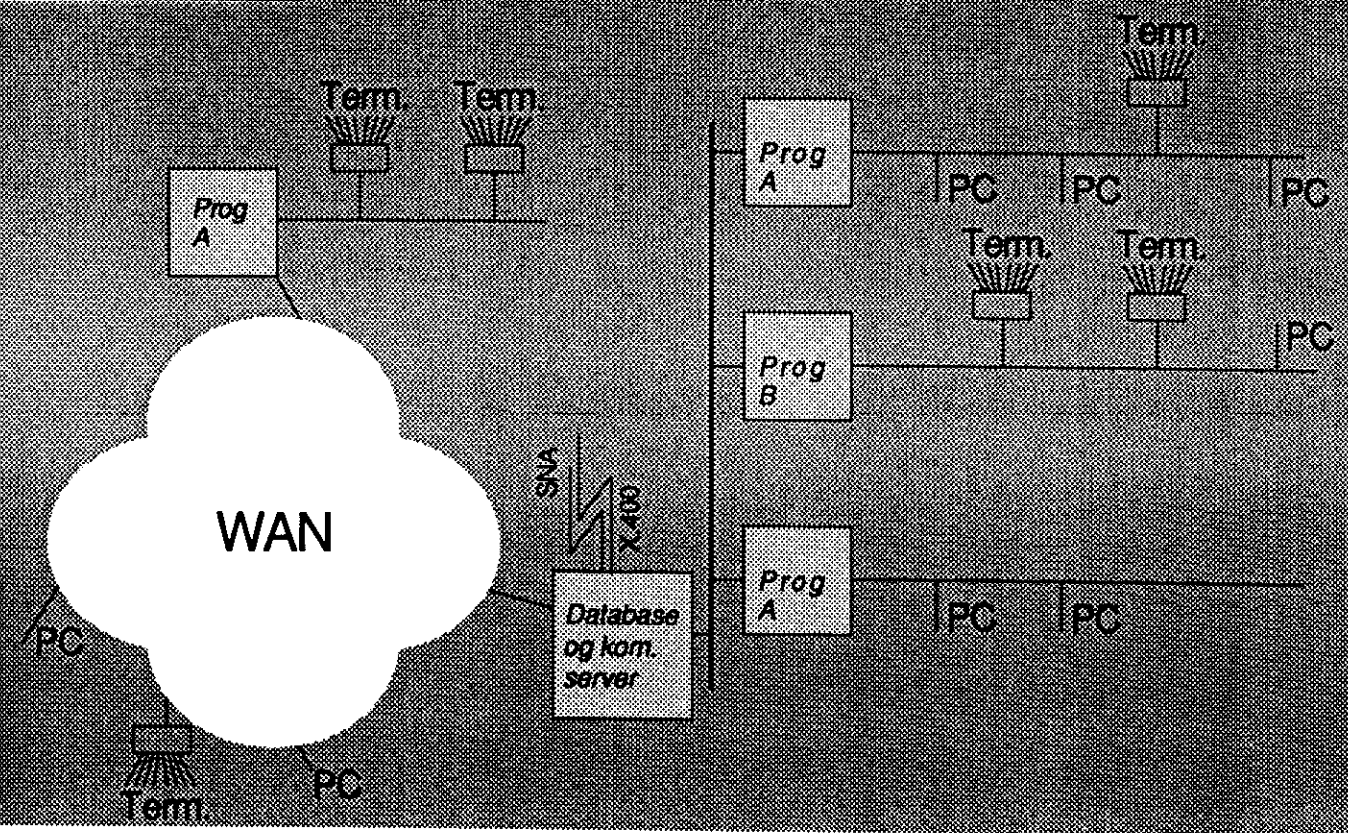
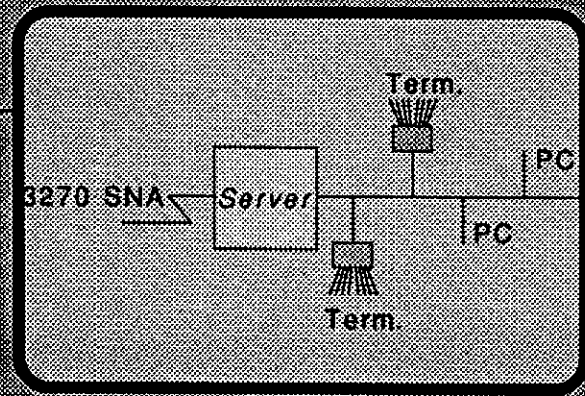


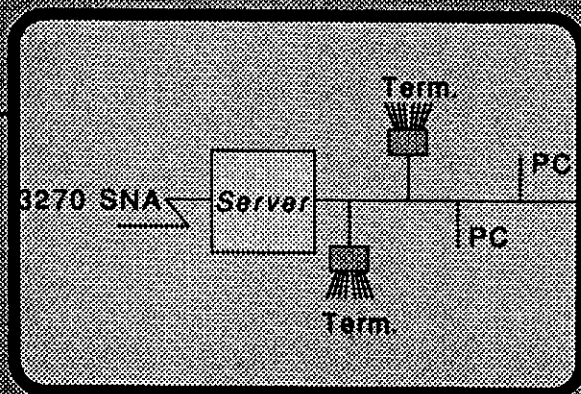
Integreret informationsbehandling



Kræver: Sammenhængende programmer værktøjer

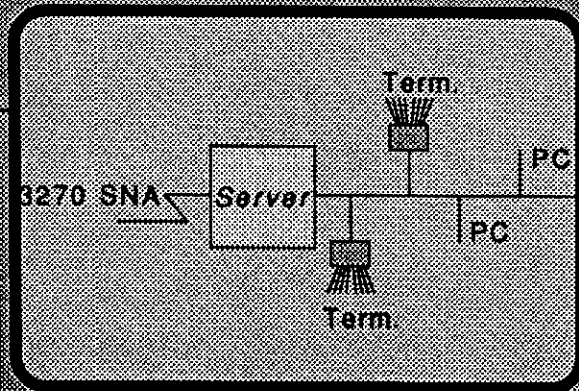
Integration i et distribueret system





Integration i et distribueret system

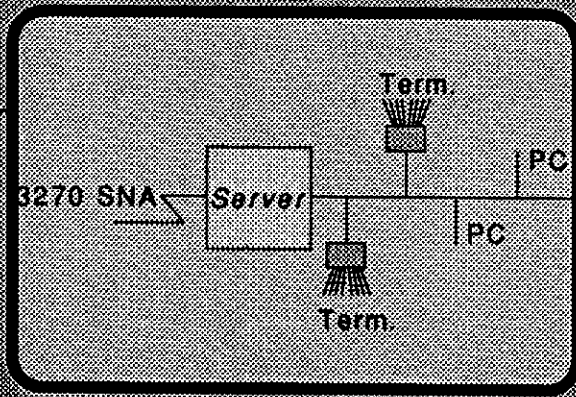
- **Register data samlet på databaseserveren**
- **Programmer afvikles tæt ved brugeren**
- **Alle arbejdspladser kan have adgang til alle services (programafvikling, post, kommunikation med omverdenen)**
- **Brugere behøver ikke at kende nettet eller vide, hvor programmer/data er lagret.**



RC International's mission

At levere og servicere:

- I **Løsningselementer (maskinel, kommunikationsudstyr, programmel) baseres på populære standarder**
- II **Komplette distribuerede og åbne systemplatforme baseret på populære standarder**
- III **Integrerede kontorautomatiseringsløsninger for: Stat, amt, kommune, institutioner og den private sektor**
- IV **Branche-løsninger indenfor udvalgte områder (Bibl., kommuner, fagforeninger, produk. virk., handelsvirk., etc.)**



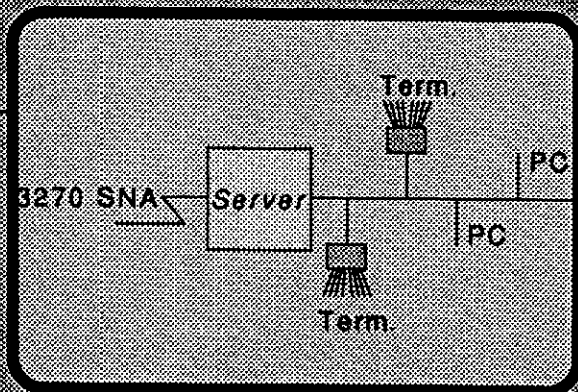
Servers

I RC9000 Midframe (Multi-CPU systemer)

- 1) RC8000 kompatibel
- 2) UNIX/TX, MIPS (OLPT, FT)

II RC900 serien af kontordatamater

- 386/486-baseret
- UNIX/386 ABI



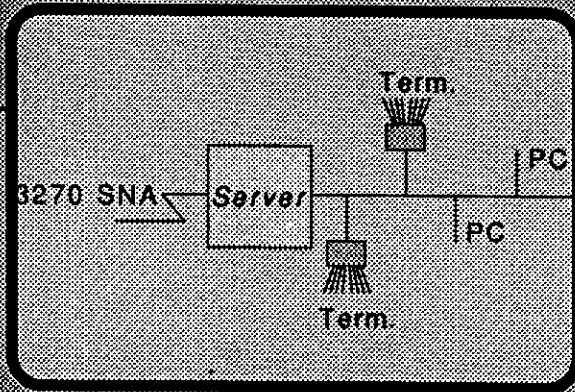
Ergonomiske arbejdspladser

I Terminaler

- Simple/billige
- Multi session
- X-terminaler

II Arbejdspladsdatamater

- PC'er (DOS, OS/2)
- Bærbare PC'er (DOS, OS/2)
- UNIX Workstations (386/486)



Kommunikation

Netværk

LAN: Ethernet (IEEE 802.3)

WAN: Datapak (Off., X.25 net)

Datex (X.21)

Datel (Faste linier, opkaldslinier)

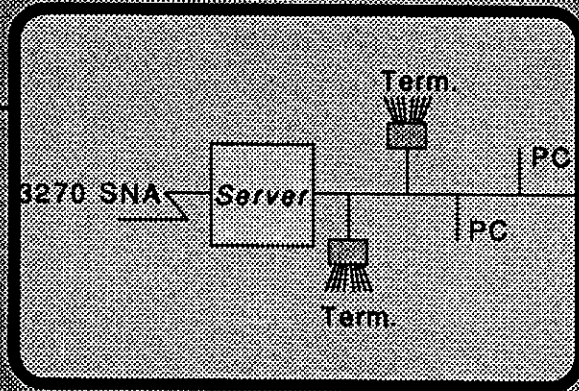
Kommunikationsformer

OSI

TCP/IP

IMC

SNA (SDLC og QLLC)



Kommunikation fortsat

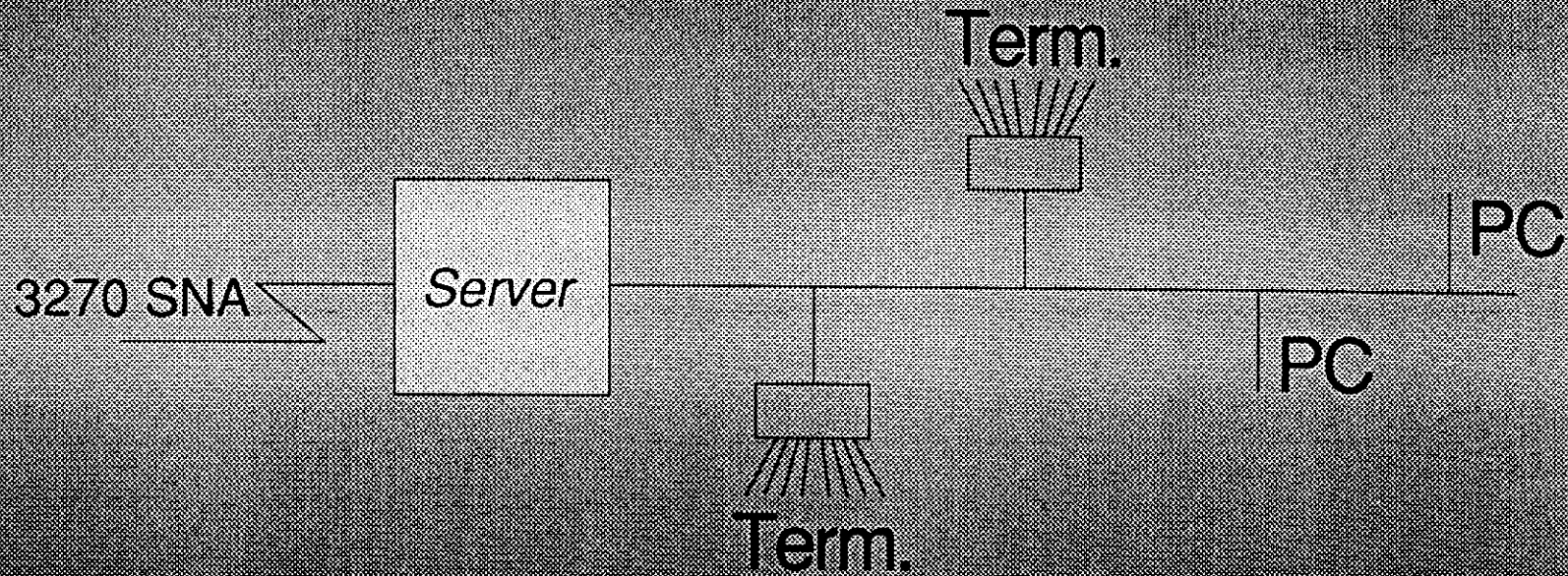
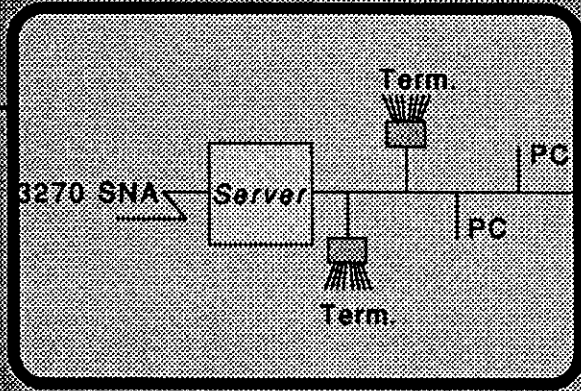
Netværksapplikationer

Terminalaccess: CSP, Telnet, CU, IBM 3270

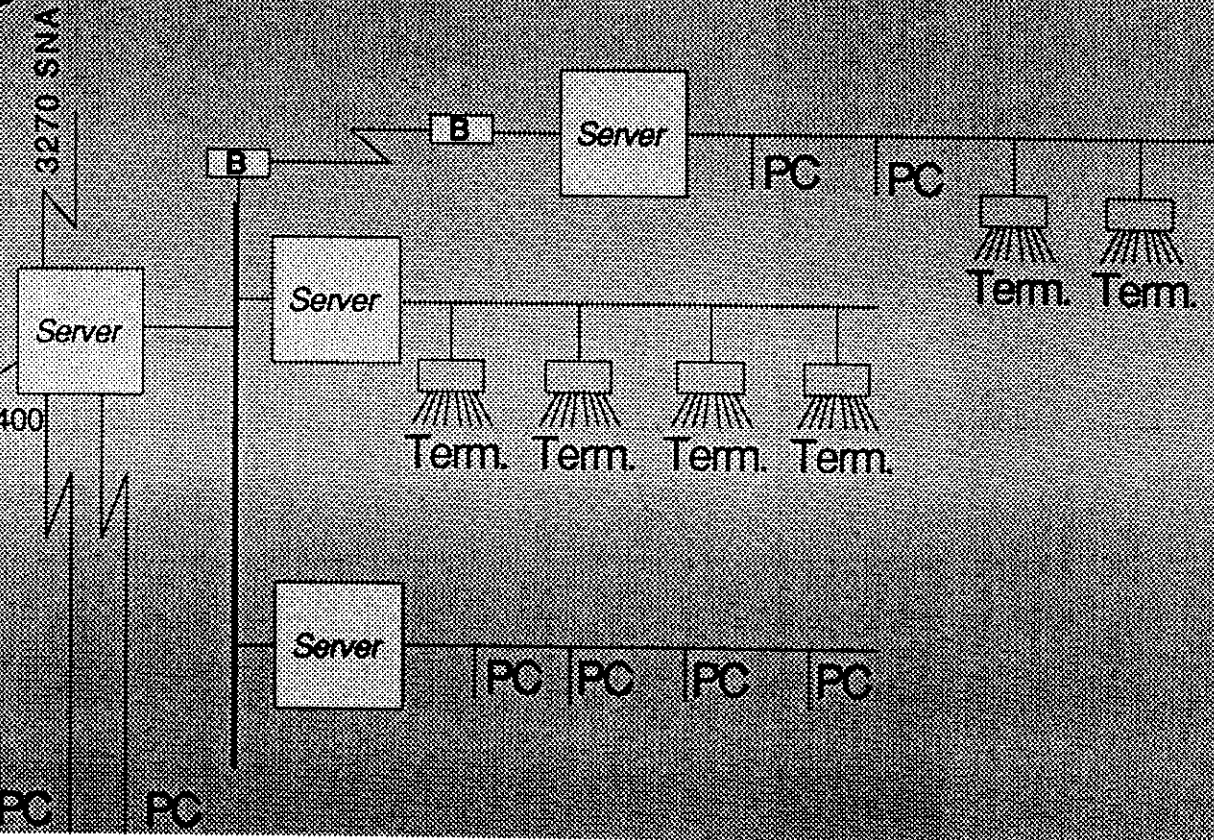
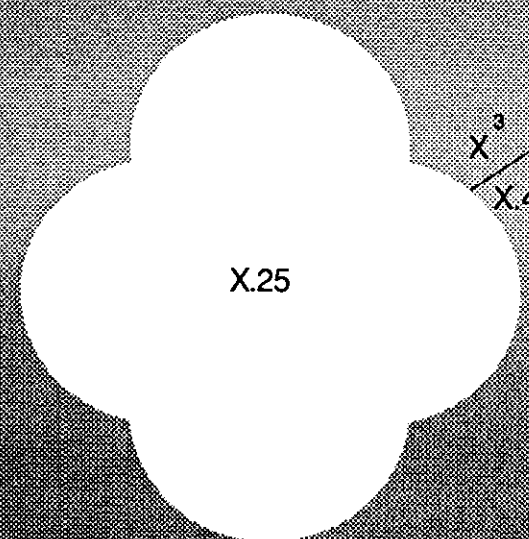
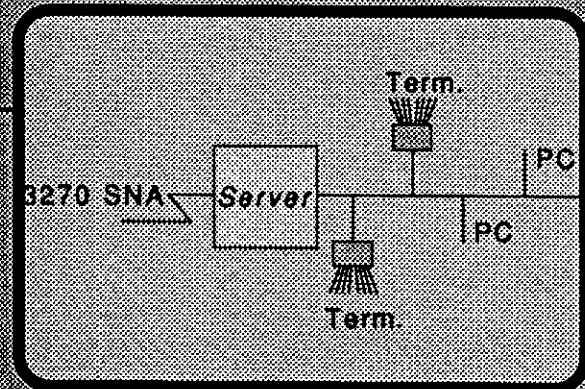
Filtransport: FTAM, FTS, IBM 3770, FTP

Distribueret programafvikling: Informix-net, PC-interface Uniplex/DOS
Ingres-net, Oracles SQL-net, MS-Net, LM/X, NFS, RFS, RPC, IBM APPC
og HLLAPI

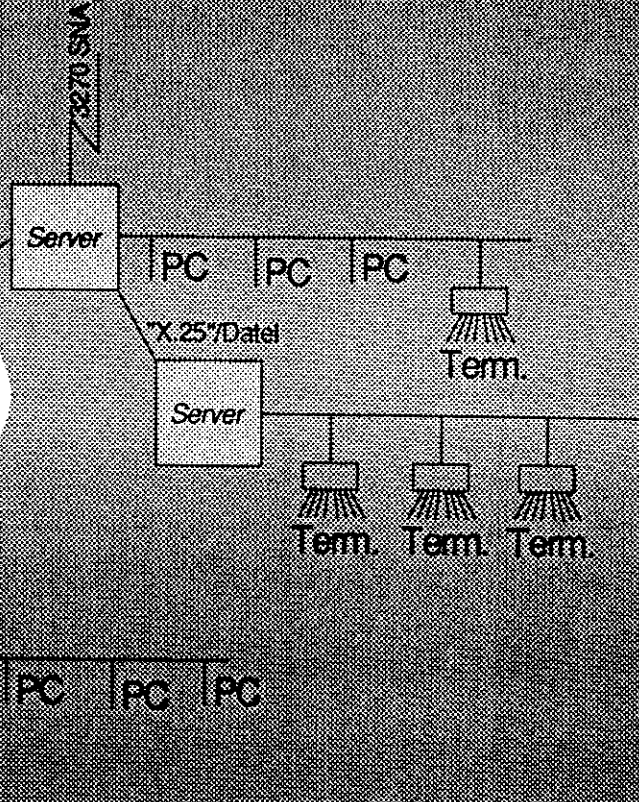
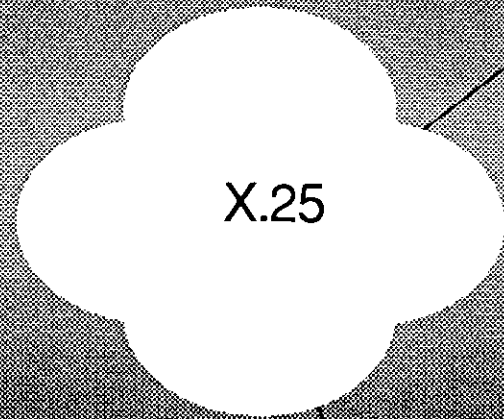
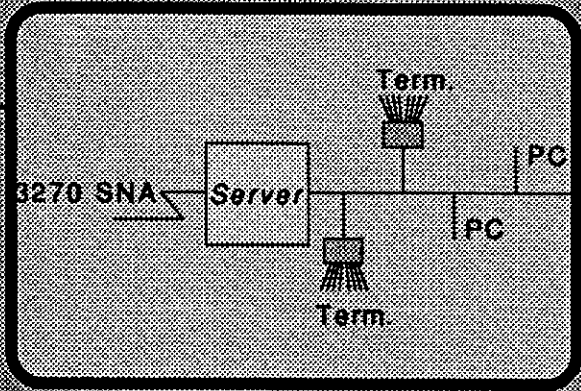
Konfiguration 1

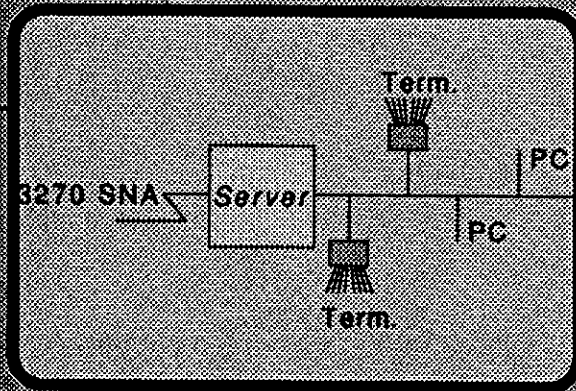


Konfiguration 2



Konfiguration 3





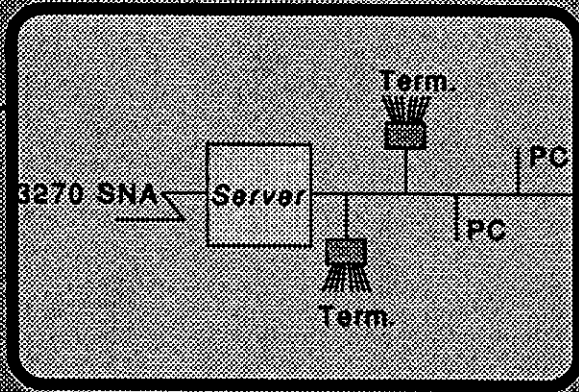
Abent system

Kommunikationsgrænseflader

- OSI (Ethernet/ X.25)
- TCP/IP (Ethernet/ X.25, SLIP)
- SNA (Datel, Datex, Datapak)
- Teletex/Fax/Telex

Programgrænseflader

- UNIX V
- MS-DOS
- PC-net/ MS-net (Netbios)
- OS/2



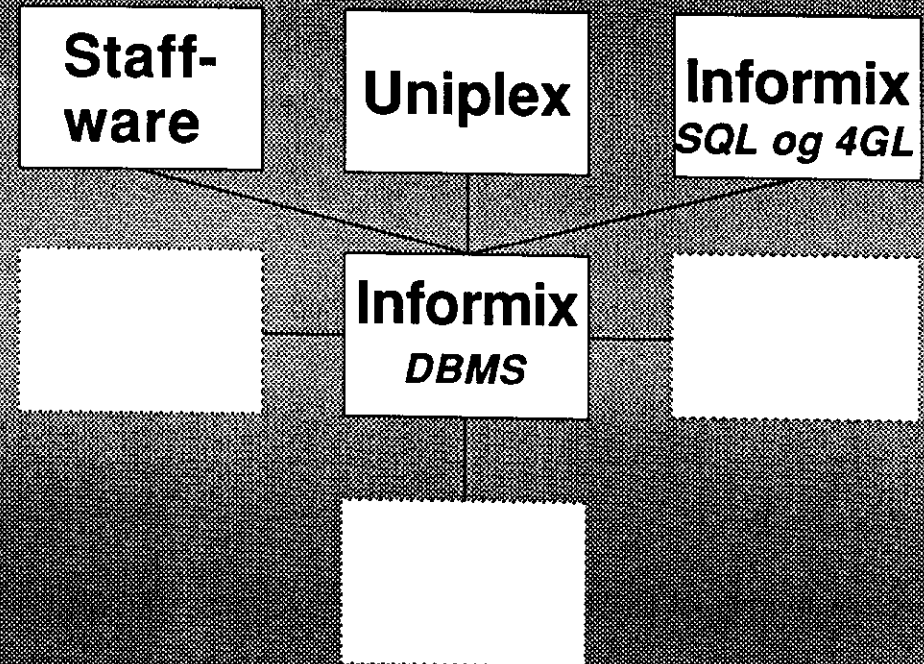
Integrerede programværktøjer

UNIPLEX: Tekstbehandling, regneark, Post, kalender, kartotek/database, formularer etc.

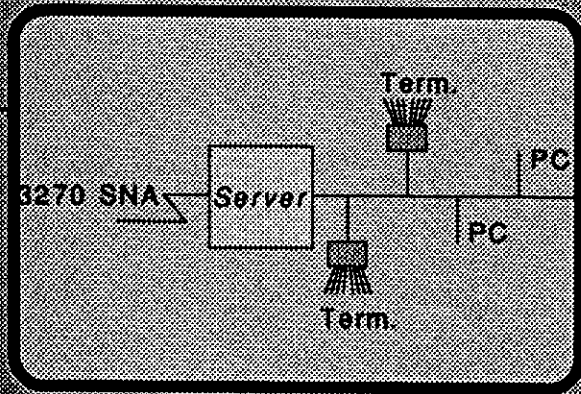
Staffware : Sagsbehandling v.h.a. post

Informix SQL: Avanceret database forespørgsel/ udtræk

Informix 4GL: Professionelt programudviklingsværktøj



RC International



RC900/RC9000 - Distribuerede systemer status

Ultimo 1989

Netværk:

Ethernet med Internetbridge
Asynk Terminalforbindelse

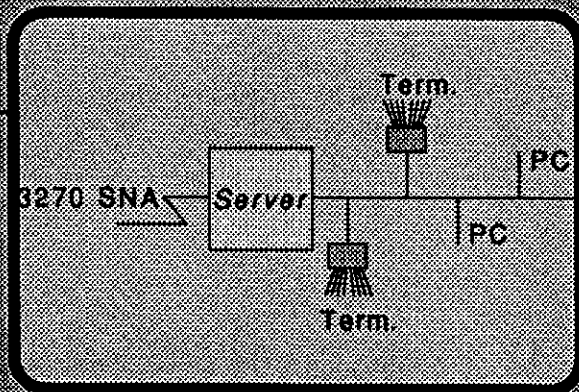
Terminalaccess:

Alle arbejdspladser kan nå alle værtsdatamater

PC-UNIX: RC900/UNIX fungerer som Fil/printerserver for PC'er koblet på lokalnet (DOS lancom etc.)

Distri. appl: Informix-net på RC900

RC International



RC900/RC9000 - Distribuerede systemer status

Ultimo 1989

Gateways:

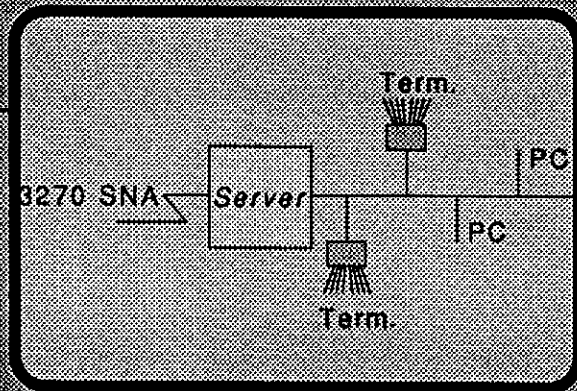
IBM 3270/3770

PAD (mod X.29 værter)

cu og Term (VT200 etc.)

TCP/IP (Ethernet)

X.29 Host funktion



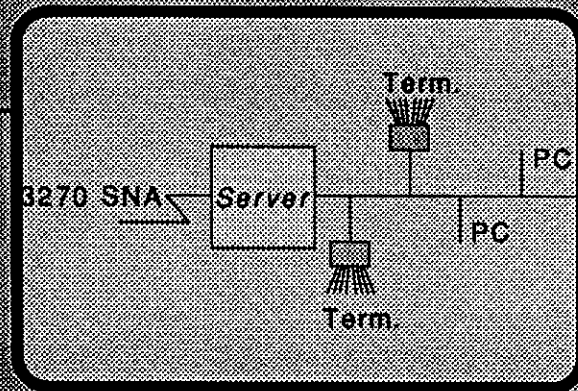
RC900/RC9000 - Distribuerede systemer plan

1. kvartal 1990

- Informix-net på RC9000, Ingres-net på RC900/RC9000
- Informix-net, Ingres-net, RC900: 3270 term - 3270 COM over X.25 (Datel/Datapak)
- PC-RC900/UNIX over asynk. forbindelser (PC-interface ..)
- ISO TP4 på RC900
- RFS, NFS, X.11 til RC900

2. kvartal 1990

- DOS/Uniplex (Distribueret Uniplex)
- ISO TP4 RC9000



RC900/RC9000 - Distribuerede systemer plan fortsat

3. kvartal 1990

- X.400 Integreret med Uniplex (RC900)
- ISO på Lanmux
- ISO TP4 over X.25
- LM/X (på RC900)

4. kvartal 1990

- Netværks kontrolcenter
- FTAM, VT
- Integration med ICL's OS-net

Internt memo

| | | | |
|-------------------------|------------|--------------------|-------------|
| Udarbejdet af TV/KBP | Afd. 01 | Dato 29.01.1990 | Side 1/2 |
|-------------------------|------------|--------------------|-------------|

FORTROLIGT

TIL: CJC - KS - JKP - TK

5 ÅRS STRATEGI

Som aftalt med bestyrelsen præsenteres virksomhedens 5 års strategi på det kommende bestyrelsesmøde den 1. marts 1990.

I denne forbindelse indkaldes herved til et 2 dages møde (om nødvendigt) i Herlev den 7. - 8. februar, hvor vi i fællesskab kan gennemdrøfte dette vigtige område. Mødet starter kl. 9.00.

Jeg foreslår, at vi tager udgangspunkt i det generelle oplæg, der blev udarbejdet i april sidste år.

Agendaen køres over følgende skabelon:

- * Vore omgivelser 1990 - 94.
- * Virksomhedens mission og grundlæggende holdninger.
- * Vurdering af vor status p.t.
- * Muligheder og risici.
- * Overordnet strategi.
- * Funktionel strategi.
- * Forudsætninger for gennemførelse.

Internt memo

| | | | |
|-------------------------|------------|--------------------|-------------|
| Udarbejdet af TV/KBP | Afd. 01 | Dato 29.01.1990 | Side 2/2 |
|-------------------------|------------|--------------------|-------------|

Drøftelserne skal naturligvis afspejle realiteterne, men det er min anbefaling, at vi beskæftiger os med følgende områder:

* Organiske muligheder:

DP, TELE, DK, Internationalt,
System Integration, Applikationer,
Nichemarkeder.

* Akkvisition:

Danmark (SW-Houses, System Integratorer)
Norden (ICL).

Det er tanken at udarbejde et overskueligt dokument efter disse 2 dage. Dette præsenteres til ICL den 15. februar og forelægges den øvrige bestyrelse den 1. marts til godkendelse.

Med venlig hilsen



Vorsten Vieth

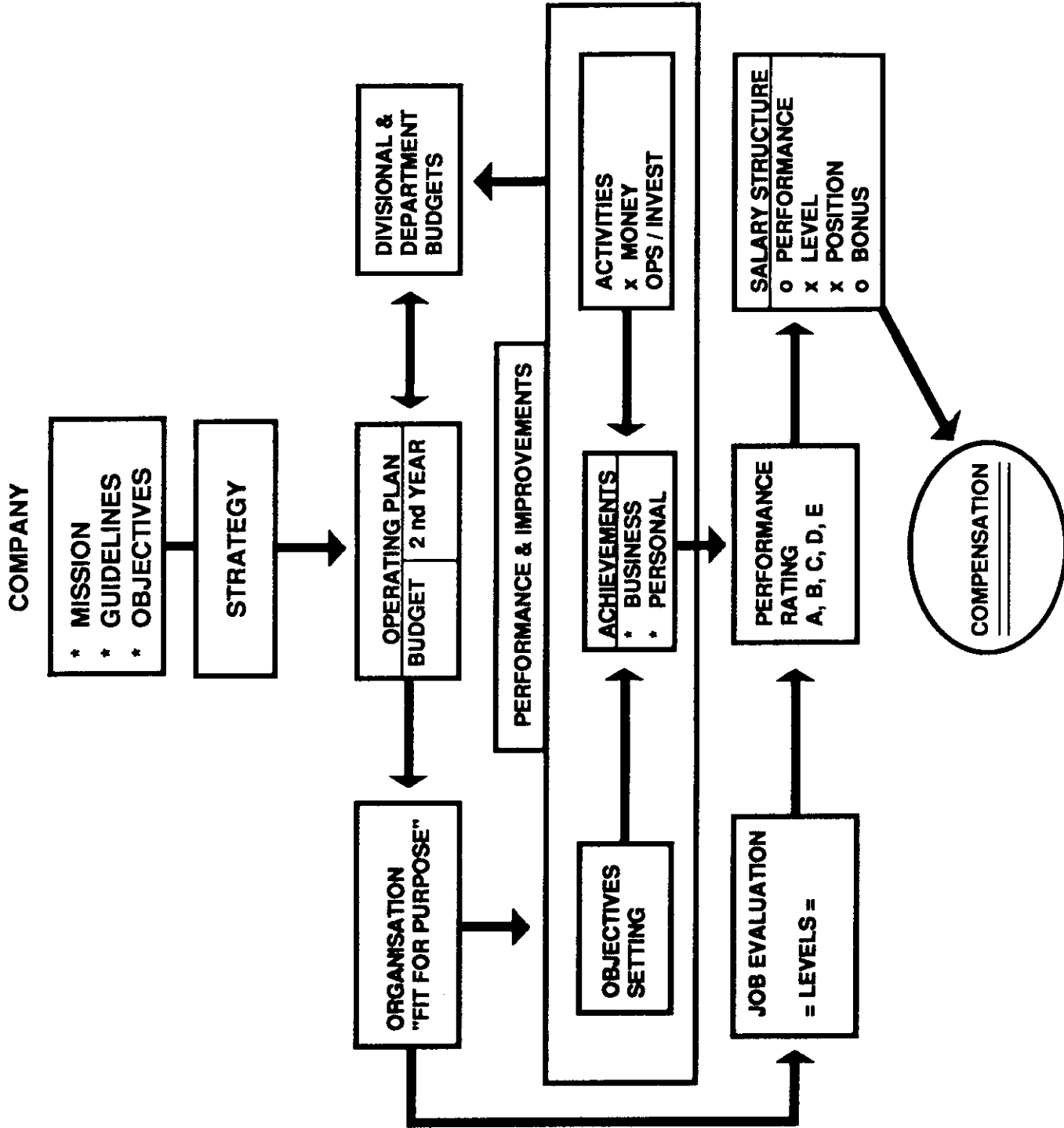
RC INTERNATIONAL

STRATEGIES

and

PLANS

APRIL '89



RC INTERNATIONAL

* MISSION

TO SATISFY DEFINED MARKET NEEDS FOR EXCELLENT QUALITY PRODUCTS AND SERVICES FOR INFORMATION AND TELECOM SYSTEMS, WHILE PROVIDING OUR OWNERS WITH ACCEPTABLE RETURNS

* GUIDELINES

- CUSTOMERS ARE FOCUS OF EVERYTHING WE DO
- QUALITY, EFFICIENCY AND CONTINUOUS IMPROVEMENTS WILL BE PRIORITIZED AND ARE ESSENTIAL TO OUR SUCCESS
- DEDICATED AND SKILLED PEOPLE ARE THE BASIS TO PROVIDE COMPANY INTELLIGENCE, VITALITY AND REPUTATION. WE ARE A TEAM AND MUST TREAT EACH OTHER WITH MUTUAL TRUST AND RESPECT
- PROFITS AND CASH ARE THE ULTIMATE MEASURES OF OUR PERFORMANCE AND ARE REQUIRED TO SURVIVE AND GROW
- INTEGRITY IS NEVER COMPROMISED

* OBJECTIVE 1989 AND BEYOND

TO ACHIEVE PROFITABLE GROWTH

RC INTERNATIONAL

MDKK

BUSINESS PLAN 89-92

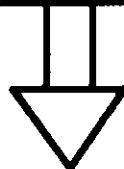
| | '89 | '90 | '91 | '92 |
|---|---------------------|---------------------|---------------------|---------------------|
| DK INFO SYS. SALES | 275 | 300 | 330 | 365 |
| BUS. DEVELOPMENT | 15 | 60 | 105 | 165 |
| TELECOMS SALES | 110 | 140 | 175 | 200 |
| CUST.SERVICES | 140 | 135 | 125 | 115 |
| REVENUE | 540 | 635 | 735 | 845 |
| PROD.COST | 198 | 242 | 299 | 363 |
| MARGIN (%) | 342 (63%) | 393 (62%) | 436 (59%) | 482 (57%) |
| INV.OBSOL./ MANUF.VAR. | 23 | 21 | 19 | 17 |
| OP.EXPENSE | 285 | 310 | 340 | 365 |
| OP.INCOME | 34 | 62 | 77 | 100 |
| INTEREST/ MANAGEMENT FEE | 27 | 27 | 24 | 16 |
| P/L BEFORE TAX | 7 | 35 | 53 | 84 |
| P/L AFTER TAX | 7 | 35 | 30 | 42 |
| EQUITY | 115 | 150 | 180 | 222 |
| % RETURN | 6% | 23% | 17% | 19% |

| | | | | |
|--------------------------|------------|--------------|---------------|--------------|
| BREAK-EVEN POINT: | 530 | 580 | 645 | 700 |
| REVENUE | | (+9%) | (+11%) | (+9%) |

RC INTERNATIONAL

STRATEGIC MODEL '89-92

| COMP.STRATEGY FUNCT.STRATEGY | DISTRIBU- TION | PRODUCT MANAGE- MENT | INFRA- STRUCTURE | REPUTATION |
|--|---------------------------|-------------------------------------|-----------------------------|-------------------|
| SALES & MARKT-DK (PROFITCENTER) | X | | X | X |
| BUS-DEVELOPMENT (PROFITCENTER) | X | X | X | X |
| TELE COMS DIV (PROFITCENTER) | X | X | X | X |
| CUST.SERVICES (PROFITCENTER) | X | X | X | X |
| DEVELOPMENT (COSTCENTER) | | X | X | X |
| MANUFACTURING (COSTCENTER) | | X | X | X |
| PERSONNEL (COSTCENTER) | | | X | X |
| FINANCE AND ADMIN. (COST CENTER) | | X | X | X |



- **ACTION AND IMPLEMENTATION PLANS**
- **OPERATING PLANS (BUDGET PLUS 1. YEAR)**
- **MEASUREMENTS AND REPORTING**

RC INTERNATIONAL

COMPANY STRATEGY : DISTRIBUTION

* MARKETS:

- DENMARK: AS BASIS
- NORDIC: SHORT TERM OPPORTUNITY
- EUROPE: GROWTH AREA
- OVERSEAS: OPPORTUNITY SELLING

* CHANNELS:

- DIRECT/INDIRECT APPROACH IN DENMARK
- INDIRECT APPROACH EUROPE
 - INFO SYSTEMS - ICL
 - TELECOMS SYSTEMS SELECTIVE/STC
 - OEM AND SYSTEMS INTEGRATION

- INDIRECT APPROACH OVERSEAS
 - STRATEGIC ALLIANCES
 - TECHNOLOGY TRANSFER

* SEGMENTS:

- VERTICALS & LARGE OPPORTUNITIES IN DENMARK

- LARGE OPPORTUNITIES EUROPE

- UTILIZE FUNDS AVAILABLE

RC INTERNATIONAL

COMPANY STRATEGY : PRODUCT MANAGEMENT

* PRODUCTS

- ESTABLISH STRATEGIC PRODUCT LINE (CAT1)
 - SIMPLIFY/MERGE TO COHERENT LINE
 - COOPERATE WITH ICL
 - IMPLEMENT SW AND APPLICATION STRATEGY
 - IMPLEMENT VERTICAL APPLICATION STRATEGY

- IMPLEMENT STRUCTURED PRODUCT-SUPPORT(CAT1-4)
 - STRUCTURED PHASE OUT PROGRAMS
 - UTILIZE BASE ROLL APPROACH

- ADDRESS MARKET NEEDS
 - DEVELOPMENT TO BE TARGETTED TO MARKET OPPORTUNITIES
 - ACTIVATE OUTSIDE SOURCING (ICL)
 - STRINGENT PRODUCT ANNOUNCEMENT PROCEDURE
 - ENHANCEMENTS TO DRIVE LIFECYCLE

* PRICING

- TO REFLECT COMPETITIVENESS

- USED AS ACTIVE LEVER DURING LIFECYCLE

- DISCOUNT LEVELS TO BE CONTROLLED

- BOTTOM LINE LARGE BIDS

- SPECIAL PRICING SW/APPL/SERVICES

RC INTERNATIONAL

COMPANY STRATEGY : INFRASTRUCTURE

* PROCESSES

- SCRAP UNNECESSARY PROCESSES (ZERO BASE APPROACH)
- SIMPLIFY AND AVOID REPLICATION (LEAN)
- AUTOMATE WHERE POSSIBLE

* ORGANIZATION

- FIT FOR PURPOSE
- PROFIT/COSTCENTERS
- FLATTEN HIERACHY
- UPGRADE SKILLS AND ROTATE
- JOBLEVELLING AND CAREER PLANS

* MANAGEMENT SYSTEM

- ACCOUNTABILITY AND OBJECTIVES
- PAY FOR PERFORMANCE
- TWO YEAR OPERATINGPLANS
- MEASUREMENTS OF OPERATIONS AND INVESTMENTS

* LOCATION

- CONSOLIDATE COPENHAGEN
3 TO 1 BUILDING

RC INTERNATIONAL

COMPANY STRATEGY : REPUTATION

*** CUSTOMER SATISFACTION**

- REFLECT SUSTOMER NEEDS
- SURVEYS
- CUSTOMER CALL PROGRAMS
- ENSURE QUALITY OF DELIVERABLES
- MAKE ORGANIZATION WORK
- NO OVERCOMMITMENTS

*** VENDOR SATISFACTION**

- ENSURE PROFESSIONAL PURCHASING
- STICK TO AGREEMENTS
- PAY ON TIME

*** EXTERNAL IMAGE**

- NEW NAME - NEW ERA
- UTILIZE PRESS ACTIVELY
- MAKE SURE OF CONTENTS

*** INTERNAL IMAGE**

- CREATE WINNING SPIRIT
- ESTABISH BUSINESS ATTITUDE
- COMMUNICATION PROGRAMS
 - ICL
 - RC NEWS
 - FLASH NEWS
 - ROUNDTABLES
 - EMPLOYEE MEETINGS
- OPINION SURVEYS

RC INTERNATIONAL

FUNCTIONAL STRATEGY : SALES AND MARKETING

SCOPE AND RESPONSIBILITY: INFORMATION SYSTEMS SALES AND SUPPORT DENMARK

* IMPLEMENT STRUCTURED SALES AND MARKETING IN DENMARK

- LOCAL GOVERNMENT - MORE VERTICAL SOLUTIONS
- CENTRAL GOVERNMENT - CREATE PRESENCE
- ORGANIZATIONS - CROSS FUNCTIONAL APPL.
- PREPARE NEW STRUCTURE
- PRIVATE - IMPLEMENT VERTICALS
- REDIRECT TO LARGE ACCOUNTS
- LARGE ACCOUNTS - GROW MAINFRAME CUSTOMERS
- SELECTIVE LA MARKETING

* ESTABLISH COORDINATED MARKETING PROGRAMS

- MARKET RESEARCH TO TARGET SALES
- PROGRAMS TO SUPPORT SALES

* PRODUCTLINE

- BASE ON CAT 1-2 STANDARD CONFIGURATIONS
- STRUCTURE APPLICATION AVAILABILITY & SUPPORT
- CONTROL PRICING

* ORGANIZATION

- ESTABLISH PROCEDURES AND DISCIPLINES
- UPGRADE AND CHANGE SKILLS
- IMPROVE SUPPORT STRUCTURE
- GET FORECASTING TO WORK
- INCREASE "BLOODPRESSURE"

RC INTERNATIONAL

FUNCTIONAL STRATEGY: BUSINESS DEVELOPMENT

SCOPE AND RESPONSIBILITY: INT.SALES/SPEC.BIDS. AND
PRODUCTMANAGEMENT
INFO.SYSTEMS

* INTERNATIONAL SALES & SUPPORT

- SALES AND SUPPORT OF ICL EUROPEAN ACTIVITIES
- MANAGEMENT OF OEM OPPORTUNITIES
- MANAGEMENT OF SYSTEMS INTEGRATION OPPORTUNITIES
- TECHNOLOGY TRANSFER/OPPORTUNITY SELLING OVERSEAS

* SPECIAL BIDS (COMPANY RESPONSIBILITY)

- PREPARATION OF SPECIAL BID PROPOSALS FOR LARGE/
COMPLEX SOLUTIONS
- BOTTOM LINE BIDDING APPROACH INCL. SYS. INTEGRATION
AND PRODUCTS IN PIPELINE

* PRODUCT MANAGEMENT

- REFLECT MARKET NEEDS AND COORDINATE REQUIREMENTS
WITH DEVELOPMENT OR OUTSIDE SOURCING
- PRODUCTS-PROFIT RESPONSIBILITY
 - SMALL: 900 / DRS500, UNICORN /(HW/SW)
 - MID/LARGE: 9000 / S/39 (HW/SW)
 - APPLICATION: SOURCING OF APPL. TO NEEDS
- ACCOUNTABLE FOR PRODUCT ANNOUNCEMENTS

RC INTERNATIONAL

FUNCTIONAL STRATEGY : TELECOM DIVISION

**SCOPE AND RESPONSIBILITY: SALES, SUPPORT, DEVELOPMENT
OF TELECOM SYSTEMS**

*** SALES AND MARKETING**

- IMPLEMENT ACTIVE DANISH MARKETING STRATEGY THROUGH PTT AND PHONE COMPANIES
- IMPLEMENT ACTIVE EUROPEAN MARKETING STRATEGY WITH STC/CCI AND UTILIZE MDNS OPPORTUNITY AS PLATFORM

*** PRODUCTMANAGEMENT**

- BASE PRODUCT LINE ON "STANDARDS" (HW/SW)
- INVESTIGATE VALUE ADDED OPPORTUNITIES
- INTELLIGENT NETWORKS WITH STC/CCI
- DA PARTICIPATION TO BE DECIDED FALL '89
- UTILIZE DEVELOPMENT FUNDING FROM EEC AND DANISH CARRIERS

*** ORGANIZATION**

- SEPARATE BUSINESS UNIT (DIVISION)
- RESOURCES/SKILLS TO BE ENHANCED IN SALES & MARKETING
- RESOURCES TO BE SPLIT HW/SW/SUPPORT

RC INTERNATIONAL

FUNCTIONAL STRATEGY : CUSTOMER SERVICES

SCOPE AND RESPONSIBILITY: MAINTENANCE AND SERVICE
TO RC/ICL INSTALLED PRODUCTS
(HW/SW)

* SALES AND MARKETING

- DIRECT ORGANIZATION TO BUSINESS APPROACH
- ENSURE COVERAGE OF INSTALLED BASE
- MAXIMIZE REVENUE AND PROFITS OF MEDIA AND SPAREPART SALES

* PRODUCTMANAGEMENT

- DEVELOP CONCEPTS FOR NEW BUSINESS OPPORTUNITIES
- WIDEN AND DIFFERENTIATE MEDIA AND SPARES OFFERING
- TRACK PRODUCT QUALITY AND PROPOSE CORRECTIVE ACTION TO DEVELOPMENT AND MANUFACTURING

* ORGANIZATION

- REDUCE SPAN OF CONTROL
- UPGRADE SKILLS TO COVER RELEVANT OFFERINGS IN QUALITY WAY
- RATIONATLZE OPERATIONS BY AVOIDING REPLICATE FUNCTIONS OR PROCESSES
- UPGRADE ADMIN. TO USE NEW TOOLS

RC INTERNATIONAL

FUNCTIONAL STRATEGY : DEVELOPMENT

SCOPE & RESPONSIBILITY: DEVELOP AND ENHANCE COMPANY
PRODUCT LINE FOR INFO.SYS. AS
DIRECTED BY MARKET AND
CUSTOMER NEEDS
REFLECTED BY PROD.MANAGEMENT

* PRODUCT DEVELOPMENT

- DEVELOPMENT EMPHASYS WILL BE SMALL AND MIDRANGE SYSTEMS AND I/O EQUIPMENT BASED ON STANDARD SW AND COMS PROCEDURES
- COST EFFICIENCY WILL BE PRIORITIZED
- PROPER PLANNING AND PROJECT SYSTEMS WILL BE USED TO REFLECT STATUS, ISSUES AND OPPORTUNITIES
- NEW TECHNOLOGIES WILL BE DEPLOYED WHEN RELEVANT AND REQUIRED
- COOPORATIVE DEVELOPMENT EFFORTS TO BE IMPLEMENTED WITH ICL

* ORGANIZATION

- TO BE SPLIT IN TWO SEPARATE AREAS
- SKILLS WILL BE DEVELOPED ON A CONTINOUS BASIS
- OBJECTIVES AND GOAL ORIENTATION SHOULD BE ESTABLISHED

RC INTERNATIONAL

FUNCTIONAL STRATEGIES : MANUFACTURING AND SUPPLIES

SCOPE & RESPONSIBILITY: QUALITY, MANUFACTURING AND MATERIALS MANAGEMENT

*** PRODUCT AVAILABILITY**

- INSURANCE OF LOW COST/HIGH QUALITY PRODUCTS
- MINIMIZE INVENTORIES/WASTE/WRITE OFFS.
- IMPLEMENTATION OF PRODUCTION TO ORDER AND PRODUCTION TO PLAN CONCEPT
- REFLECTION OF MARKET NEEDS BASED ON SOUND ECONOMICS
- UTILIZE SYSTEMS AVAILABLE

*** ORGANIZATION**

- SIMPLIFICATION OF OPERATIONS AND ADMIN.
- ESTABLISH QUALITY ORGANIZATION AND CONCEPTS COMPANY WIDE
- BRIDGE BETWEEN DEVELOPMENT AND PRODUCTION

RC INTERNATIONAL

FUNCTIONAL STRATEGIES : PERSONNEL

**SCOPE AND RESPONSIBILITY: EMPLOYEE MORAL, SKILLS
AND COMPENSATION PROGRAMS**

*** INFRASTRUCTURE**

- **RECOMMEND AND IMPLEMENT PROPER PERSONNEL COMMUNICATION PROGRAMS**
- **DEVELOP AND IMPLEMENT RELEVANT TRAINING PROGRAMS**
- **ENSURE RECRUITMENT OF QUALITY EMPLOYEES**
- **PERFORM REGULAR OPINION SURVEYS AND RECOMMEND CORRECTIVE ACTIONS TO ENSURE EMPLOYEE MORALE**
- **RECOMMEND AND IMPLEMENT CAREER PROGRAMS (FAST TRACK, ROTATION, REPLACEMENT)**
- **IMPLEMENT PAY FOR PERFORMANCE PROGRAM**
- **ENSURE PROPER ADMINISTRATION AND ADVISE MANAGEMENT ON SITUATIONS OFF TRACK**

RC INTERNATIONAL

FUNCTIONAL STRATEGIES : FINANCE

SCOPE AND RESPONSIBILITY: FINANCE AND ADMINISTRATION

*** INFRASTRUCTURE**

- **ENSURE FULL INTEGRITY OF BOOK KEEPING, ORDER ADMINISTRATION AND LEGAL**
- **RATIONALIZE ADMIN. SYSTEMS BY USING PROPER TOOLS/ TECHNOLOGIES**
- **ADVISE MANAGEMENT ON STATUS AND ENSURE REPORTING SYSTEM**
- **PERFORM COMPANY PLANNING / BUDGETTING**
- **ENSURE HIGH LEVEL OF PROFITABILITY**
- **INTRODUCE NEW FINANCING SCHEMES**
- **ENSURE LOW GEARING OF COMPANY**
- **INTERFACE WITH ICL & BOARD**
- **P/L & BALANCESHEET REPORTING**

RC INTERNATIONAL

PRIORITIES 1989

1. GET HOUSE IN ORDER

- REORGANIZE MAY
- SALES AND MARKETING PROGRAM MAY - JUNE
- PROCESS SIMPLIFICATION MAY - JUNE
- SPRING EVENT APRIL - MAY
- INTERNAL COMMUNICATIONS APRIL - MAY
- CUSTOMER PROGRAM MAY
- TRAINING MAY - JUNE
- PRODUCT PLAN MAY

2. PERFORMANCE / IMPROVEMENTS

- INCREASE SALES VOLUME APRIL ON
- IMPROVE MARKETING APRIL ON
- IMPROVE COST EFFICIENCY MAY ON
- KEEP DEVELOPMENT PLANS MAY ON
- IMPROVE LIQUIDITY MAY ON

3. MANAGEMENT SYSTEM

- ROA APRIL
- PAY FOR PERFORMANCE APRIL-JAN
- BUSINESS CASE APPROACH MAY
- QUALITY PROGRAMS SEPT.
- OPERATING PLANS JUNE

4. NEW STRATEGY IMPLEMENTATION MAY

Internt memo

| Udarbejdet af | Ald. | Dato | Side |
|---------------|------|------------|------|
| KS/JYBA | 20 | 29.06.1990 | 1 |

Til: TV
CJC
JKP

18
10
ÅRH

Vedr.: Statement of Direction.

Vedlagt fremsendes 2. udgave af "statement of direction".
Læg mærke til at jeg har pillet Tele helt ud af dokumentet -efter aftale med JKP og råd fra flere sider - det kræver så, at der kommer et Tele-specifikt dokument.

Må jeg få en hurtig tilbagemelding fra jer, så jeg kan gå videre i processen, og få dokumentet ud både internt og eksternt.

M.v.h.

KS



STATEMENT OF DIRECTION.

Kære RCI Kunde.

Denne hensigtserklæring er RCI's kortlægning af den vej, vore produkter og totalløsninger udvikler sig i en overskuelig fremtid. De vil kunne bruge dette dokument til at udvikle Deres egen strategi for Deres informationssystemer.

De seneste års udvikling inden for informationsteknologien har medført så dramatiske prisfald og så store forbedringer i ydelser af såvel informationssystemer som telekommunikationssystemer, at mange virksomheder i dag bruger informationsteknologi direkte til at skaffe sig strategiske fordele i alt fra produktudvikling til marketing. Effektiv udnyttelse og integration af virksomhedens information er nøglen til succes for disse virksomheder.

RCI er fast besluttet på at skabe informationsteknologi, der sætter virksomhederne i stand til at opfylde deres strategi. Vi investerer i udviklingen af totalløsninger til virksomheder og organisationer med det formål at sætte disse i stand til at udnytte potentialet i informationsteknologiske infrastrukturer.

Dette dokument, RCI's hensigtserklæring, behandler de emner, der er relevante for vore totalløsninger, og beskriver fremtiden for Dem, som vi ser den.

Der udarbejdes et tilsvarende dokument for RCI's produkter til Telekommunikations-sektoren.

INDHOLD

Side

RCI Målsætning og Strategier

- Markedsstrategi
- Produktstrategi
- Organisation
- Standarder
- Kvalitet

Totalløsninger og RCI's forventninger til den fremtidige udvikling

- OLTP anlæg
- Kontorsystemer
- Netværk
- Kommunikationsfaciliteter
- Programmeludviklingsværktøjer
- Database systemer
- Kontorautomatiserings applikationer
- Kontinuitet
- Kundeservice og support

Afslutning

- Ordliste

RCI MÅLSÆTNING OG STRATEGIER.

RCI er en dansk virksomhed, hvis målsætning er at opfylde veldefinerede kundebehov for kvalitetsprodukter indenfor informations- og telekommunikationsmarkedet og samtidig sikre et acceptabelt afkast af den investerede kapital.

RCI leverer totalløsninger baseret på åbne, distribuerede systemer til kvalificerede kunder, som ønsker at opretholde og forbedre deres konkurrenceevne ved brug af informationsteknologi.

For at opfylde vor målsætning vil vi:

- positionere virksomheden i produktområder med vækst,
- fokusere investeringerne på specifikke markeder,
- sætte kunden i centrum for alle aktiviteter,
- til stadighed videreudvikle og videreudanne vore medarbejdere, så vi altid kan levere kvalificeret support og rådgivning til vore kunder,
- bruge standarder som basis for alle vore løsninger,
- til stadighed udvikle og ændre vor organisation, så den altid er optimal til formålet,
- konstant forbedre vor kvalitet og effektivitet.

Dedikerede, veluddannede medarbejdere er grundlaget for vort omdømme og vor evne til at nå vor målsætning.

Følgende strategier er udviklet for at nå vor målsætning.

*** Markedsstrategi.**

Vi vil etablere et effektivt distributionsnet i Danmark og internationalt for vore produkter.

- I Danmark tilbydes totallosninger til informationssystem markedet. Totallosningerne udvikles til danske brugere på en sådan måde, at de med minimal indsats også kan markedsføres internationalt. I Danmark fokuseres på totallosninger til kommuner, biblioteker, statsinstitutioner og interesseorganisationer.
- Det øvrige Skandinavien betragtes som en del af vort hjemmemarked, og vi vil expandere i disse lande i samarbejde med ICL's lokale datterselskaber.
- Europa vil blive dækket af distributører, fortrinsvis ICL's lokale datterselskaber. Systemerne sælges på OEM basis til systemintegratorer og leverandører af totalsystemer, og teknologisalget er ligeledes en del af strategien.
- USA og fjernøsten dækkes på "opportunity" basis. Der ses bl.a. gode muligheder i at tilbyde Tolerants tidligere distributører RC9000 som efterfølger-produkt, ligesom teknologi overførsel tilbydes.

*** Produktstrategi.**

RCI's produktstrategi på informationssystem markedet er baseret på RCI's strategiske produktlinie suppleret med udvalgte produkter fra ICL's produkt katalog. Den strategiske produktlinie, udviklet af RCI og fabrikeret på RCI's fabrik i Præstø, er:

RC900, RC9000, UNIX, TX, RCLAN, INFORMIX, UNIPLEX.

De produkter, der tilbydes fra ICL's produktkatalog, er:

S/39, DRS6000, DRS3000, VME, UNIX, OFFICEPOWER,
OSLAN, INGRES.

Der er en stor grad af overensstemmelse mellem RCI's og ICL's strategiske valg, således har begge virksomheder valgt UNIX som operativsystem og begge har valgt Intel's /486 teknologi som basis for kontorsystemerne. Ligeledes har begge valgt OSI som basis for den fremtidige kommunikation, mens begge bruger TCP/IP og SNA som midler til sammenkobling mod systemer af andet fabrikat. På database/4Gl siden har RCI valgt at basere egne systemløsninger på INFORMIX men såvel ORACLE som Ingres understøttes også. Her er ICL's strategiske valg Ingres, men såvel INFORMIX som ORACLE understøttes ligeså.

Totalløsningerne opstår ved at supplere produkterne med applikationsprogrammel til den aktuelle branche samt den nødvendige service. Applikationerne fremskaffes i samarbejde med danske software huse samt ved intern udvikling.

*** Organisation.**

Vor organisation vil til stadighed blive udviklet og ændret, så den altid er optimal til sit formål.

- Vi vil fastholde en simpel struktur med fladt hieraki.
- Vi vil løbende vurdere processerne med henblik på rationalisering.
- Vi vil kontinuerligt udvikle vor kommercielle politik, processer og informationssystemer for effektivt at kunne reagere på ændrede markedsbehov og opretholde en konkurrencedygtig produktivitet.

*** Standarder.**

RCI betragter følgende udviklingstendenser som de vigtigste i fastlæggelsen af strategien for fremtiden:

- Åbne systemarkitekturer.
- Distribuerede løsninger.
- Integreret databehandling.
- Nye offentlige kommunikationsfaciliteter (EDI, X.400, etc.).

Mange opgaver løses i dag bedst og billigst med datakraft til specifikke opgaver distribueret ud, hvor opgaven skal løses, i afdelingen eller hos enkeltpersoner.

Databasen følger datakraften ud, og et netværk sørger for sammenhængen i det distribuerede system, mens adgang til data placeret på andre decentrale delsystemer etablerer integrationen, som også understøttes af de nye offentlige kommunikationsfaciliteter.

Brugen af åbne standarder, internationale de facto industristandarder eller vedtagne offentlige standarder, er grundlaget for RCI's totalløsninger. Delsystemer fra forskellige leverandører kan herved sættes sammen til en systemløsning, der ofte er bedre og billigere for kunden.

Alle RCI's strategiske produkter og netværksfaciliteter udvikles efter standarder defineret af ISO og andre offentlige standardiseringsorganer.

RCI's netværk overholder OSI standarderne for at sikre, at de kan fungere sammen med produkter fra andre leverandører, der overholder de samme standarder. UNIX produkterne udvikles, så de overholder UNIX systemstandarder defineret af X/OPEN og POSIX.

RCI vil fortsat vedligeholde produkter baseret på private standarder, så længe vore kunder har behov for det. Vi vil udvikle faciliteter, der muliggør, at nuværende produkter, baseret på private standarder, kan sameksistere med nye produkter baseret på åbne standarder. Herved kan kunderne fortsætte med at bruge nuværende produkter sammen med nye produkter i deres totalløsning og således beskytte den foretagne investering.

*** Kvalitet.**

RCI's kvalitetspolitik er at levere systemer, produkter og service som opfylder kundens forventninger. Vi er i færd med at ændre alle vore processer med henblik på at gøre alting rigtigt første gang. Vi har desuden startet et kvalitetsprojekt, hvis mål er at opnå ISO9000 certificering inden 1992.

TOTALLØSNINGER OG RCI'S FORVENTNINGER TIL DEN FREMTIDIGE UDVIKLING.

RCI's overordnede strategi kan konkretiseres på følgende måde:

- * At tilbyde komplette distribuerede systemer bestående af:
 - større OLTP anlæg. - kontorsystemer (lokaldatamater, afdelingsdatamater, servere, workstations og terminalarbejdspladser samt periferiudstyr). - netværk (LAN, WAN) - kommunikations gateways
- * At markedsføre og servicere
 - programmeludviklingsværktøjer - kontorautomatiseringsprogrammel - "personlige" værktøjer
- * At markedsføre og servicere vertikale løsninger inden for visse områder som:
 - kommuner - biblioteker - telefonoplysningssystemer - alarmsystemer - X.400/X.500 systemer - interesseorganisationer

Den overordnede strategi brydes ned i produktstrategier på de enkelte områder.

* Strategi for OLTP anlæg.

Løsningerne til større organisationer er baseret på RC9000, idet RC9000 med TX operativsystemet bruges som server for applikationer, der kan udnytte RC9000/TX's vigtige fordele: dataintegritet, robusthed, lineær vækst via løst koblet multiprocessor arkitektur, fejltolerance, integreret lokalnet og høj performance.

RC9000 er baseret på industristandard teknologi:

- RISC processor familien fra MIPS,.
- MIPS compiler og OS teknologi.
- UNIX V.3 fra AT&T og Berkeley BSD 4.3, udvidet med OLTP faciliteter.
- Værktøjer og databaser fra 3. parts leverandører.
- IBM, TCP/IP og ISO konnektivitet fra RCI.

I 1990 opgraderes RC9000 performance ved hjælp af R3000 RISC chip sættet, og det er hensigten at følge udviklingen af stadig hurtigere chips og implementere disse i RC9000.

TX operativsystemet, som er UNIX V.3.2 optimeret for OLTP anvendelser, vil blive videreudviklet til at overholde den af MIPS og AT&T definerede ABI standard med henblik på at lette portering af software. Fra midten af 1990 vil TX overholde X/OPEN XPG3 base og IEEE 1003.2 POSIX specifikationer.

RC9000 bruger TCP/IP protokoller over LAN og over WAN (X.25). Såvel ISO WAN Transport Station (TS 0,2) som ISO LAN Transport Station (TS 4) vil blive supporteret. Og RC9000 har support for ISO FTAM og ROS, der kan tilsluttes VT220 kompatible terminaler, og systemet er udstyret med X.25 og X.29 network interface.

RC9000 understøtter Informix produktsuiten, og i løbet af 1990 vil såvel Ingres som Oracle produktsuiten blive tilgængelige. For alle tre database produkter implementeres netværkede applikationer ved hjælp af TCP/IP.

RCI forventer, at fremtidige releaser af UNIX System V efterhånden vil inkludere support af tætkoblede multiprocessorer samt af en lang række af de faciliteter, der i dag findes i TX, såsom fejltolerance etc. Vi forventer derfor, at TX og System V på langt sigt (5 år) vil smelte sammen, således at kun System V derefter vil blive videreført på RC9000. I løbet af den proces vil RC9000/TX blive videreudviklet til at inkludere tætkoblede multiprocessor versioner.

*** Strategi for kontorsystemer.**

RCI's strategi for kontorsystemerne er at levere standardmiljøer til slutbrugerne. Vi bruger MS-DOS og UNIX til arbejdspladsdatamaterne (RC960 og RC970) og UNIX til afdelingsdatamater (RC990).

Herved gives vore kunder adgang til det store udbud af industristandard applikationer. RC900 produkterne er bygget op omkring Intels mikroprocessorer. Nye produkter bruger kun Intel's 386 og 486 mikroprocessorer, og det er vor hensigt at drage fordel af kommende processorer med endnu større ydeevne samt af den begyndende standardisering af tætkoblede multiprocessor arkitekturer til store afdelingsdatamater/servere.

Som UNIX operativsystem bruger RCI 386/IX, som er Interactive Corp.'s implementering af AT&T's officielle UNIX V/386, og som overholder 386/ABI specifikationerne defineret af AT&T og Intel.

Som afdelingsdatamat/server leverer vi løsninger for op til 64 brugere baseret på RC990, der i sin største udgave er udstyret med Intel's 486 processor. Som server til løsninger med flere end 64 brugere anvender vi RC9000. RCI's afdelingsdatamater/servere fungerer som UNIX baserede kommunikationsservere på LAN, som applikationsserver i et distribueret system, som database server og som printer server.

På arbejdspladsdatamat-siden bruger vi RC960 og RC970 produkterne, hvor den mindste RC960 bruger Intel 286 processor mens den største RC970 er udstyret med Intel 486 processor. Der er to standard operativsystemer til arbejdspladsdatamaterne, nemlig MS-DOS og UNIX (386/IX). DOS kompatibilitet opretholdes med VP/IX og C-DOS. Som alternativ til MS-DOS kan OS/2 leveres. Som grafisk brugerinterface har vi valgt Windows/386 til MS-DOS og X.11 til UNIX.

Som terminalarbejdspladser tilbyder RCI en familie fra billige industri standard, monokrome terminaler til farve-grafik terminaler med alle faciliteter. For tilslutning direkte til lokalnet kan vi levere X.11 terminaler. Alle terminalarbejdspladser leveres med lavtstrålende skærme og opfylder de skandinaviske ergonomi-standarder.

*** Strategi for netværk.**

På lokalnet (LAN) siden er strategien baseret på Ethernet -CSMA/CD IEEE 802.3. På langt sigt er det vor hensigt at bruge de kommende FDDI standarder til højhastighedslokalnet. Til transparent sammenkobling af lokalnet over afstand bruges Internet Filter broer.

På Wide Area Network siden er strategien baseret på X.25. Terminalarbejdspladser til LAN baserede systemer tilsluttes ved hjælp af lokalnetmultiplexere (LANMUX), som kan bruges mod alle vore servere. Tilslutning af terminaler til LANMUX sker via V.24 kabler. En generel kablingsstrategi til brug for distribuerede løsninger er under udvikling, og den vil afløse de nuværende coaxkabler til 10 Mbps Ethernet. Netværket omfatter lag 1,2 og 3 i ISO/OSI modellen.

*** Strategi for kommunikation.**

Siden begyndelsen af 1980'erne har RCI baseret de distribuerede systemer på IMC, der er en RCI proprietary transportservice. IMC har sikret sammenhængen i hele RCI's produktlinie.

Strategien for fremtiden er baseret på ISO standarder, idet vi dog også vil understøtte TCP/IP, der idag specielt i UNIX verdenen er den mest udbredte standard "transportstation". Ved kommunikation med systemer, der betjener sig af en lukket infrastruktur anvendes Gateways, f.eks. til IBM SNA verdenen.

Det er hensigten at kunne tilbyde ISO baserede løsninger i forbindelse med de strategiske produkter, dækkende alle behov i forbindelse med den generelle strategi for informationssystemer.

Dette indebærer bl.a. udvikling af ISO klasse 4 transport station til lokalnet (ISO LAN) og ISO klasse 2 transport station til Wide Area Network (ISO WAN). Med disse transportstationer kan RCI's produkter integreres med andre leverandørers produkter, der også overholder ISO standarderne. I begyndelsen af 1991 vil RCI kunne tilbyde en første version af et ISO/OSI baseret network management produkt til administration og styring af komplekse distribuerede systemer. Det er hensigten at videreudvikle dette produkt til også at kunne styre lokalnet-baserede systemer forbundet via Internet broer eller via X.25 netværk.

Blandt de ISO LAN eller ISO WAN services, vi vil implementere i løbet af 1990 og første halvdel af 1991 kan nævnes X.400/X.500 elektronisk post, UNIX mail over UUCP (begge integreret med Uniplex), IBM SNA gateways (HLLAPI og APPC), PC til UNIX Konnektivitet (DOS LANCOM og UNIX PC-SERVER), Informix-Net og Ingres-Net distribuerede applikationer, FTAM og UUCP filtransport, terminal og printer access (CSP og CU, PAD Terminal og PAD host samt distribueret 3270 terminal/cluster controller arkitektur).

Senere kommer EDI etc.

Specielt i 1990 og 1991 spiller TCP/IP en central rolle i RCI's strategi, indtil ISO/OSI produkterne er blevet mere udbredte. Vi vil derfor bl.a. supportere Informix-Net og Ingres-Net over TCP/IP, både på LAN og WAN, ligesom TELNET og RLOGIN (terminal access), UUCP samt FTP og RCPY (filtransport), PC-Interface (PC til UNIX konnektivitet), NFS og RFS (remote filsystemer) samt UNIX mail etc. understøttes via TCP/IP.

*** Strategi for programmeludviklingsværktøjer.**

RCI's strategi er at følge X/OPEN rekkommendationer, der f.eks. udpeger hvorledes en COBOL eller FORTRAN compiler til UNIX bør være. Vi vælger kun 3. generations værktøjer, der følger X/OPEN rekkommendationerne.

Leverandørerne af databaser har udviklet og leverer hver deres 4. generations-sprog (4GL). Endnu findes der ingen standarder på området.

RCI har valgt Informix 4GL som det strategiske 4GL. Vi har investeret i viden og supportressourcer, og vi underviser vore kunder i brugen af det.

Det er vor politik i samarbejde med de øvrige leverandører af Databaser og 4GL at implementere deres 4GL på vore maskiner.

*** Strategi for database systemer. (DBMS).**

Vor strategi er baseret på SQL standarden, jvf. X/OPEN rekkommendation. Vi leverer og supporterer kun database systemer, der følger denne standard. Den DBMS/4GL produktserie RCI har valgt at anvende i egne systemløsninger er Informix produktserien. Men såvel ORACLE som INGRES understøttes også. For alle tre produktserier gælder desuden, at også "NET"-versionerne vil blive tilgængelige. Det er vor agt at følge udviklingen hos disse tre databaseleverandører med henblik på at give kunderne mulighed for at vælge, evt. i overensstemmelse med den database, de bruger andre steder i deres distribuerede system.

*** Strategi for kontorautomatiserings applikationer.**

RCI har valgt UNIPLEX kontorsystem som det produkt vi primært satser på, men også andre populære produkter (f.eks. Word Perfect) understøttes.

I sin første udgave tilbyder UNIPLEX alle de funktioner, et "kontor" har brug for: elektronisk post, kalendersystem, kartotekskort, rapportgenerator, planlægningskalender, formularsystem, tekstbehandling, relationsdatabase, kalkulation, business graphics, menusystem og skærbilledgenerator.

Der er fuld integration mellem de forskellige moduler i UNIPLEX, og fuld integration med Informix SQL.

Vi vil følge udviklingen af UNIPLEX produkterne og vil sidst i 1990 tilbyde X.400 elektronisk post integreret med UNIPLEX, således at vore kunder vil få adgang til offentlig X.400 elektronisk post service og være i stand til at udveksle elektronisk post med andre leverandørers X.400 baserede systemer.

*** Strategi for kontinuitet.**

Vi ønsker at stille fordelene ved åbne standarder og integrerede systemer til vore kunders rådighed hurtigst muligt, under behørig hensyntagen til allerede foretagne investeringer. Det er vores strategi altid at stille sådanne værktøjer og metoder til vore eksisterende kunders rådighed, at de kan flytte deres løsninger til nye omgivelser på en økonomisk forsvarlig måde.

I vort produktprogram findes allerede faciliteter og funktioner beregnet på at forlænge livscyklus for vore kunders investering i det eksisterende produktprogram:

- Bestående lokalnetinstallationer med RC750/RC759 udstyr kørende under DR-NET kan moderniseres med tilslutning af RC900/UNIX og derved forsynes med nye funktioner, der kun udvikles til RC900 server. Dette er muligt, fordi systemerne kan sameksistere ved hjælp af LAN konceptet, idet DR-net, IMC, TCP/IP og ISO protokoller kan køre samtidigt på LAN.
- En løsning på RC39 udviklet ved brug af UNIPLEX og Informix kan flyttes til RC900, som også bruger UNIPLEX og Informix.
- En løsning kørende på RC8000 og f.eks. skrevet i Algol kan flyttes til ny hardware teknologi i form af RC9000/10 og leve uændret videre der, mens løsningen udvikles til UNIX. Herefter kan to CPU-kort, TX operativsystemet installeres og den UNIX baserede løsning nu køre.

Vi vil fortsætte med at stille den slags teknikker og værktøjer til rådighed i det omfang, der er behov for dem, med henblik på at gøre vejen for vore kunder til totalløsninger baseret på åbne standarder lettest mulig.

*** Strategi for kundeservice og support.**

RCI's udbud af service- og supportydelser skal til enhver tid kunne matche markedets bedste tilbud. Vor strategi er at dække hele spektret af ydelser fra kvalificeret konsulentbistand til reparation af hardware for at sikre vore kunder den bedst mulige økonomi i deres totalløsninger.

RCI's kvalitetsservice omfatter:

- Konsulentbistand til at hjælpe kunder med at udvikle deres strategi for informationssystemer.
- Konsulentbistand til at hjælpe kunder designe, udvikle eller forbedre deres anvendelse af informationssystemer.
- Uddannelse af kunder i brugen af informationsteknologi, herunder uddannelse i projektledelse og uddannelse i specifikke brancheløsninger og produkter.
- Et bredt udbud af vedligeholdelsesniveauer fra simpel returnering af udstyr til reparation til projektledelse og døgnvagt på installationen.
- Rekvirering af al support og vedligeholdelsesservice via eet supportcenter.

Vi vil udbygge vort servicetilbud til også at omfatte:

- Vedligeholdelse af 3.parts udstyr.
- Systemintegration af løsninger, der også omfatter 3.parts udstyr.
- Tilvejebringelse af kabelinstallationer i totalentreprise.
- Projektledelse og projektgrupper til at implementere totalløsninger også omfattende 3.parts udstyr.
- Ekspert Hjælp til projekter der omfatter leverancer fra mange leverandører, inklusive evt. projektledelse.

Det er vor strategi at udbygge serviceudbuddet i takt med udviklingen i vor industri.

AFSLUTNING.

Det er RCI's målsætning at levere totalløsninger i specifikke markedssegmenter. Vi vil fortsat arbejde for brugen af åbne standarder til at frembringe distribuerede, integrerede løsninger. Kun derved kan vi gøre brug af de bedste produkter, systemer og service til at forsyne vore kunder med den bedste totalløsning.

Dette dokument er en hensigtserklæring fra RCI. Det er meningen, at indholdet skal kunne hjælpe vore kunder i deres strategiske planlægning. Det vil dog være klogt at konsulter RCI, før der laves konkrete planer baseret på dette dokument. RCI forventer at opdatere dokumentet senest 1. juni 1991.

Strategiplanlægning

Telecom Division

Situationsanalyse

Hvad laver vi idag ?

Telecom markedsfører (eller har markedsført) følgende produktlinier:

- Nummeroplysningssystem
- X.25 Netværk
- Netværksapplikationer som turn-key løsninger
- Overvågningssystemer til kraftværker

Skema over markedsforhold:

| System | Marked | Markedsstørrelse | Markedsandel | Dækningsbidrag | Udvikling |
|-----------------|------------|------------------|--------------|----------------|---------------|
| Nummeroplysning | Verden | (2,8 mia.) | (4%) | 75-80% | (stagnerende) |
| X.25 net | DK PTT | 70 mio | 70% | 75% | stagnerende |
| Pakke-kob. net | Europa PTT | 8 mia. | 0,5% | (50%) | 10% vækst |
| X.25 net | USA | 6 mia. | 0% | (40%) | 15% vækst |
| Private net | Europa | 0,7 mia. | 0% | (20%) | 14% vækst |
| Alarmsystem | DK PTT | 20 mio. | 50% | 75% | stagnerende |
| RcProces | DK | 50 mio. | 10% | 50% | (svag vækst) |

Alle beløb er i danske kroner.
Oplysninger i parentes er usikre.

Omsætning

- Nummeroplysning
Gns. 25 mio. de sidste 4 år.
- X.25 netværk til DK PTT
Gns. 35 mio. de sidste 5 år.
- COSINE IXI
6 - 7 mio. i 1989.
- Alarmsystem
Gns. 10 mio. de sidste 4 år.
- RcProces
Gns. 4 mio. de sidste 4 år.

Nummeroplysning

Systemet er solgt til de danske teleadministrationer, stater i Mellemløsten, USA, Norge, Portugal og Tyrkiet.

Produktstyrker

- Kan idag anvende Voice-Response systemer (dog fra bestemte leverandører)
- Har TPH/28 snitflade (interface til andre OP systemer)
- Har interface til Videotex
- Har mange søgefaciliteter
- Har mange forskellige nummeroplysninger
- Indeholder tildels begrebet "gule sider"

Produktsvagheder

Systemet er baseret på ikke-strategisk hardware (RC8000) og vi er afhængig af Ballerup afdelingen med hensyn til support.

Det eksisterende system anvender RC45 skærme som arbejdspladsterminaler. Disse skærme er udgået af RC International's produktsortiment.

Markedsforhold

Kravet til et nummeroplysningssystem vil fremover sandsynligvis gå imod, at alle telefonselskabernes serviceydelser kan samles i en arbejdsplads.

Vi er afhængige af et lokalt firma til at varetage service. Derfor vil servicegraden afhænge af hvor dygtige vi er til at uddanne det lokale firma, samt vore relationer til firmaet generelt.

Personale

10 personer arbejder med udvikling af systemet.

Ved salg vil ca. 15 personer blive involveret (salg, produktion, installation, support)

Produktets relative betydning for firmaet.

Salg af nummeroplysningssystemer har tidligere (for 2 til 8 år siden) haft rimelig stor betydning for RC International og særdeles stor betydning for Telecom. Svigtende salg de sidste par år er blevet afløst af netværksalg til de danske teleadministrationer.

X.25 Netværk

Vi har idag monopol på levering af offentlige X.25 net i Danmark. Desuden deltager vi i COSINE IXI pilotprojektet, hvor vi leverer netværk til forbindelse af eksisterende forskernet i Europa.

Produktstyrker.

- Vi er som den eneste leverandør "stort set" istand til at levere et X.25 net med alle OSI lagene implementeret.
- Softwarekvaliteten er høj pga. at udviklingen foretages i et højniveauudviklingsprog.
- Hardwarekvaliteten er over gennemsnittet sammenlignet med konkurrenterne.
- 2 Mbit MegaSwitch'en er et produktmæssigt unikt produkt.

Produktsvagheder.

- Omfanget af software er meget stor i forhold til konkurrenterne med heraf større fejlsandsynlighed
- Vi mangler certificeringer til brug for sammenkoblinger med øvrige net udenfor Danmark

Markedsforhold.

- Vi er i udlandet afhængig af et lokalt firma til at varetage service
- Vi er ikke konkurrencedygtige på grundprisen
- Vi sælger gennem egen salgsafdeling, eller evt. gennem lokal distributør (DTI). Vi er salgsmæssigt for små
- Vi har satset på en distribueret netværksløsning, som senere er blevet "kopieret" af konkurrenterne. Løsningen blev ikke udnyttet da muligheden var der
- Vi er for dyre til salg af private net

Personale.

Ca. 45 personer arbejder med udvikling og vedligeholdelse/support af systemet. Herudover er der involveret ca. 15 personer i forbindelse med et salg.

Produktets relative betydning for firmaet.

X.25 net til de danske teleadministrationer har haft stor betydning for hele RC International de sidste år, pga. stor indtjening. Det vigende marked i Danmark, kombineret med den manglende opdyrkning af nye markeder, har mindsket den økonomiske betydning markant.

Udviklingsmæssigt har Telecom bragt viden og "byggeklodser" til resten af firmaet, som er blevet udnyttet til at indføre datakommunikationsløsninger til RC International's øvrige produktprogram.

Alarmsystem og DOV system

Begge systemer er leveret til teleadministrationerne og alarmsystemet fungerer i forbindelse med det offentlige X.25 net.

Produktstyrker

- Alarmsystemet er teknisk det bedste/mest sikre til alarmovervågning. Det er langt bedre funktionelt overfor alternativene Dial-Up og anvendelsen af APL linier
- Alarmsystemet har stor fleksibilitet mht. anvendelighed, og kan anvendes i flere sammenhænge

Produktsvagheder

- Distriktcentre i forbindelse med alarmsystemet anvender RC8000 computeren, som er under udfasning
- Systemerne mangler komponenter for at RC International kan stå som totalleverandør. Det drejer sig om vagtcentralsystemer og abonnentudstyret for Alarmsystemet's vedkommende og DRO-systemet for DOV systemet's vedkommende
- Alarmsystemet er fuldt integreret i RcPAX og derfor kan systemet ikke bare integreres i andre netværksløsninger.

Markedsforhold

- Vi er stærkt afhængige af tredjepart i forbindelse med det egentlige salg af alarmsystemet. Eksempelvis kan SECURITAS selv vælge at levere en alternativ løsning til alarmsystemet
- Markedspotentialet for alarmsystemet vurderes som meget stort, men kundebevidsthed, salgsbestræbelser, konkurrenceforhold og prisstruktur er hindringer mod en generel udbredelse
- Man har hos De Danske Teleadministrationer et meget stort udbygget alarmnet, med en betydelig overkapacitet pga. manglende kundetilslutninger

Personale

Der er ikke beskæftiget nogen personer med udvikling/vedligeholdelse af nogen af systemerne. Der er involveret ca. 8 personer indenfor salg, produktion, installation og support.

Produktets relative betydning for firmaet.

Alarmsystemet har haft stor betydning for RC International de seneste år, pga. en god indtjening.

Mætning af udstyr til teleadministrationerne har betydet et fald i betydning pga. manglende salg til teleadministrationerne.

Overvågningssystem til kraftværker

Indenfor de sidste 10 år er der udviklet 2 forskellige kraftværksovervågningssystemer baseret på henholdsvis RC8000 og Partner. Kunden har i begge omgange været IFV, i sidste omgang i samarbejde med ELKRAFT.

Produktstyrker.

- Høj kvalitet
- Kundetilpasset løsning baseret på samarbejde med kunden
- Høj grad af fleksibilitet i systemopbygning

Produktsvagheder.

- Anvender Partner, som er udgået af produktion.
- Varetager kun overvågning, hvor der idag er systemer som anvender hele SRO (styring, regulering, overvågning) området

Markedsforhold.

- Kundespecifik løsning til kraftværker, hvor markedet i Danmark er aftagende pga. færdigudbygning af kraftværker. Der er manglende kendskab til markedsmulighederne udenfor Danmark. Østeuropa kunne være en mulighed.
- Integrationsmulighed med alarmnettet.
- Stor uafklarethed.

Personale.

Der er idag beskæftiget 1 person med udvikling og vedligeholdelse/support af systemet.

Produktets relative betydning for firmaet.

Minimal i øjeblikket.

Omgivelsesanalyse

Økonomiske faktorer

| Faktorer | Virkning | Respons |
|--|----------------------------------|--|
| Mindre omsætning på det danske teleadm. marked | Vigende forretningsgrundlag | Opsøge nye produkt-emner hos de danske teleadm. eller søge andre kunder. Lave "value adding" på eksisterende produkter |
| Overkapacitet i JTAS datanetsektion | Konkurrence fra JTAS | Indgå strategisk alliance med JTAS. Basere os i mindre grad på projektsalg til JTAS |
| Krav om standarder | Øgede udgifter til certificering | Bedre uddannelse af konstruktører, deltage i standardiseringsarbejdet |
| Begrænsninger i kapitaltilgang | Større konkurrence om kapital | Indgå strategisk alliance, lave mindre kapitalkrævende produkter |

Teknologiske faktorer

| Faktorer | Virkning | Respons |
|-------------------------------------|---|---|
| Standarder implementeres i silicium | Faldende pris/performance | Tidligst mulig udnyttelse af den nye teknologi |
| ISDN | Måske vigen- de X.25 mar- ked. | Produktudvikling. Vurdere potentielle produkter til ISDN. |
| Krav om større båndbredde | Produktul mellem eksisterende båndbredde i RcPax og de krævede. Intern performance ikke god nok | Produktudvikling |
| Geografisk store LANs | Vigende mar- ked for tradi- tionel x.25 net | Produktudvikling. Strategisk alliance. |
| Markedsdrevet efterspørgsel | Kunden bestemmer hvad der produceres og kan sælges | Indgå strategiske alliance. Se mere på markedskrav og applikationssiden |

Politiske faktorer

| Faktorer | Virkning | Respons |
|--|--|--|
| Der er ved at ske en modning af telekommunikationsmarkedet | Det betyder større konkurrence og større anvendelse | Produkt og markedspecialisering |
| Liberaliseringen af telesektoren | Betyder større konkurrence, men også salgsmuligheder | Satsning på markeder i stedet for teknologi, EF aftaler, udenlandske Teleselskaber |
| Større frihandel i Europa og Danmark | Betyder bedre salgsmuligheder, men også større konkurrence | Øget indsats på EF standardisering af Telecom's produkter. ISO9000 godkendelse. Forbedre informationer omkring udbud |
| Europæisk indsats for miljøforbedringer | Salgmuligheder for RcProces | Øget produktspecialisering. Undersøge de markeds-mæssige muligheder |

Sociale faktorer.

| Faktorer | Virkning | Respons |
|---|--|---|
| Individualisering af det danske samfund | Samarbejdsproblemer mellem medarbejdergrupper og ledelse | Forbedret dialog mellem partene |
| Informations-samfundets vækst | Individualisering blandt medarbejderne internt i Telecom | Øget indsats for internt kreativt samarbejde. Kursus i samarbejde |
| Øgede slutbrugerkrav til produkter | Øget fokus på brugerkrav | Fokuserer på brugernes krav. |

Markedsanalyse

Grundlaget for markedsanalysen er en behovsvurdering af nogle udvalgte produkt og markedssegmenter.

Behovsvurderingen danner grundlaget for at vurdere om

- der er et behov for vore produkter,
- om vores produkter dækker de behov der er,
- om disse behov kunne dækkes på alternativ vis.

Behovsvurdering.

Med udgangspunktet i eksisterende og mulige produkter/markeder blev følgende markeder analyseret:

- PTT'er
- Store private organisationer
- Serviceudbydere
- Internationale organisationer
- Systemintegratorer
- Udviklingsfonde

Og følgende produkter:

- X.25 net
- X.25 net nr. 2
- Backbone-net
- LAN til LAN
- MegaSwitch
- Alarmnet
- DOV system
- X.400
- X.500
- OP system
- Projektsalg
- Bodyshopping

Disse produkt og markedssegmenter blev herefter vurderet med henblik på at undersøge det reelle behov for det pågældende marked.

Dette resulterede i opstillingen af følgende generelle behov.

Netværksløsninger

- Mulighed for at udbyde en pakkekoblet datatransmission
- Behovet for en sikker, åben (standardiseret) og hurtig datatransmission
- Dække et behov for differentieret betjening af abonnenterne
- Behov for stor båndbredde og kort delaytid i transittrafikken
- Behov for et bærenet for services

- Behov for en switch med stor switching og båndbredekcapacitet
- Behov for at tilbyde LAN til LAN connection
- Behov for hurtig udveksling af data

Services

- Behov for services til et X.25 net
- Behov for services til et vilkårligt net
- Behov for et åbent postsystem
- Behov for en telefonservice til kunderne og en rationalisering / effektivisering af denne service for PTT
- Informationsformidling, let og tilgængeligt

Overvågning

- Behov for overvågning
- Behov for intern overvågning

Databaseadgang

- Behov for adgang til forskellige databaser ved brug af forskelligt udstyr
- Behov for at stille deres service til rådighed ved anvendelse af forskelligt udstyr hos kunderne
- Mulighed for standardiseret udstyr, som gør det billigst muligt for brugeren at anvende denne service
- En switch der anvender en åben arkitektur

Projektsalg

- Udvikling af nye produkter / services, som ikke er tilgængelige på markedet.
- Behov for ressourcer og knowhow - uden styring
- Forbedret ressourceallokering og mindre binding.
- Behov for en underleverandør

Konklusionen på dette er at der er tale om meget generelle behov, hvor der eksisterer alternativer til RC International løsninger til stort set dem alle.

Markedsvurdering

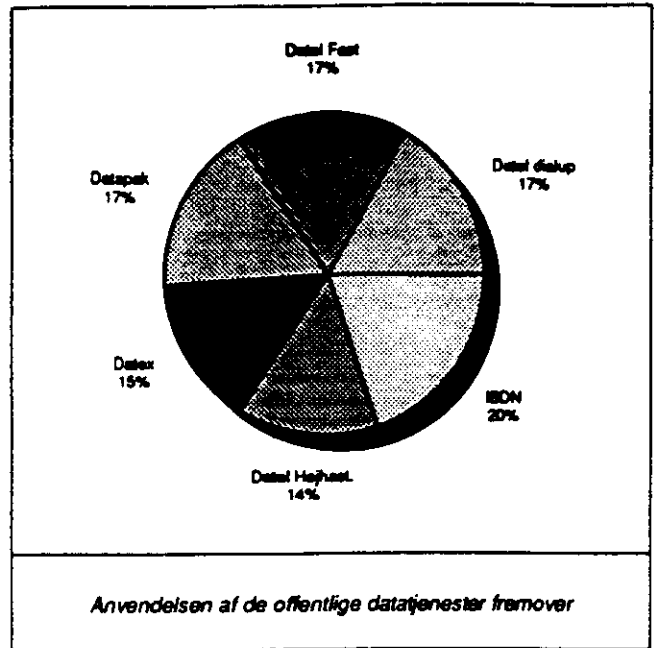
X.25 net

PTT'erne i 26 lande besluttede ved et møde (The Conference of European Postal and Telecommunications administrations - CEPT) følgende punkter angående de pakkekoblede net:

- Man vil fortsætte med at udbyde den offentlige pakkekoblede datatjeneste i mindst 10 år endnu.
- Med eller uden ISDN vil de udvide deres tjenester på det eksisterende X.25 net i 4 år endnu.
- Implementering af følgende:
 - X.32 i de lande der ikke havde gjort det.
 - X.25 pakkekoblet acces på D-kanalen i ISDN i 18 CEPT lande i 1992.
 - Eksperimenterende netværk for pakkekoblede forbindelser på 2 Mbit/s.
 - Eksperimenterende support for IBM SNA protokollen.

Generelt har teleadministrationerne mellem 5-30% af wide area datakommunikationsmarkedet i Europa, afhængig af land. Generelt er der altså tale om et marked, som må påregnes at være under udfasning, og hvor teleadministrationerne har store problemer med at få tilstrækkelig tilslutning. Det betyder for vores vedkommende, at vi sandsynligvis ikke kan påregne store salgsmuligheder indenfor X.25 net på europæisk plan.

For Danmark's vedkommende har konsulentfirmaet Holm & Bertram lavet en undersøgelse blandt 1000 brugere omkring anvendelsen af de offentlige tele-tjenester i Danmark. Undersøgelsen viste at kun 30% af de danske kunder benytter de offentlige dedikerede datanet til datatrafik.

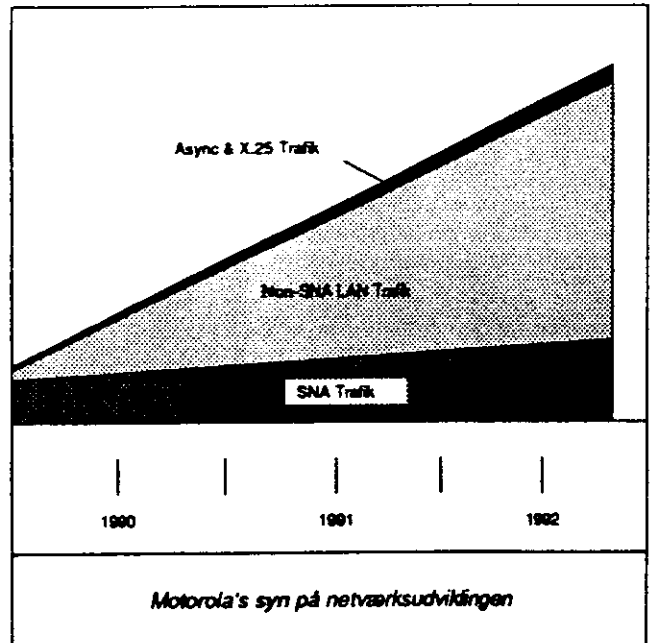
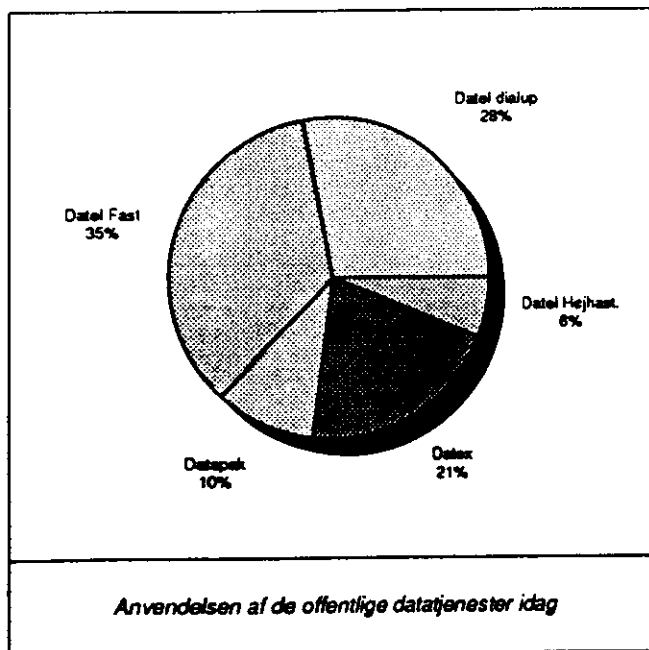


Som det fremgår af figurene er tilslutning til Datapak idag ikke særlig stor. Fremover vil der dog ske en øget tilslutning, men samtidig sker der en overgang til ISDN, som på længere sigt kan forventes også at overtage en del af Datapak markedet.

Vi må derfor forvente en stadig udbygning og vedligeholdelse Datapak indenfor en sikker tidshorisont på mindst 4 år. Men generelt er der hverken brugerbehov eller politisk vilje, som indikerer større vækstmuligheder i Danmark indenfor Datapak. Noget tilsvarende vil sandsynligvis være tilfældet på europæisk plan.

Alternative netværksløsninger.

Figuren er kun Motorola's bud på udviklingen, men kunne være et udgangspunkt for alternative netværksløsninger. Nogle af de nye teknologier indenfor LAN arbejder med hastigheder langt over 2 Mbit/s og eksem-



pejvis Fast Packet Switching kan gå helt op til 45 Mbit/s. SONET frame relay arbejder med hastigheder på 2.488 Mbit/s, og denne teknik arbejder flere af vore konkurrenter med. ISDN må også forventes at tage en del af markedet.

Markedsstørrelser

| Markedsstørrelser | | | Vækstmuligheder |
|-------------------|--------|----------|-----------------------|
| X.25 | Europa | 8 mia. | 10% vækst |
| Frame relay T1 | USA | 7 mia. | 44% vækst |
| Frame relay T3 | USA | 2,5 mia. | |
| LAN | USA | 25 mia. | stærk vækst |
| LAN | Europa | 8 mia. | stærk vækst |
| Leased linier | Europa | 7 mia. | Bl.a. SNA protokoller |

Markedet for frame relay er fortrinsvis koncentreret om det amerikanske marked. Markedet i Europa må først forventes under udvikling om nogle år.

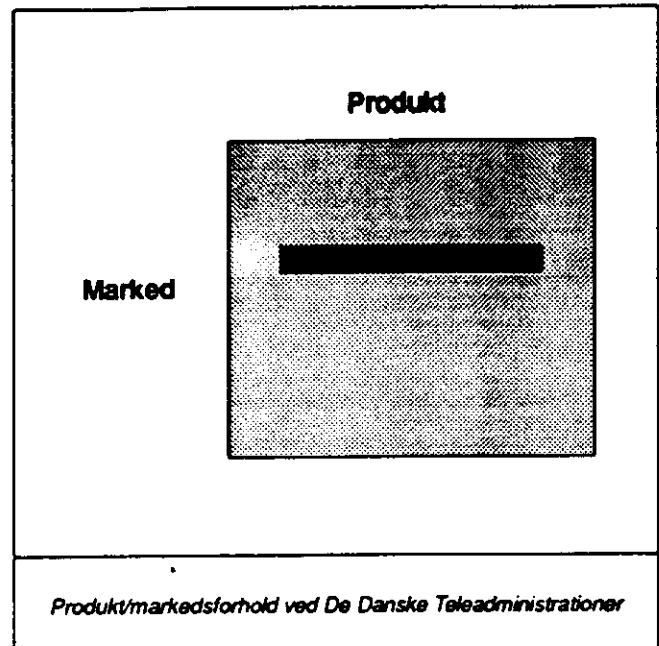
De private lejede linier indeholder meget IBM SNA trafik. Væksten på dette område er uklar.

Standarder

Der foregår i øjeblikket en tilnærmelse mod åbne standarder. Følgende tabel viser andelen af ordrer til virksomheder i Frankrig, Tyskland, UK og USA, hvor der forventes krævet overholdelse af en eller anden standard fra leverandørens side:

| | 1990 | 1991 | 1992 | 1993 | 1995 |
|----------------------------|------|------|------|------|------|
| X.25 | 30% | 39% | 50% | 60% | 71% |
| 8892/3 CSMA/CD | 34% | 39% | 43% | 47% | 52% |
| 8802/4 Token Bus | 5% | 6% | 8% | 10% | 12% |
| 8802/5 Token Ring | 23% | 29% | 35% | 39% | 47% |
| FDDI | 0% | 1% | 2% | 5% | 17% |
| X.400 | 6% | 10% | 17% | 27% | 48% |
| FTAM | 3% | 7% | 14% | 22% | 42% |
| Virtual Terminal | 0% | 0% | 1% | 2% | 7% |
| OSI Transaction Processing | 0% | 0% | 0% | 1% | 4% |
| OSI Network Management | 1% | 1% | 3% | 6% | 20% |
| X.500 | 2% | 2% | 4% | 8% | 23% |
| ODA | 0% | 1% | 2% | 6% | 15% |
| EDIFACT | 0% | 1% | 2% | 3% | 7% |

En forsigtig konklusion kunne være at standardiseringen ikke er så fremskreden ude hos kunderne endnu. Det er kun X.25 som opnår en temmelig stor andel. De nye standarder X.400 og EDIFACT opnår først en markeds-mæssigt udbredelse om nogle år.



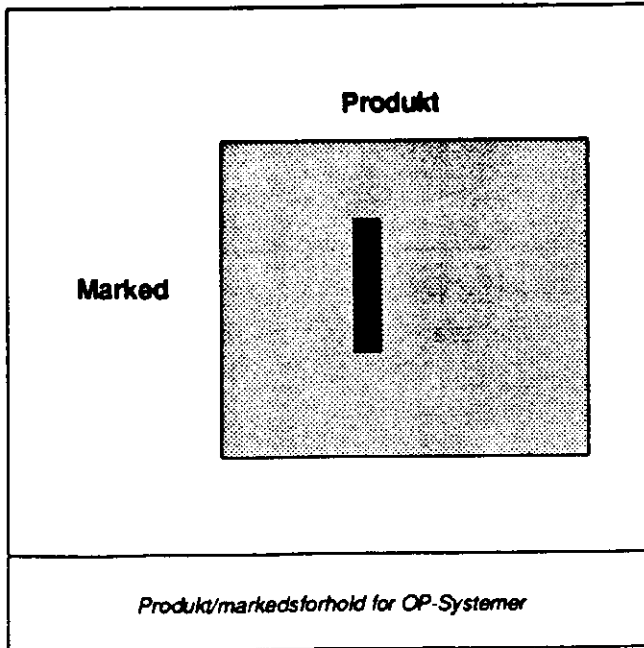
Generel beskrivelse af de strategiske problemstillinger, der knytter sig til de væsentlige produktsegmenter

Målt på omsætning er de danske teleadministrationer det historisk set mest betydningstulde marked. Vi har her udbudt et forholdsvist bredt produktsortiment til en snæver afgrænset kundegruppe. Den snævre kundeafgrænsning har muliggjort en stor tilpasningsgrad til kundens behov.

Netop her vil man se den lille virksomheds mulighed for at markedsføre et bredt produktsortiment.

Ovenstående figur viser vores markedsområde, spændende produktmæssigt bredt men markeds-mæssigt snævert.

En bredere kundeafgrænsning som f.eks. de europæiske PTT'er vil med det samme brede produktsortiment, principelt eksponere os overfor større konkurrenter, som her bedre kan drage nytte af stordriftsfordele i forbindelse med markedsføring, produktion og produktudvikling. Eksempelvis vil salg til europæiske PTT'er af X.25 net og salg af private X.25 net udsætte os for ovennævnte forhold.



Markedet for OP systemer til PTT'er er målt på omsætningen til dato et andet væsentligt marked. Med en specialiseret løsning har vi selv med en forholdsvis bred markedsdefinition opnået en pæn markedsandel. Fastholdelse og vækst i markedsandele må man normalt anse for at være nøglen til at tjene penge på et sådant produkt.

Porteføljeanalyse

Dette har ledt os frem til at beskrive en produktporteføljemodel over vore eksisterende produkter og markeder.

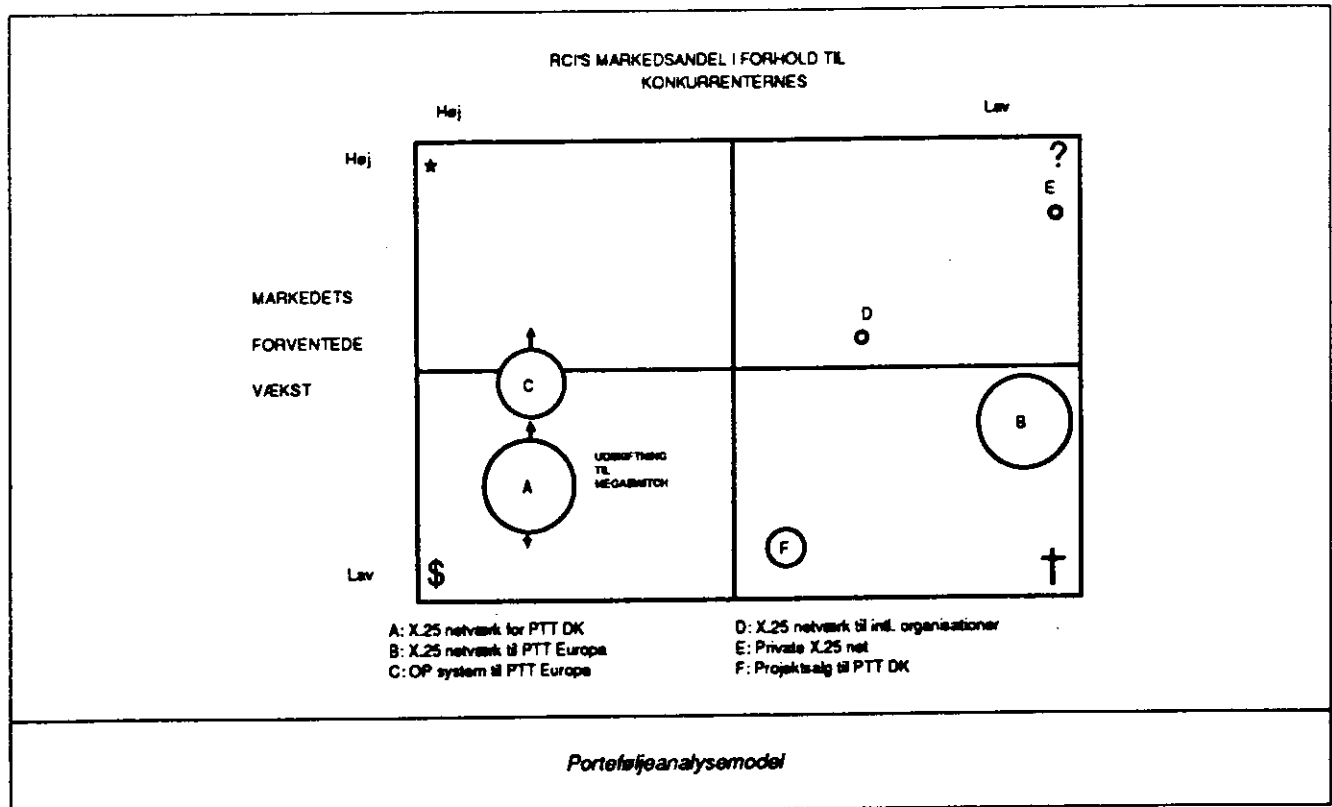
OP systemet's muligheder er baseret på en vurdering af abonnenttilgang, investeringskomkostninger for PTT'erne og generel markedsvurdering.

Konklusionen på denne porteføljemodel må være vedligeholdelse af salg af X.25 net til de danske teleadministrationer og salg af OP systemet, da disse produkter er cash-cows og derfor må forventes fortsat at kunne bidrage til likviditeten i virksomheden. Modellen viser også at der burde ledes ressourcer over i OP systemet, såvel på udviklings- som markedssiden, da der også her er indtjeningsmuligheder.

Til dette kan også konkluderes at vi fortsat bør pleje vores forhold til KTAS og specielt JTAS, som på det seneste er blevet en smule tilsidesat, da der her fortsat eksisterer indtjeningsmuligheder.

Projektsalg og X.25 net til europæiske PTT'er udgør ingen markedsdækkende muligheder. Private X.25 net og IXI projektet er spørgsmålstegn, og hvorvidt disse vil kunne gøres til potentielle stjerner er meget usikkert.

Generelt glimrer stjernerne ved deres fravær og problemet må siges at ligge mere i vores relative markedsandel end i totalmarkedets attraktivitet på længere sigt.



Konkurrentanalyse

Vurderingen af konkurrenterne er opdelt indenfor 4 produktgrupper:

- Netværksløsninger (X.25 net)
- Alarmovervågning
- Nummeroplysningssystem
- Projektsalg.

Man må derfor af strategiske grunde forvente at de konkurrerende leverandører vil gøre meget for at bevare en PTT kunde, såvel indenfor pakkekoblede net som andre produktområder.

Netværksløsninger

Økonomi

| | Om- sæt- ning mia. kr | R&D mia. kr | Profit mia. kr | Mar- keds- andel | Vækst |
|-----------------------|--------------------------------|-------------------|-------------------|------------------------|-------|
| Nothern Tele- com | 48 | 5 | (3,6) | (25%) | + |
| Alcatel | 100 | 12 | (2,5) | (17%) | ++++ |
| Siemens | 180 | 20 | (4,5) | (15%) | + |
| L.M. Ericsson | 40 | 3,5 | (1,0) | (8%) | + |
| RC Interna- tional | 0,5 | 0 | 0,03 | (0,5%) | ? |

De angivne omsætningstal, R&D udgifter og profit er koncernomsætning. Markedsandelen er indenfor offentlige X.25 net i Europa. Tal i parentes angiver at der er tale om estimater.

Produkterne.

Alle konkurrenterne undtagen Ericsson kan tilbyde en 2 Mbit/s X.25 forbindelse, men dog ikke med samme kapacitet (pakke-throughput). Ligeledes vil konkurrenternes systemer være betydelig større i omfang.

Konkurrenterne markedsfører udover X.25 netværk følgende produktlinier:

| | |
|-----------------|-------------------------------------|
| Nothern Telecom | ISDN central, ISDN PABX, SO- NET |
| Alcatel | ISDN central, ISDN PABX, radiouds. |
| Siemens | ISDN central, ISDN PABX, VANS |
| Ericsson | ISDN central, mobiltelefoner |

Konkurrenterne har på produksiden valgt en klar ISDN strategi og udbyder alle ISDN centraler.

Når man sammenligner leverandør til de europæiske PTT'er af ISDN centraler og X.25 net vil man se en klar sammenhæng. Leverandøren er ofte den samme. Der eksisterer altså en form for leverandørfænhængighed.

Konkurrentpositionering.

Ud fra nedenstående konkurrentpositionering kan udledes følgende styrker og svagheder.

Styrker:

- Funktionalitet og kapacitet
- Innovation/kreativitet

Svagheder:

- Manglende salgsorganisation (ICL opbakning)
- Organisationsstørrelse (ICL opbakning)
- Lav markedsandel
- Manglende udviklingsressourcer

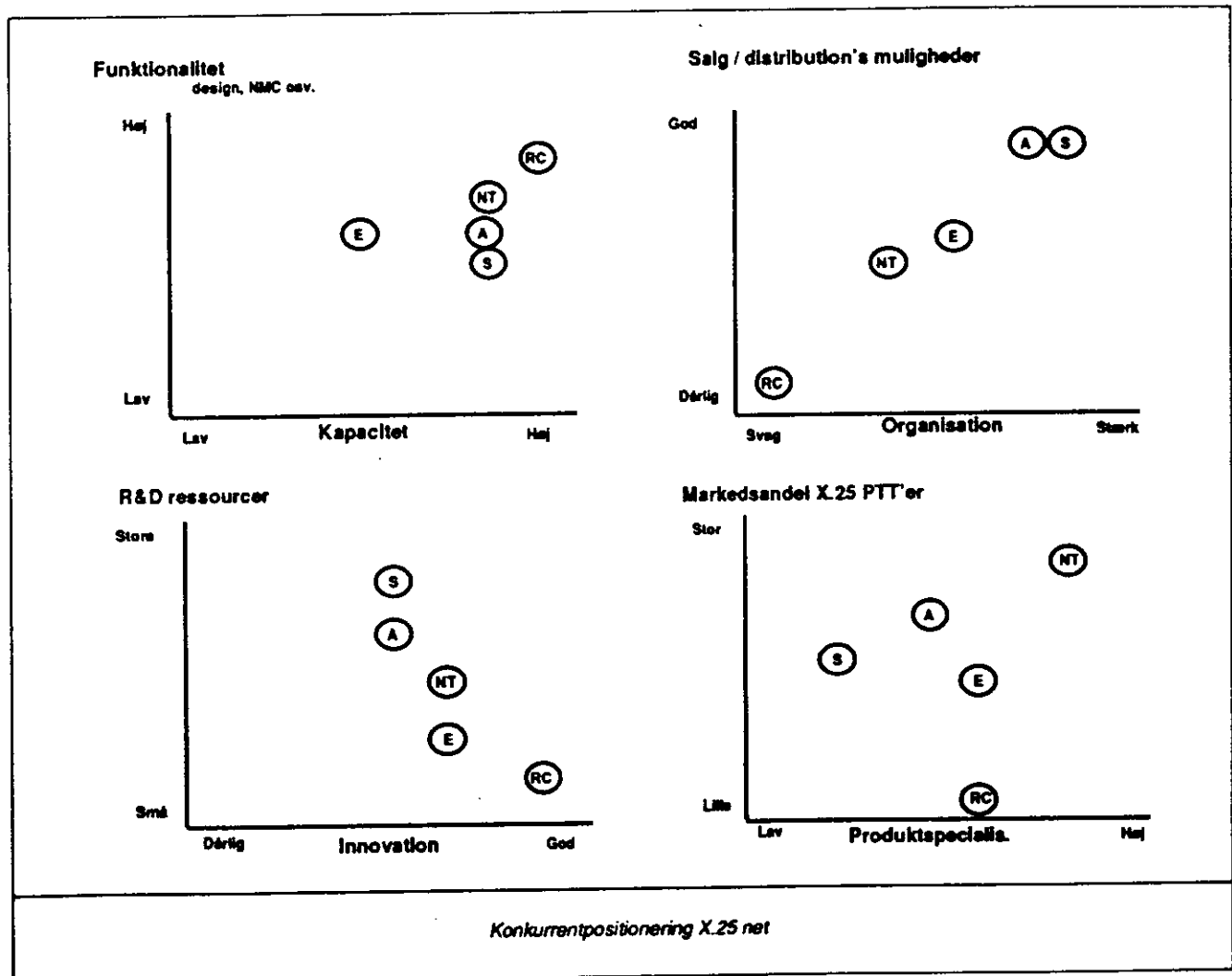
Dertil kommer at vi på prisen for nettene heller ikke er konkurrencedygtige.

Konkurrentvurdering.

Vi står dermed overfor følgende konkurrencemæssige problemer:

- Leverandørafhængighed hos de enkelte PTT'er
- Høje omkostninger for et PTT for at skifte X.25 leverandør
- Manglende mulighed for tilgang til teknologien i andre leverandørers net og dermed ingen mulighed for at anvende MegaSwitch'en i andre net end vores eget
- Initiativer fra politisk side peger på investering i ISDN
- Store økonomisk stærke konkurrenter, som betegner PTT'erne som strategiske kunder indenfor alle produktområder
- Langsom vækst i abonnenttilgangen til X.25 nettene og derfor ikke udstrakt behov for datatransmission på 2 Mbit/s

Det betyder usikre salgsmuligheder. Så længe vores produkt ikke på bestemte behovsspecifikke punkter kan positionere sig markant fra konkurrenterne, har vi for mange konkurrencemæssige svagheder til at kunne begå os indenfor netværksløsninger til de europæiske PTT'er.



Alarmsystem

Det offentlige alarmsystem har på funktionaliteten kun to substituerende produkter:

- Dial-up
- Fast APL

Disse anvendes bla. af SECURITAS, som også er den største kunde på Det Offentlige Alarmnet. Det Offentlige Alarmnet anses dog af KTAS, FT og JTAS at være de to øvrige produkter langt overlegent. Markedsmæssigt er der dog tale om reel konkurrence.

Produktspecifikt er der kun tale om Søren T. Lyngsøe som potentiel konkurrent. De kunne have interesse i at overtage noget af vores del af alarmnettet, da de selv leverer meget til systemet's brugerside. Da alarmnettet er baseret på det offentlige X.25 net, som er vores net, må den trussel dog siges at være minimal.

Markedet for overvågning ser ud til at bevæge sig hen imod teknisk miljøovervågning. Siemens, Danfoss og Landis & Gier er nogle af de store leverandører til dette område.

Disse virksomheder har dog udviklet udstyr som baserer sig på netop det offentlige alarmnet. KTAS forventer endda, at de vil være med til at promovere alarmnettet.

Nummeroplysningsystem

De tre største konkurrenter vurderes til at være:

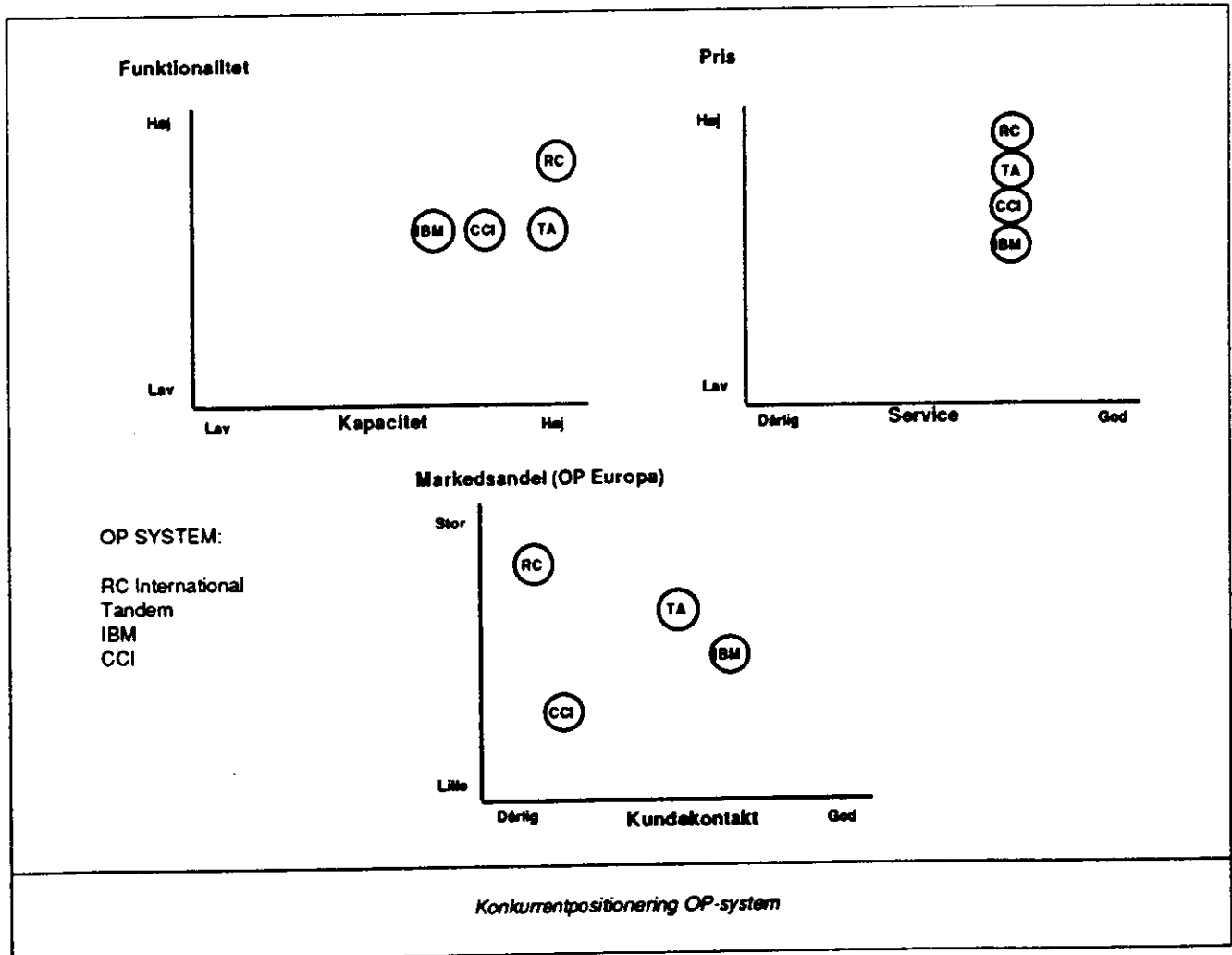
- IBM
- CCI
- Tandem

Konkurrentpositionering er vist i nedenstående figur.

Service mæssigt anvender alle lokale serviceydere (ICL for vores vedkommende). Prismæssigt anses IBM at have en fordel, da de ofte har udstyr (computere, terminaler) hos de enkelte PTT'er, og derfor kun i mindre omfang skal sælge hardware i forbindelse med et nummeroplysnings-system. Tandem's løsning baserer sig i høj grad på deres fejltolerante computer, hvilket fordyrer deres system.

Kundekontakt bliver en stadig vigtigere parameter (det omhandler bla. personlige relationer lig JTAS valg af Tandem som ny leverandør, og leverandørspecifikke strategier hos kunder, som KTAS valg af IBM som ny leverandør). Samtidig må det forventes at nummeroplysnings-systemer fremover i højere grad integreres i de eksisterende administrative opgaver hos et PTT.

Generelt vil vi dog vurdere vores konkurrenceevne til at være god.



Projektsalg

Med dette område menes projektsalg til JTAS og EF.

Overfor JTAS må datanetsektionen anses som eneste konkurrent indenfor det nuværende forretningsområde hvor vi er involveret. Der eksisterer i denne sektor en overbemanning, hvilket muliggør, at de påtager sig egne udviklingsopgaver. Denne konkurrence skal absolut anses som alvorlig og reel.

I forbindelse med projekter indenfor EF er Danmark det land som har deltaget i flest EF støttede projekter. Vi står stærkt indenfor EF, bla. gennem personlige relationer og velgennemførte projekter, men vil f.eks. altid blive vurderet som svag overfor konkurrenter som Alcatel og Siemens. Vores konkurrenceevne er derfor uklar.

Økonomisk analyse

De allerede eksisterende produktlinier kan her sættes i forhold til nogle udvalgte alternative produktområder, som vi kunne tænkes at vælge.

| Produkt-område | Markeds-størrelse | Markeds-andel | Afkast (DB) | Udvikling |
|--------------------|-------------------|---------------|-------------|-----------------|
| Fast Packet Switch | ? | 0% | ? | under udvikling |
| ISDN | ? | (6-9 mio) | ? | stigende |
| NMC | 0,2 mia. | 0% | ? | stigende |
| X.400, EDI | 4 mia | 0% | (25%) | stærk vækst |

De angivne tal i parenteser er estimerer.

Der eksiterer endnu ikke i Europa noget marked for Fast Packet Switching. Udviklingen finder sted i USA, og forventninger til det europæiske marked er meget usikkert.

Tallene for markedsandel for ISDN omhandler ISDN Packet Handleren. Markedet for ISDN produkter forventes at være høj, men tidshorizonten er uklar. Dertil må der også indregnes behov for finansiel dækning af udviklingsomkostninger.

De angivne tal er markedsstørrelser for transaktioner for anvendelsen af X.400 i Europa. Markedet for EDI og X.400 i Danmark må anses for at være meget lille.

Udviklingen kan gå i flere retninger:

- Der kan implementeres egne X.400 løsninger i de enkelte virksomheder, som derefter anvender egne eller offentlige bærenet.
- Comlink og danNet kan tage en del af markedet, hvor de virker som samlingspunkt for datakommunikation mellem virksomheder med forskelligt udstyr og muliggør ensartet kommunikation.
- PTT'erne kan tilbyde en X.400 løsning lig SITRIC.

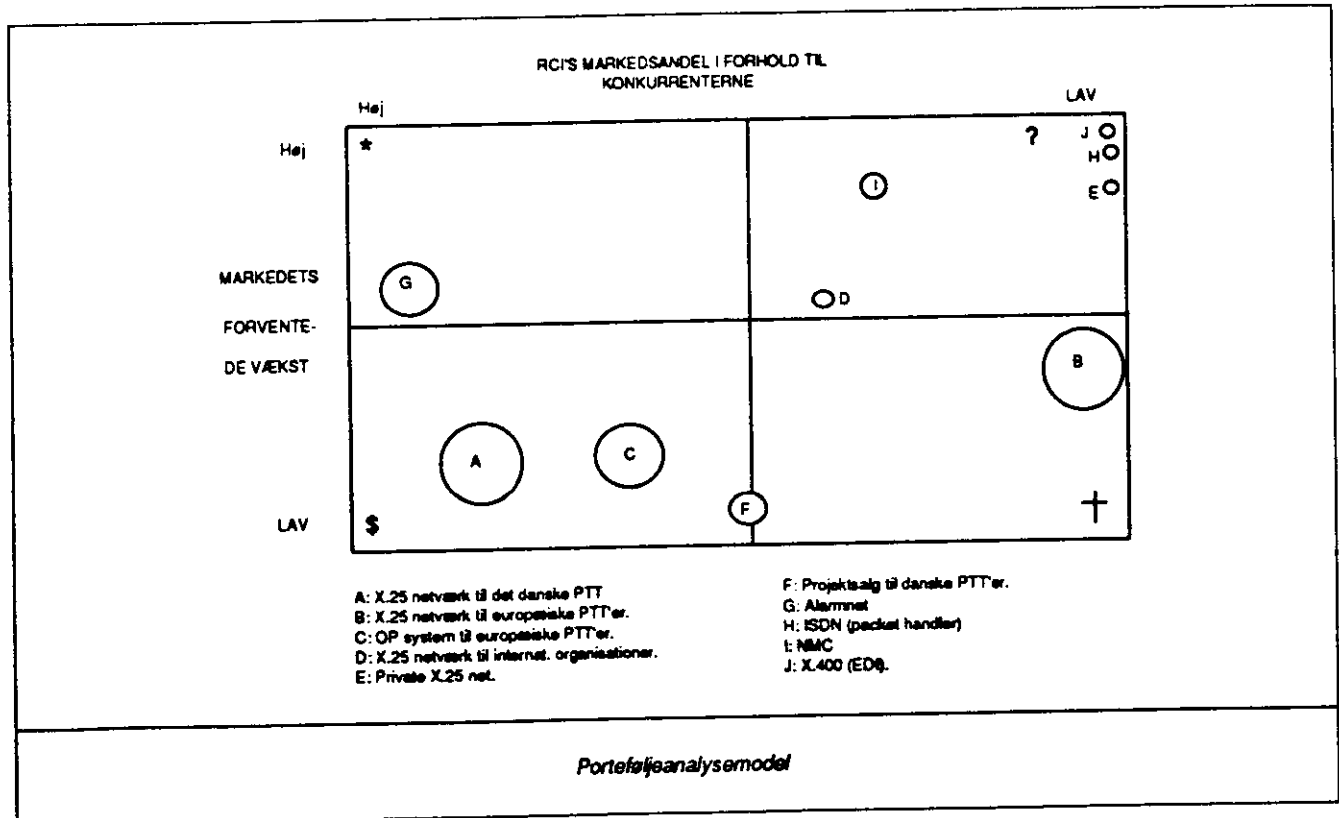
Priskonkurrence, value added og brugerkendskab bliver afgørende parametre for udvikling, som må forventes at gå langsom.

Porteføljeanalyse

Den økonomiske analyse kan herefter igen lede frem til en produkt porteføljemodel, som vist i nedenstående figur..

Alarmnettet er angivet som en potentiel stjerne. Der må dog forventes at der skal tilføjes produktet evt. value added for derigennem at skabe omsætning. Potentielt kunne en sammenbinding med RcProces være en del af dette.

Nummeroplysningssystemet og X.25 net til de danske teleadministrationer er vore cash-cows, som skal tilføre fortsat likviditet til Telecom. Nummeroplysningssystemet vurderes i denne model mere yderligt placeret end



den tidligere analyse. Det skyldes de fremkomne overvejelser fra konkurrentanalysen, omkring den større betydning af kundekontakt, og at nummeroplysningssystemet fremover må forventes at indgå i PTT'ernes øvrige administrative systemer.

Der eksisterer flere spørgsmålstegn, som bør undersøges på længere sigt i forbindelse med senere udbygning til stjerner.

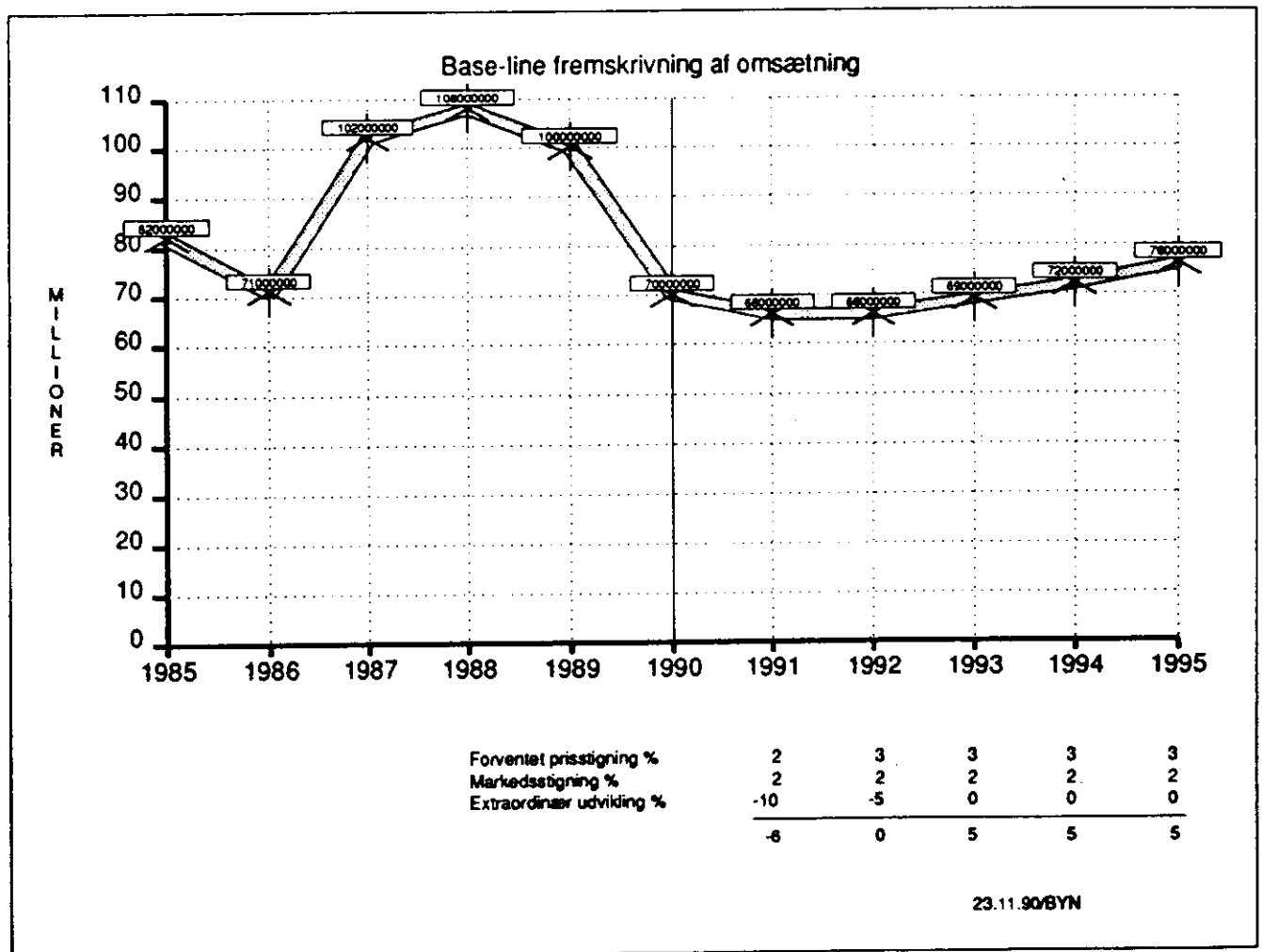
Risikoanalyse

Nedenstående figur viser en "base line" fremskrivning af Telecom's omsætning, under forudsætning af "en laden stå til" forretningsprincip.

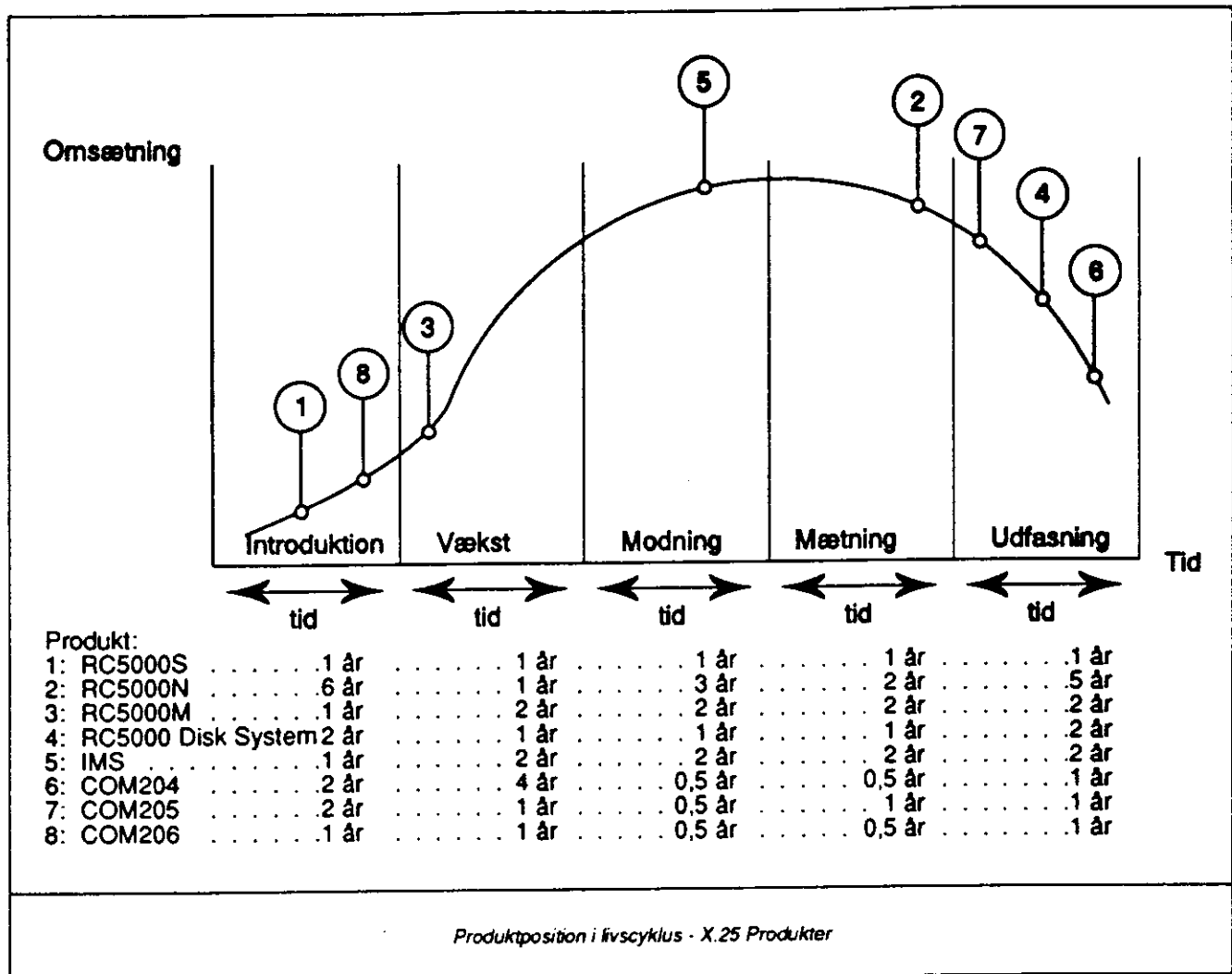
Den ekstraordinære udvikling skyldes forventning om et fald i salget til de danske teleadministrationer pga. økonomiske indskrænkninger og manglende kundetilslutning.

De "3 gode år" skyldes et mersalg til de danske teleadministrationer og salg af nummeroplysningssystemer bla. til Tyrkiet.

Såfremt der ikke reageres overfor de forventede markedstorløb viser figuren at der vil være en omsætning på mellem 66 mio. og 76 mio. i løbet af de næste 5 år. Dette er vi selvfølgelig ikke tilfredse med.



Produktposition i livscyklus



Indenfor netværksløsninger er der temmelig mange produkter, som er under udfasning. Ligeledes er eneste produkt i modningsfasen IMS'en. COM206 og RC5000 Small Switch har en kort livscyklus. Derfor har vi indenfor netværksløsninger kun RC5000 MegaSwitch at basere en potentiel vækstmulighed.

Figuren peger også på mulige strategier overfor disse produkter, som baserer sig på deres livscyklus placering.

Produkter i introduktionsfasen

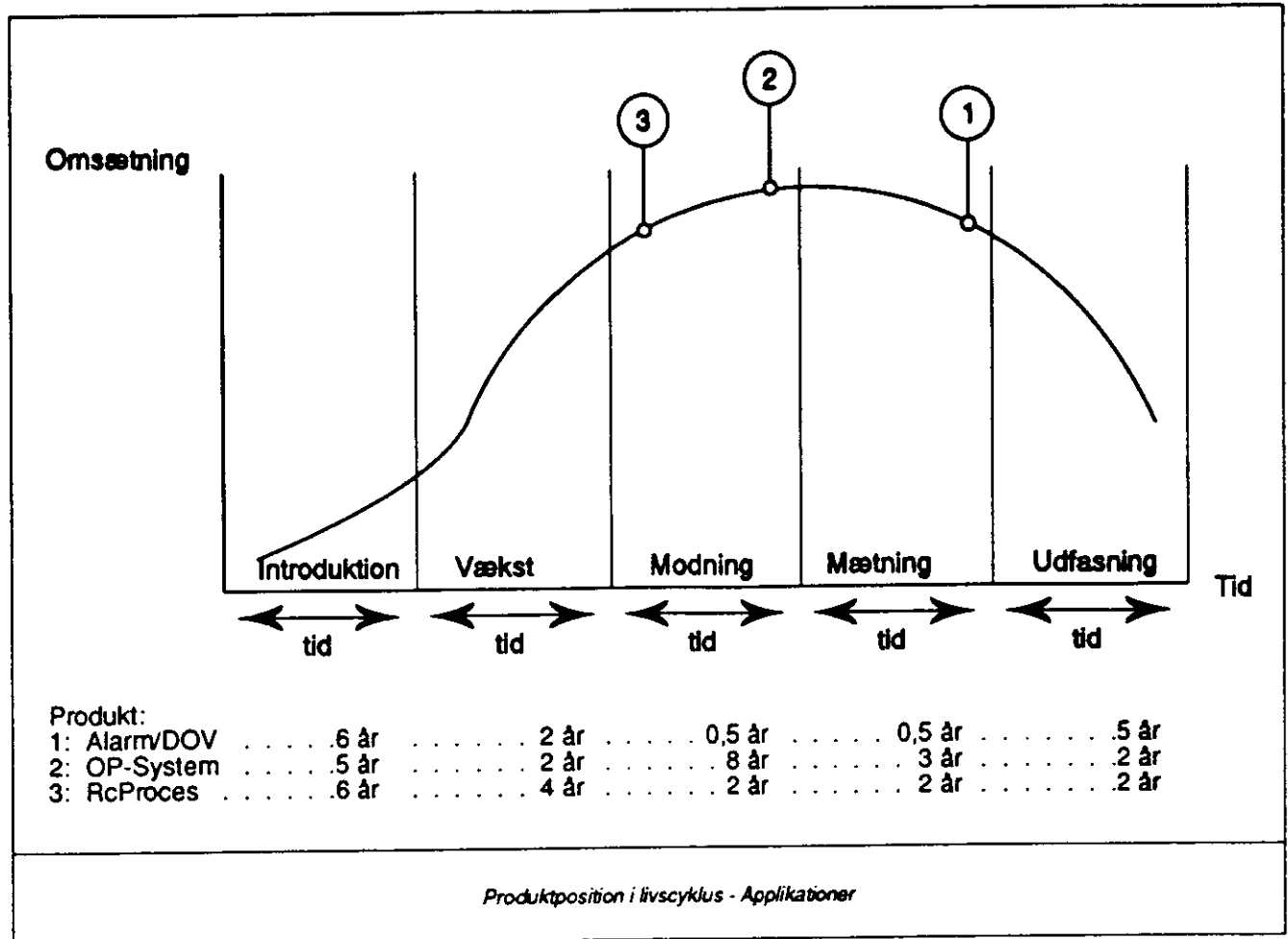
COM206

- Strategi
 - lav pris, lav promotion
- Markedsforhold
 - Markedet er lille
 - Der er kendskab til produktet

- Køberne er villige til at betale en høj pris
- Potentielle konkurrenter er ikke åbenbar synlig

RC5000S

- Strategi
 - lav pris, høj promotion.
- Markedsforhold
 - Der eksisterer et stort marked
 - Der er ikke kendskab til produktet
 - De fleste købere er prissensitive
 - Der er stærk potentiel konkurrence
 - Virksomhedens fremstillingsomk. falder ved øget salgsvolumen



Produkter i vækstfasen:

RC5000M

- Strategimuligheder
 - Forbedre produktkvalitet og tilføje nye produkt-features og modeller
 - Gå ind i nye markedssegmenter
 - Anvende nye distributionskanaler
 - Arbejde målrettet med produktoverbevisning og salg
 - Sænke prisen på rette tid for at tiltrække næste lag af pris-sensative købere

- Tage nogle af konkurrenternes kunder (-)
- Øge salgsvolumen ved at øge anvendelsen af produktet, (+)
få nye og mere varierede brugere (+)
- Produktmodificering
kvalitetsforbedringer, (+)
feature forbedringer, (+)
stilforbedringer (?)
- Ændre marketingmix
ændring af prisfastsættelse, (?)
ændring af distributionsforhold, (?)
øget salgspromotion, (?)
forbedre det personlige salg, (+)
forbedre servicen (+)

(?) = usikkert om det hjælper i aktuelt tilfælde

(-) = kan ikke anvendes

(+) = vurderes til at kunne påvirke markedet

Produkter i modningsfasen og mætningsfasen

IMS og RC5000N

- Generelle strategimuligheder
 - Overvinde ikke-brugere (?)
 - Gå ind i nye markedssegmenter (?)

Produkter i udfasningsperioden

Generelle strategier for COM205, COM204 og RC5000 disk system:

- Identificere de svage produkter.

• Muligheder

- Øge investeringer for at få en god konkurrenceposition,
- tilbageholde investeringer til situationen er afklaret,
- mindske investeringsomfang ved at fjerne de svage kundegrupper og basere sig på lukrative niches,
- selvanvende egne investeringer til at generere kapital,
- fjerne forretningsområder hurtigt ved at frasælge aktiver til så favorabel pris som muligt.

De ovennævnte strategimuligheder er endnu ikke vurderet for deres anvendelighed. De angivne forslag er medtaget som forslag i forbindelse med den fortsatte strategiplanlægning.

Applikationer

Alarmsystemets komponenter nærmer sig udfasningsstadiet. Udfasningen forventes dog at foregå særdeles langsomt. Såvel OP systemet som RcProces har et særdeles langt livsforløb, men er efterhånden begge nået op i modningsstadiet.

En bemærkelsesværdig observation er mangelen på nye applikationsprodukter.

Styrker og svagheder

| Styrker | Styrker (Internt) | Muligheder (ekstern) |
|------------|---|---|
| Kan udnytt | <u>Produktmæssige styrker</u> Vi har et godt X.25-net Vi er gode til at lave HW. Vi har en god MegaSwitch Vi har et godt OP system | <u>Produktmæssige muligheder</u> OEM-leverandør af hardware OEM-leverandør af software Hurtigt backbonenet Videreudviklet OP-system (evt. integreret med TPH-28, operatørens integrerede arbejdsplads osv.) Integreret PABC (mini-OP, Voice, X.25, LAN osv.) |
| | <u>Markedsmæssige muligheder</u> Vi har et godt ry hos EF Vi har det danske off. marked for X.25 Vi har IXI pilotprojektet Vi har OP-markedet i Norge, Portugal og Tyrkiet. | <u>Markedsmæssige muligheder</u> EF-kontrakter Nicher (f.eks. TPH-28) |
| | <u>Organisatoriske styrker</u> Vi har højt kvalificerede medarbejdere Vi er gode til at etablere løsninger med få ressourcer | <u>Organisatoriske muligheder</u> Udvikling til - og samarbejde med - DTA (TeleDanmark) Konsulentytelser (a la Fisher & Lorenz) Body-shopping |

| Svagheder | Svagheder (Internt) | Problemer (ekstern) |
|-----------------|---|---|
| Kan ændres | <u>Produktmæssige svagheder</u> Vores produkter har en dårlig færdiggørelsesgrad Vi benytter non-standard HW Vi har ingen "total" NMC til et offentligt net Vi har en dårlig produktdifferentiering Vi yder dårlig support på afleverede systemer | <u>Produktmæssige problemer</u> Vores mål er for dårligen når vi udvikler (ofte savnes kravspecifikation) |
| | <u>Markedsmæssige svagheder</u> For dårlig markedsanalyse Vi udnytter ikke visioner Vi har et manglende kendskab til andres systemer, produkter og performance Vi er ukendte på markedet | <u>Markedsmæssige problemer</u> Nogle af vore kunder er utilfredse Vi har ingen nye kunder Vi er bagud for vores konkurrenter på nogle områder |
| | <u>Organisatoriske svagheder</u> Vi frembringer ingen selvstændige visioner (vores tidligere systemer er "tænkt" hos JTAS: OP, PAXNET, Alarm, MEGA osv.). Færdiggørelsesgraden af vores kontrakter er for dårlig - såvel kommercielt som teknisk. Vores projektstyring er for dårlig, både hvad angår estimering, planlægning og opfølgning. Der er for dårligt samarbejde mellem salg og udvikling. Vi mangler organisatoriske funktioner som f.eks. tilbudsgivning og kundesupport (presale og postsale). Vores udviklingsmiljø er for dårligt, både hvad angår udviklingsudstyr og udviklingsværktøjer. Vores udviklere er (for manges vedkommende) usystematiske af natur. Der er uvilje mod rutinearbejde. Vores test er for dårlig, både hvad angår testplanlægning og testudstyr. | <u>Organisatoriske problemer</u> Vi er afhængige af JTAS. Det vi laver kræver en stor udviklingsafdeling og store ressourcer. Der er manglende forståelse for, at det er kunden som bestemmer vores indtjeningsmuligheder. |
| Kan ikke ændres | Vi har ingen penge. Vi er for små. Vi er afhængige af BAL hvad angår maskintype. Vi benytter non-standard SW (inkl. egen udviklede compilere). | Fordi vi har for få penge, har vi ikke råd til udvikling, hvilket i sidste instans kan medføre lukning. |

Muligheder for forøget indtjening

Det følgende er resultatet af 2 "brain-storming" sessioner som er afholdt i Telecom Divisionen i forbindelse med Situationsanalysen. Opgaven gik ud på at stille forslag, som bevirker en forøget indtjening til Telecom, og forslagene var grupperet indenfor følgende 4 rammer:

- Metodeudvikling
- Markedsudvikling
- Produktudvikling
- Forandring

| | Eksisterende markeder | Nye markeder |
|-----------------------------------|--|---|
| Ek-siste-rende pro-duk-ter | <p>Produktforbedring. Flere sælgere. Pre- og Post-sale funktion indføres. Salg gennem Salg-DK. Forøget færdiggørelsesgrad af produkter. Forbedret "indpakning". Mårette funktionaliteten. Øge salgsindsatsen for OP-systemer. Forbedre salgsmateriale. Indføre bedre kundeoverdragelse /- undervisning. Deltagelse i udstillinger. Gennemføre PAXNET samarbejde med danske telefonselskaber. Få afsluttet igangværende kontraktforhandlinger. Fasthold De Danske Teleadministrationer som kunder. Giv "IXI Support" til KTAS. Undersøge DOV-markedet hos JTAS. Kontakt til flere afdelinger af telefonselskaberne herhjemme. Tilbyde eksternt access til nuværende OP-kunder. Bedre service / profil. Sælg Voice-respons til Norge. Sælg Batch-opdatering til Tyrkiet. Sælg opgradering til højhastigheds X.25 til Portugal. Sælg OP-system til TLP Portugal. Sælg TPH28 til nuværende OP kunder. Markedstør access på MegaSwitch overfor de danske telefonselskaber. Indgå SW vedligeholdelsesaftale med Portugal OP.</p> | <p>Anvend ICL til at finde nye markeder. Sælg NMC til Ballerup. Markedstør OP til private organisationer. Sælg RC5000 MegaSwitch som udviklingsmaskine til forskningsinstitutioner og lign. Sælg Alarmsystemet til udlandske PTT'er. Sælg RcProces til udlandet (miljøovervågning). Sælg RcPAX til Østeuropa. Sælg OP til Østeuropa. Sælg TPH28 til Finland. RcProces til DK kraftvarmeværker, Forenede Bryggerier, Århus Kommune Værker samt øvrige kommuner. MegaSwitch som "back-bone" til eksisterende netværk. MegaSwitch hardware sælges som OEM-produkt. RcPAX som privat net. Være systemleverandør af netværksløsninger. Være netservice leverandør. Sammenkoble RcProces + RcPAX til f.eks. skibe. Sælg RcProces til Vestdanmark. Sælg OP til Sydamerika. Sælg OP til Spanien, Italien, Frankrig + Benelux.</p> |
| Nye pro-duk-ter | <p>Lavhastigheds-access på MegaSwitch. ISDN Packet Handler. LAN (TCP/IP, ISO). WAN/LAN Network Service PC kort: Gateway mellem RcPAX og LU6.2. Ny OP terminal, flerkunsterterminal (X-Windows?). Lav Teledata produkter (VAP, GW). Ny MCC, så "RC3502" kan fjernes fra MegaSwitch. Hurtigere Asynkron controller. X.500 til OP-markedet. X.400 UA på PC-kort. Sammenkoble LAB systemer med LAN. FDDI. FTAM i RcPAX. Ny AMUX. Portere Alarmsystem + NMC til RC9000. PAXMAN til DTA. Generel grafisk brugerinterface. Ny standardiseret NMC. Nye tjenester i OP systemet. Ny distribueret UNIX OP-system. X.25 netknode i en PC. ISDN produkter. Fast Packet Switching PC baseret mini NMC. OS/2 NMC til JTAS. Applikationszone i Real Time Pascal.</p> | <p>Voice Input. Kombineret PABC/OP/ISDN/FAX. Samarbejde med ISDN leverandør. X.500 til ISDN. Være Systemintegrator. Voice-Mail (Voice Input + X.400). NMC til andre net. ISO SL/PL til PC brugere. C++ på MegaSwitch. Datanet-gateway til mobiltlf. (GSM). MAN. 2 Mbps Netværk til forsvaret. X.500 til X.25 markedet. Lave og drive et østeuropæisk netværk. TCP/IP i RcPAX. ISDN primary rate interface i RcPAX. Konvertering af RTP til C++. Åbent RTP-system. Mønstergenkendelse på Transputer. Ny RcProces til miljøovervågning. Drift af OP-systemer. EDI. X.400. Alarmitilslutningsudstyr. VAP til Videotex.</p> |

Organisation

Muliggør organisationen tilstrækkelig "tuning" og kontrol af aktiviteterne?

- Udviklingsfunktionen.
 - Der anvendes ingen styringsværktøjer
 - Der mangler struktureret opfølgning
 - Tuning (projektstart) går for trægt
- Support eksternt.
 - Organisatorisk enhed til installation og drift mangler
- Salg.
 - Der sker en ad-hoc bemanning af presale
 - Postsales ansvarfordeling er uklar
 - Direktør og salgsschef varetages af samme person, hvilket er problematisk

Er arbejdet grupperet i operationelle enheder svarende til aktiviteterne?

- Projekterne (især IXI) vurderes ikke som styrbare

Er organisationen for flad eller er der for mange niveauer?

- Matrixorganisation kan gøre beslutningsvejene uklare. Der var ansvarsområdeproblemer i de nedre lag men i ledelsesgruppen var der en klar ansvarfordeling, som dog manglede at blive synlig for resten af organisation.

Mangler der specifikke vitale funktioner?

- Ekstern supportfunktion mangler.
- Alfatest funktion mangler.

Udover disse punkter, eksisterer der også holdningsproblemer omkring vore kunderelationer. Medarbejderne ønsker i højere grad at udvikle egne produkter, fremfor at vurdere kundens behov.

Tillige var der i ledelsesgruppen uklarhed om styringsgruppernes funktionalitet.

Nuværende strategi

Dette afsnit beskriver den strategi Telecom arbejder ud fra idag.

Telecom Divisionens målsætning er at levere kundeløsninger inden for pakkefordelingsnetværk og telefonoplysningssystemer. Desuden udføres kundespecifiseret udviklingsarbejde.

Produkterne er tilpasset PTT'ernes specielle krav til miljø og spændingsforsyning.

Divisionens omsætning er for en stor dels vedkommende skabt via udviklingskontrakter med DTA med efterfølgende leverancer af materiel og programmel. I tre europæiske lande er der installeret nummeroplysningssystemer, som har givet divisionen en samlet omsætning på mere end 100 mio. kr.

Markedet har været veddefineret og er blevet håndteret af en relativ lille salgsorganisation. Salget er foregået via deltagelse i internationale udbud, personlig præsentation af løsninger for udvalgte kundeemner samt en tæt kontakt til de danske teleadministrationer, såvel teknisk som kommercielt.

Hovedvægten har været lagt på nyudvikling, hvilket også afspejles i organisationen, hvor mere end halvdelen af personalet er beskæftiget med egentligt udviklingsarbejde.

Den primære kundegruppe er PTT'erne i Europa. Målsætningen har været at få en passende markedsandel (10%), således at der er skabt økonomisk grundlag for videreudvikling af systemerne.

I forbindelse med indgåelsen af OEM kontrakten med PTT Telecom blev strategien ændret til en større fokus på færdige produkter. Vi mangler endnu at se resultatet af denne ændring, idet såvel de organisatoriske som tekniske forudsætninger endnu ikke helt er tilstede.

Vores baseline omsætning kan nåes ved en relativ mindre udviklingsafdeling, end den vi har idag. Igennem en opgradering af salgs- og marketingssiden kan baseline vedligeholdelse eventuelt øges.

Baseline omsætningen skal hentes hos eksisterende kunder. Dvs., udvidelse af eksisterende systemer samt vedligeholdelse. Dertil kommer kontraktudvikling i mindre omfang.

Overordnede strategiske mål

Som afslutning på situationsanalysen opstilles i dette afsnit nogle overordnede strategiske mål, som er udtaget af resultaterne fra situationsanalysen.

På hvilket marked vil vi være ?

Vi skal fortsat vedblive at sælge til de danske teleadministrationer.

Vi skal deltage mere aktivt omkring implementering, produktgenerering og salgsopfølgning til teleadministrationerne.

Vi bør derfor bl.a. arbejde mere sammen med teleadministrationernes markedsafdelinger.

Vi bør fortsat deltage og varetage projektløsninger for de danske teleadministrationer. Vi må dog ikke overprioritere denne opgave til at være rent projektsalg. Er der muligheder for produktemner i forbindelse med disse projekter, bør disse vurderes for markedspotentiale, og hvis dette potentiale eksisterer, skal der sættes på produktmodning og markedsføring. Dette kunne føre til salgsmuligheder hos andre europæiske PTT'er med specielle nicheprodukter, som kun kræver mindre tilretninger.

Som sekundært markedsområde skal vi fortsat have telefonselskaber og øvrige netudbydere i primært Europa og sekundært resten af verden.

Hvilke produktlinier skal markedsføres ?

Overfor de danske telefonselskaber markedsføres fortsat komponenter til DATAPAK og Det Offentlige Alarmsystem.

Desuden koncentrerer indsatsen om at skabe nye muligheder for tilsvarende udviklingsprojekter, som vil resultere i et efterfølgende salg af komponenter.

Vi bør her og nu i samarbejde med de danske telefonselskaber videreudvikle Alarmsystemet med henblik på at finde nye anvendelsesområder af systemet til konkurrencedygtige priser i bestræbelse på at sikre en markeds gennemtrængning af alarmovervågningsmarkedet.

Til markedet udenfor Danmark vil vi primært tilbyde **systemløsninger**. I første omgang vil disse løsninger være systemer udviklet i samarbejde med de danske telefonselskaber, som f.eks. OP-systemer og Alarm- og overvågningssystemer.

Med hvilken hastighed skal forretningen vokse ?

Telecom's omsætning skal vokse mellem 10% og 15% årligt.

Telecom's afkast skal være stor nok til løbende at kunne videreudvikle/produktmodne produkter/systemer til markedet.

Hvilken pris- og kvalitetspolitik skal der føres ?

Telecom vil være ISO9000 certificeret, og levere konkurrencedygtige systemer, produkter og services, der lever helt op til vore interne og eksterne kunders krav første gang og til tiden hver gang.

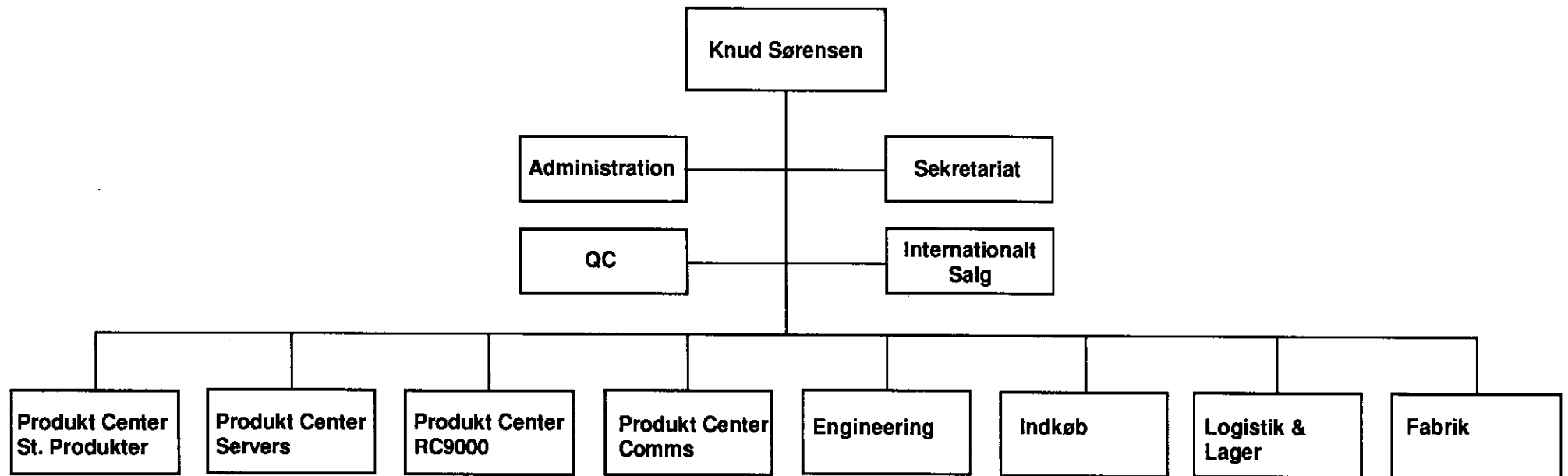
Prispolitikken bør basere sig på produktkvalitet og service, og betyder dermed en forholdsvis høj prispolitik.

Mission

Telecom's målsætning

Telecom vil vokse ved at opretholde sin førerposition som leverandør af kvalitetsprodukter til De Danske Teleadministrationers datanetsektioner, og samtidig tilpasse og afsætte udviklede systemløsninger til telefonselskaber og øvrige netværksudbydere i primært Europa og sekundært resten af verden

Produkt Divisionen



Produkt Divisionen

Mål for 1991 - Produktion og Logistik

- Samleservice i PA
- Nordisk ICL Center
- Modulreparationer til PA
- Salg af produktionskapacitet
- Reduktion af kostpriser
- FV lager til PA
- ISO 9002

Produkt Divisionen

Mål for 1991 - RC9000

- POSIX / X-OPEN**
- ISO TP4**
- Informix On-line**
- Oracle**
- DB : Netversioner**
- Hurtigere PU**
- PC Server**
- Markedssegmenteret salg**

Produkt Divisionen

Mål for 1991 - DRS6000

- MP versioner**
- LM / X**
- Portable Netware**
- Generel Server**
- Officepower / MAX på dansk**

Produkt Divisionen

Mål for 1991 - RC900

- RC995
- RC1900
- ISO konnektivitet
- Integration med ICL produkter
- UNIX V.4
- Industri Standard Software

Produkt Divisionen

Mål for 1991 - COMM's

OSI strategi

- X.400 og OSI over X.25
- RC9000 på OSI-net
- LAN/WAN sammenkobling

Kortsigtet: TCP/IP

- Bedre TCP/IP på RC900
- LAN/WAN sammenkobling

Network Management

Beslutningsreferat af Strategimøde tirsdag den 12.03.1991 i Herlev

Deltagere: Torsten Vieth (TV)
Kate Bak (KBA)
Søren Gram (SSG)
Per Nommensen (PEN)
Torsten Kofoed (TK)
Knud Sørensen (KS)
Børge Fogsgaard (BFO)
Bjarne Lauridsen (BLA)
Jørgen Kunter P. (JKP)
Poul Erik Yde (PEY)
John Wells (JWW)
Flemming Buchholt (FLB)

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Aktionee

Ad.1: Overordnede strategier v/TV.

TV bød alle velkomne og orienterede kort om de overordnede strategier.

Ad.2: Organisation- og personalestrategi v/PEN.

PEN indledte med følgende spørgsmål: "Hvordan ser vor organisationsstrategi ud om 3-4 år?"

Dette blev drøftet, og konklusionen var følgende:

1. Aktieskift: Der var enighed om et aktieskift ville være positivt. TV
2. Navn: Der var enighed om, at det kunne være en fordel at skifte navn til "Fujitsu". TV
3. Struktur: Der var enighed om, at vi ikke kunne fortsætte nuværende struktur, og konklusionen var at RCI går fra "PRODUCENT" til "DISTRIBUTØR". TV
4. Telecoms: Der var enighed om frasalg af Telecoms. TV

PEN's vedlagte plancher blev gennemgået og diskuteret.

- * Lederuddannelse: Der var enighed om intern rekruttering, da dette er billigere og giver større kontinuitet samt virker motiverende. ALLE

Actionee

Succeskriterierne blev gennemgået, og der var enighed om, at problemerne lå inden for følgende områder:

- * Beslutningsdygtighed.
- * Administrative evner
- * Motivation
- * Tilpasningsevne
- * Karriereplanlægning

OMR - Organizational Management Review:

- Successionplanlægning for ledere/nøgle-personer i hver division.
- Vedligeholdelse af ledere/nøglepersoner.
- Udpege high potentials.

Ovennævnte emner mundede ud i følgende konklusioner:

- | | |
|---|--------------|
| 1. Der skal iværksættes en grundlæggende lederuddannelse, der tilgodeser succeskriterierne og gør folk synelige i organisationen. | PEN |
| 2. Der skal iværksættes en karriereplanlægning - det haster! | PEN/F-CHEFER |
| 3. Indførelse af "OMR" Organizational Management Review hvert kvartal. PEN udsender materiale herom til samtlige F-chefer i løbet af en måneds tid. | PEN/F-CHEFER |

Ad3. Tools v/TV

Følgende blev besluttet:

- | | |
|--|----------|
| 1) Performance-talopfølgning hver måned. | TK |
| 2) Tirsdag-møder ændres til hveranden tirsdag - varighed 2 timer - med fast agenda. | TV |
| 3) Udarbejdelse af årsplan for tirsdagsmøder '91. | KBA |
| 4) Hver 2. tirsdagsmøde gennemgang af performance. | F-CHEFER |
| 5) Månedlig rapportering (én side) fra F-cheferne til den adm.dir. <u>første</u> arbejdsdag i måneden. | F-CHEFER |
| 6) Flash-tal, der sendes til ICL, skal sendes til F-cheferne. | TK |
| 7) TK udarbejder en plan for forbedring af månedsafslutning og rapportering. | TK |

↑
↓
KS
delbog
herfra.

anden!

- | | <u>Actionee</u> |
|---|-----------------|
| 8) Ekskaleringsprocedurer udsendes af BLA i løbet af marts. | BLA |
| 9) Vedr. autoritetsfordeling/underskriftsberettigede blev det aftalt, at TK undersøger udvidelse heraf. | TK |
| 10) High Risk Business tages op i Business Approval Board i forlængelse af tirsdagsmøderne. | TK |
| 11) Oplæg til "Strategisk Matrix". | TV |

Ad.4: Salgs- og marketingstrategi v/BFO

RCI's prispolitik: Hvor meget RCI skal lægge i ordet "kvalitet" blev drøftet, og man konkluderede, at prispolitikken skulle justeres op på SW- og Servicesiden og justeres ned på HW.

TV/BFO

Totalløsninger: Der var enighed om integration af følgende områder, for at skabe "Add Value":

- * Systemer (Platforme)
- * Applikationer
- * Service

Vertikal strategi: Der var enighed om denne strategi. (Stat, Kommune, Org., Handel & Service, Retail).

VAR's strategi: Der var enighed om, at RCI ikke skulle indgå VAR-aftaler i større omfang, da RCI selv er en VAR.

Kundebasen: BFO oplyste, at der var rimelig kontrol over "kommunemarkedet", og at man på det "private-marked" p.t. arbejdede på en plan, hvori MAX indgår. På "statsområdet" har RCI imageproblemer.

Image: Følgende blev aftalt:

- * Iværksættelse af "image-kampagne".
- * Salgsdrive "canvasing".

PEY

ORCB: Der var enighed om at fastholde støtte til ORCB.

PEY

Ad.5: Produktstrategi v/KS

Følgende blev konkluderet:

1. Reducere vort produktsortiment til UNIX V.4 & OSI.
2. RC9000 - stop nyudvikling. ✓
3. Sourcing af platforme udefra. ✓
4. Open systems. ✓

+ V.3.2.

mix !

ikke enig
(KS)

5. **Ovennævnte fordrer:** Actionee
- * Udenlandsk ejerforhold.
 - * Bestyrelsens godkendelse.
 - * Omrokering af medarbejdere.
 - * Uddannelse af medarbejdere.
6. TV fremkommer med et oplæg til taskforce, der kan etablere handlingsplan. TV
7. Med henblik på at undgå at duplikere ICL-netværk, koordineres dette med Jack Houldsworth. KS
8. Vi skal fastsætte vor udviklingsstrategi, og forbedre koordinationen mellem Marketingafd. analyser samt System Div. og Salgsafdelingens handlingsplaner. KS/PEY/
BFO/FLB

Ad.6: Service - og supportstrategi v/BLA

Følgende blev konkluderet:


1. Ny differentiering og servicemix etableres Q2 '91. BLA
2. Facility Management / Netværk service udsættes til primo 1992.
3. BLA arbejder på at forbedre support- & service strukturen i 1991. BLA
4. Vedr. "Indirekte" salg afholder BLA møde herom den 21. april 1991.

Ad.7: Konklusion og handlingsplaner v/TV

Det blev konkluderet, at vi ønsker ingen ændringer til den fastlagte strategi, men der skal en mere gennemtænkt aktivitetshandlingsplan for akkvisitionspolitikler både hvad angår "Add Value" og "Volumen".

TV takkede samtlige deltagere for et godt og konstruktivt møde.

Med venlig hilsen


Kate Bak

LEDER UDDANNELSE

SKAL SIKRE INTERN REKRUTTERING

GRUPPELEDER NIVEAU = 100%

AFD. CHEF = 90%

FUNKTIONSDIREKTØR = 80%

SUCCESS KITERIER

INTELLIGENS, VURDERINGSEVNE, BESLUTNINGSDYGTIGHED

- ANALYTISK SANS
- DOMMEKRAFT / KRITISK SANS
 - FORRETNINGS MÆSSIG INDSTIL.
- BESLUTNINGSDYGTIGHED

ADMINISTRATIVE EVNER

- PLANLÆGNING & ORGANISERING
- MANAGEMENT KONTROL

MED MÆNNEKELIGE RELATIONER & EVNER.

- SENSITIVITET
- INTEGRITET.
- PSYKISK BEREDSKAB

LEDER EUNER

- UDDELEGERING
- LEADEREUNER
- INITIATIV

KOMMUNIKATIONSEUNER

- KOMMUNIKATIONSEUNER

MOTIVATION

• AMBITIONER

- IDENTIFIKATION MED VIRKSOMHEDEN

TILPÅBNINGSEUNE

• FLEKSIBILITET.

OMR

ORGANIZATIONAL MANAGEMENT REVIEW

- KEY ISSUES AND SOLUTIONS
- ORGANIZATION
- SUCCESSION PLAN
- HIGH POTENTIALS
- PEOPLE WITH KEY SKILLS
- LOW PERFORMANCE
- TRAINING

Internt memo

| | | | |
|-------------------------|------------|-----------------------|-----------|
| Udarbejdet af TV/KBA | Afd. 01 | Dato 9. april 1991 | Side 1 |
|-------------------------|------------|-----------------------|-----------|

Til: KS / BFO / BLA / PEN / NBA / HLJ

Taskforce

1. Hvilken organisation skal RCI have for at gennemføre vor strategi?
2. Hvilke skills er der brug for i den nye organisation? og har vi dem?
3. Allokering af ressourcer i ny organisation.
4. Økonomisk konsekvensberegning af falde bort/komme til omkostninger.
5. Implementeringsplan.

Afslutning af taskforce 1. maj 1991.

Med venlig hilsen

Torsten Vieth

- Hvordan ser vi ud om et år ??

Internt memo

| | | | |
|-------------------------|-----------|------------------------|-----------|
| Udarbejdet af TV/KBA | Ald 01 | Dato 15. marts 1991 | Side 1 |
|-------------------------|-----------|------------------------|-----------|

Til: KS / PEN / BFO / BLA / HLJ / NBA

CONFIDENTIAL**Etablering af Taskforce - Produktstrategi**

Som en udløber af strategimødet etableres hermed en taskforce bestående af ovennævnte personer:

TV / KS / BFO / BLA / HLJ / NBA / PEN.

Scope: Skift til ICL produkter og etablering af system-integration i P.O.**Årsag:** RCI's manglende evne til at fastholde et lavt omkostningsniveau på udviklings- og produktionssiden.Første taskforce-møde afholdes tirsdag, den 26.03. kl. 14.00 til ca. 16.00.

Med venlig hilsen

Torsten Vieth *Kate Bak*

21. 3. 91.

TV

Ukun jeg går ned fra, at den polemiske form er valgt for at gøre det lettere for os at være vel motiverede og konstruktive ??

Mw/PB.

Økonomioversigt - RC9000 Platform.

Forudsætninger:

a) Bemanning i Prod.Div. og System i 1991:

| | <u>Vedligeholdelse</u> | <u>Videreudv.</u> |
|--------------------|------------------------|-------------------|
| - Basissoftware | 4,0 | 4,5 |
| - Comm - SW | 0,0 | 0,9 |
| - Dok. & Håndbøger | 1,0 | 0,5 |
| - Hardware | 2,0 | 3,0 |
| - DBMS Tools | <u>1,5</u> | <u>2,0</u> |
| Gns. for 1991: | <u>8,5</u> | <u>10,9</u> |

Gns. omkostning pr. person: 350 kkr.

b) Øvrige omkostninger:

- Som for 1990: 1.050
- 15% af Prod.Div. øvrige kap.omk.: 5.574 kkr.

c) Omsætning:

| | | | |
|--------------------------|---------------|-----------|-----------|
| - Salg-DK, som forecast: | Kommune Øst: | 2 | |
| | Kommune Vest: | 6 | |
| | Stat: | 7 | |
| | Org.: | 1 | |
| | Øvrig: | <u>3</u> | |
| | | <u>19</u> | systemer. |

Gns. platform nettorpris: 1.530.000 kkr, DG = 62.

| | | | |
|---------------------------|----------------------|--------|--------|
| - GoldStar, som kontrakt: | Teknologi + Support: | 2.850 | |
| | Systemer 1991: | 4.200 | DG: 48 |
| | Systemer 1992: | 12.000 | DG: 46 |
| - C-DAS systemer: | 1991 Systemer: | 4.000 | DG: 60 |
| | 1992: | 2.200 | |
| - Add-on Salg: | 20% af inst.base. | | |

Økonomioversigt - RC9000 Platform.

| | | <u>1991</u> | <u>1992</u> |
|-------------------------------------|--------------------|---------------|---------------|
| Salg-DK: | Systemer | 19 | 20 |
| | Omsætning - nysalg | 29.070 | 30.600 |
| | Add-on salg | 4.590 | 10.400 |
| | DG | <u>62</u> | <u>62</u> |
| | Bidrag | <u>20.869</u> | <u>25.420</u> |
| GoldStar: | Teknologi + supp. | 2.800 | 280 |
| | Systemer + add-on | 4.200 | 12.000 |
| | DG (systemer) | <u>48</u> | <u>46</u> |
| | Bidrag | <u>4.816</u> | <u>5.800</u> |
| C-DAS: | Systemer + add-on | 4.000 | 3.000 |
| | DG | <u>60</u> | <u>60</u> |
| | Bidrag | <u>2.400</u> | <u>1.800</u> |
| Omsætning i alt | | 44.660 | 56.280 |
| Bidrag i alt | | 28.085 | 33.020 |
| Kapacitetsomkostninger i Prod.Div.: | | | |
| | Pers. vedl. | 2.975 | 3.035 |
| | Pers. videreudv. | 3.815 | 3.890 |
| | Øvrige omk. | 1.050 | 1.100 |
| | 15% af Prod.ops. | <u>5.574</u> | <u>5.574</u> |
| | I alt | <u>13.414</u> | <u>13.599</u> |

Til: KS / BFO / BLA / PEN / NBA / HLJ

Referat - møde 1

Følgende blev drøftet på mødet:

- A. Vort behov for fortsat at udvikle platforme, hvor der var enighed om, at disse fremover skulle akkvireres udefra. Vedligeholdelse var og forbliver et problem.

Platforme indeholder: Servers, I/O standardprodukter, Coms (LAN, WAN) UNIX, DOS, OS2 samt horisontale applikationer Uniplex, Officepower.

- B. Vore salgskanaler blev drøftet:

| | |
|-------------------|--------------|
| * Stat: | Intel |
| * Kommuner: | Intel + 9000 |
| * Organisationer: | Intel |
| * Retail: | Intel |
| * CIM: | Intel + 6000 |
| * Hojs: | Intel + 6000 |
| * Telecoms: | Sælges. |
| * Danosi: | As is. |
| * Dataline: | As is. |
| * Udland: | 9000 |

Problemet omkring 9000 kan således isoleres til kommunemarkedet, og de muligheder der er i udlandet.

- C. Vor ressourceanvendelse blev udskilt som følger:

* **Gl. problemsager:** (ca. 53 HC)

30 HC COSINE.
15 HC Bibliotek.
8 HC DA System.

Det vurderes, at disse projekter koster i størrelsesorden 20-25M i 1991 og udfases i løbet af 1992 med en omkostning på ca. 10-15M.

* **Salgs- og supportorganisation:** (ca. 150 HC)

35 HC i Salg.
15 HC i Presale.
45 HC i Prod. Centers.
8 HC i Marketing.
20 HC i Syst. Afd.
10 HC i Uddannelse.
15 HC i Support Center. (incl. projektledelse).

* **Driftsorganisation:** (ca. 90 HC)

80 HC i Field Service.
10 HC i Support Center.

* **Øvrige:** (ca. 180 HC)

85 HC i Præstø og Logistik.
40 HC i Finans.
5 HC i Kvalitet.
4 HC i Personale.
25 HC i Telecoms.
20 HC i Trainees.

I alt er RCI ca. 490 HC pr. 1. april 1991.

* Der kan stilles spørgsmål om:

| | | |
|---|------------------|-------------|
| - | Gl. Projekter | ca. 50 HC. |
| - | Præstø | ca. 60 HC. |
| - | Support Struktur | ca. 115 HC. |

Nye organisationsformer blev drøftet i denne forbindelse.

D. Følgende mødekalender er aftalt i lokale 2044:

- * 17. april kl. 14.00
- * 23. april kl. 09.00
- * 25. april kl. 14.00
- * 30. april kl. 14.00

E. Til næste møde drøftes:

- * Hvordan ser RCI ud om 1 år for at være godt positioneret til 1992 ?
- * Spørgsmål rejst af TV i memo af 9. april !

Med venlig hilsen

Torsten Vieth

FORTROLIGT

Til: KS / BFO / BLA / PEN / NBA / HLJ

Referat - møde 2

På baggrund af første møde var emnet, hvorledes RCI skulle være struktureret om 12 måneder med deraf afledte krav til organisation og skills.

1. Det er besluttet at arbejde i de segmenter, der allerede er udvalgt. Endnu uafklaret er entreen ind i finanssektoren. ✓
2. Produktlinien, der er nødvendig for den vertikale bearbejdning tager udgangspunkt i RCI's totalløsning.

HW: Standard, med vægt på INTEL. /og RC9000 + DRS6000

SW1: UNIX mod 5.4, DOS, OS2.

SW2: Informix, Oracle, Ingress m.4GL, Motif, Windows etc.

COMS: Mod OSI, dog med TCP/IP som mellemstation.
(LAN/MAN)

Horisontale Appl.: Uniplex, Officepower.

Vertikale Appl.: Tilpasset det enkelte segment.

Services: Dele standardiserede og dele tilpasset det segment/produkt, hvis stort nok.

Grundholdning i gruppen er en yderligere standardisering af vort grundprodukt og et mere omfattende og "individualiseret" service udbud, der omfatter "consultancy" og "facility management". Som "Totalleverandør" skal vi være villige til at påtage os ansvar for nøglesystemer i forbindelse med større projekter. ?

3. Drøftelserne omkring den fremtidige struktur omfattende Telecoms, egen produktion, egen udvikling og vor supportstruktur.

Det fastholdes for flertallet i gruppen, at vi i højere grad skal indkøbe og derefter customisere vore produkter og forenkle vor supportstruktur samt vende vor organisation mod kunderne.

Dette indebærer:

- Salg af Telecoms divisionen.
- Stop for egen produktion.
- Stop for egen udvikling.
- Forenkling af vor organisation.

ikke enig.

4. På denne baggrund drøftede gruppen RCI's organisation, der kan ændres som angivet i bilag A.

*altredisk
førelse*

5. Følgende problemstillinger blev fremhævet:

- * Aktionærenighed om den nye struktur.
- * Personaleproblemer, da en række medarbejdere ikke ønsker eller vil være i stand til at klare de nye kundeorienterede krav.
- * Reaktion på PA lukning.
- * Salget af Telecoms.
- * Dækningsbidrag?
- * Kundereaktion.
- * Uddannelsesaktivitet.

Differenciering?

6. Next Assignment.

Kritisk gennemgang af den udviklede struktur med henblik på at finde gaps og overlaps.

Herunder udarbejdes grovskitse for ansvarsområder og mål.

Finansafdelingen vil blive sat i gang med at beregne omkostninger og dækningsbidrag.

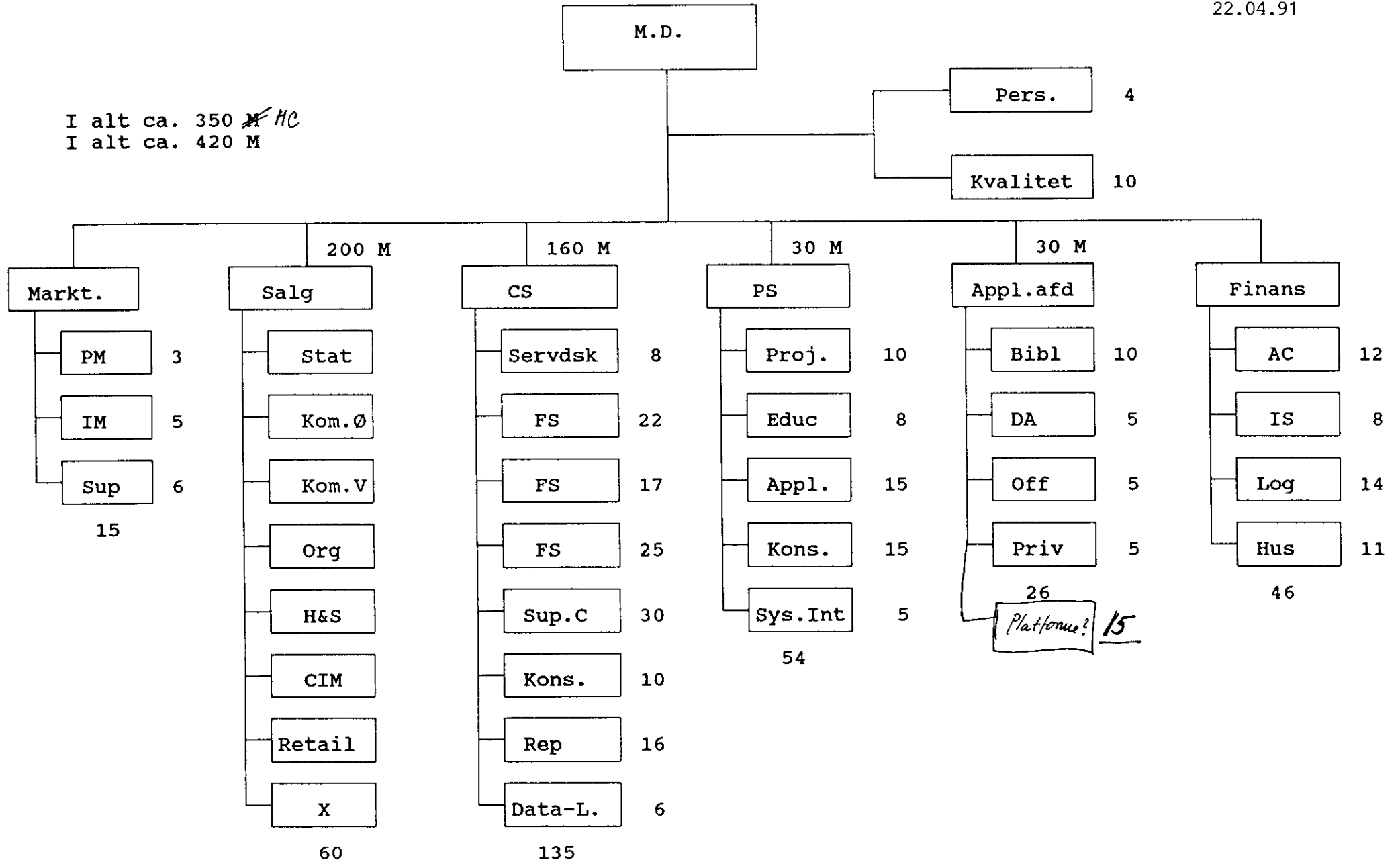
Med venlig hilsen

Torsten Vieth

ORGANISATION

TV/KBA
22.04.91

I alt ca. 350 ~~M~~ HC
I alt ca. 420 M



Til: KS / BFO / BLA / PEN / NBA / HLJ

Referat - møde 3.

Mødet indledtes med en generel drøftelse af den foreslåede struktur.

KS og HLJ udtrykte dissens omkring forslaget's hensigtsmæssighed, idet RCI's formålsparagraf skulle ændres og gruppen måtte ikke undervurdere kunde-reaktionen i form af omsætningsreduktion (9000) og tekniske problemer i forbindelse med fortiden for Regnecentral-produkterne.

En gennemgang af RC9000 kundebasen identificerer 23 kunder, hvoraf det vurderes, at 5 bibliotekskunder har behov for overgang fra M10 til UNIX.

Herudover vurderede BFO, at der var ca. 15 forslag ude eller under opsejling - hvoraf 5 ville blive afsluttet positivt inden for en kort horisont.

Det konstateredes, at RC9000 kun har fat inden for kommunesektoren, og alt taget i betragtning kunne et kommercielt tiltag ved at annoncere DRS6000 som RC10000 (eksempel) med portering af applikationer råde bod på situationen.

Baggrunden for den foreslåede strukturændring er at organisere vore ressourcer mod kunden og sikre, at der er balance mellem omkostninger og indtægter. Det menes efter drøftelse omkring hensigten, at dette kunne gennemføres i den foreslåede model, hvorfor denne grundlæggende fastholdes.

Videreførløb:

- | | |
|--|-------------------|
| * Vurdering af skills i P.O. der kan overføres til PS og CS. | KS/PEN 30.4.91 |
| * Vurdering af tekniske issues i forbindelse med introduktion DRS6000 til afløsning af RC9000. | 30.4.91 |
| * Finansafdelingens vurdering af økonomi. Herunder dækningsbidrag, OPEX og rationaliseringsomkostninger ved lukning af Præstø. | 30.4.91 |

TV vil på grundlag af det sidste input løfte sagen i bestyrelsen i maj.

Mødet den 25. april aflyses, og endelig konklusion drages således den 30. april.

Med venlig hilsen

Torsten Vieth

INTERNT MEMO

| | | | |
|-------------------------|------------|------------------------|-------------|
| Udarbejdet af TV/KBA | Afd. 01 | Dato 30. april 1991 | Side 1/2 |
|-------------------------|------------|------------------------|-------------|

Til: KS / BFO / BLA / PEN / NBA / HLJ

Referat møde nr. 4

1. Den ønskede skill-vurdering fra KS og PEN viste, at 42 medarbejdere fra P.O. var egnede til kundeorienterede supportansvar i enten CS eller PS, at 4 var egnede til applikationsudvikling, at 4 kunne overføres til Product/ Industry Marketing, at 3 kunne overføres til QA.

KS fremhævede, at tilbud om overflytning kunne medføre, at flere medarbejdere ville afslå.

PEN fremhævede, at skill-mix og holdning kunne medføre, at RCI skulle ansætte ca. 20 medarbejdere udefra.

Total set vurderede gruppen, at antal skills og ønsker fra RCI om en styrket kundevendt supportstruktur kunne løses.

2. Der blev fremført enkelte tekniske problemer i forbindelse med overførsel fra RC9000 til DRS6000 (RC10000). Disse skulle findes indenfor:
 - IMC Connectivity, der dog kunne løses via TCP/IP eller en Intel "røgvender".
 - Fejltolerance vurderes som et marketingproblem.

3. Økonomi

Finansafdelingens oplæg anslog, at omkostningerne ved at gennemføre ændringerne ville udgøre ca. DKK 25M. Dette dækker afskedigelse af medarbejdere og nedskrivning af maskinel og lagre.

Ved en omsætning på DKK 400M vil RCI køre med et overskud på ca. DKK 25M.

I formlen er ikke medtaget - salg af Telecom (ca. DKK 20-25M), salg af PA-ejendom (ca. DKK 7M) og omsætning fra DANOSI på ca. DKK 15M.

Omsætningsusikkerhed vurderes i størrelsesorden DKK 40M med et DB på 60%, hvilket vil medføre et 0-resultat.

Generelt kan konstateres, at den foreslåede løsning har en positiv driftsmæssig virkning, der samtidig løser en række supportmæssige krav.

4. **Beslutningsoplæg**

- 1) Stop udvikling og produktion af RC9000.
- 2) Salg af Telecom Divisionen.
- 3) Afvikling af produktion i Præstø.
- 4) Phase out plan for RC9000 og introduktionsplan for RC10000.
- 5) Produktsourcing udefra (ICL og øvrige).

Hvis denne beslutning skal føres ud i livet, vil det rejse følgende issues:

- Portering af applikationer til RC10000.
- Implementering af Comms løsning.
- Spare parts sourcing for RC9000.
- Special case for DA systemer (RC8000).
- Supportstruktur for nye produkter.
- Træning af medarbejdere.
- Special håndtering af kommunemarkedet.
- Velgennemtænkt phase out og introduktionsprogram, der ikke mindst fokuserer internt.
- Rigtig timing.

Hvis beslutningen tages i bestyrelsen, skal der udarbejdes detaljeret handlingsprogram for hver enkelt element.

5. **Endelig stillingtagen**

BLA: Rigtig beslutning, spørgsmål om timing og professionel handlingsplan.

HLJ: Mod oplægget og føler, at vi vildleder vore kunder.

NBA: Beslutning OK, timing og udførelse afgørende.

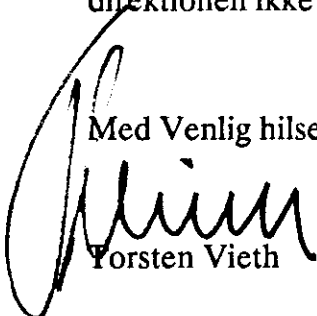
BFO: Rigtig beslutning, men skal gennemføres med akkurate. Speciel problemstilling omkring kommunemarkedet.

PEN: Rigtig beslutning - timing afgørende.

KS: Forkert beslutning at lukke ned for HW og SW udvikling, mener RCI skal have ca. 15-20 medarbejdere til dette. OK at fabrik lukkes.

På baggrund af ovenstående, vil TV udarbejde oplæg til bestyrelsens drøftelse den 24/5 for at få en afklaring. KS nævnte, at han som medlem af direktionen ikke kunne støtte oplægget.

Med Venlig hilsen



Torsten Vieth

Internt memo

| | | | |
|-------------------------|------------|------------------------|-----------|
| Udarbejdet af TV/KBA | Ald. 01 | Dato 15. marts 1991 | Side 1 |
|-------------------------|------------|------------------------|-----------|

Til: KS / PEN / BFO / BLA / HLJ / NBA

CONFIDENTIAL**Etablering af Taskforce - Produktstrategi**

Som en udløber af strategimødet etableres hermed en taskforce bestående af ovennævnte personer:

TV / KS / BFO / BLA / HLJ / NBA / PEN.

Scope: Skift til ICL produkter og etablering af system-integration i P.O.**Årsag:** RCI's manglende evne til at fastholde et lavt omkostningsniveau på udviklings- og produktionssiden.Første taskforce-møde afholdes tirsdag, den 26.03. kl. 14.00 til ca. 16.00.

Med venlig hilsen

Torsten Vieth *[Signature]*

21. 3. 91.

TV

Kan jeg gå ud fra, at den polemiske form er valgt for at gøre det lettere for os at være belmotiverede og konstruktive ??

[Signature]

Internt memo

| | | | |
|-------------------------|------------|------------------------|-----------|
| Udarbejdet af TV/KBA | Afd. 01 | Dato 15. marts 1991 | Side 1 |
|-------------------------|------------|------------------------|-----------|

Til: KS / PEN / BFO / BLA / HLJ / NBA

CONFIDENTIAL

Etablering af Taskforce - Produktstrategi

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Første taskforce-møde afholdes tirsdag, den 26.03. kl. 14.00 til ca. 16.00.

Med venlig hilsen

Torsten Vieth 

Til: TV, KS, BFO, BLA, PEN, NBA, HJL
C.c: TK

Dato: 29.04.1991
Init: PMA/
Dok.: task-luk

Fra: Per Maribo og Morten Andersen

Vedr. Konsekvensberegning af gruppens beslutninger

Nærværende notat har til hensigt at skitsere de økonomiske konsekvenser af beslutningerne om RCI's fremtidige struktur jvf. referat af gruppens 2. møde.

Indledningsvis skal det bemærkes, at emnet er behandlet fortroligt fra vores side, hvorfor vi ikke har foretaget interviews med divisionsdirektører eller linecontrollere.

Da casen på mange områder er identisk med Scenario 5 fra efterårets Taskforce, er erfaringerne herfra benyttet.

Til sammenligning er der i bilagene medtaget det seneste forecast for 1991 (udarbejdet medio april). Det skal bemærkes at der i forecastet opereres med en omsætning på kr. 436 mio. mod kun kr. 400 mio. i casen.

Som bilag er vedlagt:

- 1 Resultatudvikling
- 2 Omkostningsspecifikation
- 3 Omsætningsanalyse
- 4 Nøgletal
- 5 HW-DG analyse

Hovedkonklusionen er at de første 12 driftsmåneder forventes at give et nul resultat efter rationaliseringsomkostninger på kr. 24,5 mio.

| | |
|-----------------|-----------------------|
| Omsætning | kr. 400,0 mio. |
| Vareforbrug | <u>kr. 125,1 mio.</u> |
| DB | kr. 274,9 mio. |
| Indirekte omk. | kr. 10,5 mio. |
| Rationalisering | kr. 24,5 mio. |
| Kapacitetsomk. | kr. 234,2 mio. |
| Renter+Fee | <u>kr. 5,7 mio.</u> |
| Resultat | kr. 0,0 mio. |

Følsomheden i casen er i høj grad afhængig af validiteten af den budgetterede omsætning. Herunder HW-dækningsgraden på 50% (se bilag 5), samt den reelle stigning i persontidssalg når der ses bort fra Telecomdivisionens andel i forecast 1991.

Derudover er økonomien meget afhængig af en udfasning af produktionen, således at et maksimum af lagrene benyttes.

Portering af vores nuværende RC9000 SW-løsninger til DRS 6000 kan medføre øgede omkostninger til underleverandør/egne ressourcer.

Generelle forudsætninger:

Da informationsgrundlaget for konsekvensberegningerne udelukkende tager sit udgangspunkt i et 3 sideres mødereferat af 22. april 1991, finder vi det nødvendigt at beskrive under hvilke overordnede forudsætninger økonomien er udarbejdet.

De økonomiske konsekvenser er beregnet som første års konsekvenser, hvilket betyder at resultatet dækker de første 12 måneder fra beslutningen iværksættes i fuldt omfang. Det er således vigtigt at pointere, at økonomien ikke nødvendigvis dækker regnskabsåret 1992. Den eneste undtagelse fra år 1 betragtningen er rationaliseringsomkostninger som skal opfattes som engangsomkostninger.

Danosi er medtaget under omkostningsberegningerne, men udeladt af omsætningen. Danosi forecaster en omsætning på 29 mio. i 1992 med et dækningsbidrag på kr. 13 mio. Der er medtaget kr. 6,5 mio. i kapacitetsomkostninger for Danosi.

Generelt er det forudsat, at produktionen lukkes samt at produktserierne RC9000 og RC970/990 indstilles. Det er ligeledes forudsat, at HW-produktudviklingen indstilles. Ejendommen i Præstø forudsættes solgt til den regnskabsmæssige nedskrevne værdi kr. 7,6 mio. senest 24 måneder efter beslutningen.

Den fremtidige reparation og samleservice forudsættes udført fra Ballerup lokationen, mens et færdigvarelager forudsættes håndteret fra eksterne lejede lokaler.

Endvidere er det forudsat, at Telecoms divisionen frasælges incl. inventar og maskiner, samt at medarbejderne overgår til nyt ansættelsesforhold hos den nye ejer. Det er også forudsat, at Telecoms andel af huslejeomkostninger m.v. i Århus bortfalder.

Det væsentligste informationsgrundlag er den udarbejdede organisationsplan, hvoraf det fremgår at medarbejderstaben reduceres med 71 head, fordelt på 40 timelønnede og 31 funktionærer, samt at Telecoms bortfalder.

Omsætningen er dels beregnet udfra den i referatet specificerede på kr. 400 mio., dels udfra erfaringsgrundlaget, samt under hensyntagen til en fremtidig forventning om ændret produktmix fra HW til SW og service. Det benyttede omsætningsmix, dels mellem aktiviteter, dels mellem divisioner er vist særskilt i bilag 3, omsætningsanalyse.

Dækningsgraderne tager udgangspunkt i forecast 1991, erfaringsgrundlaget, samt beregninger foretaget i Scenario 5 (september 1990). Beregning af HW-dækningsgraden fremgår af bilag 5. Det kan oplyses, at for hver hele pct. point HW-dækningsgraden ændres, påvirkes dækningsbidraget med kr. 1.6 mio.

Den samlede dækningsgrad er beregnet til 69% jvf. bilag 3. Den høje dækningsgrad er underbygget af en forudsat ændring i omsætningsmix fra HW til højmarginale aktiviteter.

Personaleomkostningerne er påvirket af stigende gennemsnitsløn grundet opsigelse af bl.a. timelønnede, endvidere er der forudsat en 3% løn-
glidning. Derudover skal det bemærkes, at AMBI-bidraget forventes at stige som følge af øget Import af produkter.

Øvrige omkostninger er konsekvensberegnet, detailberegninger kan fremlægges hvis nødvendigt. Dog skal følgende forudsætninger fremhæves:

- externt know-how uændret niveau kr. 11 mio.
- øgede rejseomk. grundet servicevendt org.
- uddannelse uændret niveau kr. 3 mio.
- edb-omk. fald grundet straksafskrivninger
- uændret markedsføringsniveau

Den væsentligste post under inddirekte omkostninger er rationalisering som kan specificeres således:

| | |
|--------------------------|---------------|
| Personaleomkostninger: | |
| - timelønnede (3 md) | kr. 2,0 mio. |
| - funktionærer (5 md) | kr. 4,8 mio. |
| - fratrædelsesgodtg. | kr. 1,0 mio. |
| - key-persons | kr. 0,6 mio. |
| | |
| Øvrige omkostninger: | |
| - lukning PA | kr. 0,5 mio. |
| - salgsomk. PA | kr. 0,5 mio. |
| - liggeomk. PA | kr. 0,6 mio. |
| - afskr. prod. mask. 50% | kr. 2,5 mio. |
| - afskr. udv. edb. 50% | kr. 4,0 mio. |
| - lagernedskrivning | kr. 8,0 mio. |
| | ----- |
| Samlede omkostninger | kr. 24,5 mio. |

Som det fremgår af notatet, er casen økonomisk konsekvensbehandlet på et overordnet plan. Vi mener imidlertid at den beregnede økonomi giver et retmæssigt billede af virksomhedens fremtidige drift - på det foreliggende grundlag.

Det skal afslutningsvis nævnes, at der er en række uafklarede faktorer der kan påvirke de økonomiske beregninger i begge retninger:

- RCI's finansielle position på ikrafttrædelses tidspunkt.
- Salgsbetingelser Telecom samt salgsdato.
- Skal RCI koordinere RC5000 produktionen via underleverandører for en ny ejer.
- Omsætningsniveau samt omsætningssplit
- Lagerstørrelse samt mix på ikrafttrædelses tidspunkt.
- Ressourcer/SW-produkter til Finanssektoren.
- Produktlinie, herunder evt. underleverandørproduktion af kommunikationskort.
- Brug af applikations-underleverandører fremover - niveau
- Faktisk lønniveau på opsagte medarbejdere

Resultatudvikling target 1991, case samt scenario 5 910429

| kr. 1000 | faktisk 1989 | faktisk 1990 | F'cst. 1991 | CASE ÅR 1 | scen 5 SEP '90 |
|-------------------------------|-----------------|-----------------|----------------|--------------|-------------------|
| OMSÆTNING: | 467264 | 425589 | 435986 | 400000 | 374084 |
| **leje | 4462 | 2301 | 2443 | 2500 | 2560 |
| **hardware | 244335 | 214028 | 195076 | 160000 | 157666 |
| **software | 44560 | 52816 | 42230 | 40000 | 50591 |
| **software services | | | 18000 | 17000 | |
| **uddannelse | 8615 | 7033 | 9792 | 9000 | 10926 |
| **personetidssalg | 27466 | 11428 | 23023 | 21000 | 11105 |
| **media | 7377 | 9875 | 10000 | 10000 | 13131 |
| **teknisk service | 124786 | 119028 | 118005 | 123000 | 121605 |
| **diverse oms. | 5663 | 9080 | 17417 | 17500 | 6500 |
| VAREFORBRUG: | 137670 | 142888 | 135062 | 125130 | 111821 |
| **afskrivning leje | 324 | 600 | 571 | 650 | 632 |
| **hardware | 108382 | 102972 | 89500 | 80000 | 78307 |
| **software | 7848 | 10959 | 9760 | 9200 | 9955 |
| **software services | | | 500 | 850 | |
| **uddannelse | 621 | 313 | 1000 | 900 | 1053 |
| **perstid fakt | 139 | 497 | 177 | 1050 | 0 |
| **perstid ikke fakt | | | | | |
| **media | 5227 | 6760 | 6500 | 6700 | 9242 |
| **teknisk service | 10174 | 11087 | 10542 | 13530 | 12232 |
| **diverse | 4955 | 9700 | 12773 | 12250 | 400 |
| **warranty cost | | | 3739 | 0 | 0 |
| DÆKNINGSBIDRAG: | 329594 | 282701 | 300924 | 274870 | 262263 |
| INDIREKTEOMKOSTNINGER: | 17225 | 6913 | 11270 | 35000 | 40000 |
| **tab på debitorer | 757 | 46 | 2000 | 2000 | 2000 |
| **rationaliseringer | 7193 | 4583 | 3500 | 24500 | 29500 |
| **lagerregulering | 14854 | 1417 | 7270 | 6500 | 6500 |
| **andre | -5579 | 867 | -1500 | 2000 | 2000 |
| KAPACITETSOMK: | 278232 | 272951 | 259996 | 234200 | 231868 |
| RESULTAT FØR RENTER: | 34137 | 2837 | 29658 | 5670 | -9605 |
| FINANSIELLE POSTER: | 27019 | -19919 | 13470 | 5670 | 8450 |
| **specielle omk | 6201 | -26576 | 250 | 0 | 0 |
| **nettorenter | 11458 | 2477 | 4500 | 1670 | 950 |
| **managementfee | 9360 | 4180 | 8720 | 4000 | 7500 |
| RESULTAT FØR SKAT: | 7118 | 22756 | 16188 | 0 | -18055 |

Kapacitetsomkostninger target 1991, case samt scenario 5 910429

| kr. 1000 | faktisk 1989 | faktisk 1990 | F'cst. 1991 | CASE ÅR 1 | scen 5 SEP '90 |
|--|-----------------|-----------------|----------------|--------------|-------------------|
| PERSONALEOMK: | 199831 | 186987 | 170301 | 145600 | 149535 |
| **gager/lønninger | 178524 | 166374 | 149610 | 124300 | 131627 |
| **provision/bonus | 5615 | 6955 | 7960 | 7700 | 6325 |
| **overtid/ts-tillæg | 7165 | 5577 | 3754 | 3600 | 3612 |
| **vikar | 276 | 141 | 70 | 100 | 78 |
| **pension | 1444 | 1131 | 1242 | 1300 | 748 |
| **soc. ydelser og fors | 6807 | 6809 | 7665 | 8600 | 7145 |
| ØVRIGE KAPACITETSOMK: | 93207 | 94651 | 93929 | 86200 | 81633 |
| **extern know-how | 10557 | 13841 | 11504 | 11000 | 9700 |
| **rejseomkostninger | 16898 | 16894 | 15300 | 16400 | 15136 |
| **repræsentation | 893 | 659 | 741 | 600 | 632 |
| **kurser, uddannelse | 1109 | 1535 | 3003 | 3000 | 1440 |
| **øvrige personale | 2595 | 2604 | 1604 | 1400 | 1660 |
| **lokale- og kontorhold | 38272 | 32850 | 34940 | 31400 | 30525 |
| **edb-omkostninger | 9761 | 11691 | 11698 | 8300 | 10159 |
| **hjælpebidler | 5617 | 5257 | 5267 | 4600 | 2805 |
| **diverse/fallesomk. | 2479 | 2940 | 2838 | 2500 | 3376 |
| **markedsføring | 5026 | 6380 | 7034 | 7000 | 6200 |
| KAPACITETSOMKOSTNINGER FØR VIDEREFAKTURERING: | 293038 | 281638 | 264230 | 231800 | 231168 |
| FORDELINGER: | -14806 | -8687 | -4234 | 2400 | 700 |
| **interne fordelinger | 0 | 0 | 0 | 0 | 0 |
| **viderefakt. fra ICL | 2623 | 2924 | 3455 | 2950 | 1200 |
| **viderefakt. til ICL | -1666 | -363 | -550 | -550 | -500 |
| **overført løn lager. | -15763 | -11248 | -7139 | 0 | 0 |
| KAPACITETSOMK. IALT: | 278232 | 272951 | 259996 | 234200 | 231868 |
| NORMERING ULTIMO | 608,5 | 553,5 | 476 | 362 | 415 |
| NORMERING GENNEMSNIT | | 560 | 480 | 362 | 419 |

Omsætningsanalyse CASE ÅR 1 ny organisation

910429

| kr. 1000 | SALG år 1 | DG | CS år 1 | DG | PS år 1 | DG | SYS år 1 | DG | TOTAL år 1 | DG | OMS SPLIT |
|------------------------|--------------|-----|------------|-----|------------|-----|-------------|-----|---------------|-----|--------------|
| OMSÆTNING: | 180000 | 51% | 160000 | 82% | 30000 | 94% | 30000 | 80% | 400000 | 69% | 100% |
| **leje | 2500 | 74% | | | | | | | 2500 | 74% | 1% |
| **hardware | 150000 | 50% | 10000 | 50% | | | | | 160000 | 50% | 40% |
| **software | 13000 | 77% | 2000 | 77% | | | 25000 | 77% | 40000 | 77% | 10% |
| **software services | | | 12000 | 95% | | | 5000 | 95% | 17000 | 95% | 4% |
| **uddannelse | | | | | 9000 | 90% | | | 9000 | 90% | 2% |
| **persontidssalg | | | | | 21000 | 95% | | | 21000 | 95% | 5% |
| **media | | | 10000 | 33% | | | | | 10000 | 33% | 3% |
| **teknisk service | | | 123000 | 89% | | | | | 123000 | 89% | 31% |
| **diverse oms. | 14500 | 30% | 3000 | 30% | | | | | 17500 | 30% | 4% |
| VAREFORBRUG: | 88790 | | 28390 | | 1950 | | 6000 | | 125130 | | |
| **afskrivning leje | 650 | | 0 | | 0 | | 0 | | 650 | | |
| **hardware | 75000 | | 5000 | | 0 | | 0 | | 80000 | | |
| **software | 2990 | | 460 | | 0 | | 5750 | | 9200 | | |
| **software services | 0 | | 600 | | 0 | | 250 | | 850 | | |
| **uddannelse | 0 | | 0 | | 900 | | 0 | | 900 | | |
| **perstid fakt | 0 | | 0 | | 1050 | | 0 | | 1050 | | |
| **perstid ikke fakt | | | | | | | | | | | |
| **media | 0 | | 6700 | | 0 | | 0 | | 6700 | | |
| **teknisk service | 0 | | 13530 | | 0 | | 0 | | 13530 | | |
| **diverse | 10150 | | 2100 | | 0 | | 0 | | 12250 | | |
| **warranty cost | | | | | | | | | | | |
| DÆKNINGSBIDRAG: | 91210 | 51% | 131610 | 82% | 28050 | 94% | 24000 | 80% | 274870 | 69% | |

CONFIDENTIAL

BILAG 3

N%GLETAL target 1991, case samt scenario 5

910429

| | faktisk 1989 | faktisk 1990 | F'cst. 1991 | CASE ÅR 1 | scen 5 SEP '90 |
|-----------------------|-----------------|-----------------|----------------|--------------|-------------------|
| DG TOTAL | 70,5 | 66,4 | 69,0 | 68,7 | 70,1 |
| DG LEJE | 93 | 74 | 77 | 74 | 75 |
| DG HW | 56 | 52 | 54 | 50 | 50 |
| DG SW | 82 | 79 | 77 | 77 | 80 |
| DG SW SERVICE | | | 97 | 95 | |
| DG UDDANNELSE | 93 | 96 | 90 | 90 | 90 |
| DG PERSONTID | 99 | 96 | 99 | 95 | 100 |
| DG MEDIA | 29 | 32 | 35 | 33 | 30 |
| DG TEKNISK SERVICE | 92 | 91 | 91 | 89 | 90 |
| DG DIVERSE OMS | 13 | -7 | 27 | 30 | 94 |
| OMS LEJE | 1 | 1 | 1 | 1 | 1 |
| OMS HW | 52 | 50 | 45 | 40 | 42 |
| OMS SW | 10 | 12 | 10 | 10 | 14 |
| OMS SW SERVICE | 0 | 0 | 4 | 4 | 0 |
| OMS UDDANNELSE | 2 | 2 | 2 | 2 | 3 |
| OMS PERSONTID | 6 | 3 | 5 | 5 | 3 |
| OMS MEDIA | 2 | 2 | 2 | 3 | 4 |
| OMS TEKNISK SERVICE | 27 | 28 | 27 | 31 | 33 |
| OMS DIVERSE | 1 | 2 | 4 | 4 | 2 |
| OMS TOTAL | 100 | 100 | 100 | 100 | 100 |
| OMS/markedsføring | 93 | 67 | 62 | 57 | 60 |
| OMS/lønomk | 2,62 | 2,56 | 2,91 | 3,22 | 2,84 |
| OMS/evomk | 5,01 | 4,50 | 4,64 | 4,64 | 4,58 |
| OMS/tot omk | 1,68 | 1,56 | 1,68 | 1,71 | 1,61 |
| L%N/persomk | ,89 | ,89 | ,88 | ,85 | ,88 |
| Rejse/lønomk | ,09 | ,10 | ,10 | ,13 | ,11 |
| PENS/lønomk | ,0080885 | ,0067979 | ,0083016 | ,0104586 | ,0056827 |
| UDD/lønomk | ,0062120 | ,0092262 | ,0200722 | ,0241352 | ,0109400 |
| Kapacitetssomk i alt: | 100 | 100 | 100 | 100 | 100 |
| Lønninger | 72 | 69 | 66 | 62 | 64 |
| Øvrige | 28 | 31 | 34 | 38 | 36 |

DG-analyse HW

910429

| KR. 1000 | OMS | DG | OMS | DG | OMS | VF | DG |
|---------------|---------------|-------------|---------------|-----------|---------------|--------------|-----------|
| | 1990 | 1990 | SCE 5 | SCE 5 | CASE | CASE | CASE |
| RC900 | 99497 | 41 | 54993 | 32 | 50000 | 34000 | 32 |
| RC9000 | 23528 | 50,1 | 0 | | | | |
| RC3500/5000 | 37992 | 68,8 | 39804 | 76 | | | |
| DRS300 | 3772 | 50,6 | 0 | | 10000 | 4900 | 51 |
| DRS3000/RC990 | 0 | 0 | 15447 | 48 | 35000 | 15750 | 55 |
| DRS6000 | 7409 | 56,4 | 9172 | 65 | 30000 | 12050 | 60 |
| DIVERSE | 41830 | 62,7 | 38250 | 48 | 35000 | 13300 | 62 |
| TOTAL | 214028 | 51,9 | 157666 | 50 | 160000 | 80000 | 50 |

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BILAG 5

4. Beslutningsoplæg

- 1) Stop udvikling og produktion af RC9000.
- 2) Salg af Telecom Divisionen.
- 3) Afvikling af produktion i Præstø.
- 4) Phase out plan for RC9000 og introduktionsplan for RC10000.
- 5) Produktsourcing udefra (ICL og øvrige).

Hvis denne beslutning skal føres ud i livet, vil det rejse følgende issues:

- Portering af applikationer til RC10000.
- Implementering af Comms løsning.
- Spare parts sourcing for RC9000.
- Special case for DA systemer (RC8000).
- Supportstruktur for nye produkter.
- Træning af medarbejdere.
- Special håndtering af kommunemarkedet.
- Velgennemtænkt phase out og introduktionsprogram, der ikke mindst fokuserer internt.
- Rigtig timing.

Hvis beslutningen tages i bestyrelsen, skal der udarbejdes detaljeret handlingsprogram for hver enkelt element.

5. Endelig stillingtagen

BLA: Rigtig beslutning, spørgsmål om timing og professionel handlingsplan.

HLJ: Mod oplægget og føler, at vi vildleder vore kunder.

NBA: Beslutning OK, timing og udførelse afgørende.

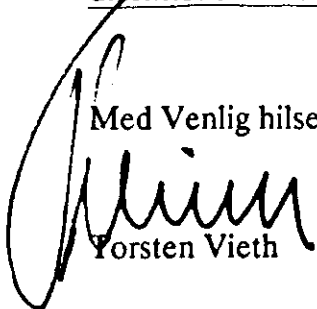
BFO: Rigtig beslutning, men skal gennemføres med akkuratesse. Speciel problemstilling omkring kommunemarkedet.

PEN: Rigtig beslutning - timing afgørende.

KS: Forkert beslutning at lukke ned for HW og SW udvikling, mener RCI skal have ca. 15-20 medarbejdere til dette. OK at fabrik lukkes.

På baggrund af ovenstående, vil TV udarbejde oplæg til bestyrelsens drøftelse den 24/5 for at få en afklaring. KS nævnte, at han som medlem af direktionen ikke kunne støtte oplægget.

Med Venlig hilsen


Torsten Vieth

→ TV

1.5.91.

→ Nej, det er ukorrekt. Jeg sagde, at jeg ikke gik ud fra, at vi på mødet d. 24/5 skulle optræde som en enig direktion!

Mwle/RS.

1991 FIVE YEAR STRATEGY PLAN

ICL EUROPE

ISSUE : 1.0 DATE : 27 MARCH 1991

STATUS: PAGES:

COMMENTS TO: A J Hadaway LON11

| | |
|--|---|
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|--|---|

DISTRIBUTION: KS - PEN - TK - JKP - BFO - BLA - JWW - PEY - FLB

From: TV

Date: 22.04.1991

1991 FIVE YEAR STRATEGY PLAN

Unit: ICL Europe, Marketing

1. DIRECTOR'S OVERVIEW1. Introduction

The acquisition of ICL by Fujitsu makes it even more important for us to achieve a strong position in Europe. Our opportunities to expand in the USA and in the Pacific Basin are likely to be restricted by Fujitsu's own ambitions in these markets; so it is clear that our main thrust, outside the UK, must be made in Western, Central and Eastern Europe.

Previous strategic plans have considered the possibility of withdrawing from some European countries, such as Germany, in order to focus resources and increase short term profitability. These strategic options do not fit with our role in the Fujitsu family.

However, while it is now clear that we must establish ourselves in mainland Europe in order to fulfil our long term mission, this is in serious conflict with the short term needs of improved profitability leading up to flotation. Our strategies must, therefore, achieve an optimal balance between growth and profitability.

2. Key Strategies.

We plan to operate on two fronts. First, to improve the underlying profitability of our existing business, and second to mount an aggressive programme of acquisitions.

In most countries, despite problems of dispersion, our Software and Services business is profitable. Clear plans exist to improve that profitability further.

However, in all countries the Systems business is unprofitable. To redress this situation, productivity must be sharply increased. This is being achieved by increasing the proportion of business going through Value Added Resellers, and by focusing our own direct sales activities more tightly on vertical markets and larger customers. Both are greatly assisted by the clear positioning which has now been adopted on open systems.

The acquisition strategy is targeted not to add revenues in an indiscriminate fashion, but to accelerate the culture shift from "box shifter" to "solutions supplier". This will be achieved by targeting companies which are software or service suppliers in well defined vertical markets. The aim is to increase the proportion of employees who have experience of user's business requirements and who have a services revenue earning mentality.

3. Management of the Strategy

The objective is to move ICL Europe from revenues in 1990 of £260 million to around £1 billion in 1995. This excludes an additional £400 million which is assumed to come from Corporate acquisitions designed to increase our presence in Third Party Maintenance, Volume Personal Computer distribution, and Financial Services.

To a large extent, all the hardware manufacturers hope to escape from their current problems by pursuing similar strategies.

Execution is the key to success.

1991 FIVE YEAR STRATEGY PLAN

Unit: ICL Europe, Marketing

We plan to achieve this through:-

- absolute clarity and consistency of objectives
- effective communication leading to common strategies in all 13 country units
- measurable milestones to drive achievement

We have set individual objectives for each country covering the following:-

- ICL Quality process
- Vertical market focus
- Applications portfolio
- Acquisitions
- Salesforce productivity
- Third Party sales
- Professional Services
- Customer Service profitability
- Competitive Attack.

These objectives have been communicated regularly for the last year, but to give them even greater force we are now establishing measurable milestones in each of the key areas and we intend to use the Quarterly Business Reviews to measure progress against these plans.

4. Progress

4.1. Countries

In 1990, encouraging progress was made in the following countries:-

- * In Sweden, we used an aggressive acquisition programme to move the company into the solutions and services business, more than doubling its size. However, the recession is making it hard to capitalise quickly on this investment.
- * In Switzerland, after a very poor 1989, the new Managing Director, Fritz Kaegi, has been extremely successful in rebuilding the team and winning the confidence of the customers. The Migros order will ensure a good flow of revenues from 1992 onwards, and open up many new retail opportunities for us.
- * Germany did an outstanding job in reducing the cost base, while maintaining morale, even in the face of the Kienzle disappointment. As a result, they are in good condition to tackle acquisitions and have a clear focus on how they want to position the company.
- * European Institutions has re-profiled its activities from mainframe sales into a significant professional services activity. This will ensure continuing profitability during the shift from mainframes to mid-range systems, and provide a foundation on which Belgium can build.
- * Portugal is in a strong strategic position, and with the support of Fujitsu in Telecoms, can certainly improve its market position.
- * Spain had an outstanding 1990, with a succession of orders, all taken in very large organisations with significant future potential. However, the future position of ICL in Spain is dependant on establishing clear roles for ICL and Fujitsu.

Of concern was the weak performance of our three largest operations: France, RC International and ICL Netherlands. This was due to a combination of turgid markets, mainframe underperformance and excess costs of local development. Growth of the Unix product line and increased control over local development will improve the situation in 1991.

1991 FIVE YEAR STRATEGY PLAN

Unit: ICL Europe, Marketing

4.2. Activities

Activities which made good progress to date include:-

- * **Acquisitions:** All Country General Managers are now trained and active in seeking out targets. In addition to buying the majority control of Metatech, we also bought five other companies and have five or six in an advanced stage of negotiation.
- * **Value Added Resellers:** we grew our third party channel significantly, and we now have widespread understanding of how to recruit VARs and a strategy which works.
- * **Retail:** despite a weak product portfolio in 1990, France continued to perform well, and we made significant advances in Portugal and Switzerland.
- * **Positioning:** we are finally past the point of arguing about how the company should be positioned, and we have excellent alignment between ICL Europe and the rest of the group.

Of concern is the fact that we have such a low profile in Continental Europe that we are practically invisible. The recently agreed incremental promotions programme is an important start to addressing this issue.

5. Conclusion

We have good people and a clear strategy but our market position is extremely weak and the economic climate is adverse in all but the Germanic countries.

To achieve fl billion turnover by 1995, we have to make an enormous leap and, after Kienzle, there is nothing identified which would make a similar contribution. Achieving the same level of revenues through, perhaps, a hundred smaller acquisitions will put significant strain on our managerial capabilities. There is, therefore, a requirement to increase the average value of each acquisition and to ensure smooth phasing to minimise the unavoidable strain on our managerial capabilities .

Above all we need more SOLUTIONS and people who understand business problems.

N.P.D. Eadie

N.P.D. Eadie
President, ICL Europe.

1991 FIVE YEAR STRATEGY PLAN

Unit: ICL Europe, Marketing

2. EXECUTIVE SUMMARY**2.1 KEY PARAMETERS**

| | <u>1990</u> | <u>1991</u> | <u>1992</u> | <u>1993</u> | <u>1994</u> | <u>1995</u> | <u>1996</u> |
|--------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Total Revenue (£M) | 241.9 | 269.2 | 319.9 | 355.1 | 397.7 | 449.1 | 506.0 |
| Overall Gross margin % | 39.9 | 40.9 | 39.8 | 38.9 | 38.1 | 37.2 | 35.8 |
| Net Opex/Revenue % | 40.1 | 36.0 | 34.3 | 31.9 | 29.2 | 26.6 | 24.3 |
| Local Devt. Spend/Rev % | 5.9 | 4.8 | 4.5 | 4.2 | 3.9 | 3.6 | 3.5 |
| Profit before Allocs. % | [9.5] | [4.5] | [2.9] | [1.0] | 1.2 | 3.4 | 4.5 |
| Direct Revenue/Head (£k) | 74.5 | 89.6 | 96.7 | 104.5 | 113.9 | 124.1 | 135.3 |

2.2 MISSION To be the European leader in Open Systems solutions.

2.3 MAIN OBJECTIVES IN SUPPORT OF COMPANY OBJECTIVES

1. To achieve the organic growth plan of £450m revenue by 1995 .
2. To more than double the volume of business to £1bn by 1995 by inorganic growth, which will include 6-10 medium sized acquisitions each year.
3. To increase the proportion of indirect REDS to 25% with 50% of PCs and departmental systems via this channel by 1995.
4. To increase Professional Services revenue from £11.3m to £50m by 1995 within the organic plan.
5. To dramatically increase the market awareness of ICL in Europe.
6. To achieve ISO 9000 registration in all countries by 1992.

2.4 MAJOR STRATEGIES

1. Concentrate on, and organise the business around, the chosen vertical markets in which significant European and/or national market share can be attained by:
 - building critical mass in fewer verticals in each country,
 - moving the profile of staff to be vertical specialists,
 - developing PS teams to deliver total vertical solutions,
 - recruiting VARs who add value to our competence and visibility in these markets and increase indirect sales,
 - increasing the volume of Unix-based applications available,.
 - fully exploiting Fujitsu products and technology within our vertical solutions.
2. Sustain a relentless campaign to acquire businesses which will add volume, customer base, solutions expertise, major account influence and profit in the vertical markets.
3. Sustain focused promotional activity in Europe to increase market awareness of ICL and open doors to decision makers/recommenders.
4. Increase Major Account penetration and growth by development of sales skills, processes, support and CS/PS offerings.
5. Manage each country's cost base within sustainable revenue expectations.

2.5 RISKS/ISSUESOrganic Plan

1. Ability of countries (particularly small countries) to manage and deliver this extensive requirements list.
2. The task of finding, developing, porting and funding the required number of new solutions.
3. Investment strain within existing P&L of adding new skills in the countries and attaining critical mass in key areas.
4. Need for complete Unix Applications Portfolio .

Inorganic Plan

1. The task of finding enough prospective acquisitions of the type and in the place required.
2. The task of managing multiple integration of the acquired companies.

1991 FIVE YEAR STRATEGY PLAN

Unit: ICL Europe, Marketing

3. MARKET ENVIRONMENT3.1 EXTERNAL FACTORS

Most European countries are in recession, with Scandinavia most severely affected, e.g. Denmark has high unemployment and foreign debt of £30Bn. Even Switzerland has an unheard of inflation rate of 6%.

The Gulf War has had a further impact, slowing the growth rate in most European countries and affecting many companies directly, positively or negatively, depending on their business area. Spain's forecast growth of 4.5% in 91 is now likely to be halved post the Gulf War.

The cost burden in Germany of unification will feed through into higher taxes in 91 and reduced spending power.

These factors are impacting IT investments by Retailers, Banks, Manufacturing companies and National and Local Government. Nevertheless, there are continuing major IT investments as companies, faced with increased competition, need to react more quickly to their environment and to improve productivity, quality and the level of customer service if they are to survive into the next century.

3.2 STRATEGY OF MAJOR COMPETITORSTHE WEAK

Study of our traditional competitors in Europe presents, on balance, more opportunity than risk for ICL. In the last year, the well-publicised financial problems of UNISYS, BULL, NIXDORF, PHILIPS, WANG, DATA GENERAL etc have had a number of effects:

- Many of the clients have been reappraising their future suppliers.
- A number of staff have moved to "better" companies including ICL (notably in Spain, Switzerland, Holland, Belgium).
- A number of distributors and VARS have sought new allegiances (particularly WANG and DATA GENERAL).
- Commencement of withdrawal from certain markets, (Geographic: Bull, Scandinavia. Industry: Nixdorf, Manufacturing).

The contrast with ICL/Fujitsu is striking. ICL/Fujitsu, to the clients of these companies, is now a better choice:

- good business solutions
- a company with long term prospects
- access to the best technology

The defensive strategy of companies in this group can be expected to be:

- Account protection (special deals on proprietary products)
- Fierce price cutting for new business (PCs across Europe)
- National government lobbying (Siemens - Germany, Bull - France, Olivetti - Italy)

and, to counter ICL:

- Anti Japanese propaganda (Bull, Siemens through the EEC)

Gartner reports on this group have increased awareness of their problems.

THE SCHIZOPHRENIC

The posturing from IBM and DEC in the last year about Open Systems is revealing. More than any of ICL's competitors, they enjoy the strategic confusion of both having most to win and most to lose in successfully promoting Open Systems. For example:

- The RS6000 is a very good product, and winning significant business in Europe. The AS400 community, particularly the AS400 VARS, wish they had invested in the RS6000.

1991 FIVE YEAR STRATEGY PLAN

Unit: ICL Europe, Marketing

-
- Some, in Sweden, are buying Unix systems houses, in order to get on the Open Systems road. Others, in France, have been driven by IBM's management of their affairs to change vendor to, for example, ICL.

Ken Olsen's faint praise of Unix is not deterring the Open Systems group in Digital from energetic promotion of Ultrix. But it is likely DEC is holding back investment funds for Unix mainframes to replace the big VMS systems. All of this creates opportunity for a company like ICL, determined to push uncompromisingly ahead on Open Systems platforms in Europe.

THE STRONG

There are a small number of players who are well focused and who Gartner qualify as long term players. The most visible of these currently is Hewlett Packard who are challenging strongly with RISC systems. Also potentially strong are other Japanese, and possibly Korean vendors, e.g. NEC, Samsung, who may acquire some of the weak European and US companies.

THE NEW PLAYERS

It is likely that increased competition for ICL, as a provider of solutions, will come from systems houses, large VARs and consultancies.

- SAP in Germany is recognised throughout Germany, and many other European countries, as the premier supplier of manufacturing solutions.
- CAP SOGETI/HOSKYNS has a strong reputation in a number of vertical markets as a solutions provider.
- KPMG and ARTHUR ANDERSON are establishing businesses throughout Europe to address the market for Health solutions.

These people have strategies which read very much like ours. They are determined to position the traditional competitive companies as "vendors" meaning box suppliers. There will be occasional opportunities to collaborate; in the main it will be competition.

Competition will also come from Service Providers: the Facilities Management and TPM organisations.

3.3 MARKET TRENDS AND CHARACTERISTICS

Customer Factors : Organisations will increasingly demand total solutions to their business needs, with the supplier expected to coordinate and take total responsibility for all aspects of the solution, pre and post sales. Many will also want their supplier to handle all aspects directly and not via subcontract to third parties.

Most Government and quasi Government organisations mandate Open Systems solutions. Their lead is spreading to the private sector who are increasingly concerned about being locked into proprietary systems and seek the choice and integration potential Open Systems offers.

Significant cross-border expansion of organisations, often via multiple acquisitions, has increased the demand for:

- efficient integration of systems, especially MIS
- company-wide applications on different hardware platforms
- international software meeting local language, commercial and legal requirements
- international support across the national operations

Thus cross-border account management offering a united face to the customer will become increasingly important.

1991 FIVE YEAR STRATEGY PLAN

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Vendor Factors : Commodity platforms, which provide vendors with contribution not profit, will increase interest in and dependency on software application and services revenues. Vendors will not be prepared to leave these added value revenue streams to Third Parties but Third Parties will resist the greater involvement of vendors.

The combination of vendor provision of application software and services and the availability of commodity platforms will rapidly narrow the difference between computer vendors and system houses. Collaboration objectives need to be constantly reviewed in the light of this.

Since many major computer vendors are schizophrenic w.r.t. Open Systems (see 3.2), there is a window of opportunity for committed OS solution suppliers, such as ICL, to position themselves strongly in this market. The length of the window will depend on the growth of demand for Open Systems in the US and, therefore, the development priorities of these players.

Most European IT suppliers are in either in a weak financial position (e.g. Bull) or face major constraints on investment (e.g. Siemens). Thus customers who have traditionally bought only from their strong national player are looking for alternative suppliers who must be nationally based, financially sound and capable of delivering leading edge solutions in the required timeframes. ICL, therefore, must promote itself not only as THE European Open Solutions supplier but also, within each country, as the leading national Open Solutions supplier. This is an urgent requirement to which a major commitment is being made in 1991 since other Japanese and Far Eastern suppliers e.g. NEC will undoubtedly follow the ICL-Fujitsu model.

4. ICL STRATEGIES**4.1 MARKETS SELECTED AND SOLUTIONS****4.2**

1. RETAIL : Retail revenues will be 22.3% of the ICL Europe's revenues in 1991, and 21.6% of the organic plan in 1996. Our Retail client list is prestigious, and is major account based. We have defensible market shares in France, Finland, Portugal, Holland and Austria.

The key tasks in the course of the planning period are:

- Build a significant Retail Business in Germany (aided by acquisition).
- Build a major account Retail Business in Spain.
- Extend in Scandinavia to Denmark and Norway from Finland and Sweden.
- Widen Revenues from In-Store Business to Back office and Out-of-Store.

The key requirements from Retail Systems are:

- a) to achieve a profitable new ISS/GMS4 product line on schedule.
- b) products for the 3rd party channel.

The Fujitsu ATRIUM product is key to the above.

2. FINANCIAL SERVICES : Financial Services revenues will be 3.3% of ICL Europe's revenues in 1991, and 6.9% of the organic plan in 1996. Our position in the market can be described as threshold. Only France and Portugal have dedicated business units which concentrate on the sale of the Retail Banking system OMNIABANK. The 1991 revenue forecast for France is £6m. ICL Spain has a pilot Networking project with LA CAIXA which could lead to further market penetration. Whilst Fujitsu's ATM products could widen our market attack, the critical need, if we are to sustain our ambitions in Financial Services in Europe, is for a fast growing portfolio of solutions. Acquisitions and collaborations will be needed to achieve this.

1991 FIVE YEAR STRATEGY PLAN

Unit: ICL Europe, Marketing

3. GOVERNMENT: This includes Central Government, Local Government and Health Segments, and the PTT's (albeit a number in Europe, like BT, are private companies). Revenues from these sources will be 25.3% of ICL Europe's revenues in 1991, and 29.4% of the organic plan in 1996.

Central Government : This market has big potential for ICL Europe. The emphasis on Open Systems procurement in most National Governments is creating big bid opportunities, with significant success already achieved in Spain and Portugal. The tasks are:

- move from a position of boxes/OFFICEPOWER to more complete solutions.
- penetrate other National Governments.
- collaborate with VARs who supply national Governments.

Local Government : While current and future activities are more accurately described as local niches (France, Belgium, Denmark, Spain), the solutions within the segments of Local Government are becoming more pan European . The ICX joint venture in Spain needs further exploitation, and possibly replication in other countries.

Health : Holland is investing further resources in this market, and the recent COMDES acquisition adds impetus. Potential exists in Italy and Spain, also with ICX. The key task is to convert some of the UK portfolio onto a Unix base, and to add further applications.

PTT's : We have a foot in the door of several national PTTs; in some cases, a big foot (Portugal, Norway, Denmark), in others more like a toe (Telefonica, France Telecom). The ingredients of solutions are there with Carrier 400, ISDN and Managed Service, plus the exported itemised billing system for BT now on a Unix base. PTTs and Network Operators in Europe will invest large sums in IT and will influence many other markets. ICL must be a supplier to them. Fujitsu expertise and products will assist.

4. MANUFACTURING: Our strategy is to concentrate on medium sized companies who need a generic modern MRP solution like MAX, and who also need the tailoring services provided by ICL's local PS shop. Gartner have predicted a very strong move away from proprietary solutions to Open Systems based manufacturing products. Sweden, Holland, France, and later Denmark, Finland and Switzerland are the key countries to exploit the current solutions, but Germany remains the strategic target to build a manufacturing base. Revenues as a percentage of ICL Europe's revenues are forecast as 3.6% in 1991, and 8.2% in 1996.

The key tasks are:

- Acquire a specialist manufacturing systems house in Germany.
- Achieve continuing success with MASTER in Sweden and Finland.
- Push our manufacturing commitment and revenues in Holland and France based on MAX
- Build a revenue stream in Denmark.

5. LOCAL MARKETS: In addition to these vertical markets, ICL Europe will continue to sustain and grow revenue streams based on local solutions. The Software Investment Fund will continue to provide support to this activity, and an amount of carefully controlled, local development will build this portfolio of profit-making, local applications.

1991 FIVE YEAR STRATEGY PLAN

Unit: ICL Europe, Marketing

4.3 PRICING

With regard to the pricing of products from Product Operations, ICL Europe conforms to the Corporate policy of an ECU-based European Price Book with limitations on individual country variation. Pricing strategy for market entry is to price competitively with other suppliers pricing, agreeing compromises where necessary against a slightly different ICL(UK) strategy. There are plans in place for 1991/92 to improve the mechanisms by which pricing is achieved, including the process used to agree European Price Book prices and the IT systems used to distribute these to the countries to allow easy manipulation into local country price books.

A second, very important, area of pricing relates to ICL Europe's progress as a solutions supplier, and hence the need for pricing strategies relating to applications and to total solutions. Currently pricing structures in these areas tend to be country specific and related to the sourcing of the applications and solutions. 1991 tasks include improvement in both the flair and commonality of solutions pricing across ICL Europe and increased control of services pricing to ensure profitability is improved. One example is to increase the use of banded pricing against number of users, a system ensuring both appropriate initial price proposals and also the achievement of software revenue growth from existing users as utilisation increases.

4.4 PROMOTION

Awareness of ICL in continental Europe has been extremely low. Historically limited promotional expenditure, controlled by each individual country, was utilised mainly on sales support activities, events and collateral.

To position ICL with Europe as its Home market, a quantum change is needed in our promotional activities. A centrally managed, incremental promotions programme has been initiated in 1991, and the results of this will be reviewed to develop plans for 1992 and beyond. To maximise results from this programme, it is focused on two tightly defined populations:

Senior Management: The aim is to improve ICL's image and relationships with the senior management of the organisations in its focused vertical markets. The programme will integrate events, advertising and exhibition activity promoting a newly developed, corporate positioning line. In parallel, an image research process will evaluate progress and identify the most effective promotional methods.

VARs: The aim is to accelerate the recruitment of medium-sized VARs. The programme will include a number of recruitment events, both geographically and vertically focused. Also, new collateral will be developed of benefit to all Third Party activities across Europe.

In addition, Country Management have the task of positioning ICL with Government and other relevant institutions as a nationally committed, European supplier and of building strong relationships with them.

A consultancy liaison programme to increase awareness of ICL's solution capability, focused initially on Major international consultancy organisations in France, Holland and Belgium, will be rolled out during the plan period. Support, for this and Institutional Relations, is focused initially on the 1992 group. 1991 is the start of an on-going process to position ICL with an image as a European supplier.

1991 FIVE YEAR STRATEGY PLAN

Unit: ICL Europe, Marketing

4.5 DISTRIBUTION CHANNEL STRATEGY

In order to achieve organic sales targets, the direct salesforce must focus on higher value, major account business in ICL strategic verticals. A greatly extended network of VARs will support them, concentrating on business solutions for small and medium sized organisations in all verticals and on the exploitation of non strategic verticals with ICL platforms and good local applications.

Indirect sales will account for 22.5% of total revenue by the end of 1996 by:

- Aggressive recruitment of new VAR partners
- Development of high value business partnerships with wide Unix applications portfolios, OFFICEPOWER and services offerings
- Concentration on vertical markets for corporate, strategic and local tactical verticals
- Development of indirect channel skills by planning and training

Average direct sales productivity of £630k per head by 1996 (8.7%pa growth) will be achieved by:

- Implementation of a Major Accounts Strategy focusing on major target verticals and developing skills by thorough sales training
- Reinforcement of the role of sales support, target ratio 1.0
- Provision of IS support tools for lead generation, qualification and tracking via Sales Team Workbench (STW) / PROSPECT
- Extensive direct marketing to identify new prospects and reinforce existing customer base
- Improved communication within the salesforce via OFFICEPOWER

4.6 COLLABORATIONS/ACQUISITIONS

An aggressive programme of acquisitions, joint ventures and collaborations is fundamental to the growth of ICL Europe during the next 5 years. Over £100m of the organic plan revenue will come from small local initiatives yet to be finalised. A further £500m-£600m revenue must be generated from more substantial (>£10m) acquisitions to achieve the growth targets. Software houses, VARs and service organisations with expertise in providing solutions to ICL's industry verticals will be targeted in all countries. Milestones relating to this programme have been identified for all the country managers and management teams for review at QBRs. The anticipated profile of acquisitions and resultant revenue growth by country obtained from the combined organic and inorganic plans is as follows:

| | REVENUE | | ACQUISITIONS PROFILE |
|-------------|---------|-----|------------------------------------|
| | 91 | 95 | |
| | (£M) | | |
| Germany | 15 | 200 | 4 @ £35m |
| France | 75 | 200 | 2 @ £20m + 3 @ £7m via GSCs |
| Spain | 35 | 200 | Subject to discussion with Fujitsu |
| Holland | 42 | 80 | 2 @ £10m |
| Denmark | 40 | 60 | |
| Sweden | 36 | 70 | 1 @ £10m |
| Finland | 14 | 30 | 1 @ £5m |
| Portugal | 13 | 30 | 1 @ £5m |
| Italy | 11 | 30 | 2 @ £5m |
| Switzerland | 14 | 40 | 2 @ £5m |
| Austria | 6 | 20 | 1 @ £5m |
| Belgium | 9 | 20 | 1 @ £5m |
| EI | 5 | 15 | |

1991 FIVE YEAR STRATEGY PLAN

Unit: ICL Europe, Marketing

Achieved (to meet organic plan)

- * **Spain:** Joint venture with Andalucian Regional Government to develop software for Health and Local Government markets. Also ICX.
- * **Scandinavia:** Acquisition of Databolin software house in Sweden, with subsidiaries in Finland and Norway, with its installed base of 1500 customers and £25m revenue mainly in manufacturing / distribution sectors. Acquisition of Datorex in Sweden with retail skills. Also Karner (Kidadata) and acquisition of ICL Data A/S in Norway with S25 base.
- * **Holland:** Acquisition of COMDES software house with expertise in Unix, training and the Health and Printing sectors.
- * **Germany:** Acquisition of Metatech software house with its manufacturing segment expertise.

Future Intent (to meet organic plan)

Following the series of Acquisition Workshops, each country has produced or will produce a shortlist of target companies which will help them to achieve their strategic priorities.

Whilst the majority relate to the inorganic plan, each country has identified smaller acquisitions and collaborative ventures which will contribute to the organic plan. These will focus on adding applications in Financial Services, Retail and Manufacturing and on developing and reinforcing those local niche markets with strategic potential.

Future Intent (to cover overall plan including inorganic)

A major objective of the inorganic plan is to attain a significant market share (>5%) in several of the major European markets, most notably Germany, France, Spain and Holland. To achieve this, a number of medium - sized acquisitions will be necessary, spread over the 5 year period in order to be digestible. It seems unlikely that any larger (>£50m) acquisitions will be made by ICL Europe, though efforts will continue to identify more sizeable target organisations. Vehicles will range from new concepts such as GSCs (separate software/services organisations outside the current country operations) through equity participation to new joint ventures.

In Spain, the major objective in the next year is to agree with Fujitsu the relative responsibilities of ICL Espana and Fujitsu Espana.

4.7 QUALITY

The three major Quality programmes are:

- * **ISO 9000 REGISTRATION** will be achieved by France and Holland in 1991 with a rollout programme begun for Portugal, Belux/EI, and Denmark. Planning will be completed to enable the rest of Europe to attain registration in 1992
- * **KEY QUALITY FOCUS PROJECTS.** Each year each function identifies a major area of quality improvement which directly affects customers and profitability and focuses attention on it. These projects include:
 - 1990 Sales Productivity and IS Support, Debtor Programme, Call-to-Fix Performance.
 - 1991 - Demonstration Centres, Sales Productivity, Debtor Programme.
- * **QUALITY LIVE IN EUROPE.** This programme ensures that the Quality Improvement Process is internalised by all countries
 - 1991 - Education completed with additional training in benchmarking and process management techniques
 - Every country identifies 5 major CARs, reviewed at QBRs
 - PONC reduction programme: target 10% elimination by Q4

1991 FIVE YEAR STRATEGY PLAN

Unit: ICL Europe, Marketing

-
- 1992 - Continued training on new techniques and tools with emphasis on prevention rather than appraisal
 - Application of Business Management Process and Best Practice Benchmarking as standard procedures
 - PONC reduction programme: further 15% reduction
 - Extension of Corrective Action System to Third Parties and key customers
 - Commencement of significant external publicity on ICL's Quality achievements in Europe
 - 1993+- PONC reduction programme: 20% annual reduction
 - Ongoing publicity programme
 - Set European marketplace norms based on ICL performance

4.8 BUSINESS STREAM ANALYSIS

ICL Europe has a major commitment to its Services business. Not only is a significant element of the growth in the organic plan driven by services, particularly operational and professional, but the majority of the incremental inorganic plan is likely to be services based.

REPUTATION BUSINESS (Consultancy and Training)Professional Services / Consultancy

- * Key Countries - France, Holland, Sweden, Denmark and Spain - will make major investments in people skills and external recruitment of top level consultants for their most important verticals .
- * A European Consultancy centre will be created on the continent to support other markets and countries. This business will be targeted on further penetration of existing ICL Major Accounts.
- * Professional Services will aim to provide comprehensive integrated systems management solutions.

Training

- * Until 1993, focus on organic growth with management focus on growth outside ICL base in Open Systems and MSDOS areas by
 - Appointment of training business development managers in FRA, HOL, DEN, SPA and creation of centres of excellence
 - Exploiting existing assets to drive key segments
 Revenue growth from £3.2m to £7m in 3 years, margin 20%
- * From 1993 to 1996, an aggressive growth strategy will be implemented
 - Creation of major regional centres in FRA, HOL, SWE and SPA
 - Significant growth in non-traditional areas via major acquisitions and collaborations
 Revenue growth from £7m to £18m

SYSTEMS BUSINESS (H/W,S/W and related implementation services)

The main business area in this category is, of course, the mainline ICL solutions creation and marketing activity.

- * Services will follow the 'product' priorities
- * Investment will be made in packaging of implementation services with revenue growth from £7m to £28m.

RISK BUSINESS (Integration or bespoke contracts)

- * Major investment will be made in System Integration skills by
 - external recruitment
 - collaborations with systems houses and consultancies
 - selective acquisitions
- * Investment in the Project Management Programme will continue until 1993

1991 FIVE YEAR STRATEGY PLAN

Unit: ICL Europe, Marketing

OPERATIONAL BUSINESS (Customer Services, TPM, FM, etc)

- * Site and network management services will be introduced in Holland and France, followed by Spain, Sweden and Denmark
- * The TMS market will be entered during 1991 and 1992 within the ICL base, with extension to the non-ICL base via a major TMS acquisition during 1992
- * Opportunities in environmental services will be exploited in all countries via collaboration and subcontracts
- * Media and supplies and other basic service products will use the ICL Direct channel

KEY ISSUE : PRODUCTIVITY IMPROVEMENT

Significant productivity improvement will be achieved during the plan period. Geographic constraints and required service levels mean that a critical mass of personnel is necessary for contracts to be fulfilled. The Services Productivity Plan has identified how and where improvements can be made which includes the following actions:

- * Increased and more effective utilisation of Tools to manage the business e.g. NDS, PRONTO, FSMS+, TEMPUS, EPIC, SWIFT, MARS-UNIX
- * In 1993, WINDSOR (new Central Desk) will automate the management of the Teleservices process
- * The Structured Services implementation will be carried out and standardised in all countries
- * Implementation of Direct Trading
- * In 1993, common core systems will be introduced together with flexible access and expert systems
- * Telemarketing will be introduced
- * Skills reprofiling will introduce major savings in remuneration

4.9 PEOPLE RELATED OBJECTIVES AND STRATEGIESKEY PEOPLE CHANGES TO SUPPORT MAJOR BUSINESS STRATEGIES

Quality: Dedicated managers appointed to manage processes.

Vertical Focus: Increase number and level of industry consultants for established and target verticals. Build vertically specialised sales teams with higher sales support:sales ratio. Increase number of PS staff and develop their vertical market skills.

Acquisitions: Additional resource dedicated to identifying and negotiating acquisitions, their subsequent management and integration. Growth of new skills will be essential.

Promotion: Strengthening of HQ Marketing Communications resource with development of skills in the country operations via training.

Professional Services: Recruitment of experienced, professional managers, hired externally if necessary, will continue ensuring Unix, networking, communications, office automation and vertical market skills are acquired, developed and retained.

Major Account Development: Recruitment, including vertical market and CS experience, coupled with a major sales training programme and process review.

3rd Party Management: Recruitment of dedicated 3rd Party managers to manage the recruitment of VARs and sourcing of applications software.

Skills Reprofiling: Systematic assessment, against business requirements, retraining and rationalisation planning, will be extended to all functions.

1991 FIVE YEAR STRATEGY PLAN

Unit: ICL Europe, Marketing

STRATEGIES AND ACTIONS TO ATTAIN, RETAIN AND DEVELOP TARGET SKILLSActions taken in 1990

- * Extension of our Eurograduate programme with increased movement between the countries and UK.
- * Increased resource invested in Quality Management, Indirect Sales, PS Management and Applications Procurement.
- * Extensive implementation of common HR processes has reduced attrition rates, stabilised management teams and achieved a greater degree of common culture.
- * Introduced computer-based skills profiling and retraining system and a manual of job descriptions/performance criteria for all services staff (50% of our staff).
- * New remuneration packages for senior managers and stronger EIP incentives for achievement of strategic objectives.

Actions planned

- * Increased efforts on Indirect Sales resources and growth, recruitment of Industry Consultants and experienced PS resources, and on young people development programmes.
- * Consolidation of IIP and OMR processes, Opinion Surveys and Quality Management.
- * Cross-border task force to introduce common job value system .
- * Acquisition Workshops for Country Managers and their teams.
- * UNIX skills development programme with Dauphine University, Paris.
- * Extension of skills planning and reprofiling system.
- * Services Revenue Growth Workshops for all country teams.
- * Accelerated investment in management training for key individuals and teams.

PRODUCTIVITY IMPROVEMENT

Major resources and improvements are detailed on the KEY RESOURCES schedule. Actions to improve productivity include:

- * Extension of OFFICEPOWER to all desks.
- * Establishment of computerised Personnel information systems and Resource Scheduling systems in all countries, and extension of computerised skills assessment and reprofiling.
- * Focusing of sales teams on Major Accounts and vertical markets with trained and concentrated industry attack teams.
- * Automated sales administration aids and increased sales support ratios.
- * Targeted sales training to maximise effectiveness of customer contact.
- * Customised training courses for marketers on ICL processes and marketing communications.
- * Targets for Corrective Action Teams and PONC reduction.
- * Services Productivity Plan (See Sect 4.8 Key Issues)
- * Effective working links and communication between direct and indirect sales and supporting PS resource.

CHANGES TO ORGANISATION AND PERSONNEL PRACTICES

In 1991, reporting to the President was restructured to group the Nordic countries and the five countries in S Europe. At the same time, the responsibilities of HQ executives were streamlined.

1991 FIVE YEAR STRATEGY PLAN

Unit: ICL Europe, Marketing

Future development of the organisation will be in the light of our success in, and integration of, acquisitions e.g.:

- * Establishment of a Software House Holding Company in France and eventually elsewhere to manage acquired software companies.
- * Planned growth by acquisition in Germany, France, Spain and Holland will require adjustment of the country organisations.

Personnel practices are covered in 'Actions in 1991'. Over the 5 year period, our main aim will be to accelerate cross-border experience and to ensure remuneration packages move in line with our growth in strategic directions.

There will be a growing practice in 'Commuting' from a home base to a job in another country rather than the traditional assignment. EEC legislation is not anticipated to significantly affect ICL Europe operationally except in the area of employee consultation at a European level. Continuing shortage of skills will place great pressure on compensation costs in Spain and Portugal.

The arm's length nature of managing some acquisitions will require flexible approaches to senior management remuneration and development of entrepreneurial management capability.

5. CHANGES FROM 1990 PLAN

The 1991 Strategic Plan for ICL Europe is a more focused, more determined, and more credible plan. This results from environmental and management change and certain experience in 1990:

- The streamlining of processes to accelerate acquisitions.
- The frustration from the failure with Kienzle, and the consequent determination to 'make Germany happen for ICL'.
- The change of emphasis from Unix to Unix Solutions, and the dependent requirements to build the Unix Solutions portfolio and associated services in chosen market
- A new clarity of objective setting, communications, and measurement from HQ to countries.
- The Fujitsu investment in ICL, and the confirmation of the requirement for ICL to succeed in continental Europe.

6. INTERNAL CONSTRAINTS

a) Acquisitions

The assumption of the availability of funds for a continuous acquisition activity profiled in 4.6.

b) Major Accounts

The assumption of agreement to a number of below the line investments in a year's P&L to facilitate major account resourcing and customer satisfaction with big projects, e.g. Migros, Switzerland; Government, Spain.

c) Promotion

The assumption of an on-going Corporate budget to fund senior executive contact events, VAR programmes and ICL image and awareness programmes. This is assumed to continue during the life of the plan.

Unit: ICL Europe, Marketing

7. CONTINGENCY PLANS

Organic Plan

- Cut back on number of vertical programmes, including elimination of verticals such as Health and Telecoms.
- Downsize target level of business in countries where confidence level is low.

Inorganic Plan

- Reduce targets for acquisition in some countries.

The effect of these actions will be to fall short of the flbn objective.

1991 FIVE YEAR STRATEGY PLAN

Unit: ICL Europe, Marketing

8. ISSUE MANAGEMENT OF CROSS-DIVISIONAL PROGRAMMES (ManExec level topics)STATUS OF 1990 ISSUES

| <u>Item</u> | <u>Status</u> | <u>Action on</u> |
|--|--|-----------------------------------|
| DRS 6000 Multiprocessor and 40MHz | Not yet available | Product Operations |
| DRS 3000 Applications Tools | Additional tools reqd | Product Operations |
| OFFICEPOWER V 6.50 in all Western European Languages | Spanish,Portuguese,Italian Swedish,Finnish, Danish in work | Product Operations/ ICL Europe |
| GMS 4 | In Work | Retail Business |

FURTHER ISSUES

| | | |
|--|----------------------------|--------------------|
| UNIX Transaction Processing | In Programme | Product Operations |
| More CASE Tools/RDBS | Not all Reqts in Programme | Product Operations |
| OFFICEPOWER : Support for other WPs etc | Not all Reqts in Programme | Product Operations |
| OFFICEPOWER : Porting to other platforms | Not all Reqts in Programme | Product Operations |
| Sustain competitive position of PCs | | Product Operations |
| DRS 3000:One Multiprocessor system for both Unix and DOS | | Product Operations |
| Financial Services Applications/Solutions | | Financial Services |
| Retail Product Line for Indirect Channel | | Retail |

FUJITSU PRODUCTS

| | |
|--------------------|---|
| UNIX Mainframes | Whilst the marketing and positioning of these products are still inadequately defined, ICL Europe anticipates early exploitation as support of strategy as leader in Unix Solutions |
| Retail | ATRIUM terminal product line will be critically important to the achievement of Retail goals in this plan. |
| Financial Services | Currently evaluating opportunity to exploit Fujitsu ATM product lines |
| Telecommunications | Currently evaluating opportunity to exploit Fujitsu Telecoms products and technology |

1991 FIVE YEAR STRATEGY PLAN

Unit: ICL Europe, Marketing

9. COUNTRY STRATEGIC PLANS

An important purpose of this strategic plan is that it acts as a driver for the prioritisation of tasks by country management teams, and enables the monitoring of progress towards our strategic goals.

Thus, each country has produced a plan itemising the milestones for their objectives and their action plans against the nine strategic tasks listed in the Director's Overview. Progress on these areas will be measured at the QBRs. For most of the nine subjects, ICL Europe's plans are well covered in the rest of this document. Three subjects have, however, not been covered within the standard guidelines.

a) Growth of Applications Portfolio

The countries have set and agreed targets for the number and type of new applications, to be gained by porting and by own development, together with the hardware and software revenues to be obtained from current and future applications. Examples from the country plans include:

Denmark: porting of 5 applications to support its drive into the private market whilst subcontracting development of 7 packages for its current local and central government focus

Belgium: Taking on 4 Third Party applications primarily in its local Printing vertical whilst doing own development of 3 applications for the Retail market and transferring in 4 applications in other verticals from other ICL operations .

b) Growth of Industry Consultants

Our vertical market focus must be supported by senior consultants with business experience in the chosen industries. All countries have agreed targets for the recruitment of such consultants which will double the number within the next 18 months with further significant growth during the plan period.

For example :

France: currently with a negligible number of consultants, plan to grow to 8 by end 1991, to 18 by end 1992, and to 33 by end 1996.

c) Competitive Attack

Beside understanding the competitive environment, we need to identify the weak competitors for specific competitive attack programmes to capture their base. Each country has produced such a plan, targeting one competitor in each of its vertical markets. Naturally the targeted countries vary by country and by vertical, but aside from country specific operations, competitors commonly identified for attack are Nixdorf, Philips, Wang and MAI.

For example:

Holland: will attack MAI, Wang and Philips with a personalised mailing campaign and a variety of 'special deals'. These specials will be solution specific e.g. a printing solution including DRS3000 hardware, PECAS II application and SIAC services to attack the MAI printing base.

1991 FIVE YEAR STRATEGY PLAN

Unit: ICL Europe, Marketing

| <u>CRITICAL MILESTONES</u> | | | | |
|----------------------------|---|--|--------------------------|--------------------------------|
| Objective No. as P3 | Critical Success Factor | Key Milestones - 1991 and 1992 (dates to cover 2 yrs) | Responsibility (name) | Target Completion Date |
| 1 | a) Maintenance of correct REDs mix | Achieve REDs Targets M/frame Office 1991 £14.7m £125.4m | NPDE/AJH NPDE/AJH | 12/91 |
| | b) Grown in Key Vertical Markets | Achieve Total Retail Revenue - 1991 £62.9m 1992 £68.6m | NPDE/AJH | 12/91 12/92 |
| | c) Gain market share by competitor penetration. | 1991 Win 3 major competitive displacement orders 1992 Win 4 | NPDE/AJH | 12/91 12/92 |
| | d) Achieve rapid success with key product introductions | 1991 Achieve Forecast DRS3000 Volume Shipments - Total 459 Q1-80 Q2-109 Q3-113 Q4-157 | NPDE/AJH | 3/91 6/91 9/91 12/91 |
| | e) Major growth in UNIX applications available to ICL | 1991 10 New revenue earning applications 4 in 1st half. 6 in 2nd half 1992 14 New revenue earning applications 6 in 1st half. 8 in 2nd half | NPDE/AJH | 6/91 12/91 6/92 12/92 |
| | f) Customer satisfaction with our provision of Customer Service | Average call-to-fix times: by 1991 : 6 hours | NPDE/FA | 12/91 |

1991 FIVE YEAR STRATEGY PLAN

Unit: ICL Europe, Marketing

| Objective No. as P3 | Critical Success Factor | <u>CRITICAL MILESTONES</u> | | |
|------------------------|---|---|--------------------------|------------------------------|
| | | Key Milestones - 1991 and 1992 (dates to cover 2 yrs) | Responsibility (name) | Target Completion Date |
| 2 | a) Achievement of regular rate and value of acquisitions across countries | 1991 Complete 6 strategic acquisitions with total gain of £50m to include 1 in Germany > £20m | NPDE/TCH | 12/91 |
| | | 1992 Complete 6 strategic acquisitions with total revenue gain of £75m to include 1 in Germany > £20m | | 12/92 |
| 3 | a) Steady increase in 3rd Party Business | Achieve forecast targets <u>Revenue</u> 1991 £25m 1992 £113m | NPDE/AJH | 12/91 12/92 |
| | b) Regular recruitment of further medium sized VARs | Meet targets of 1991 - 25 (10/15) 1992 - 35 (15/20) | | 6/91, 12/91 6/92, 12/92 |
| 4 | a) Growth of Professional Services as a percentage of total revenues | Achieve PS revenue targets of 1991 - £20.7m 1992 - £25.9m | NPDE/FA | 12/91 12/92 |
| | b) Steady recruitment of PS heads in all countries | Achievement of headcount plan 1991 - Q1-417, Q2-462 1992 - Q1-480, Q2-498 | | NPDE/AM /FA |

1991 FIVE YEAR STRATEGY PLAN

Unit: ICL Europe, Marketing

| <u>CRITICAL MILESTONES</u> | | | | |
|----------------------------|--|---|--------------------------|------------------------------|
| Objective No. as P3 | Critical Success Factor | Key Milestones - 1991 and 1992 (dates to cover 2 yrs) | Responsibility (name) | Target Completion Date |
| 5 | Success of Promotional Programme in Europe | - Minimum of 80 board level attendees from targetted major accounts at conferences | NPDE/AO'D /AJH | 12/91 |
| | | - Completion of Pan-European insert campaign and initial image research to quantify 1992 targets | | 12/91 |
| | | - Achieve a minimum of four high level contacts in the Central Government of 8 countries by end 91 and all countries by end 92. | AO'D | 12/91 12/92 |
| 6 | a) Achieve ISO 9000 registration according to plan | 1991 - Registration in Holland, France 1992 - Registration in all other countries | NPDE/BJS | 12/91 12/92 |
| | b) Effective use of Corrective Action Process | 1991/1992 - Each countries closes 5 <u>major</u> CARS each year | NPDE/BJS | 12/91,12/92 |

UNIT: ICL EUROPE

(SALES OPERATIONS)

(Pounds million at Forward Conditions)

The purpose of this schedule is to track investment spending on priority markets

| INDUSTRY: | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 |
|----------------------|------|------|------|------|------|------|------|
| RETAIL | 1.2 | 1.9 | 2.4 | 2.8 | 3.0 | 3.2 | 3.6 |
| MANUFACTURING | 1.5 | 1.5 | 1.8 | 2.3 | 2.4 | 2.5 | 2.8 |
| CENTRAL/FEDERAL GOVT | .2 | .8 | .9 | 1.0 | 1.0 | 1.0 | 1.1 |
| LOCAL/STATE GOVT | 1.2 | 1.1 | 1.6 | 2.0 | 2.1 | 2.1 | 2.3 |
| FINANCIAL SERVICES | 1.1 | .9 | 1.6 | 2.2 | 2.4 | 2.5 | 2.8 |
| Other: RCI | 7.5 | 6.4 | 4.8 | 3.5 | 3.6 | 3.7 | 3.9 |
| Other | 1.6 | 1.6 | 1.4 | 1.2 | 1.0 | 1.0 | 1.2 |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| TOTAL EXPENDITURE | 14.3 | 14.2 | 14.5 | 15.0 | 15.5 | 16.0 | 17.7 |

sopsdev

Investment includes :- Software Investment Fund
 Vertical application development
 Country spend to support niche markets
 Health investment is included within Local Govt.

UNIT:- ICL EUROPE

REVENUE ANALYSIS
(SALES OPERATIONS)

(Pounds million at forward conditions)

The purpose of this schedule is to track the changes in growth and source of business

| | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| **INDUSTRY** | | | | | | | |
| RETAIL | 57.8 | 62.9 | 68.6 | 76.8 | 86.8 | 98.0 | 109.7 |
| MANUFACTURING | 12.4 | 10.7 | 16.0 | 22.4 | 28.0 | 35.0 | 41.6 |
| CENTRAL/FED GOVT | 23.3 | 34.4 | 43.0 | 52.4 | 61.2 | 70.4 | 81.0 |
| LOCAL/STATE GOVT | 37.6 | 40.8 | 44.1 | 49.3 | 55.1 | 61.7 | 68.1 |
| FINANCIAL SERVICES | 4.0 | 9.9 | 20.0 | 23.0 | 26.5 | 30.4 | 35.0 |
| OTHER INDUSTRIES | 106.8 | 137.5 | 128.2 | 131.2 | 140.1 | 153.6 | 170.6 |
| TOTAL REVENUE | 241.9 | 296.2 | 319.9 | 355.1 | 397.7 | 449.1 | 506.0 |
| **GEOGRAPHY** | | | | | | | |
| UNITED KINGDOM | | | | | | | |
| FRANCE | 70.5 | 72.2 | 78.0 | 86.6 | 96.9 | 109.4 | 122.0 |
| HOLLAND | 37.2 | 42.0 | 44.9 | 48.9 | 52.9 | 56.9 | 61.0 |
| SWEDEN | 14.2 | 34.2 | 35.9 | 37.7 | 40.0 | 42.4 | 45.0 |
| ITALY | 9.0 | 11.1 | 12.1 | 13.2 | 14.4 | 15.6 | 17.0 |
| SPAIN | 11.1 | 35.4 | 44.4 | 53.3 | 63.2 | 73.1 | 83.0 |
| GERMANY | 15.7 | 16.0 | 16.7 | 18.4 | 20.2 | 22.1 | 24.0 |
| DENMARK | 37.9 | 38.9 | 39.0 | 39.5 | 40.0 | 41.0 | 42.0 |
| OTHER EUROPE | 46.3 | 46.4 | 48.9 | 57.5 | 70.1 | 88.6 | 112.0 |
| NORTH AMERICA | | | | | | | |
| PACIFIC | | | | | | | |
| ASIA | | | | | | | |
| SOUTH AFRICA | | | | | | | |
| INTERNATIONAL TRADE | | | | | | | |
| TOTAL REVENUE | 241.9 | 296.2 | 319.9 | 355.1 | 397.7 | 449.1 | 506.0 |
| *PROD/BUS DIVISION* | | | | | | | |
| CPD-CORPORATE h/w | 18.8 | 12.7 | 13.0 | 13.3 | 13.7 | 14.0 | 14.4 |
| CPD-DEPARTMENT h/w | 56.8 | 78.6 | 91.5 | 104.5 | 117.5 | 130.5 | 143.7 |
| CPD-PERSONAL h/w | 19.4 | 25.4 | 28.6 | 31.8 | 35.0 | 38.1 | 41.2 |
| SID-TOTAL | 20.3 | 25.9 | 26.7 | 27.5 | 28.3 | 29.1 | 30.0 |
| ITS-TOTAL | 2.0 | 7.7 | 8.6 | 9.5 | 10.4 | 11.4 | 12.4 |
| RETAIL (PLP) | 20.2 | 18.9 | 21.7 | 24.5 | 27.3 | 30.1 | 33.0 |
| OTHER | 104.4 | 127.0 | 129.8 | 144.0 | 165.5 | 195.9 | 231.3 |
| TOTAL REVENUE | 241.9 | 296.2 | 319.9 | 355.1 | 397.7 | 449.1 | 506.0 |
| **CHANNEL** | | | | | | | |
| DIRECT SALESFORCE | 222.9 | 271.2 | 289.5 | 310.7 | 334.1 | 363.8 | 392.1 |
| INDIRECT SALES | 19.0 | 25.0 | 30.4 | 44.4 | 63.6 | 85.3 | 113.9 |
| TOTAL REVENUE | 241.9 | 296.2 | 319.9 | 355.1 | 397.7 | 449.1 | 506.0 |

UNIT: ICL EUROPE

The purpose of this schedule is to track productivity and compare the requirements for key resources

| | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 |
|--------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Sales/Sales mgrs | 306 | 326 | 319 | 312 | 304 | 304 | 290 |
| Sales Support | 178 | 224 | 239 | 246 | 250 | 265 | 265 |
| Customer Service | 1151 | 1106 | 1052 | 998 | 928 | 805 | 714 |
| Professional Ser. | 382 | 462 | 498 | 582 | 676 | 783 | 847 |
| Training Service | 43 | 45 | 54 | 65 | 75 | 95 | 112 |
| Local Development | 176 | 167 | 110 | 80 | 40 | 35 | 35 |
| Mktg/Pin/Pers prof | 367 | 382 | 375 | 370 | 365 | 355 | 350 |
| Admin (incl I.S.) | 297 | 322 | 310 | 300 | 295 | 290 | 285 |
| Other (Mfg) | 90 | 57 | 37 | 20 | 0 | 0 | 0 |
| TOTAL STAFF | 2,990 | 3,091 | 2,994 | 2,973 | 2,933 | 2,932 | 2,898 |

3 selected Productivity measures

| | | | | | | | |
|----------------------|------|------|------|-------|-------|-------|-------|
| 1. Dir. Revenue/Head | 74.5 | 89.6 | 96.7 | 104.5 | 113.9 | 124.1 | 135.3 |
| 2. Dir. Orders/s'man | 399 | 413 | 454 | 500 | 540 | 583 | 630 |
| 3. PS Rev./PS Head | 29.6 | 49.3 | 52.0 | 56.2 | 60.6 | 65.5 | 70.0 |

Memo item only:

| | | | | | | | |
|-------------|--|--|--|--|--|--|--|
| FREELANCERS | | | | | | | |
| HOMEWORKERS | | | | | | | |

Significant key skills to change over time in line with business plan

| | | | | | | | |
|--------------------|-----|-----|-----|-----|-----|-----|-----|
| Industry consult. | 25 | 35 | 42 | 50 | 60 | 70 | 75 |
| UNIX skills | 378 | 400 | 425 | 450 | 475 | 500 | 525 |
| Project managers | 55 | 66 | 75 | 84 | 97 | 114 | 125 |
| Major A/C managers | 17 | 22 | 28 | 33 | 38 | 43 | 45 |

UNIT:- ICL EUROPE

REVENUE ANALYSIS
(SALES OPERATIONS)

(Pounds million at forward conditions)

The purpose of this schedule is to track the four business stream changes in growth and source of revenues

| | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 |
|--------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| **REPUTATION** | | | | | | | |
| EDUCAT'N & TRAINING | 3.0 | 3.6 | 4.5 | 5.8 | 7.4 | 9.1 | 11.0 |
| CONSULTANCY | .0 | 1.5 | 1.7 | 2.0 | 2.4 | 3.1 | 4.0 |
| TOTAL REVENUE | 3.0 | 5.1 | 6.2 | 7.8 | 9.8 | 12.2 | 15.0 |
| **ICL SYSTEMS** | | | | | | | |
| HARDWARE | 119.9 | 145.9 | 156.7 | 173.3 | 193.3 | 216.5 | 242.8 |
| SYSTEMS SOFTWARE | 16.5 | 18.7 | 19.3 | 20.7 | 22.1 | 23.5 | 25.0 |
| GENERIC SOFTWARE | 6.4 | 10.2 | 10.7 | 11.6 | 12.8 | 13.7 | 16.4 |
| APPLIC'NS SOFTWARE | 2.5 | 3.5 | 4.2 | 5.0 | 6.1 | 7.3 | 8.5 |
| SOLUT'NS CONSULT'CY | 5.7 | 6.4 | 9.0 | 12.8 | 16.8 | 22.9 | 28.0 |
| IMPLEMENT'N SERV'S | 3.3 | 7.8 | 9.5 | 12.2 | 15.2 | 21.1 | 27.2 |
| TOTAL REVENUE | 154.3 | 192.5 | 209.4 | 235.6 | 266.3 | 305.0 | 347.9 |
| **RISK** | | | | | | | |
| SYSTEMS INTEGRAT'N | 4.8 | 10.4 | 11.4 | 13.1 | 15.1 | 17.4 | 19.2 |
| BESPOKE S/W DEVEL. | 1.2 | 2.6 | 2.9 | 3.3 | 3.8 | 4.3 | 4.8 |
| TOTAL REVENUE | 6.0 | 13.0 | 14.3 | 16.4 | 18.9 | 21.7 | 24.0 |
| **OPERATIONAL** | | | | | | | |
| SYSTEMS MAINTENANCE | 69.1 | 71.6 | 71.9 | 74.0 | 76.5 | 79.0 | 82.3 |
| SOFTWARE SERVICES | .4 | 1.4 | 2.5 | 3.3 | 4.3 | 5.9 | 7.6 |
| THIRD PARTY MAINT. | .0 | 1.0 | 2.3 | 3.8 | 5.0 | 6.5 | 8.4 |
| FACILITIES M'MENT | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| MEDIA & SUPPLIES | 8.0 | 8.9 | 10.3 | 11.2 | 12.3 | 12.8 | 13.3 |
| OTHER | 1.1 | 2.7 | 3.0 | 3.0 | 4.6 | 6.0 | 7.5 |
| TOTAL REVENUE | 78.6 | 85.6 | 90.0 | 95.3 | 102.7 | 110.2 | 119.1 |
| TOTAL ICL REVENUE | 241.9 | 296.2 | 319.9 | 355.1 | 397.7 | 449.1 | 506.0 |

UNIT: ICL EUROPE

(SALES OPERATIONS)

(Pounds million at Forward Conditions)

The purpose of this schedule is to model the movement of the four business stream's key measures

| | 1990 | 1991 | 1996 |
|-------------------------------------|--------|--------|-------|
| **REPUTATION BUSINESS** | | | |
| Revenue | 3.0 | 5.1 | 15.0 |
| Revenue Growth %-annual(cagr in 96) | .0% | 70.0% | 24.1% |
| Gross Margin % | 12.5% | 29.0% | 25.0% |
| Net Opex/Revenue % | 13.3% | 17.6% | 11.3% |
| Controllable Profit/Revenue % | -4.2% | 7.4% | 10.3% |
| Total Staff Nos. | 51 | 62 | 173 |
| Revenue per Head (K) | 58.8 | 82.3 | 86.7 |
| Revenue % From Non ICL Base | .0% | .0% | 15.0% |
| **ICL SYSTEMS BUSINESS** | | | |
| Revenue | 154.3 | 192.5 | 347.9 |
| Revenue Growth %-annual(cagr in 96) | .0% | 24.8% | 12.6% |
| Gross Margin % | 46.0% | 46.2% | 39.2% |
| Net Opex/Revenue % | 53.9% | 46.8% | 28.5% |
| Controllable Profit/Revenue % | -25.1% | -15.8% | -1.5% |
| Total Staff Nos. | 1461 | 1573 | 1620 |
| Revenue per Head (K) | 105.6 | 122.4 | 214.8 |
| Shipments % Via 3rd Parties | 8.5% | 9.2% | 22.5% |
| ****RISK* BUSINESS**** | | | |
| Revenue | 6.0 | 13.0 | 24.0 |
| Revenue Growth %-annual(cagr in 96) | .0% | 116.7% | 13.0% |
| Gross Margin % | 14.0% | 18.0% | 22.0% |
| Net Opex/Revenue % | 20.0% | 18.0% | 15.5% |
| Controllable Profit/Revenue % | -17.7% | -10.7% | -1.9% |
| Total Staff Nos. | 73 | 100 | 157 |
| Revenue per Head (K) | 82.2 | 130.0 | 152.9 |
| Revenue % From Non ICL Product | .0% | .0% | .0% |
| **OPERATIONAL BUSINESS** | | | |
| Revenue | 78.6 | 85.6 | 119.6 |
| Revenue Growth %-annual(cagr in 96) | .0% | 8.9% | 6.9% |
| Gross Margin % | 31.0% | 33.0% | 30.0% |
| Net Opex/Revenue % | 15.5% | 15.5% | 15.5% |
| Controllable Profit/Revenue % | 3.9% | 6.4% | 4.0% |
| Total Staff Nos. | 1405 | 1356 | 948 |
| Revenue per Head (K) | 55.9 | 63.1 | 126.2 |
| Revenue % From Non ICL Base | .7% | 2.7% | 12.0% |

(Pounds million at Forward Conditions)

FINANCIAL DATA

UNIT: ICL EUROPE

(SALES OPERATIONS)

The purpose of this schedule is to track the movement in margin and costs as the nature of the business changes and is reflected in the mix

| | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 |
|----------------------------------|---------------|---------------|---------------|---------------|---------------|--------------|--------------|
| H/W REVENUE | 119.5 | 145.9 | 156.7 | 173.3 | 193.3 | 216.5 | 242.8 |
| S/W REVENUE | 25.4 | 32.4 | 34.2 | 37.3 | 41.0 | 44.5 | 49.9 |
| S/W SERVS REVENUE | 3.7 | 9.2 | 12.5 | 16.3 | 21.5 | 29.5 | 37.8 |
| C/S REVENUE | 69.1 | 72.6 | 74.2 | 77.8 | 81.5 | 85.5 | 90.7 |
| P/S REVENUE | 11.3 | 20.7 | 25.9 | 32.7 | 41.0 | 51.3 | 60.5 |
| T/S REVENUE | 3.2 | 3.8 | 4.5 | 5.7 | 7.2 | 9.0 | 11.1 |
| OTHER REVENUE | 9.7 | 11.6 | 11.8 | 12.1 | 12.3 | 12.8 | 13.3 |
| TOTAL REVENUE | 241.9 | 296.2 | 319.9 | 355.1 | 397.7 | 449.1 | 506.0 |
| H/W DIR COST | 63.6 | 77.1 | 85.0 | 96.3 | 109.8 | 125.6 | 145.7 |
| S/W DIR COST | 10.6 | 10.4 | 11.3 | 12.7 | 15.1 | 17.6 | 20.7 |
| S/W SERVS DIR COST | 5.1 | 9.2 | 11.9 | 14.7 | 18.3 | 23.6 | 30.2 |
| C/S DIR COST | 45.9 | 48.5 | 50.0 | 52.9 | 55.9 | 59.2 | 63.5 |
| P/S DIR COST | 9.7 | 17.0 | 21.0 | 26.1 | 32.2 | 39.8 | 46.5 |
| T/S DIR COST | 2.8 | 2.7 | 3.4 | 4.3 | 5.4 | 6.8 | 8.3 |
| OTHER DIR COST | 7.6 | 10.3 | 10.1 | 9.9 | 9.6 | 9.6 | 9.8 |
| TOTAL DIR COST | 145.3 | 175.2 | 192.5 | 216.9 | 246.3 | 282.0 | 324.8 |
| GROSS MARGIN | 96.6 | 121.0 | 127.4 | 138.2 | 151.4 | 167.1 | 181.2 |
| INDIRECT COSTS | 8.3 | 12.5 | 12.5 | 13.5 | 14.7 | 16.2 | 17.7 |
| NET OPEX | 97.0 | 106.6 | 109.7 | 113.2 | 116.3 | 119.6 | 123.0 |
| LOCAL DEVELOPMENT | 14.3 | 14.2 | 14.5 | 15.0 | 15.5 | 16.0 | 17.7 |
| PROFIT BEFORE ALLOCATIONS | (23.0) | (12.3) | (9.3) | (3.5) | 4.9 | 15.3 | 22.8 |
| ALLOCATIONS | 19.0 | 19.0 | 20.5 | 22.7 | 25.5 | 28.7 | 32.4 |
| OTP RECOVERIES | 5.2 | 5.3 | 5.9 | 6.6 | 7.6 | 8.7 | 10.1 |
| CONTROLLABLE PROFIT | (36.8) | (26.0) | (23.9) | (19.6) | (13.0) | (4.8) | .5 |
| NET H/W ORDERS | 128.1 | 141.8 | 160.0 | 177.6 | 198.4 | 220.4 | 244.0 |
| REVENUE GROWTH % | | 22.4% | 8.0% | 11.0% | 12.0% | 12.9% | 12.7% |
| GROSS MARGIN % | 39.9% | 40.9% | 39.8% | 38.9% | 38.1% | 37.2% | 35.8% |
| NET OPEX/REV % | 40.1% | 36.0% | 34.3% | 31.9% | 29.2% | 26.6% | 24.3% |

UNIT: ICL EUROPE

FINANCIAL DATA

(SALES OPERATIONS)

The purpose of this schedule is to size the shape of the total business in 1995, against ICL's 4bn pound Revenue objective, by combining the content of the numeric plan with the anticipated shape of businesses acquired and subsequently developed 1991-1995.

(Pounds million at Forward Conditions)

| 1995 FINANCIAL SUMMARY | ORGANIC BUSINESS | ACQUIRED BUSINESS | TOTAL BUSINESS |
|---------------------------|---------------------|----------------------|-------------------|
| TOTAL REVENUE | 449.1 | 548.5 | 997.6 |
| GROSS MARGIN % | 37.2 | 33.5 | 35.2 |
| NET OPEX % | 26.6 | 22.4 | 24.3 |
| LOCAL DEVELOPMENT % | 3.6 | 2.0 | 2.7 |
| INDIRECT COSTS % | 3.6 | 3.0 | 3.3 |
| OPERATING PROFIT % | (1.1) | 6.1 | 2.9 |

Notes:

- 'Organic' is the main content of the numeric schedules.
- 'Acquired' refers to businesses not included in the main numeric schedules but anticipated to be consolidated into ICL accounts at some time between 1991 and 1995.
- 'Total' is the result of combining 'Organic' and 'Acquired' (by 1995).

sopkey

STIKORD FRA MIGRATION-PLAN-MØDE D. 27.03.91 I 0155 (FORTROLIGT)

DELT. KS plus team, excl BLRA.

Migration betyder flytning.

PRODUKTIDEER

Drop basisprodukter Videre med OP-systemer Electronic Messaging SUN som ny "PC-standard"
Detailhandel ICL-Intel med mere end 32 brugere

Specialløsninger (fx PENSAM) der kan føre til standardprodukter eller som medfører andet salg.
Body-shopping alene duer ikke.

Telecom-markedet, fx videotext (uenighed i KS-team, markedet er trægt og trængt).

Network Management/System Management (giver også kundetilknøytning).

Integrere generelt mod de fremtidssikre dele af ICL-produkterne.

Projektsalg, hvis det er stort nok til at give penge.

Hjælpe SALG med at blive proffs på deres enkelte områder.

SAVNES MEGET

TCP/IP DATACO-tilslutningsmulighed. X-NET-interface SW og memory til de 500 LANMUX
ude i byen (OSI/IMC til TCP/IP)

TVIVL VEDR AKTUELLE PLANER

9000 multiprocessor (DLU) X-OPEN, er det kunderne/staten/os der ønsker det? RC913
LANMUX. RCIs OSI-strategier (egenudvikling/ICL/Retex/DATACO)

PRODUCT DIVISION

-Skal sælges mere og bedre, på fremtidens produkter, ikke på vedligehold og brandslukning på
fortidens produkter.

-Tydeliggør, hvad RCI og Prod.Div. står for.

-Kender vi kundernes/brugernes behov (godt nok) ?

-Hvordan kan vi hjælpe til, at RCI får eksport eller nye hjemlige
markeder for de eksisterende og nye produkter ?

Synsvinkel:

-Drop ønskedrømmene, "hvis bare ..." og naboens græsgange. Focuser på
det nære og det vi ved, vi er stærke til.

-UNIX-bokse er andet og mere end RCI-produkter.

Side 2

Organisation:

-Mere dynamisk, skal svare til SALG-DKs opdeling.

-Opdele i vedligehold og økonomisk målbare (rentable) projekter.

Scandinavian Skills Centre, hvorfor ?

- Behov for grundige produkt skills i Skandinavien (specielt S og DK).
- Model for fremtidige ICL-centre (De har problemer med lokal support).
- Vi på RCI har grundlaget.
- Vi er inde i ICLs strategiske retningslinier.
- Vi understøtter de facto Sverige.
- Vi har overblik på praktisk anvendelse af standarder, og kan styre en migration mod OSI.
- Vi kan overse produktmarkedet (ICL, RCI og øvrige) , som det kræves af en seriøs Systemintegrator.

SSC, hvorfor dog det ?

- Er de nuværende skills værdsat ? Bliver de primært brugt til at promovere egne produkter ? Hvordan kan de "sælges" bedre ?
- Hvad vil få kunder og ICL/RCI-kolleger til at kontakte SSC ?

RCI OM 2 ÅR ?

- Mere bredde end 900/9000 (og ICL?).
- Shoppe delelementer.
- Flere kanaler end SALG-DK.
- 90ernes arbejdsplads.
- Opdyrke nye behov.
- Focusere organisationen mod løsninger/projekter.
- I henhold til ICLs Statement of Direction (læs den).

HJEMMEOPGAVE .

Hvad vil vi i Product Division efter Din mening gerne være om 1-1 1/2 år ? Personlig scenario/skitse ønskes til d. 3.4.91

HEKU 91.04.02

ICL EUROPE

STATEMENT OF DIRECTION

18 September, 1991

1. Customers first

Our first priority is to look after our customers and win orders.

There will be many distractions during the merger; these **must not be allowed to deflect us from putting our customers first.**

When making organisation changes, keep the link between customer and salesman: even if it looks untidy.

We intend to be known as a company which is always prepared to make an extra effort to please our customers.

2. Quality

We will be a Quality Company when customers tell us we are a Quality Company, and not before.

Every part of ICL Europe, development, manufacturing, and field operations, must qualify for ISO 9001 registration as soon as possible.

3. Management Style

3.1. People

Our competitive advantage lies not only in our products, but also in our people.

During the merger we must take time and trouble to ensure that we do not lose key skills. This requires a careful and sensitive approach to integration.

We must invest in our people. That means spending more time than our competitors on training, not just in the classroom, but also by personal coaching.

Above all we must be professional. We need to know the industry, the products and the customers. There is no room for amateurs.

3.2. Culture

Both Nokia Data and ICL have their good and bad points. Let us try to preserve the best of both organisations.

Commercial in Confidence

This will only be achieved if we listen and have respect for different ways of doing things.

Let us focus on the strengths of each company, rather than on the weaknesses.

3.3. Operations

The line managers are accountable for the profitable conduct of the business.

Staff functions, whether in ICL Europe or in ICL Group, are there to give help and support. Don't get confused about who is giving the orders.

General Managers are expected to make decisions and run the business. However, they should also know when to keep top management informed.

I don't criticise people for exceeding their authority; only for bad decisions. If you are confident something is right: do it!

3.4. Forecasting

ICL is a company which is extremely keen on forecasting. However, you need to know that my personal interest lies in **Budgets and Actuals.**

Since no one can foretell the future, good forecasting can only be achieved by having many good prospects and only declaring a few of them.

Bad forecasting is a sure sign that there are not enough prospects

The forecast is your best judgement of the likely business result. Since you are required to achieve your profit budget, if you anticipate lower revenues, you are expected to reduce your costs to protect the profit position without waiting for me to tell you.

4. Strategies

4.1. Business

Revenue is vanity, profit is sanity.

The success of ICL Europe is the key to enabling ICL to achieve floatation.

Commercial in Confidence

Because of our product mix, ICL Europe is a low margin business, so we have to keep overheads low. This means giving up a lot of activities cherished by the old ICL and focusing on essentials.

4.2. Positioning

Nokia Group was positioned as a "multi-domestic" company. The ICL positioning will be that of a "global-local" company. That is to say a company which has access (through Fujitsu, ICL, and its Partners) to world class technology, but which understands and meets local customer needs through the know how of locally managed companies.

We will position the company externally in two dimensions:

Technology

A company with leading edge technology:
Reliability, Security, Ergonomics, Styling.

People

Young, enthusiastic, technically expert people who are innovative, fast moving and enjoy what they are doing.

4.3. Product

We will focus on selling Terminals, Personal Computers and Mid-Range systems through our own sales force to major accounts and vertical markets.

Our focus will be on Systems Integration, and Solutions.

We will add value to the standard platforms through Industry Solutions, Office system, Client/Server, LANs, Networks and UNIX applications.

We are a systems company, not a product company.

4.4. Acquisitions

In 1992 our first priority is to make the merger with Nokia Data a success.

Country managers should therefore take a low profile on acquisitions, and only put up essential cases.

You need to recognise that for both financial and management reasons acquisitions are not likely to be approved in 1992.

5. Organisation

5.1. Overall Marketing Organisation

The Marketing unit in each field operation will interface directly to Channel Marketing in the Product Divisions.

Personal Systems will establish a single Channel Marketing unit to support ICL Europe covering Terminals, Personal Computers and Systems products. A second Channel Marketing unit, based in Bracknell, will support the UK domestic organisation.

Product Marketing for Mid-Range and Mainframe systems will be provided by the respective Product Divisions in the UK.

The staff functions in ICL Europe HQ are responsible for strategy and policy.

5.2. Industry marketing organisation

ICL Europe will focus on the two corporate verticals, Retail and Financial Services, and on the Nokia Data vertical of Airline/Travel. Marketing will be handled as follows:

At ICL Group Level there are two Business Units, one for Retail and one for Financial Services. These will be responsible for marketing strategy in their respective areas and for either carrying out or coordinating product development. Neither will have any direct line accountability for sales in ICL Europe.

Within ICL Europe we will have "Centres of Excellence" for Retail, Financial Services, and Airline/Travel. These will be field units; there will be no corresponding units in ICL Europe HQ. The Centres of Excellence are responsible for providing pre and post-sales support, and for the coordination of designated multi-national accounts.

The long term objective for all field operations is to be organised by industry market. It is the responsibility of each country to decide the pace and extent of its activities in other local verticals.

5.3. Local product marketing

The role of product marketing in the Countries is to promote the products; not to invent them.

It is their job to make sure that the salesman has everything he needs to sell successfully - advertising, prices, commercial terms, brochures, demonstrations.

Commercial in Confidence

They should spend as little time as possible debating product requirements, and then only on identifying features which are unique to the local market.

Don't waste time helping to invent standard platforms: it is low added value.

Face outwards, not inwards.

5.4. Sales

High sales productivity has little to do with hard work and everything to do with focus.

We cannot be experts in everything, and there is no law that says we have to be, so we should sell into a small number of carefully selected "vertical" or "line of business" segments, and to major accounts.

Sales productivity is maximised by selling where the company name is known, the salesman has done it before and repeat business is available.

5.5. Services Business

5.5.1. Customer Services

The Services Business is extremely important for the profit of ICL Europe and Country General Managers are expected to give equal attention to Sales and Service.

In 1992 the main emphasis should be on getting the basics of the business right, when this is accomplished we will turn our attention to the development of new sources of profit. Significant savings are available from rationalisation of spares holdings, repair, offices and people and these must be our first priority.

Customer satisfaction is a key objective, and measures should be put in place by all operations both to assess the results of their efforts and to measure key activities, such as call-to-fix times, which are important indicators of efficient operation.

A Joint Venture, Sorbus, has been established with Bell Atlantic covering the Third Party Maintenance business in Europe. While this is an arms length operation, every effort should be made to take advantage of the opportunities which this new business presents.

5.5.2. Professional Services

The key differentiator in both the Mid-Range and Terminal/PC markets is the quality of our post-sale implementation support. Each Country should ensure that they have a separate unit and that this is professionally managed.

This unit should also be responsible for the development of the training business.

It must be our aim to ensure that a large proportion of our support costs are recovered through customer charges.

The aim of the Professional Services unit is to make a positive contribution to profit.

5.6. Local development

It is the responsibility of the Product Divisions to develop platform products because they have the skills to manage the process effectively. Development or procurement of other platform products by countries is discouraged for reasons of cost and control.

However, as a "Systems Company" we must be prepared to carry out integration work on behalf of the customer. This is always a major area of risk and it is the responsibility of the Professional Services organisations to ensure that major projects of this kind are properly managed.

6. Product Roadmaps

6.1. Mainframes

We must continue to protect our mainframe revenue for as long as possible while we build up new markets.

Remember that our mainframe customer base is an excellent hunting ground for sales of PC LANs and UNIX systems.

All Major Accounts, not just Mainframes, should be reviewed regularly by the Country General Manager.

6.2. Mid-Range

Our positioning is as a supplier of Solutions which run on Open Systems.

Commercial in Confidence

We should not promote proprietary Minis, either ICL or Nokia, because this will confuse our positioning.

The key to success is building up a pool of local applications. UNIX systems without applications are undifferentiated and low margin.

We will promote UNIX V.4 on the SPARC platforms and "shrink wrapped" UNIX on the Intel platforms.

6.3. Office Systems

We will promote Alfaskop Office on PC LANs and OFFICEPOWER on UNIX.

6.4. Personal Computers

In the March 1992 the Nokia Data and ICL Personal Computer products will be converged into a single product line. This will be restyled and rebranded, retaining the best features of both product lines.

6.5. Terminals

The 3270 plug compatible business will be sustained for as long as possible, recognising that there is a steady migration to PC LAN systems.

It is important to understand that the market is no longer one for simple terminal cluster systems, and we should sell customers our systems integration capability to provide LANs and multi-host systems.

6.6. Retail

Both RS90 and ISS 400 will continue to be sold and developed.

6.7. Finance

Nokia Banking Frame will become the standard ICL product for Retail Banking, and ICL functionality, such as Omnia-Net, will be added to it.

6.8. Fujitsu products

There is no plan for ICL Europe to sell Fujitsu mainframes. I believe this would be a serious diversion of effort.

However, it is desirable to promote other Fujitsu products where possible, such as their Printer line, and, in due course, their ATMs.

7. Infrastructure

7.1. Logistics

In the Personal Computer business profit is more likely to be lost due to surplus inventory than to poor margins.

Rapid delivery not only makes for a satisfied customer, it also reduces intermediate stocks and reduces the risk of obsolescence.

High performance logistics units at the factories will be supported by new distribution centres in Holland and in Spain to provide a faster service to country operations and allow them to hold less stock locally.

Spares stocks will also be redeployed to improve service and reduce stockholdings.

7.2. Information systems

The policy is to make as little change as possible, and in all cases to adopt the simpler rather than the more complex approach. This includes discontinuing ICL processes which serve no useful purpose.

However, this is an extremely high risk area and great care needs to be exercised to retain financial and operational integrity.

The medium/long term strategy is to intercept second generation UNIX application systems in the late 1992/93 timeframe. Remote operation and support will become the norm. Simple processes supported by widely available systems will be the focus and customised development will be avoided.

OFFICEPOWER will be used as the backbone office system for internal use because of the need for interoperability and for comprehensive directory management.

N.P.D.Eadie
President, ICL Europe

A. RCI PRINCIPPER

MÅLSÆTNING

Det er virksomhedens målsætning at opfylde definerede markedsbehov for kvalitetsprodukter og services indenfor informationsbehandlings- og telekommunikationssystemer og samtidig give vore aktionærer et acceptabelt afkast.

Grundlæggende holdninger

- . Kunden er i centrum for alle virksomhedens aktiviteter i erkendelse af, at høj kundetilfredshed er den vigtigste faktor i virksomhedens langsigtede overlevelse.
- . Kvalitet, effektivitet og konstant forbedring vil blive prioriteret i vore aktiviteter, og er en væsentlig kilde til vor succes.
- . Målrettede, motiverede og veluddannede medarbejdere er grundlaget for virksomhedens intelligens, vitalitet og omdømme. Vi skal optræde som et hold og behandle hinanden med gensidig tillid og respekt.
- . Finansielle resultater i form af overskud og god likviditet er det endelige mål for effektivitet og det er en nødvendighed for virksomhedens fremtidige vækst.
- . Vi går ikke på kompromis med virksomhedens integritet og skal som medarbejdere sikre ansvarsbevidst holdning i de handlinger, vi foretager.

B. MEDARBEJDERPOLITIK

Den væsentligste ressource i enhver organisation er medarbejderne og det er ledelsens pligt at sikre, at vore medarbejdere udfører aktiviteter, der er fremmende for opnåelse af virksomhedens overordnede målsætning under hensyntagen til de grundlæggende holdninger.

Ikke mindst i vor branche er medarbejdernes indsats af afgørende betydning for virksomhedens succes og vor medarbejderpolitik er derfor prioriteret med henblik på at sikre høj grad af motivation, et videnniveau der reflekterer vore kunders behov og samtidig sikrer en kompensation, der svarer til markedets krav.

For at gennemføre denne politik vil følgende aktivitetsprogrammer blive gennemført og vedligeholdt:

- Vi skal sikre, at der ansættes medarbejdere, der har de rette kvalifikationer til at løse de stillede krav, men samtidig skal medarbejderne besidde evner til at honorere fremtidige ønsker og til at vokse med og i organisationens udvikling.
- Vi skal sikre, at medarbejderen motiveres for videreuddannelse og anden form for dygtiggørelse både i og udenfor virksomheden.
- Vi skal sikre, at der kommunikeres relevant information til vore medarbejdere både i skriftlig og mundtlig form, således at medarbejderne har den nødvendige information til at udføre en effektiv indsats.
- Vi skal gennemføre et karriereudviklingsprogram, der sikrer, at virksomhedens ledelses- og specialistfunktioner fornyes og at medarbejderne til stadighed stilles overfor motiverende udfordringer, der gør virksomheden til en interessant arbejdsplads.
- Vi skal hvor muligt sikre en aflønningsform, der reflekterer indtjening efter indsats.
- Vi vil med jævne mellemrum gennemføre anonyme opinionsundersøgelser blandt vore medarbejdere, med henblik på at få en forståelse for motivationsgrad, problemområder og ønsker. Det er ledelsens ansvar, at relevante korrektioner gennemføres.
- Vi skal sikre, at der udvises respekt for den individuelle medarbejder, og at der ikke diskrimineres m.h.t. race, køn, religion eller politisk overbevisning.
- Vi skal sikre effektiv administration omkring vor medarbejderpolitik.

ICL STRATEGIC DIRECTION

1. MISSION

ICL will contribute to the Group's aim to become the world leader in Information Technology by becoming Europe's No.1 provider of high-value customer solutions for improved operational and management effectiveness.

|| ?

2. RELATIONSHIP WITH FUJITSU

2.1. Structure

ICL is one of four independent businesses within the Fujitsu family:

- telecomms
- electronic devices
- information processing
- ICL

Across these four businesses, the aim is to maximise internal synergy and leverage and to minimise external conflict.

This independence will be re-inforced through the re-listing of ICL on the London International Stock Exchange during the next three to five years.

|| ?

2.2. Policy

This independence brings with it the absolute responsibility for ICL's own business results. However, as a member of the Fujitsu family, ICL must also incorporate the principles of co-operation and mutual prosperity between businesses and nations as well as respect for the many cultures with and within which ICL will trade. To develop this cross-cultural capability, ICL and Fujitsu will exchange staff, particularly younger members.

ICL and Fujitsu will seek to establish a few projects which will both enhance cross-cultural working, as well as gain synergy benefits for both companies.

ICL will have access to all technology available in the Fujitsu laboratories on a commercial basis.

2.3. Management

The management structure will consist of three tiers:

- A Shareholder Board (ICL PLC)
- The International Computers Limited Board
- The Executive Management Committee (which will continue to be known as the ManExec).

2.3.1. Shareholder Board (ICL PLC)

This will meet four times a year and has been set up with ICL executives, and representatives from both the shareholders (Fujitsu and STC) and outside non-executives.

2.3.2. International Computers Limited Board

This continues with the current ICL executives together with a Fujitsu presence.

2.3.3. The Executive Management Committee (ManExec)

This committee has operational authority delegated to it from the ICL PLC and International Computers Limited Boards.

It will continue to meet once a week with Rod Scott acting as Secretary. As a sub-committee of the International Computers Limited Board, all Board members are entitled to attend and receive the agendas and minutes of the meetings.

2.4. Operational

An ICL Business Group has been established in Tokyo to operate as an integral part of ICL and act as ICL's interface to the rest of the Fujitsu family.

This Group will represent ICL at the Fujitsu monthly management meetings in Tokyo with an ICL Director always in attendance.

The ICL Strategic Plans and Budgets will be reviewed by the Fujitsu Executive Committee, prior to final approval by the ICL PLC Board.

?? || In order to ensure clear, concise communication within the Group, all staff will only discuss topics which are directly within their own areas of responsibility. For preference, such communication should be by fax, rather than by telephone.

3. ICL'S PAST 5 YEARS PERFORMANCE

3.1. Success

Major progress has been made in a number of areas when tested against the objectives that we set ourselves in the 1985 Strategic Plan. These include:-

- The move to Open systems products
- The development of a world-wide Retail business
- The re-orientation of our market focus from geography to solution/customer (particularly in the UK)
- The development of a good understanding of the long term trends in our markets
- The establishment of an excellent set of product collaborations
- The introduction of an open culture, allowing us to manage the major changes in organisation which were necessary to respond to the changes in the market environment
- The maintenance of our Customer Service revenues and profits despite the significantly increased market pressures
- The development of flexibility in our manufacturing operation and its exploitation as a competitive edge
- The sustained improvement in our cost base
- The sustaining of our market share in the UK

3.2. Failures

However, we also failed in a significant number of areas:

- The growth of our International and particularly our European revenue
- The development of a significant third party trading channel
- The establishment of ICL as a strong brand

- The lack of stability, continuity and therefore common culture in our country management - particularly in Europe
- The failure to follow through on the development of different types of business (e.g. ABCD, 4 Business Streams)
- The growth of new service revenue streams including Facilities Management and third Party Maintenance
- To protect our new business initiatives from the culture of our traditional businesses
- To support our own management processes with sufficient high quality systems
- To invest in the ownership of application software

Some of these failures were due to a lack of commitment to the strategy described, some to a failure to achieve the implementation plan. Both of these causes will be addressed urgently as a result of this review.

4. ICL'S STRATEGY

4.1. Introduction

We continue to believe that the market for Open Systems will grow more rapidly than the overall market as customers abandon proprietary architectures to enjoy the lower prices which are the result of open standards, open markets and hence increased competition.

These reduced prices and reduced product differentiation will continue to impact adversely those companies who have not already anticipated this trend and acted on it. The industry will therefore continue to consolidate around companies who can preserve their margins either through increases in volume or by adding value in the form of business solutions and supporting services.

4.2. Implications for ICL

ICL's VME base must be protected and developed to preserve its profit contribution. It must be expected that outside the UK it will progressively be confined to niche markets. Within the UK, the customer base must be progressively developed using Open VME in order to increase the portfolio of VME business solutions.

Whilst protecting and developing this base, ICL must expend a significantly increased effort on winning a major share of the new Open Systems market. The margin on these open systems will be significantly lower and therefore to maintain adequate profitability we must add value.

To differentiate ICL from the large number of open systems hardware suppliers our positioning will be that of a supplier of business solutions. Furthermore, business solutions will take precedence over open systems in terms of positioning.

In support of this overall positioning, it is mandatory that we understand and can define our customers requirements at an International level.

In addition, we will aim to be at the leading edge in identifying new International business opportunities as a result of this customer knowledge and our understanding of technology trends.

We will also seek to build a position within the International business community in general, and the I.T. industry in particular, as a leading company in the understanding and application of effective international marketing and business practices.

Finally, and most importantly, we plan to establish ICL as a household name for quality and customer care.

4.3. Positioning

Since the market for open systems will be extremely crowded, it is essential that we are consistent in this positioning.

We will therefore:

- take a much higher promotional profile
- adopt the same overall positioning world-wide, namely:

"ICL is the leading supplier of business solutions which run on open systems".
- put the emphasis on the business solution rather than the hardware platform.
- develop and promote in order of descending priority:

our industry expertise (retail, finance, manufacturing, government, printing, health)

? the specific business solution/application (GMS, OMNIA, MAX)

total customer service (professional services, help desks, open systems training)

OFFICEPOWER

added value software (databases, communications, CASE tools)

Open systems interfaces (X/OPEN, UNIX International)

UNIX V.4

platforms (DRS 6000, DRS 3000)

the chip set (SPARC, 80486)
- keep the product positioning simple:

"All our products run the same version of UNIX thus minimising customer support costs and making it easy for ICL partners to add to our extensive range of applications."

4.4. Geography

ICL will continue to be an International company operating in all chosen geographic markets of the world. However, ICL will adjust its geographic strategy where it is clearly in the overall interest of the Fujitsu family, and the specific interests of ICL PLC.

In Europe (West and East), Africa, Eastern Mediterranean, Middle East and India, ICL will be a total systems and services supplier to its chosen markets.

In Oceania, North America, Singapore, Malaysia, Hong Kong and Taiwan, ICL will co-operate with Fujitsu where it is in the best interests of both companies. Otherwise, the two companies will operate separately in the market with co-operation on a customer-by-customer basis. In the rest of Asia, China and Japan, ICL will seek to establish major OEM, VAR and distributor outlets. These distribution outlets will be Fujitsu companies where appropriate.

4.5. Product

ICL and Fujitsu will encourage mutual trade between businesses within the family. However, such trade will only be conducted on commercial terms which are in the best interests of ICL.

ICL's product strategy is based around Open Systems. ICL will therefore seek to establish itself as the leading distribution channel for Open Systems Mainframes in our chosen markets. We will only sell MVS/MSP systems as part of a special project or complex systems integration.

ICL will sell Networks as part of Systems. These will be OSI based, however, we will continue to provide IBM interconnect. ICL will also operate in the areas between Telecommunications and Computers where Fujitsu do not operate.

ICL will seek to establish a major distribution channel for workstations and small systems in Europe.

ICL will increase its development spend on superstructure software and integration. These products will be marketed on an OEM basis world-wide.

We will dramatically increase our business in packaged application software. An increasing proportion of this software will be owned by ICL. This software will be based on Open Systems standards - we will not seek to supply application software based on IBM architectures even to our chosen industry markets.

ICL's brand will be kept completely separate from Fujitsu's.

4.6. Service

ICL is seeking to gain an increasing proportion of our chosen customers total IT spend. An increasing proportion of our business will therefore come from services.

We will seek to become a Total Managed Service supplier to our chosen markets. In addition, will offer a full Facilities Management and Network Services capability.

We will develop our 'Risk' business in two areas - complex systems integration which will be handled through 1 or 2 centres of excellence - and professional services in our solution markets which will be handled within each country.

Our "Reputation" businesses will grow in line with the rest of our business. Although the consultancy business will produce relatively small levels of revenue, it should have a significant influence on our chosen markets.

4.7. Manufacturing

ICL's strategy requires that we continue to act as a good European corporate citizen, both developing, sourcing and manufacturing products in Europe. ICL will wish to optimise its factory utilisation within the Fujitsu family whilst seeking to maximise the European content of the systems products that we distribute world-wide.

With the increased volumes in the business, we will look to enhance and extend our current skills, particularly in the areas of logistics and customer configuration.

4.8 People

ICL recognises that, as a knowledge-based supplier, its people skills provide the large part of its added-value. With the increasing focus on software and services business, and the developing shortage of advanced skills in the market, we are determined to make ICL the preferred work environment for talented people and to maximise the contribution they make to the business.

We will encourage staff to move jobs routinely across geographies and across functions, to develop further our international management skills and the ability to operate in complex partnership roles. To facilitate this we will ensure that the ICL core values are shared widely across all staff in the company.

We will continue the ICL policy of directed staff training for all employees to ensure we have the right skills to implement our strategies, to ensure consistency of implementation, and to stimulate innovation. In future, the emphasis will be on skill and manpower planning rather than severance and recruitment.

We will align our appraisal and reward systems with each of the four business streams, recognising the different demands and cultures in these businesses.

The ICL Board has set a productivity objective for its knowledge workers of some 12-15% per annum over the next 5 years. We will continue programmes to improve productivity of all employees, but these will increasingly focus on support systems for work-groups and on improved work practices (including O & M, business processes), with a particular emphasis on improving the managers role as a coach.

All of these policies will be supported by a culture of open debate prior to decisions, and disciplined implementation afterwards.

5. IMPLEMENTATION STRATEGY (1991-95)

ICL will target to earn a revenue of £4B in 1995 by a combination of organic growth and acquisition. It will take advantage of opportunities arising from the re-structuring of the European IT industry to increase the revenue base.

It is the Company's intention to be one of the top three European based IT companies by 1995. To achieve £4B, ICL will increase its rate of organic growth to at least market rates. This will not be sufficient by itself to meet the objective. Strategic acquisitions will be completed to bridge the revenue gap.

The Base plan assumes a 9.6% p.a. growth over the period - this includes the increased revenue as a result of the distribution of Fujitsu products as well as some additional revenue through joint marketing with Fujitsu.

The acquisition programme will include:

- Medium-sized acquisitions/joint ventures in Europe (Germany), Total Managed Services, PC Distribution and Financial Services.
- A number of smaller acquisitions in the areas of applications software and facilities management.
- Joint venture for the provision of Electronic Trading Services and Systems

Additionally, we will establish new organic business streams built around OEM sales of generic software and industry-based professional services.

This plan will enable ICL to be re-listed on the L.I.S.E. between 1994 and 1995 at the target price of £2.25 per share. However, it should be noted that it is the plan that drives the floatation not vice-versa.

It is vital to the implementation of this plan that we continue to participate in global end-user and technology communities so that we can understand the industry trends, stay ahead in our chosen markets, and take the opportunities to increase our market share at the expense of some of our weak competitors.

We will need to retain flexibility in our organisation since the market is likely to remain turbulent during this period, however, we will institute more discipline in implementing our decisions - this will be key in improving the productivity and effectiveness particularly in our mature businesses.

So as to manage the development of the services and software businesses, we will be establishing new reporting systems which recognise the parameters of these businesses.

However, in fulfilling the mission that we have set ourselves, we must ultimately focus on :

- providing the customer with the highest level of satisfaction that is achievable
- succeeding in countries with widely differing cultures
- establishing ICL as the company in which all our existing and potential employees wish to work.

DANOSI - Strategi for 1992.

DANOSI - Mål 1992.

- * Profitabel
- * Omsætning på 22-25 mill. kr.
- * Opbygning af formaliseret servicerutine.
- * Vokse organisationen til 16-18 pers.
- * Udbygge det strategiske samarbejde med:
 - ICL Data
 - Kemp&Lauritzen
 - Datacentralen
 - SPS
 - KD-Data's Microbutik
 - a/s alliance
- * Passe godt på:
 - Esbjerg Kommune
 - DSR
 - Pensam?
- * Lande 2-3 store referenceprojekter (direkte salg).
- * Øge berøringsfladen med markedet (større slutbrugere, system integratorer)
- * Etablere et image som DK's førende eksperter indenfor:
 - X.400
 - SNMP
 - internetworking

MARKEDET.

- * Fortsat vækst.
- * Særlig høj vækst indenfor:
 - internetworking
 - små/prisbillige netværksløs.
- * Store 'mission critical' net baseres i stigende grad på 'åbne løsninger'.
- * Forestående eksplosion i anvendelsen af X.400/X.500
- * Management bliver i stigende grad en parameter i forbindelse med salg af netværk

- * Teknologi-afklaring:
 - Ethernet har overtaget, men Token Ring er ikke til at komme uden om.
 - TCP/IP og SNMP har vundet i første runde (SNA er under pres og OSI (bortset fra X.400/X.500) har indtil videre kun akademisk betydning.
 - Netware er det klart førende PC-NET-OP.
 - X.400 er skønt knap kommet i gang en sikker vinder.

DAMOSI's KONKURENTER

- * JPS Netdesign
- * Trend
- * AHI (Åge Hempel)

- * DDI
- * SEMCO

- * JTAS Erhverv
- * KTAS Erhverv
- * FTAS Erhverv

- * Computer lev.
 - IBM
 - DEC
 - HP
 - NCR

DANOSI KONKURENCEMÆSSIGE FORDELE.

- * Integrationsevne (system know-how).
- * Totale netværksløsninger.
- * Dynamisk/flexibel org.
- * Image som 100% dedikeret mod 'åbne systemer' (har ingen fortid).
- * God portefølje af kendte kvalitetsprodukter.

SALGSINDGANGE

* Produktsalg

- systemintegratorer
- større slutbrugere

* Indirekte projektsalg

- ICL DATA
- SPS
- K&L, a/s alliance, Sterndorff Jessen m. f.
- DC/Center4
- ad hoc

* Direkte projectsalg

- store slutbrugere

MARKEDSFØRING.

* Annoncering.

- profilering af Danosi.
- aggressive priser på populære produkter.

* Seminarer/work-shops og faglige artikler.

- SNMP
- X.400/X.500
- internetworking

* PR

- produktnyheder
- kunde-cases

PRODUKTGRUPPEN.

* Produktsæt

- Hayes modemer
- Hayes ISDN-kort
- Telematics ACP'er
- Div. term. emulatorer
- Chipcom HUBs m.v.
- Hayes LAN-kort
- FTPs PC/TCP m.v.

* Profil

- mærkevarerprodukter
- højt eksperticeniveau
- løsningsorienteret salg
- aggressive priser

* Målgrupper

- VANS og BBS
- systemintegratorer
- større/kompetente slutbrugere

PROJEKTGRUPPEN.

* Produktsæt

- kablingssystem (IBDN)
- hubs (Chipcom, BICC)
- routers (Wellfleet)
- gateways (Retix OpenServer, OpenConnect Systems)
- NMC (SUN)
- e-post (OCP)

* Profil

- løsninger baseret på 'kendte' produkter
- magter store projekter
- service-evne
- specialist i fejltolerente netværks-løsninger
- specialist i X.400 baserede løsninger
- specialist i management af åbne systemer

* Målgrupper

- store slutbrugere
- totalleverandører
- større installatører

ORGANISATIONEN

- * Dir: TOS
- * Økonomi/logistik/prissæt./projektstyr./adm: WSJ, UR.
- * Marketing/kursusvirk: MIH
- * Produktgruppen: LAB, JRJ, PLH, (MIH)
- * Projektgruppen: JOS, POM, CLP, HBA, KD, HRA