IBM

Memorex Telex leads with the IBM Network Station to garner more sales

Computer hardware increasingly is perceived as a commodity. The perception may not be completely true – the IBM brand, standing for superior quality, reliability and service, still commands respect. However, the perception has encouraged IBM Business Partners, well-known for providing much more than hardware, to sharpen their focus on emerging niches in the marketplace.

Memorex Telex (UK), headquartered in Berkshire, England, for years has been a major supplier of computer equipment. Quite early, it spotted the trend to a network-centric world, and has become a specialist services organization, supporting every aspect of business critical networking. Memorex Telex has a UK sales and support team of 70 specializing in thin client networking. Through regular seminars and road shows, they identify prospects in many market sectors, but their focus is on six vertical markets, of which the most active is retail and distribution. One of the pivotal components in Memorex Telex's range of products and services is the IBM Network Station.

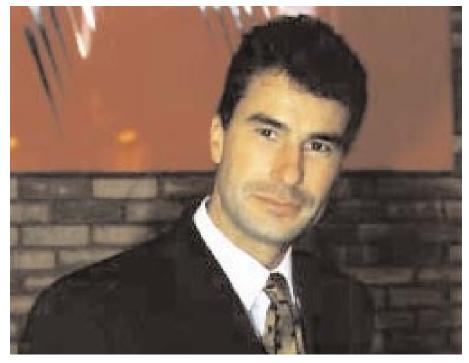"We see the internetworking market as an opportunity for profitable growth," David Mills, group marketing manager, says. "The driver is application deployment in a network-centric world, and the thin client concept is the way to go. Customers want to access their legacy applications in a cost-effective way; multi-user Windows is a standard requirement, but not all users need a full-blown PC on their desks. Increasingly, we lead with a solution that features the IBM Network Station, and get enormous 'drag along' business in the form of servers and a range of services."

Versatile thin client

Memorex Telex's customers use all types of server platforms, and the IBM Network Station demonstrates its versatility as a thin client in a wide variety of networking environments, according to Mills. Many of the company's customers use NT servers, but Memorex Telex offers expertise in S/390 and AS/400 and is an IBM Business Partner for the RS/6000 and Netfinity processors as well as the Network Station.

The Network Station's connectivity capabilities were a critical ingredient in a recent win at the UK arm of the international manufacturer Steelcase Straffor. In a complex environment involving

David Mills, group marketing manager.

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mainframe, AS/400, Unix and NT servers running SAP's R/3 application software, Memorex Telex's consultants performed a four-week paid study that among many other things established that the Network Station's ease of application deployment, network management strength and total cost of ownership would provide significant advantages in the network. The result was a $200,000 order that included 70 Network Stations. However, the Network Stations accounted for only 20 percent of the value of the order. The balance was divided equally between new server hardware and services (implementation support and ongoing maintenance). Following this successful installation, Memorex Telex has identified the potential for further profitable projects with Steelcase Straffor, including Lotus Notes design and roll-out, SAP R/3 implementation, and network design and support.

Skills are key

Mills says that it is critical when selling the Network Station that the IBM Business Partner have the right skills to deliver working solutions using the thin-client computing model. He cites the example of a major computer-aided design firm that wanted to install IBM Network Stations. However, the incumbent supplier of PCs lacked the expertise to install a working pilot. Memorex Telex was called in and succeeded not only in securing the Network Station business but in winning a substantial contract for ATM networking. The Network Stations accounted for less than 20 percent of the $350,000 order, yet were the key to winning the business, once again because of ease of application deployment and cost considerations.

Memorex Telex also is finding that the Network Station is a great "opening hand" as a terminal replacement. A leading chain of retail department stores needed to combine Windows applications with AS/400 access, so in a nine-day consulting assignment, Mills's team proved how easily Network Stations could access legacy applications and replace 5250 terminals. An order for 18 Network Stations followed, and there is potential for selling 600 more units, with additional servers and associated services.

Range of services

Under the Pro Serv banner, Memorex Telex offers a comprehensive range of services, including network design, implementation and migration planning. Many leading UK companies have engaged Memorex Telex to review their computing needs and propose state-of-the-art networking solutions. Comments Mills: "We don't lead with a technology solution, we focus on the business requirements, and often a tight deadline and a mission critical application leads us to propose the IBM Network Station. That in turn can mean new servers and other software and hardware products. And we always sell consulting and implementation services. We define the success criteria with the customer during an initial paid study, and work with him to deliver a total working solution."

Mills says there are three elements to Memorex Telex's formula for success in the fast-growing network computing market:

• in-depth expertise in networking

• fee-earning consulting to confirm proof of concept

• profitable other business "dragged" by the Network Station (hardware, software, and services)

However, Mills, who's team tracks more than 300 leads at any one time, also has a warning for other IBM Business Partners: "In such a new market, there are a lot of tire–kickers out there. Our approach is to discourage free trials and propose paid consulting studies to assess needs. That way nobody's time is wasted, and we are assured of revenue while the big proposals are being evaluated."