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ICL's future



Uncertainty over the future of ICL means uncertainty and opportunity for the growing numbers of firms and individuals who sell wares and services aimed at ICL users. What ICL users like Chris Carter (above) are going to do when the dust of the traumatic changes at their manufacturer settles is a major feature of this week's Special Report on the ICL market-place (Pages 18 to 27) and leader on Page 17. News of the ICL Computer Users Association meeting on Page 5

NCC in Chicago

Software advances quality and productivity, international operating system developments, office networking, data flow pro-tectionism — just some of the most important topics aired at the National Computing Conference recently. Richard Sharpe and Margaret Coffey contribute in-depth coverage of the industry's most influential event held this year in Chicago on Pages 8 to 10

Tangerine push

Tangerine is planning a new offensive on the home computer market by renting machines through tv shops in the high street. The company claims to have two major television rental companies totally committed to the idea. Full story on this 'explosion around the tv set' on Page 6

Videotex

Pressure is building up for Australia to pick the Canadian videotex system Telidon in preference to the UK's Prestel. Myer Emporium, the country's largest retail group, has put thumbs down for Prestel. But Australia still awaits permission to launch a

ICL's team still faces

The future for ICL remained in doubt this week despite the boardroom changes brought about as a result of Govern-

ment pressure.
ICL users breathed a sigh of relief at the insistence from the new management that there is no chance of any other company taking an interest. But ICL still has to overcome its serious financial problems within a Government-imposed deadline of two years.

This is the time limit for the guarantee in March of bank loans up to £200 million. As a condition of the deal, the Government also imposed the right to be consulted over

nominate directors.

This is what appears to have happened this week.

Philip Chappell resigned as chairman on Sunday night fol-lowing Cabinet meetings last week which discussed ICL's future. He is replaced by Christopher Laidlaw, deputy chairman of British Petroleum.

At the same time Dr Chris Wilson resigned as managing director, but he will remain an executive director. His old job will be filled by the dynamic 36-year-old managing director Texas Instruments UK. Robb Wilmot.

Laidlaw has brought discussions with possible foreign partners to an abrupt end.

He said this week: 'No formal proposal has been received but it has become apparent from these talks that an accep-table arrangement for ICL's shareholders, customers and employees is not readily

'This is particularly true in relation to the retention of significant research and development and manufacturing facilities in the UK and also to the safeguarding of past and future customer investment in ICL products,' he added.

The moves came as a surprise to Sperry Univac and Control Data, both of which had been talking to ICL about



Robb Wilmot takes up his new role as managing director of ICL

possible joint ventures.

Wilmot remained guarded about the future of the ICL product range. However, he said it is important for the company to have a 'viable presence' in the distributed dp bu-

There is a need for a powe ful personal work station, h said. But ICL will remain in th mainframe arena as a crucielement in this strategy, he ac ded.

•More details on the IC

IBM agrees joint marketing project

IBM has signed a unique agreement with Floating Point Systems (FPS) to bring their marketing efforts . closer together.

FPS, a US-based company built processors specifically to carry out high speed arithmetic operations.

The two largest FPS markets have been connecting to IBM and Digital Equipment ma-

John Harte, FPS's UK managing director, told Comput-ing: 'The deal is only signed with IBM in the US as far as I know, but that is usually the way things like this are done. It

may spill over to the UK later. 'I think this is the first arrangement of this type that IBM has got involved in. It will mean that both sales forces can propose joint solutions to cus-

tomers,' Harte added. The move comes just a few weeks before deliveries of

around £100,000.

Harte claims the 164 system is as powerful as FPS's older products. It is aimed at a very general market.

The only IBM offering in this market, the 3838, is, Harte estimated, as powerful as the 164 but costs much more.

French dp faces big changes

From Michael Parrott

in Paris

The French electronics and data processing (dp) industry faces a major shake-up following the election of Francois Mitterand to the presidency last weekend.

But the future of the Socialist Party's industrial programme depends on the results of the National Assembly elections expected at the end of June.
The party plans to nation-

alise the four big French companies in the industry — Cii-Honeywell-Bull (CiiHB), CIT Alcatel, Matra and Thomson CSF.

Each would specialise in certain product areas, with CiiHB concentrating on dp, CIT Alcatel on telecommunications and telematics, Matra on space and missiles and Thomson CSF on military electronics.

The plan also provides for

the nationalisation of ITT remaining French telephor equipment company, CGC Its LMT subsidiary was take over under the defeated Pre sident Giscard d'Estaing's ac

ministration. In the research field the par ty suggests that state centre should be set up in each tech

It is by no means certain tha Mitterand will be able to pus this policy through, however.

nsi decision on Cobol delayed

By Jane Bird Prospects of a new Cobol standard are receding still further with the reinstatement of two features which have only just

been deleted. The decision was taken by Ansi, the American National Standards Institute which met in Austin, Texas, to review comments on the specifications for Cobol.

committee's last meeting.

Nested programs and database management were areas which people thought the cur-

rent specification neglected. Pierre l'Allier, a UK member of the International Standards Organisation (ISO) working with Ansi, told Computing: 'Nested programs together with the debug module, which was deleted last

out: 'This still does not mean that they will be included in the

final standard.' The re-introduction of nested programs should please a French member of the ISO Cobol Experts Group who wrote to tell the committee that without the nested programs there would be nothing worth

moving to in the new standard'. An Ansi member from standard should be abai

'He did not get a hug amount of support for his idea said l'Allier. 'But even if the motion had been carried th committee would have enoug work to do in clarifying an biguities in the existing Cobstandard.

'It was not the Committee existence that was being cha

Industry split over ICL top level purge

The UK computer industry was split this week in its reaction to the purge of ICL top management. One camp is expecting radical changes and the other is describing it as a 'cosmetic exercise'.

The radical changes include the possibility of a joint opera-tion with Control Data at the big machine end and a new emphasis on integrating semiconductor components into new smaller systems.

Robb Wilmot's experience as a semiconductor designer at Texas Instruments was high-lighted by several industry sources.

The new managing director was expected to grasp the nettle of whether a full line system vendor should take inhouse its own semiconductor manufacture and reap the types of rewards which Texas has done.

On the other hand sources within competitive mainframe vendors read the new appointments as a clear sign that ICL's path has not yet been chosen.

Christopher Laidlaw's statement, first made internally to ICL employees and then publicly on Monday, is offered as evidence by this camp that it

It was clear to both camps however, that the appointments, which have been vetted by the Government, firmly block the way to any full scale takeover or merger.
The non-UK companies

Burroughs, Control Data, NCR and Univac have all been mentioned in this context in the past 12 days.

Whatever their expectations, few senior figures in the UK industry were willing to talk openly about ICL because of possible competitive interests and their concern not to make the new top management position become im-

The managing director of one US company's UK subsidiary said he expected the new management to examine ICL's range product by product, 'hiving off those that are not doing well, like the big machines, and dedicating re-sources to the medium and low

Eyeions, secretary general of the Computing Services Association, echoed this point and said he expected the new management to 'recognise that the company is overstretched'.



Peter Ellis, deputy managing director ICL, could not say when m

L hints at more job cuts

further cuts in its UK workforce in an attempt to return to the profitability it experienced

The new chairman, Christopher Laidlaw, said this week: 'It would be foolish to give guarantees that no further redundancies will be made'. And he re-iterated his commitfurther cost saving cuts.

He hopes to meet represen-tatives of ICL's unions to try and get their co-operation in restoring the company's health.

However, any attempt to make further job cuts will be met with strong union opposithreats that any redundance could lead to a strike.

The greatest threat Government faces from ind trial action by ICL employ is the possibility they wo refuse to maintain crucial departments — already hit the civil servants' strike.

It is evident that ICL's management was also o sidering further redundance At the ICL Computer Us Association convention week, the deputy manag director, Peter Ellis, said reductions are 'likely'.

'As inflation increases need to sell at least 25% more volume to maintain pro tability, and we are not do this,' he said. But neither E — who stays on in his job — Laidlaw could say when th redundancies are likely to

Last November, ICL ma 2,500 people redundant. M were from the manufactur plant at Winsford in Chesh which was closed down a sold to Control Data.

This was followed by ta between management and joint trade union commit consisting of all the uniwithin ICL. These, however broke down leaving union

Seeq files counter suit against Intel

Seeq, the company founded by a group of former employees, is mounting its own legal offensive in the battle between the two companies.

Seeq has filed a counter suit charging that Intel is trying unfairly to deny the new company entry to the market for non volatile memories.

Last January Intel filed a suit against Seeq, claiming that the ex-Intel employees who started the company would use Intel trade secrets to launch their new business.

In its counter suit Seeq accuses Intel of 'sham allegations' against Seeq and asks the court for an order to block any alleged efforts by Intel to prevent it from doing business.

The suit also charges that the employment contract signed by Seeq founders when they ioined Intel was too restrictive.

Fujitsu tipped to build Intel chips

in New York

Intel, the US semiconductor manufacturer, is looking out for a new second source for its microprocessor, the 8086.

The Californian company is in the midst of discussions with Japan's Fujitsu which are believed to cover extensive technology exchanges on the 8086, associated processors and peripherals circuits.

Intel recently lost its chief second source when Mostek switched to Motorola's 68000 because it was not getting enough technical support from

Fujitsu were under way, but would not comment on reports that Fujitsu was demanding wider transfer of technology than Mostek got.

But industry experts believe that Fujitsu wants the masks for the chips — something that Mostek did not receive — as well as logic and schematic diagrams, and some key process parameters for at least the seven circuits that Fujitsu is committed to produce.

Without detailed assistance from the company that originates the chip, second source manufacturers find it difficult,

only given the firm offer last ICL boardroom is John Gar-Intel (Computing, April 23). A spokesman for Intel adif not impossible, to 'reverse engineer' intricate circuits. ficials bitter and vowing ne to repeat similar talks. diner, an economist who will This followed a board meetbe a non-executive director. topher Wilson as managing Boardroom shuffle director and Laidlaw will take the helm as ICL chairman, the post vacated by Philip Chappell on Sunday night. gives hope to ICL users

pany's boardroom shuffle will stop it from ending up in for-eign hands which they see as the greatest disaster facing them

At the ICL Computer Users Association convention in Eastbourne last week users made an appeal to Government to ensure that the company's long-term future is secured once and for all'.

The mood at the convention was one of paranoia at the possibility of a US takeover and the problems it would involve for ICL users who have already

suffered from the transition from the 1900 product range to

ICL's own 2900 range.
Following the boardroom changes, John Garratt, chairman of the System Ten users association, told Computing: 'My first reaction is that if this means that ICL remains a UK company and not fall into the hands of a foreign competitor, my association would be delighted.'

Answering questions from the floor of the convention, deputy managing director of ICL, Peter Ellis, admitted that a complete takeover of the possible

But he added the bid would have to take the o sequences of what it would fi a somewhat taxing job'. T recent talks between ICL a other computer compan-have not resulted in any co pany showing a desire to b the company and in any c the Government would have be consulted, he said.

Ellis said that the key issue any such talks is the investm users have in ICL.

This is right on top of list,' he said.

ICL's new top management represents two opposing forces the young, dynamic influence of 36-year-old Robert

Texas, BP

Wilmot steadied by the exper-ienced hand of 58-year-old Christopher Laidlaw. Wilmot succeeds Dr Chris-

Wilmot is an interesting choice for ICL. Within 12 years Nottingham of leaving Nottingham University, where he took honours in electrical engineering, he reached the top of Texas Instruments' UK subsidiary.

One of his major achievements at Texas was becoming technical director for calculators in Nice and later the division manager for professional calculators at the company's headquarters in Lubbock, Texas.

Laidlaw leaves British Petroleum as a deputy chairman. He first joined the company in 1948 and last month was tipped to become the chairman - but was succeeded by Peter Walters who at 50 years old is a

He said he was first approached for the ICL job before May I - when the BP changes were made - but was

supply IC ing where Chappell handed in his resignation. Wilson will remain on the ICL Board as an

men

executive director.

The third new face in the



New chairman Christopher Laidlaw brings experience from BP

Steve Connor reports on the annual meeting of the ICL Computer Users Association in Eastbourne

Dpm turnover is due to leadership

concluded that the cause of the very high turnover rate of data processing managers (dpms) is different from four or eight years ago when the rate was just as high.

In 1980, it says, the 25-26% job displacement of dpms is a result of 'lack of leadership', whereas it was due to 'a failure to communicate' in 1976, and the job being 'too technical' in 1972

The 1980s have seen a trend where senior managers are holding dpms accountable for the use of computers in their organisation, said Dr Richard Nolan, from Nolan and Norton which conducted the 10 year survey of 20 US com-

'In the early 1970s the drive

was for dp systems to carry out the administration of an organisation. But today the number one problem is productivity and computers are seen as

the best way of increasing it.'
'And when senior managers look round their organisations to see this is being attended to they stop at the dpm', he explained. 'This dpm', he explained. 'This results in tentacles being dropped from heights all over the organisation,' which he producing a lack of leadership.

What makes dp leadership so different, Nolan said, is a highly unusual growth in a dpm budget of about 30-40%. the change of skills associated with computers and the fact that doms never really know what end users are up to

ICL's field service is to be restructured

ICL is restructuring its field service operation to keep pace with new trends, particular the spectacular growth of service revenue from software.

This is showing signs of outstripping both service revenue from hardware and hardware sales by the end of this decade, according to Alan Rousell, ICL's director of customer service.

'The most obvious influence on this is the growth in small machines which has a direct connection with the tendency for geographical dispersion of computer systems,' he said.

This 'changing face of field service' has forced ICL to rethink its strategy. And it has resulted in the formation of Rousell's customer service division so that ICL can 'more than keep pace with the changes', as he explained.

Traditional sealed service has been frustrated not only by the tendency for small machines and geographical dispersion, but by higher labour costs, mixing of equipment, higher user expectation and a number of other factors

'Our response is the ambitious plan of customer service which aims to increase efficiency and cost effectiveness of field service by creating an integrated approach."

At the hub of ICL's plans are 'centres of excellence'. These will be three types of field centres - software service desks, customer service desks, and regional service desks — each with specific, planned strategies on how to cope with the changing face of field service.

The software service desk

will include a remote 'telediagnosis' of customers' problems on ME29 and users with the operating systems Direct and Virtual Machine Environment (DME and VME).

The customer service desks are part of the 'total restructuring' for small systems servicing.

The retail service centres will have a two-fold brief. They will check the systems ready for plugging in before they are installed, as well as having mobile teams to call back and repair machines 'just like a tv repair man'.



Richard Nolan, Nolan and Norton president, produced the survey

'Get schools in net plan, says expert

Pressure is being placed on the Department of Education and Science to include schools in any plan to provide universities with a national computer network.

It is coming from Jim Brookes who has built up the computer network in the South West Universities Re-Computer Centre (Swurcc).

As a result of his development at Swurce he is planning to establish a national computer network for educational establishments which allows computers of different makes to be linked using the British Telecoms (BT) packet switched service and other protocols.

The Swurcc was established by five universities in the

South West and was originally based on English Electric's System 4 computer. It now incorporates an ICL 2980 and computers from Honeywell, Control Data and General Electric.

Brookes is now in the fifth year of an eight year develop-ment plan and describes Swurce's policy as one of positive and progressive innovation but always with a solid tinge of caution'

His biggest problem has been a lack of standards. Swurce ambitiously chose X25 protocol in 1976 before BT formally adopted it as a standard.

He has now tested how close BT, ICL and Honeywell have come to each other's idea of what X25 protocol actually incorporates as a standard. The result, he said, is satisfactory.

Swurce is using a Control Data 1700 processor for packet switching, but this is planned to be replaced by 1982.

