Concurrent Computer Corporation: Vendor Profile

Corporate Headquarters

106 Apple Street Tinton Falls, NJ 08736 (201) 758-7000

Company History

In 1979 Perkin-Elmer's Computer Systems Division, formerly Interdata, unveiled its first family of 32-bit systems—the 3200 Series. In 1985, Perkin-Elmer's Data Systems Group was renamed Concurrent Computer Corporation. In 1987, Concurrent Corporation's stock was purchased by MassComp, but the company continues to be known as Concurrent.

Concurrent develops, manufactures, markets, and services 32-bit minicomputer and microcomputer systems. Concurrent designs its systems for use in industrial, scientific, engineering, government, military, and commercial markets.

Officers

Chairman of the Board, President, and CEO: James K. Sims Vice President, Research and Development: Salvatore Alini

Product Line Overview

Concurrent's product line currently includes the 3200 and Micro 3200 Series and the 5000 and 6000 Series from MassComp. The 8000 Series is Concurrent's new realtime, UNIX series based on the MIPS R3000/3010 microprocessors.

Installed Base

Concurrent has an installed base of 30,000 worldwide and 20,000 in the United States.

Sales and Marketing Strategies

Concurrent uses both a direct sales force and indirect sales organizations to market its products. Direct marketing is conducted out of 36 U.S. sales offices. Major subsidiaries are responsible for marketing in Canada, Europe, the Far East, and the Pacific Basin. Indirect marketing channels in the U.S. include value-added resellers (VARs), original equipment manufacturers (OEMs), and systems integrators. In countries where the sales volume does not warrant the establishment of a direct sales force, sales are generally made through distributors.

Concurrent uses its direct sales force to target technically sophisticated end users at large corporations, government organizations, and private institutions that are prepared to develop and support their own applications. Concurrent's system engineers provide system installation support, and Concurrent helps end users design custom systems and applications under consulting contracts.

Resellers provide Concurrent with the readily available marketing, sales, and technical expertise needed to generate sales and support customers in various vertical markets and niche application sectors.

Most of Concurrent's sales are generated by indirect sales agents: 70 to 80 percent of Concurrent systems distributed to end users are sold through resellers. Customers that buy through the indirect marketing channel include small businesses, large corporations, government agencies, and corporate and intra-agency departments that 1) do not have application development expertise; 2) cannot afford to spend the time and effort on application development; or 3) need assistance in building specialized application systems.

Concurrent's direct sales force and resellers focus solely on selling realtime technical systems, realtime automation and control, and online transaction processing systems. Primary target industries include aerospace, automotive, electronics/ electrical, telecommunications, military, government scientific, government service, petroleum and mining, chemical, financial services, gaming/wagering, insurance, and health care. The realtime systems support technical and scientific applications that require an instantaneous response

to an external event or which acquire, store, manipulate, and display enormous amounts of data in realtime. Automotive test simulation, process control, laboratory test data acquisition, medical diagnostics, and geographic information systems are examples of targeted applications.

Market Position

In scientific/engineering and military/government markets, Concurrent's primary competition comes from Digital Equipment, Encore, Harris, Data General, and Hewlett-Packard. In the financial services industry, Concurrent sees IBM, Tandem, Stratus, and Pyramid as major competitors.

Financials

In December 1988, manufacturing operations in Westford, MA were moved to the New Jersey facility. In 1989, the MassComp and Concurrent worldwide sales and services operations were consolidated and folded into existing resources at the New Jersey headquarters.

In a recent financial statement, Chairman of the Board, President, and CEO James K. Sims explained that the rapid relocation of operations within the company has forced Concurrent to make aggressive changes to stabilize the company's financial position.

"In order to protect our liquidity, we implemented a hiring freeze; redeployed staff to assist manufacturing, credit collection, and other critical areas; and implemented several other actions to preserve and strengthen cash flow.

"Even with these cost reductions, we have made it clear that we will not have substantial reportable income in the early years following the merger because of noncash purchase accounting costs and interest payments."

Service and Support

Concurrent offers scheduled preventive, unscheduled, per-call, Fastback depot, limited, and comprehensive maintenance services.

Terms and Conditions

Concurrent systems are available for end-user purchase but are primarily sold to OEMs and VARs. All systems and peripherals are covered by a 90-day warranty.