IT INTERNATIONAL

INFORMATION TECHNOLOGY NEWS IN EMERGING WORLD MARKETS **VOL. 5, NO. 14 • JULY 21, 1997**

Giant Singapore-based distributor of electronic components and computer peripherals continues Asian expansion . . .

Asia Pacific distribution profile:

Electronic Resources in top ranks of Asian distribution

An IT distributor knows it has made it when it offers shares publicly that people will actually buy. Not only has Singapore-based **Electronic Resources Ltd.** (ER), one of the largest electronic components and computer peripheral distributors in Asia, been listed since 1993 on the **SESDAQ**, the second board of the **Stock Exchange of Singapore** (SES), it upgraded in April to the SES's main board, a reward for its stellar revenue growth over the last three years.

Founded twelve years ago in Singapore, ER today is recognized as one of the leading electronic components and peripherals distributors in Asia Pacific. Armed with a vision and the coveted rights to **Intel** as its first principal, **Tong Kok Chiang, Denis Low**, and **Foo**

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InterPC still wants investment capital and has had discussions with several other potential partners . . .

InterPC talks to Intcomex; merger under consideration

InterPC, a Miami-based distributor into Latin America for **Apple, Hewlett-Packard**, and others, has been in recent discussions with several business partner candidates, according to word on the street, with one possible scenario being a merger with another player in Miami.

Extensive discussions have taken place with Miami-based IT distributor **Intcomex** about the possibility of merging the two companies and then taking the combined company public. It is unlikely the discussions are about Intcomex buying InterPC because it is believed Intcomex does not have the cash to do so.

A merger would be a way for two mid-range players in the Latin America distribution scene to

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One fear is Beijing's control could lead to muddier business dealings, more nepotism, corruption . . .

IT companies unfazed by Hong Kong handover

The fanfare and fireworks surrounding the rain-soaked handover of **Hong Kong** to **China** have come and gone, but the transition of the Hong Kong IT industry into China's overall IT industry is expected to continue in a slow, low-key manner, according to Hong Kong IT industry sources.

"The IT industry has anticipated the handover and has been working closely with China for several years," said Hong Kong-based **Cannie Tsang**, regional operations manager for the **New Century Group**, a market researcher. "I don't think the handover will have any negative impact on the IT industry here unless drastic changes are made which may affect how IT companies do business."

But New Century also believes IT professionals in Hong Kong are still concerned about corruption, nepotism, and bureaucracy, which could begin to creep into business dealings in

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Oracle downsizes while Sybase starts up operations in Thailand

Oracle Systems is restructuring its Thai operations as a result of the economic downturn plaguing the country, revamping its resources in the sales, marketing, and technical support departments and laying off 30 of its 200 staff.

The company is gearing its operations toward electronic commerce and networking in its bid to further grow its dominant share of the Thai database software market.

Meanwhile, one of Oracle's chief competitors, **Sybase**, is opening a Thai subsidiary with 10 technical and marketing staff, to win over some of the country's enterprise-class database customers.

Prateep Kulapalanont, the newly-appointed country manager of Sybase Thailand, is targeting users of online transaction processing, data warehousing, and electronic commerce technology . The company has appointed **Inter Far East Engineering Plc.** as its sole distributor. **The Ideas Corp.** and **International Software Factory Co.** will continue to be Sybase dealers.

Sybase is forecasting revenue of $16 million this year and expects to grow its staff to 150 by next year. Such a revenue ramp will be tough if **International Data Corp.** figures are accurate; IDC values the Thai database market at $27 million in 1996, with Oracle and **Informix** holding over 80% market share combined.

PC REPORT

Asia Pacific PC shipments slip in first quarter

PC growth in the Asia Pacific region slowed to 14% in the first quarter of this year, a sharp decline in sales from the region's heady growth of 50% in recent years.

According to **International Data Corp.**, growth figures were far from uniform throughout the region. **China** continued to lead with 25% growth in PC sales, representing 25% of the region's sales.

However, **Korea** and **Australia** pulled down the regional average. Korean PC unit sales contracted by 3% due to slower economic growth and lower government spending. Australia's market climbed by a mere 1% due to market saturation there. Together Korea and Australia account for 45% of regional PC shipments.

Legend takes top PC spot in China

As the China PC boom continues, that market is expected to account for 37% of total PC sales in Asia Pacific by 2000. And based on first-quarter 1997 results, **Legend Group** has taken the lead from American rivals and emerged as the leading PC vendor in China, capturing 8.2% PC market share.

Last year's dominant PC vendor in China, **IBM**, has slipped to third place, losing to Legend and **Hewlett-Packard**. IDC reports that Legend's lower-cost PC shipments jumped 64% from first-quarter 1996 to first-quarter 1997. Hewlett-Packard moved into second place (7.1% share) with sales up 66% to 39,174 units. IBM sold 34,374 units and saw its market share shrink from 6.7% to 6.2%.

Compaq Computer also turned in a lackluster performance with a market share decline from 6.4% to 4.7%, with 25,964 units sold. Similarly, **AST Research** experienced a drop in its sales volume to 23,903 units, with a market share decline from 6.3% to 4.3%.

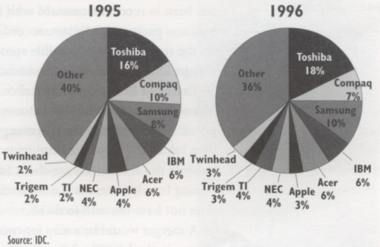
According to IDC, China is Asia's second largest market for PCs, after Japan. Sales of PCs in the first quarter stood at 553,645 units, a 25% jump over first-quarter 1996.

Toshiba eats up portables market

Meanwhile, **Toshiba** has strengthened its lead in the portables market in Asia Pacific, IDC said. The company's market share in the region, excluding Japan, has jumped from 16% to 18% in 1996. Second place performer **Samsung** trailed far behind with 10% market share. Compaq, previously in second place, was edged into third place.

Toshiba shipped over 170,000 portables ranging from the high-end Tecra 740 to the entry-level Satellite Pro 430 CDS. The company had even better results in the ASEAN region, capturing 28% of the market. Toshiba attributes its success to its early release of new models, which earned it large multinational accounts, as well as its retail presence for low-end models, which accounted for 30% of unit shipments.

Asia Pacific portable PC market, (excluding Japan)



Source: IDC.

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DISTRIBUTION NEWS:

…Azure lands IBM distribution: **Azure Technology**, a wholly-owned subsidiary of Hong Kong-listed **Vanda Systems and Communications**, has won the rights to distribute IBM's mid-range computers including the low-end RS/6000 systems, the low-end AS/400, point of sales and systems, and system storage products in China.

…NetFrame taps Memorex: **Kanematsu USA** will be distributing NetFrame's ClusterSystem 9000 series of network servers in the Asia Pacific region through its affiliate, **Memorex Telex Asia Pacific.** The agreement will initially cover Australia, Hong Kong, and Singapore, but sales and support may be expanded to China, Malaysia, and Taiwan in the coming year.

…Memotec signs up Datacraft: Memotec Communications has appointed **Datacraft Asia** to market, distribute, and support Memotec's line of Frame Relay access products in Asia for a three-year period. Datacraft Asia will sell and support Memotec's products to large organizations with corporate networks and telecommunications service providers for public network access.

…NZ distributor adds Psion computers to cellular lineup: Auckland-based cellular telephone distributor **Celldirect** is expanding its product line by taking on the Psion handheld computer for New Zealand and the Pacific Islands. The company believes Psion's palmtop computers will strengthen its overall offerings, especially with the convergence of the telecommunications and computer industries. To handle the Psion range of products, Celldirect will take on extra dealers who have had experience with Psion computers. It will also sign on its existing network of dealers to push the Psion products.

…MEC to sub-distribute Lexmark: **MEC**, the Auckland, New Zealand-based Panasonic computer product distributor, intends to sub-distribute Lexmark printers under a deal with **OEM Distributors**. With this product line in place, MEC will be distributing all types of printers—ink jet and laser printers by Lexmark, dot matrix and low-end laser printers by Panasonic, line printers from C Itoh, and POS printers from Citizen.

…Baan in Sri Lanka: **Baan Asia Pacific Pte. Ltd.** has appointed Sri-Lanka based systems integrator **Millennium Information Technologies Ltd.** to market, implement, and support Baan products in Sri Lanka. Sri Lanka has an estimated $300 million IT market. Millennium IT, which is also a partner for Sun Microsystems, Inc. and Oracle Corp., will set up a team of four consultants and four support staff to integrate Baan IV, Baan's Enterprise Resource Planning (ERP) software. Baan has teamed up with seven systems integrators in the Asia Pacific region in the past six months. It reports regional net fees grew by 300% last year, including license and service revenue, but excluding distributors' margins. The company hopes to rake in $80 million in net fees this year.

…PW taps partner in India: **Price Waterhouse Associates Pvt. Ltd.** has been appointed a Qualified Implementor of **Systems Union Ltd.**'s products for India, Sri Lanka, Bangladesh, Bhutan, and Myanmar. It can now provide consulting, implementation, and pre- and post-sales support for Sun-Systems' financial and business management software in these countries.

…Unidata lands in Malaysia: **Unidata Inc.** has set up its ASEAN headquarters in Kuala Lumpur, Malaysia to provide sales and technical support to VARs in the region.

…Wall Data sets up in Singapore: Wall Data has established its Asian headquarters in Singapore. It hopes that through this move, Asia could contribute between 20% and 30% of the company's worldwide revenues by 2000.

…ALR re-enters New Zealand: After five years' absence, **Advanced Logic Research** (ALR) has re-entered the New Zealand market, with the launch of its six Pentium Pro 200MHz server, to be distributed by Auckland-based **Imaging New Zealand.** ALR, which has the third-largest worldwide market share in the Intel-based super server (two CPUs or more) market, after Compaq and Hewlett-Packard, is targeting the high-end business sector.

…Neptune opens shop in Singapore: Client-server data warehousing and distribution segments software vendor **Neptune Systems Asia**, formerly known as Triton SystemHouse, has opened a new regional office in Singapore. Neptune will focus on its flagship product, Trident Systems, which has been installed in more than 200 sites worldwide, 23 of which are in Asia. The company will initially concentrate on third-party logistics as well as the retail and manufacturing sectors, focusing in the markets of Greater China, Indonesia, Malaysia, the Philippines, and Thailand.

…Hypertec buys distributor: Hypertec Pty. Ltd., based in Australia, has acquired a majority stake in **AM Distribution**, previously known as Australasian Memory International, one of the region's largest memory distributors.

…HP sets up Thai retailer program: **Hewlett-Packard Thailand** has introduced its Certified Retailer Program to boost consumer segment sales. The Gold Retailers include **I-Mart, Datamation, IT Super Store, IT City**, and **Makro Office**. These retailers can order direct from HP's wholesalers, which include **Value Systems, Metro Systems Corp., Tanawat, Digiland**, and **M&V Technologies.**

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ASIA BUSINESS ROUNDUP

...SyQuest joint ventures with Legend: **SyQuest** will set up a joint venture company with China's leading PC manufacturer, **Legend Group**, to manufacture SyQuest's SyJet and EZFlyer removable cartridge hard drives in Guangzhou, China. SyQuest will hold a 60% stake in the company with Legend taking up the remaining 40%.

...Digital teams with China Aerospace: **China Aerospace Corp.** and **Digital Equipment Corp.** have signed a memorandum of understanding for a joint venture in China, calling for a total investment of $40 million to be shared equally by the two partners. The joint venture company will develop, manufacture, and distribute StrongARM-based network computers, with initial shipments targeted for the end of this year. Shipments for the year 2000 are expected to hit 150,000 units, with associated revenues estimated at $50 million.

...EDS, Oracle sign MOU: **EDS Asia Pacific** and **Oracle Asia Pacific** have signed a Memorandum of Understanding to strengthen and expand their relationship in the Asia Pacific region. Under the terms of the agreement, EDS will integrate Oracle courses into the training curriculum at its Asia Pacific Education Center and establish Oracle Competency Centers in several countries throughout the region. In turn, Oracle will provide software to all competency centers and help to establish an Oracle curriculum (at preferred rates) in EDS's regional training center.

...Umax eyes $5 billion: Taiwan's second largest IT company **Umax Elite Group** is targeting sales revenue of $5 billion by the year 2000. Comprised of Umax Data Systems, Elitegroup Computer Systems, Eten Information Systems, Powerchip Semiconductor, E-Tech Inc., NewSoft Technology, and Art 9 Entertainment, Umax is actively expanding via joint ventures and acquisitions in semiconductors and software. Umax has already set up a joint venture corporation with **Mitsubishi** (known as Powerchip) to make DRAM and ASICs. The company has shareholdings in four other local semiconductor plants, which produce wafers and microcontrollers. On the software side, it is believed that Umax is looking to purchase companies in the games and educational software business.

...Piracy rates drop: Piracy rates in Asia Pacific declined by 9% in 1996 to 55%, according to a study on global software piracy conducted by **International Planning & Research** and commissioned by the **Software Publishers Association** and the **Business Software Alliance**. The highest piracy rates were in **Vietnam** (99%), **Indonesia** (97%), and **China** (96%), while **Japan** boasted a low rate of 41%. While piracy rates in most countries have improved, those of **Hong Kong** and **Singapore** have worsened by 2% and 6%, respectively.

...HP opens Vietnam office: **Hewlett-Packard** has officially opened an office in Vietnam with a staff of 25 people, headed by General Manager **Bob Hughes.** The company is hoping to build its presence in the developing market, which according to **International Data Corp.**, was worth more than $267 million last year. HP already has a head start in printers, having captured 90% of the laser market. But it will face fierce competition from **IBM, Digital**, and **Unisys** in the high-end systems market, and will have to take on **Compaq**, the dominant player in the desktop market. The company will concentrate on medium to large organizations, including government ministries at the central and provincial levels. It will also offer a range of customer and partner training and development programs.

...Malaysia's MSC faces labor shortage: **Malaysia** says that a lack of skilled software manpower will not derail the country's ambitious **Multimedia Super Corridor** (MSC) project. Despite claims of labor shortages, many companies, the latest being Hewlett-Packard, have committed to set up operations in Malaysia's high-tech corridor. The MSC has the potential to employ between 50,000 and 70,000 people by the Year 2000. To combat the short-term labor issue, the Malaysian government is offering incentives to software developers around the world to lure offshore software talent to Malaysia. The most likely source of software manpower is in nearby **India**, which has an abundant pool of skilled software developers.

...Internet provider sets up HQ in Malaysia: Global Internet roaming provider **AimQuest** has set up its Southeast Asian headquarters in Kuala Lumpur, Malaysia. AimQuest South East Asia will provide marketing, sales, and technical support to its ISP and corporate customers in the region. It will be looking to sell products direct as well as through regional systems integrators and distributors. Expansion plans call for future offices in **Australia, Hong Kong, Japan**, and **Korea.**

...IONA sets up shop in Hong Kong: Object-based tool developer **IONA Technologies** has opened an office in Hong Kong which will cover the Greater China region, including Taiwan. The company says its expansion into the region is in response to the growing demand of object-oriented technology throughout Greater China. The China office will be headed up by **Andy Chun** who was previously CEO of **Resource Technologies Ltd.**, a software consulting firm. The object-oriented market is still very young in Greater China, so IONA plans to provide training as a fundamental part of its market entrance strategy.

...NCS forms Hong Kong joint venture: Minneapolis, Minn.-based **National Computer Systems, Inc.** announced on July 8 the formation of a joint venture with its Hong Kong distribution partner **Worldneed Computer Consultants Ltd.** The new company, called **NCS Hong Kong Ltd.**, is 51% owned

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by NCS and establishes the company's first direct presence in Hong Kong. The operation will initially offer data collection services, followed by image processing services to support networked data collection projects.

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Hong Kong, China synergies…

post-changeover Hong Kong and cause problems for the IT industry. "But we do not think that this will happen, at least initially," Tsang said.

Karim Davezac, research director of the China Group for **International Data Corp.**, said the changeover will have little direct impact on the IT industry. "Instead of Hong Kong being a port into China, it is going to work both ways," he said. "China sees Hong Kong, Guangzhou, and Shanghai as a gateway out."

Some IT companies, such as **SAP**, have moved their Asian or regional headquarters out of Hong Kong to Beijing, suggesting full confidence in continuity from the communist government. Others, however, have moved to Singapore.

"Those companies establishing headquarters in Singapore are going to come back," Davezac predicted. "Singapore is an excellent hub as well, but being in Singapore is too far away. Such companies will set up operations in Hong Kong, Beijing, or both."

Indeed, multinational corporations have increasingly been bringing their Hong Kong and China operations together. Some MNCs have aligned their Hong Kong operations to be a more integral part of their China operations, a process that has been going on for the past few years.

> *"Those companies establishing headquarters in Singapore are going to come back."*

Nothin' but synergy

While Hong Kong IT professionals have generally viewed the handover as a non-event, China's IT industry has had a different take.

"In China, there is a lot of interest in exploring how Hong Kong can help Chinese technology companies and the IT user community," Tsang said. The PRC's **Legend Group**, for example, has planned a push into Hong Kong, seeing it as an opportunity to gain better access for its products in world markets.

Agnes Mak, president of the **Hong Kong Computer Society** predicted nothing but synergy between the PRC's and Hong Kong's IT industries. "Hong Kong is a small place but it is international. China is a big market. The handover will open new markets for us," she said.

"Hong Kong's IT [people are] strong at applying IT in business solutions, project management, and business knowledge. They are flexible and hard-working, but lack a good environment for R&D, so they are no good at making their own software or products. China, on the other hand, has good R&D people, but don't know how to commercialize good products. If we can combine the two, we have a lot to offer."

Dominic Tsang, director and general manager of **Origin Hong Kong**, shared this view. He said the government in China treats IT as a driver, or a way of gaining competitive advantage, whereas the Hong Kong government has traditionally treated IT as merely a necessity.

"I expect IT to become far more important after the handover," he said. "However, IT services in China are one of the least understood aspects. Hardware and software is far more tangible and so tends to take center stage, but I'm confident this will change once China has more contact with IT-mature Hong Kong."

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Electronic Resources at the top…

Lai Fuan began trading processor chips in 1985 and grew fast enough to become one of the first IT distributors in Singapore to be listed on SESDAQ.

The listing was a turning point for the company; it has since reported growth rates of nearly 100% per annum for the last three years and boasted 1996 revenue of $650 million, with pre-tax operating profits growing 69% to $15 million.

"The key to our expansion has been our geographical reach," **Lim Koon Hock**, the company secretary, told *IT International* in an interview. "When we were first listed on SESDAQ, we only had offices in three countries—**Singapore, Malaysia**, and **Thailand**. Now we have further expanded into **Australia, China, Hong Kong, Indonesia**, and **New Zealand**."

Not surprisingly, Greater China is where ER is growing the fastest. "We now have access to channels in 22 major cities in China," Lim said. "We have just completed the acquisition of the entire 49% minority share in our China operation."

ER's next big push is in the Indian sub-continent. According to Lim, the company has formed a joint-venture in **India** known as **ERI Pte. Ltd.** "With the sixth-largest economy in the world, and a population of almost one billion, India is sure to become a major consumer of electronic components," Lim said.

Vendors drive ER expansion

The vendors ER represents have pushed the company to expand to other parts of the Asia Pacific region. "They want to appoint us as their distributors in these countries to repeat the success we have achieved for them in Singapore," said Lim.

With the new offices, ER has grown from 80 to over 500 employees in the last four years. Its product lines have also increased dramatically. Besides Intel, the company now counts **Quantum, Hyundai Electronics Asia, Hewlett-Packard, Microsoft, Iomega**, and **SGS-Thomson Microelectronics** among its major principals.

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"The breadth of our comprehensive component offerings enables us to act as a one-stop shop for our customers," Lim told *IT International*. "It is definitely easier for our customers to buy all the components they need from one distributor, rather than having to deal with a myriad of them. We are continuously evaluating and considering new product lines to be able to serve our customers best."

Relationship-building has been central to ER's success. "To do business effectively in Asia, you have to have a local presence in each market and establish close ties with the local resellers," Lim said. "The third- and fourth-tier PC manufacturers, assemblers, original equipment manufacturers (OEMs) and dealers are our lifeblood. And to service them well, you have to localize all the programs, including the way you finance the channel."

> *"They want us as their distributors in these countries to repeat the success we have achieved for them in Singapore."*

Support your local distributor

ER offers a wide line-up of pre- and post-sales support, including OEM demonstrations, technical training, out-of-warranty repair service, quality and reliability support to OEMs, failure analysis, hot-line support, design, programming, and software customization.

"Our key vendors are all leaders in the IT industry, with high expectations of their channel partners," said Lim. "To bring the most to these relationships, we cannot just focus on selling product; we must act as the marketing arm of our principals in these various markets and prove our ability to add to their bottom line on an on-going basis."

In the cut-throat, high-revenue, high-turns business of electronic components and peripherals distribution, ER has excelled in time-and-place distribution. To ease just-in-time delivery of products, ER has warehousing facilities in **Sydney, Brisbane, Melbourne, Hong Kong, Penang, Kuala Lumpur, Singapore, Auckland**, and **Bangkok**.

Given the rapid changes in regional distribution, can ER stay on top? "Our challenge now is to continue to do well," says Lim. "We have some good assets to fall back on—financial stability, experience, and market share. But in this business, what counts is day-to-day service and value-added support for our customers and principals . . . to always be their reliable source wherever they may need us."

— Cindy Payne

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Tandem turns operation in Mexico into subsidiary

Tandem Computers Inc. announced on July 14 it would take a 100% equity position in **Tandem Computers de Mexico, S.A. de C.V.**, converting the operation into a wholly-owned subsidiary.

The Mexico operation, which now employs more than 125 people, was started as a joint venture in 1980, with Tandem owning 45%. Its swallowing of the entire operation marks both an enhanced commitment to Mexico and a desire to strengthen its presence there.

"Mexico is an emerging but vibrant market, especially in the banking and financial sectors where Tandem has traditionally excelled," said **Hector Gonzalez**, the newly-named general manager of Tandem Computers de Mexico. "As a wholly owned subsidiary, we believe we will be able to secure a larger market share as we move into a new age of open, low-cost, high-performance enterprise computing."

Tandem said Mexican customers will now have access to a broader range of products, including NonStop Himalaya and Windows NT Server-based systems, and NonStop Software.

LATIN AMERICA BRIEFS:

...Another Dyer leaves CHS/Merisel: **Dorian Dyer**, son of **Cliff Dyer**, former president of Merisel Latin America and now chief operating officer with CHS Electronics, has quit to take a job with chief rival **Tech Data Latin America**. This is the second of two Dyer sons who worked for **Merisel Latin America** to leave. **Robert Dyer** left in April to join **McAfee Associates**. (*IT International*, April 28, p. 5). Dorian Dyer had run the company's OEM division and apparently turned it into a very successful unit. Merisel has been a "home away from home" for the Cliff Dyer family, where his nephew and wife still work. Whatever Dorian Dyer's motives for leaving, the Miami group of distribution competitors reads the move as another sign that Merisel employees don't like being under the CHS roof.

...Venezuelan firm chooses FastComm: **FastComm Communications Corp.** has announced that Venezuela's **Ingedigit, C.A.**, a computer systems and services company, will resell FastComm's Frame Relay Access Devices, supporting LAN, Legacy and Voice/Fax applications, to its current and new customers. Ingedigit is one of the largest networking distributors in the region and provides installation of optical fiber, coaxial, and twisted pair wiring systems, among other services, according to FastComm.

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...Motorola invests in Brazil manufacturing plant: **Motorola, Inc.** says it has begun construction of a manufacturing facility in

Boca Research, Diamond Multimedia, and **Fujitsu**; InterPC's other vendors include **Epson, Sony, Samsung**, and **Toshiba**.

Jaguariuna in the state of **Sao Paulo** that once completed will produce cellular infrastructure equipment. The factory will be the first in a multi-phased, 200-acre (800,000 square meters) project planned by **Motorola do Brasil**. The 50,000-square-foot facility is due to be completed by November and will produce SC9600 and SC2400 base transceiver stations for both analog and Code Division Multiple Access (CDMA) digital cellular systems.

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InterPC talks to Intcomex…

bring revenues up to the top-tier with the likes of **CHS Electronics, Ltd.** Combined sales for 1997 would easily top $300 million if the two merged.

Synergies between the two companies also appear to exist on both vendors and in-country offices. Almost no overlap exists in terms of vendor representation, as Intcomex is mainly a components distributor while InterPC sells PCs and printers. Intcomex's lines include **AMD, Adaptec, Creative Labs, Maxtor, Western Digital, American Power Conversion, U.S. Robotics,**

Moreover, InterPC already has operations set up in **Colombia, Venezuela**, and **Ecuador** and plans an to open an operation in Bolivia this year, while Intcomex has offices in **Chile, Peru, Mexico**, and **Panama**. The only overlap for the two is in Ecuador.

Since initial meetings, Intcomex has been communicating regularly with InterPC about such a deal, but there is no word yet on how interested InterPC's three owners might be. InterPC has hired Minneapolis-based investment banking firm **Goldsmith, Agio, Helms & Co.** to find potential acquirers; InterPC's preference all along has been to be bought by a larger U.S. distributor that wants to enter Latin America.

The attraction of a merger lies only in the prospect of going public and drawing new capital from Wall Street. But this is also a costly and riskier prospect for InterPC. While CHS has been very successful since its IPO, the stock market is generally nervous about investing in such capital-intensive businesses as distribution.

InterPC is also in discussions with **MicroAge, Ingram Micro, GE Capital**, and two others. The company is able to draw the attention of such big names because it plans to have its financial statements audited by a Big Six accounting firm.

IT Trade Show Calendar

August				
26-29	Object World Australia	Sydney, Australia	Softbank Comdex Internet: register@comdex.com	Tel: 617-433-1665 Fax: 617-449-2674
September				
2-5	Telecommunications and Information Systems Exhibition	Zilina,Slovakia	Dom Techniky ZS VTS (contact: Olga Novotna, Peter Berak)	Tel: 011-421-89-322-11 Fax: 011-421-89-655-122
16-19	Internet World Brazil '97	Rio de Janeiro, Brazil	Mecklermedia Corp.	Tel: 203-226-6967 Fax: 203-454-5840
October				
1-3	Object World Tokyo	Tokyo, Japan	Softbank Comdex Internet: register@comdex.com	Tel: 617-433-1665 Fax: 617-449-2674
1-3	Internet World Philippines '97	Manila, The Philippines	Mecklermedia Corp.	Tel: 203-226-6967 Fax: 203-454-5840
5-7	EDventure High-Tech Forum	Amsterdam, The Netherlands	Edventure Holdings Internet: daphne@edventure.com	Tel: 212-924-8800 Fax: 212-924-0240
7-9	COMDEX/Asia at Singapore Informatics	Singapore	Softbank Comdex Internet: register@comdex.com	Tel: 617-433-1665 Fax: 617-449-2674
7-9	Internet World Monterrey '97	Monterrey, Mexico	Mecklermedia Corp.	Tel: 203-226-6967 Fax: 203-454-5840
21-24	Expo Comm Argentina '97	Buenos Aires, Argentina	Softbank Comdex Internet: register@comdex.com	Tel: 617-433-1665 Fax: 617-449-2674
27-29	Internet World Chile	Santiago, Chile	Mecklermedia Corp.	Tel: 203-226-6967 Fax: 203-454-5840
28-30	COMDEX/México Norte '97 and EXPO COMM México Norte	Monterrey, Mexico	Softbank Comdex Internet: register@comdex.com	Tel: 617-433-1665 Fax: 617-449-2674

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...Digital names new Malaysia head: **Graeme Shorter** has been named the new CEO and managing director of Digital Equipment (Malaysia) Sdn. Bhd. He will report to **Graham Long**, vice president of the ASEAN region at Digital Equipment Asia Pacific, based in Singapore.

...IBM manager moves to Digital: **Christina Teo**, the regional marketing manager of ASEAN/South Asia for IBM Direct, has joined Digital Equipment's Asia Pacific PC Business Unit as its strategic marketing director. She will report directly to **David Tang**, the unit's marketing and business development director. Prior to IBM, Teo held positions in Acer, the most recent one as general manager for Acer Italy.

...Lotus names strategic alliances director: Lotus Australia has named **Roger Walker** director of strategic alliances and is charged with identifying new business opportunities for the company.

...Microsoft Thailand seeks MD: **John Lauer**, the managing director for Microsoft Asia South, will double as country manager for Thailand until a replacement is found for **Aporn Paul Sribhibhadh**, who has resigned as country manager. Aporn joined Microsoft in 1994 and has left Microsoft to venture into his own software development business.

...Kyocera names new MD: **David Finn** has been named the new managing director of Kyocera Electronics. Based in Sydney, Finn was previously a director with Texas Instruments. He was also the managing director of Epson New Zealand.

...Canon Singapore promotions: **Kohtaro Miyagi**, the managing director of Canon Marketing Services (CMS), has been promoted to chairman of Canon Singapore Pte. Ltd. **Katsuaki Furuta** will take over as managing director of CMS, the marketing arm of Canon Singapore.

...Cisco promotes Ong: Cisco Systems has promoted **Ong Teng Beng**, its country manager in Singapore, to general manager, extending his responsibilities to operations in both Singapore and Malaysia. Ong will take charge of the company's team of network consultants and sales and marketing personnel in these two countries. Cisco Singapore's turnover has exceeded 100% growth per annum since Ong became country manager in 1995.

...Hypertec promotes Carroll: **Andrew Carroll**, who has worked with Hypertec for eight years, has been promoted to sales manager responsible for the all sales, including the reseller and retail channels, in Australia.

...Fujitsu nabs Huggins: Fujitsu Southmark Services has named **Dave Huggins**, the former general manager IT of Serco Asia Pacific, to be the general manager of overseeing a staff of 150. Huggins will be based in Wellington, New Zealand.

...Sequent in New Zealand: Sequent Computer Systems has appointed **Mary Sells** as its first marketing manager of in New Zealand. Sells, who was previously based in the Sequent headquarters in the U.S., will relocate to Wellington to take charge of marketing programs and partner alliances.

...PeopleSoft promotes A/NZ manager: PeopleSoft has promoted **Chris Carlsen**, a sales executive with the company, to the newly-created position of business alliances manager for Australia and New Zealand. He will be responsible for managing some of the company's largest clients.

...AirMedia looks to international market: AirMedia, Inc.—a developer of push technology products and services—has decided to ply overseas markets, announcing the appointment of **John Mazzone** to the newly-created position of vice president, international business development. AirMedia's international expansion will be through licensing, joint ventures, acquisitions, strategic partnerships, and subsidiaries. Earlier in his career, Mazzone served as manager of business development for IBM's World Trade Corp. in Tokyo.

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