

# Perfect Original Quarterly

SUMMER 1992

## DisCopyLabs Services Include 800# Order Taking

In an ongoing effort to speed delivery of products to end-users, DisCopyLabs has expanded its service offerings to order taking functions, making DisCopyLabs a full service supplier.

When end-customers place telephone orders via an 800#, information is electronically transferred to DisCopyLabs for quick order fulfillment and shipping. Other information is simultaneously captured and output in the form of sales leads, tracking reports and customer service reports.

This expanded customer service saves time and money. Products ship directly from

DisCopyLabs' manufacturing line to the end-user, bypassing the expense and delay of an additional shipment to a separate fulfillment facility. This convenience is particularly important in the competitive software business where the window to ship products to customers continues to decrease.

Order processing is a complex function and must be customized to the exact requirements of each client. Some need order entry only. Others require a higher level of technical support and interaction with their customers. Complex telecommunications and computer equipment and specialized expertise are

necessary for such systems to operate smoothly and effectively.

DisCopyLabs analyzed current customer needs and researched alternative ways to respond. It became clear that the company needed to augment its own fulfillment capabilities with complementary services from an experienced partner in order to provide a level of service consistent with what clients are used to receiving from DisCopyLabs.

DisCopyLabs chose a company called The Product Line to be its business partner in this new 800# service area. The Product Line, of Denver, Colorado, is experienced in handling a variety of telemarketing and order processing functions for software companies. This company is committed to quality, and its versatile software allows customization of its script.

Representatives from various levels of both companies spent time discussing business operations and service priorities. They were pleased to discover that both organizations share similar philosophies, which helps to ensure they will continue to deliver the quality and customer service that each company expects.

DisCopyLabs and The Product Line will function as a single source to receive and fulfill orders. The relationship between the two companies will be transparent to the customer. If requested, DisCopyLabs will serve as the sole contact point for customers and will maintain total accountability.

By leveraging The Product Line's expertise and extensive investment in equipment, DisCopyLabs can extend several key benefits to its clients. Not only do products reach end-customers faster through direct shipments, but clients can also specify what kind of information they need from call-in customers.

Customer data is captured, verified and automatically output to a variety of lead-generation programs and tracking reports. These valuable tools help client companies manage and maximize resources in order to gain a competitive edge in the marketplace.

Call your DisCopyLabs account manager for details about this new service, 510-651-5100.

### Careful Planning Pays Off

## DisCopyLabs Continues to Meet Customer Requirements Despite Industry Shortage of 3.5-Inch Media

We warned in the fall issue of our newsletter that a 3.5-inch media shortage might develop, and now that prediction has become a reality. Increased demand for 3.5-inch media is outpacing current industry production by an estimated 6 to 8 million diskettes per month.

At DisCopyLabs we are committed to our current customers, and we are doing everything possible to protect their supply line to their customers. We are in a strong position today because we took steps to prepare for this situation as soon as we anticipated it.

Although we expect the industry-wide shortage to persist through the end of this year, we anticipate continued ability to meet our current customers' normal requirements.

### Adequate Media Inventory

DisCopyLabs is now carrying twice as much inventory as before. We are also doing more detailed planning and projections, based



Norman Tu, President

on input from our customers and historic data.

We have added additional media suppliers to ensure adequate supplies. I personally made a trip to Taiwan in March to qualify a new supplier.

Furthermore, DisCopyLabs is selective about bringing in new customers with 3.5-inch media needs. We are totally committed to our current

customers. We will accept new customers using other media types not affected by the shortage.

### Order Forecasts Recommended

We advise that all customers make sure their media supply is allocated by working even closer with us to keep us apprised of their requirements. In return, we can plan our supplies for current customers who keep us updated with accurate 90-day rolling forecasts.

The media manufacturing suppliers are allocating their media products based on historic relationships with their customers. Because of

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## 3.5-Inch Media Shortage

our size and business relationship, DisCopyLabs and our customers are in a strong position to continue receiving media. The small to second-tier duplicators and software companies which buy in low volume and at irregular intervals are most likely to be adversely impacted by the current shortage.

### 3.5-Inch Media Demand

The media shortage was triggered by a massive demand for 3.5-inch diskettes. This demand is due to the rising popularity of laptop computers, and the simultaneous introduction of Windows® 3.1 by Microsoft and other complementary software products.

This situation has been further aggravated by major domestic media manufacturers being in the process of converting their production lines from 1 MB diskettes to the more profitable 2 MB format. The 2 MB lines have production priority, which results in more of a queue shortage for 1 MB products. It will take a number of months for domestic media manufacturers as well as off-shore media manufacturers to add the necessary capital equipment and manpower to meet the growing demand.

### Industry Growth

The software industry has also grown in spite of the recession. Software is viewed as a productivity tool, so even companies that may be downsizing are willing to invest in software that can help to maximize limited resources.

In summary, DisCopyLabs is taking the necessary steps to ensure that our media supply line is open, and that our customers' software products continue to flow through our facility.

# DisCopyLabs Adds CD-ROM to Its Broad Media Replication Offering

As part of its routine business practice, DisCopyLabs continuously monitors trends and surveys customers about their future requirements. In the fourth quarter of 1991, spurred by mounting customer interest in using CD-ROM discs as a method of distribution, DisCopyLabs announced its plans to enter the CD-ROM market. In March of this year DisCopyLabs officially offered CD-ROM replication service to its customers.

CD-ROM is clearly one of the key media for software and documentation distribution in the 1990s. DisCopyLabs intends to be a major player in this new growth industry, and is laying the groundwork now.

DisCopyLabs has its first CD-ROM customers and anticipates more in the future. By making the necessary capital investment and developing the technical expertise while the business market for CD-ROM is still in its infancy, DisCopyLabs is well positioned to respond to increased customer demand.

### CD-ROM Features

The recent acceptance and popularity of this new media is due to a number of key characteristics. CD-ROM offers fast access time and tremendous storage capacity: typically 600 MB per CD-ROM disc, as opposed to 1.44 MB per 3.5-inch HD diskette.

CD-ROM also has an extended media life expectancy. Since the discs are read by a laser, there is no physical contact to create "wear" while they are being played. With proper handling and storage conditions, quality CD-ROM discs should outlive the computers they run on.

All CD-ROMs are not of universal quality, however.



DisCopyLabs researched the market and selected 3M, a recognized leader in CD-ROM manufacturing technology, as its business partner in this new area.

### Services Available

DisCopyLabs currently offers CD-ROM pre-mastering capabilities for PC/DOS, UNIX® and Macintosh® operating systems. The company is testing variations of these operating systems, including the Image mode, the ISO 9660/High Sierra standard, and the HFS directory structure.

DisCopyLabs has the manufacturing capacity to perform low-volume write once CD-ROM duplication in-house. Higher volume replication will be completed in partnership with 3M, with DisCopyLabs responsible for the entire project. The partnership with 3M enables DisCopyLabs to offer additional customer services such as packaging, packaging assembly and fulfillment of products for our customers.

Interested customers can request from DisCopyLabs a prototype of their software in a CD-ROM version. This will familiarize them with their product in a new media format, give them an opportunity to experiment and test the possibilities CD-ROM offers to their customer base.



DisCopyLabs Recognizes Trace Mountain

In appreciation for Trace's ongoing commitment to providing quality products and outstanding service, Norman Tu, DisCopyLabs president, awarded Trace president Dennis McDonnell with its Outstanding Vendor Award in front of Trace corporate headquarters in San Jose. Trace Mountain manufactures computerized software reproduction equipment.

# Mary Kung: The Person Behind The Package

**M**ary Kung, Division Manager of Packaging and Shipping, is also responsible for DisCopyLabs' warehouse and inventory operations. Many employees are aware of her dedication and determination to succeed, but few really know the individual behind the professional demeanor.

According to Mary's manager, Vice President Antonia Tu, "She's very private about herself, but a nice person with a kind heart. Someone you can count on, regardless of whether it's a personal or a business issue."

An unpretentious person who doesn't like to be in the limelight, Mary herself admits she generally tends to be the listener rather than the speaker. She lives a quiet, single life. Most of her social activities revolve around a brother, a sister and their respective families who live within walking distance from her home.

With the exception of the local siblings and one brother who moved to Tennessee, the rest of her family still live in New York City, where they immigrated from Hong Kong.

"New York City is similar to Hong Kong with all the big skyscrapers and the crowds," explained Mary. "I didn't miss much when I lived in New York, so it was easy to adapt. But then I came to California where it's *so quiet*."

She claims it's simply too far and too inconvenient to go to San Francisco for culture and entertainment. Instead, she returns twice a year to Manhattan. The ease of public transportation there gives her an opportunity to attend the ballet and theater, visit family and friends, and catch up on her sleep!

Back in California, when she's not on the job, Mary is most comfortable at home. She surrounds herself with books, coins and stamp collections, as well as less conventional collections of what she calls "junk" – pencils, pens and erasers with interesting shapes and logos.

Mary reads both in Chinese and English. A learner rather than a doer, she immerses herself in books on subjects such as cooking, garden-

ing, calligraphy, paper cutting and herbal health care; but admits she seldom pursues the hobbies she reads about!

"My interests are quite wide, so I scratch a little on the surface of many things," she explained. "If something interests me, I like to learn more about it. But then I move on to other things."

Mary follows current events closely, but prefers weekly news magazines and television programs over the newspaper to keep herself updated. She also appreciates entertainment on the lighter side, insisting she's "a real nut about comic books – particularly 'Garfield' and 'Peanuts'" – an enthusiasm shared by her

young niece and nephew.

Although Mary says she looks forward to some day having more free time to enjoy her leisure and to expand her circle of friends, she seems to thrive on the pace driven by her work load. In a sense, she grew up with DisCopyLabs, having joined the company in 1985 when it was a struggling small business of less than 50 people. She was then the supervisor of a three-person packaging operation.

Today Mary manages more than 100 people spread over two shifts and two locations. She is responsible for several million dollars worth of automated equipment. The company has clearly prospered – and so, it would appear, has Mary.



For Professional Packaging

## Quick and Affordable Custom Laser Labels

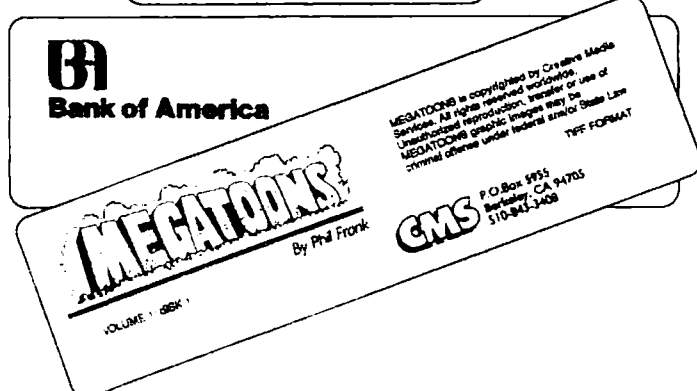
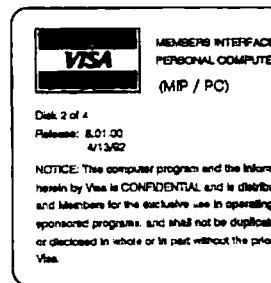
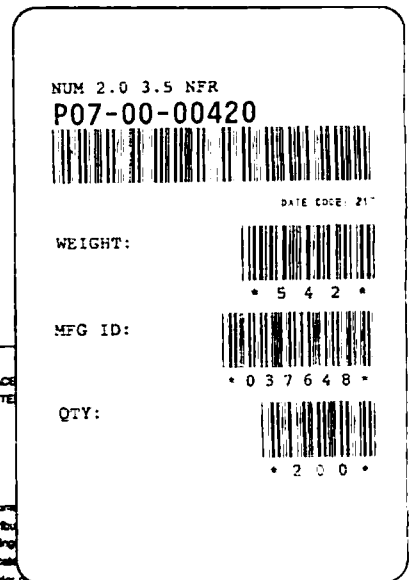
DisCopyLabs now offers customized, bar coded labels and logo labels as standard products. The customized bar coded labels help customers improve product flow, expedite handling and inventory control, and give their software diskettes and packages a professional look.

DisCopyLabs provides customized laser packaging and shipping labels with bar coding, proprietary marks and corporate logos. These customized labels can be generated on demand, with short turnaround times and no minimum order quantities.

Bar coded labels are handy in many applications. They help manufacturers and retailers track inventories, control pricing, maintain re-order minimums and control sales specials.

Customized logo labels are the ideal solution for new or small software companies, and for companies with multiple masters. These companies can now have professional-looking diskettes without the expense and hassle of printing labels.

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## DisCopyLabs-Duarte Update by Randel Powell, General Manager

The employees of DisCopyLabs-Duarte celebrated the successful first year of operation in Southern California on February 2, 1992.

During that first year, DisCopyLabs' employees at both Fremont and Duarte facilities worked very hard to upgrade the entire Duarte operation. Over \$1 million was invested in facility capital improvements. Former Hoffman Computer Product employees hired by DisCopyLabs had regular employee exchange visits to ensure that parallel work efforts at both facilities proceeded in unison.

"DisCopyLabs gave employees the dignity they deserve," commented Glenda Howard, Hoffman's former Production Manager who now holds the same position with DisCopyLabs. Glenda has been an integral part of the Duarte facility transformation.

The automation of information systems and the improvement of tracking capabilities for orders and customer materials are currently top

priorities. According to the testimony of customer Carolyn Post, Operations Manager of Silicon Beach Software, Inc., "The inventory system is greatly improved, and the daily status reports that keep customers updated are great!"

As the Duarte facility moves into its second year, DisCopyLabs is committed to supporting continued growth and outstanding service to the needs of its customers.

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### Custom Laser Labels

DisCopyLabs uses laser printers to generate the exact number of labels that customers order, eliminating printing overruns and outdated label inventory. Small companies are never forced to buy and store the unused shelf label inventory. Customized laser labels

also save money because there are no design or graphics fees, and no printing plate or set-up charges.

Best of all, ordering custom laser labels is easy. Customers simply submit the exact copy they want, specify which font style they prefer, and include a business card or letterhead stationery that is a sample of their corporate trademark or logo.

DisCopyLabs' trained staff does the rest. Numerous fonts and multiple sizes are available. No run is too small. Customers receive high-quality, personalized labels that give their diskettes and software packages a professional appearance – and most label orders are delivered in less than 48 hours.

To order or learn more about the benefits of customized laser labels, contact your DisCopyLabs or On-Line Copy representative today.

DisCopyLabs: 510-651-5100

On-Line Copy Corporation:  
1-800-833-4460

#### DisCopyLabs President Wants to Hear From You

Norman Tu would like to know how DisCopyLabs can improve its service to you and what future services DisCopyLabs' customers may need. To arrange for a lunch meeting with Norman, call DisCopyLabs at 510-651-5100, extension 203.



## DISCOPYLABS

The Complete Software Production Company

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The *Perfect Original Quarterly* is published by DisCopyLabs and is available at no charge to customers, employees, suppliers and friends of the company. If you would like to receive copies, please send your name, company affiliation, and address to DisCopyLabs, c/o Marketing Dept., 48641 Milmont Drive, Fremont, California 94538-7354

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