



# Perfect Original Quarterly

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## Customer-Vendor Partnerships Can Be A Win-Win Relationship

By Norman Tu, President

**W**hat a difference a decade makes in customer and vendor attitudes toward each other. In the 1970s and '80s, the typical company intentionally depended on a number of vendors to source a single product.

More often than not, in the business style of



that time, the customer played supplier against supplier trying to get what he thought was the best deal. A key objective was to squeeze vendors on their prices.

switching from one to another until the bottom was reached.

In return, supplier companies didn't commit too much of their hearts and resources to customers. They viewed their relationships with most customers as short-term and opportunistic, and properly limited to just providing the product they sold.

The 1990s, characterized by global and tougher competition, gave rise to much different needs and outlook. Some radical changes in organizational structure and operations occurred and are still evolving, such as the drive to re-engineer. Re-engineering meant leaner staffs and the down-sized company often required fewer people to handle more work.

One result of a smaller work force was that often there were not enough people to effectively manage a large number of vendors. Companies realized that they would need to consolidate the number of vendors they counted on and to rely more heavily on fewer suppliers. They would need to develop new, special vendor relationships, more like a partnership, which has come to be described as "partnering."

### The Pressure to Partner

A number of specific factors are motivating customer companies to partner with their vendors. They vary from company to company, but some

of the key reasons include business conditions, such as

- eroding selling prices
- eroding margins
- higher operating costs
- slow growth
- market shifts — speed up of obsolescence and time to market

Another element is time efficiency. With dependable vendor relationships established, senior management has more time to focus on core business issues, instead of supplier activities.

*Continued on page 2*

## Booklet About DCL May Be Helpful to Newer Customers

**Getting Started with DCL**, a booklet that provides basic information about working with the company, is now available for production and distribution work flow processes, describes terms and condition and discusses other areas of interest to customers.

"We work with many different kinds of customers, some who are, and some who are not, familiar with most aspects of software manufacturing. Some can be mystified by our terminology or production steps. This is natural as software manufacturing is a specialty that usually doesn't get much visibility in the computer industry," said Greg Holsen, Turnkey Account Manager.

"Putting key information about us, our capabilities and operations in this handy format makes it easy for customers to obtain the data they want quickly and conveniently from this one publication" he said.

The booklet includes such forms as the Build of Materials (BOM) and the Parts Number Creator, and information on how they are used.

*Continued on page 3*

Continued from page 1

## Customer-Vendor Partnerships

Also, several strategic considerations promote partnering:

- Expansion and new market penetration—enables customer organization to stay lean, move quickly, call up additional capacity and capabilities on demand, all without large or long-term investment that ties up capital and other resources
- Continuous improvement—company always knows true cost of supplier-provided materials and services in contrast to difficulty of isolating made-in house cost. Vendors continuously invest in improvements in their primary business. Customers benefit from increased efficiency and productivity by having cost savings passed to them. Customers are generally not willing to invest in support functions to stay current with technology when it's less expensive to source it.

### What Makes a Partnership Work?

Several elements are critical for a "partnership" relationship to work well. None is more important than open, on-going communications between customer and vendor. Communication should take place at every opportunity—in person and by telephone. Staying in touch and exchanging information candidly is a good way to avoid misunderstanding and negative surprises, and defuse little problems before they grow into big ones.

Customer teams and vendor teams should be integrated. Members should be unified by their common understanding of the customer's objectives and how to best work together to reach them. Each should be aware of the expectations, capabilities and actions, of their colleagues to get the job done.

At the same time, the vendor should be empowered by the customer with the responsibilities to handle such important tasks as finding and buying the best components for the job, to coordinate the various logistical pieces, and to bring together all materials and production resources

required to meet the customer's timetable.

The vendor ought to be as flexible to the dynamics of the market place as a successful customer is. This means the customer must extend to the vendor the confidence that he can get the job done. The customer's trust can also further motivate and enable the supplier to be an even greater value-added contributor.

### Everybody Can Win

When the customer and vendor are able to share the efficiencies of partnering, it's a win-win

**Some of the organizations  
DCL is proud to partner with:**

**Borland - since 1983**

**Symantec - since 1984**

**The Santa Cruz Operation -  
since 1985**

**Apple Computer - since 1987**

**Hewlett-Packard - since 1987**

**Insignia Solutions - since 1988**

**Norton-Lambert - since 1990**

**ParcPlace - since 1990**

**Quarterdeck - since 1991**

**Austin Hayne - since 1994**

situation for both. For example, our volume buying ability can result in lower materials cost for the customer. When the customer is open to new ideas, and shows that he welcomes suggestions, we can often propose something different that can lower costs, or improve quality, or speed turnaround time, or all of these.

We frequently see ways to achieve these benefits for customers, especially in the area of package design and assembly. DisCopyLabs has accumulated long and extensive experience in

software manufacturing, and we are one of the largest, best equipped companies in the industry. We often can simplify product and cut production cost. But the customer *must give us the opportunity*—and the approval—to do so. We have been—and continue to be—an excellent resource of new software manufacturing ideas that can bring important benefits to customers receptive to approaches different than theirs.

What are the basic attitudes that form the foundation for a successful partnering relationship?

For one, there must be trust in the vendor's capability and commitment to provide the support the customer expects.

There must be smooth teamwork, based on open, continuing communication that shares important information and goals, and a working environment that encourages constructive criticism and innovative thinking.

### Partnering is the Future

Both partners must appreciate that the other must receive a return on investment. Cooperation on setting target pricing can be a useful technique to help the vendor achieve a fair ROI. To be a good customer and a good vendor requires that each are financially sound and profitable—a consideration that's sometimes overlooked.

Successful vendor-partners are active not passive; open-minded rather than resistant to the new; adaptable to dynamic situations instead of paralyzed in bureaucracy; willing and able to take advantage of fast-developing opportunities.

Partnering is on a long-term upward trend in the information technology industry. We are seeing more close customer vendor relationships, including many sole source relationships. We're no different. Our company actively seeks out suppliers for our own needs, vendors who have what it takes to be an effective partner.

Relying more on out-sourcing for support functions leaves DisCopyLabs's management greater time and resources to focus on core business essentials, like software manufacturing and distribution. It also enables our organization to remain lean and in control of a significant part of operating expenses in these very competitive times.

## Helping Customers Succeed

# Team Approach to Customer Service Delivers More Effective Support

DisCopyLabs is strengthening its customer support program by utilizing the Project Management Team approach to customer service.

According to Kathy Tabke, Customer Support/Purchasing Manager, the company's team concept provides customers with broader, more consistent, and flexible support than is usually possible from a single Customer Support Representative.

The company's evolution to team service coverage reflects its expanding Turnkey operations, which can be better supported through partnering relationships with customers.

"Turnkey places additional responsibilities on the single rep to manage a project as there is a great deal of detail to handle, such as planning, buying, and managing inventory," Kathy said. "While our support reps can do it, it became more difficult for the back-up reps to stay current on projects and remain closely involved.

"On occasion, when the lead Customer Support Rep was away, it would take the back-up rep time to get up to speed regarding the customer's account. Often, just as the back-up got a firm handle on the account, the main rep would return."

The Project Management Team approach assures that more than one rep is knowledgeable and current about an account at all times so there is never a drop-off in support, no matter

how temporary.

All DisCopyLabs customers are assigned a team, which consists of a Project Manager, who functions as the team leader: a Customer Support Analyst and a Customer Support Assistant. Team members are cross-trained in various service aspects,

and each can perform all support functions. They continually exchange information with each other, the customer, and among other teams so that nothing falls between the cracks, according to Kathy.

Moreover, in recognition that each customer company has its own unique needs and style, DCL tries to match a Project Management Team that is most appropriate to each customer. The strengths, specializations and experience of teams are considered when they are assigned to



DisCopyLabs' Turnkey Project Management/ Customer Support Team. Front row, left to right: Jim Trimble, Balen Crosby, Trudy Hartman, Olivia Madamba Back row, left to right: Desiree Lord, Betty Lam, Manager Kathy Tabke, Zori Sanchez, Jane Chan Not pictured: Cynthia Leung

accounts to assure the most effective support. In this way, the teams are customized to the customer.

They are empowered to resolve many issues themselves. Larger, organization-wide systems or procedure issues are brought before meetings of all the teams and other company groups for discussion and resolution. Teams meet with the customer as often as needed or as requested.

"Our Project Management support coverage is another way DisCopyLabs seeks to help our customers to succeed. For example, as Just-in-Time inventory and distribution become more common among turnkey customers, we can be very nimble in responding to their changing needs. We really can help them be more competitive," Kathy stated.

*Continued from page 1*

## Getting Started

"While newer customers might be most helped by Getting Started with DCL, some customers who have been with us for years might occasionally reference it, or might show it to others in their organization who are new to software manufacturing," Greg said.

"As a source of information, it's not meant to replace Customer Support Reps or the many channels of electronic communications we maintain to our customers.

The booklet can be gotten through DCL Customer Support Reps or Turnkey Account Managers.



DisCopyLabs' Turnkey Purchasing Team. From left to right: Jodi Tamayoshi, Manager Kathy Tabke, Frank Dierks, and Mark Zamen

**T**hose people who are not already speeding down the information highway may be wondering: Exactly what is the Internet and, more importantly, what is it good for?

The Internet is a community of people all over the world using computers to freely exchange information. Begun in 1969 as a research project by the Department of Defense, the number of computers connected to the Internet grew dramatically in the late 1980s as technological advances made Internet connections economical.

Today, no one really knows exactly how big it is. The Internet reaches 94 countries and covers every continent. In 1994 there were over 25,000 networks connecting 30 million people. Some experts predict that cyberspace will connect a half-billion consumers around the globe by the year 2000.

Rather than being developed, the Internet evolved. No one runs it and there is no command center. In fact, the Internet has been likened to a "huge, unruly spaghetti of networks." Tracking down information has been compared to doing research in a vast archive with thousands of incomplete catalogues and no librarian.

Getting on and navigating the Internet gets easier every day. The cost is going down and the choices are going up. Those who have already taken the plunge agree: The Internet can be both simple and complicated, both frustrating and fun, but it will definitely alter your world view.

### What is it Good For?

- **E-Mail.** Sending electronic mail to virtually any on-line computer user on the planet is the most widely used service on the Internet. No matter what kind of computer or on-line service that a user subscribes to, he or she can use e-mail to fire off a message to President Clinton, transmit a file to a business colleague in Dallas or send a chatty letter to a niece in London.
- **Newsgroups.** Users can participate in a wide variety of electronic discussion groups on any topic imaginable, from poetry and politics to investment strategies or Bigfoot. An estimated 9,000 news groups are accessible through the Internet.  
In addition, there are chat groups where users have lively, informal keyboard discussions in real-time. Much like call-in radio talk shows, chat groups allow participants to share ideas or simply socialize.
- **Information Search & Retrieval.** It's hard to imagine how much free information is available on the Internet. Users are able to search, retrieve and read literally millions of files stored in computers throughout the world. There are university and government databases, periodicals, books, card catalogues, games, digitized pictures and a variety of software programs.

### Getting Connected

Many people get hooked up through their jobs since most universities, government agencies and many large corporations are already on the Internet.

# Cruising the Internet Gets Easier Every Day

By James Watt

*Reprinted from the newsletter  
Moneytalk published by the accounting  
firm of Hemming Morse Inc.*

Large businesses that want to establish a presence on the Net need a dedicated Internet connection.

But an individual or small business can get hooked up fairly easily and inexpensively through an Internet service provider like NetCom. All that is needed is a computer, a modem (preferably high speed) and a telephone line.

Many people subscribe to the "Big Three" on-line providers—America Online, Compuserve and Prodigy. They are user friendly, with their own proprietary programs complete with windows and click-on screens. Of the three, only Prodigy currently has full access to all of the resources of the Internet; the other two should have full Internet connectivity by year end. Even so, many serious "net heads" would never consider using one of these commercial providers.

Other on-line service providers may not be as easy to use as the Big Three, but many provide full Internet access with absolutely no restrictions. The best way to learn more about service providers, tools, software and fees is to read articles and advertisements in magazines such as Online Access, Internet World or Wired. Also, there are many excellent books available, some of which come with disks to help you get connected.

User studies have shown that the typical Internet user is male, college educated and relatively affluent. But the number of women on-line has been rapidly increasing. In the Bay Area, for instance, a new service called Women's Wire was launched in 1994 to address the personal and professional interests of women.

### Doing Business on the Net

Businesses are the fastest growing segment of the Internet. Small Business, entrepreneurs and home businesses proliferate on the Net. In cyberspace no one knows how big or little a business is—being connected allows users to conduct business from a ranch in Sonoma or a high-rise in Oakland.

Advertising, though, needs to conform to the Internet protocol. Net etiquette prohibits the sending of unsolicited e-mail messages to the entire Internet community. Sending junk e-mail is known as "spamming" and can result in quick retribution from irate net heads.

Responsible Internet advertisers use a subtle sell designed to engage the browsing consumer and provide valuable information. Indeed, the first rule of Internet advertising is: Provide content.

The World Wide Web is considered to be the place to do business on the Net. One of the fastest growing sections of the Net, the Web is graphics oriented, allowing computer users to "browse" and easily move among areas of text, graphics, sound, photographs and videos. Web sites are like open houses or electronic storefronts that people can visit to learn more about a company.

Right now, there are 30,000 Web sites worldwide and the number doubles

*Continued on back page*

Something *NEW* to software manufacturing...

# SHORTRUNS? **NO PROBLEM!**



DisCopyLabs Short Run Production Solutions

As the software industry changes, so does DisCopyLabs! With the requirements of specialized and custom SKU's and Just-In-Time manufacturing, we found that the traditional manufacturing process was not well suited to address the complex needs associated with these types of builds.

We have established separate manufacturing warehousing and associated facilities dedicated solely to addressing short run production. With a Turnkey Team assigned to each project, you can be assured that there is a clear understanding of how your specialized requirements need to be handled.

We welcome you to tour this new concept in manufacturing so that you too can take advantage of an area that has for many years been overlooked in an ever changing industry. For custom builds and small runs, nobody does it better than QUICKRUN from DisCopyLabs. For over 14 years, the software industry has turned to DisCopyLabs when they needed the job done right and on time.



**DISCOPYLABS**

The Complete Software Manufacturing Solution

**QUICKRUN**  
Northern California  
**510-651-5100**

**QUICKRUN**  
Southern California  
**818-303-1571**

continued from page 5

## Cruising the Internet

every three months. Because there are so many sites, it may be difficult for people to know about a particular company's Web site unless that company uses traditional methods to attract Web browsers. Once they do visit that site, they need to be presented with useful information conveyed in a creative, credible and entertaining way. The challenge for any company on the Web is to turn browsers into customers.

*As a Consultant on Information Systems Administration for Hemming Morse, Inc., James Watt provides on-site assistance to clients regarding all aspects of personal computer and network administration.*

## SyQuest Cartridges Added to DCL's Production Services

DisCopyLabs has added SyQuest cartridges to the large selection of media formats it duplicates for customers. SyQuest Technology Inc., is the leader in removable cartridge Winchester disk drives. Its drives are especially utilized in applications that require portability of large amounts of data, such as desktop-publishing, imaging, multimedia and music composition.

Among the more important advantages of SyQuest disk drive technology are unlimited storage capacity, off-line storage, systems sharing and fast back-up. SyQuest's 3.5" cartridge holds 105 MB or 270 MB, while its 5.25" cartridge holds 44 MB, 88 MB and 200 MB, formatted.

With the addition of SyQuest Technology products, DisCopyLabs now offers its customers software manufacturing capabilities for all formats of the most popular computer media in use.



**DISCOPYLABS**

The Complete Software Manufacturing Solution

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