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NCR to Introduce a Mainframe Computer Today

By **JOHN MARKOFF**

Fresh from its merger with A.T.& T., the NCR Corporation will introduce its first mainframe machine today.

The company's computer line will now stretch from pen-based notebooks to its new NCR 3600, which is built from standard industry parts unlike the traditional mainframes from the International Business Machines Corporation, Hitachi Electronics Ltd. and the Amdahl Corporation.

NCR officials say they do not expect to find new business by competing directly against existing mainframe computers and applications. Instead they hope to profit from what is known as distributed computing, in which networks of personal computers and more powerful work stations store and retrieve information from centralized data base and file systems.

"We don't look at this as a mainframe computer," said Gilbert P. Williamson, NCR's president. He said the NCR 3600 will be used for tasks other than the big bookkeeping jobs that many mainframe computers now do.

Differentiating its new product from existing mainframes is critical for the computer maker, analysts say, because the mainframe business is maturing, with single-digit growth.

NCR's new systems will be composed of 8 to 288 of the Intel Corporation's 486 microprocessors, and will use standard I.B.M. computer designs, like the Microchannel data highway, to move information in and out of the computer. The system will also use arrays of hundreds of small disk drives, like those used in personal computers, rather than larger disks used by mainframe systems.

Mr. Williamson said the NCR 3600, whose prices start at \$850,000 and go as high as \$8 million, will be able to take advantage of the much faster growth curve of the microprocessor-based computing industry. Existing mainframes may cost as much as \$20 million or more.

Analysts said the computer maker's principal market will be for the very largest jobs that might involve big data bases connected to thousands of personal computers requiring extremely quick response times.

"When you consider the potential power of this system it looks like a pretty good deal," said George Lindamood, a computer industry analyst at the Gartner Group. "People are charging premium prices for the ability to run the big jobs."

These larger jobs might be computer tasks that have not previously been possible with mainframes. The company cites the example of a large bank and major airline that might want to use a computer for a promotion campaign. They would first need to scan a huge credit-account data base to get the names and addresses of customers who had done more than \$1,000 worth of airline business in the last 12 months.

That might require looking at more than one billion records and executing more than a trillion instructions to select the appropriate names, then generate mailing labels for the promotion campaign. NCR officials said the new mainframe computer could do such work far more quickly than a conventional mainframe.

But some people are asking whether the company has the know-how to market its machine effectively.

Steve Milunovich, a Salomon Brothers analyst, said: "My concern is NCR's ability to market to large corporations. Their salesmen usually don't know the management information system managers."

But Mr. Williamson of NCR said the merger with the American Telephone and Telegraph Company would strengthen his company's sales force and give it added access to large corporations.

The company agreed last week to accept A.T. & T.'s \$7.4 billion offer.

Correction: May 14, 1991, Tuesday

An article in Business Day yesterday about NCR's introduction of a new mainframe computer misstated the product's history. NCR has previously made a number of mainframes; the new 3600 computer is not its first.