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**From:** Peter Wise  
**Sent:** Monday, October 07, 2002 9:43 AM  
**To:** Server Platform Leadership Team  
**Subject:** CompHot Escalation Team Summary – Month of September 2002

## CompHot Escalation Team Summary – Month of September 2002

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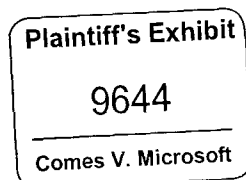
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### Observations and Issues

- **Linux infestations** are being uncovered in many of our large accounts as part of the escalation engagements. People on the escalation team have gone into AXA, Ford, WalMart, the US Army, and other large enterprises, where they've helped block one Linux threat, only to have it pop up in other parts of the businesses. At General Electric alone, at least five major Linux pilots have been identified, as well as a new "Center of Excellence for Linux" at GE Capital.
- **Linux on the mainframe** continues to be the most common escalation scenario, largely because the mainframe is unfamiliar to most of our sales teams. Paul Morse of CATM has had success at AXA, PNC Financial, the State of Pennsylvania and elsewhere in blocking this threat. In addition, there is now a full page on the <http://linux> site focused on the mainframe (<http://linux/?src=1125>). We're also currently filming three webcasts on this topic and they'll be available at the end of the month.
- **With OS/2 nearing end-of-life**, IBM is telling customers to migrate to Linux. IBM often ties together an OS/2 to Linux migration on the client with Linux on the mainframe (running WebSphere). Banks are where this is most common, since many of them still have a huge installed base of OS/2. IBM is also starting to migrate customers off the AS/400 and again, Linux is a frequent target.
- Next to financial services, **retail** is the most common source of escalations, especially in point-of-sale (POS). Many people, both our customers and employees, do not seem to understand the broad range of options available for thin-client. The Linux site has a full page focused on this (<http://linux/?src=299>).

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- **Brent Mineer, account manager for Safeway**, did an incredible job recently of getting the large supermarket chain to adopt Microsoft technology in a major way. Brent worked for months on the opportunity, and faced many setbacks, including a negative decision by Safeway which was reported as a loss here several months ago. However, working with Chris Gradwohl of CATM and a host of other people from around the company, Brent orchestrated a multi-million dollar win. One of the major battles was against Linux for hundreds of thousands of "smart" shopping carts, but in the end Windows Embedded was selected. Much work still needs to be done to ensure the deployment is successful.
- **Migration off of Sun** and other expensive UNIX systems is picking up speed. IBM and others are aggressively telling our customers that it's easier to move to Linux than to Windows. The UNIX Migration solution offering is available to help your customers make the correct decision. Don't let IBM go unchallenged. Read more about UNIX Migration at <http://infoweb/unixmigration/> and if you need to act now, escalate to <http://comphot>
- The CompHot team is noticing that about **three quarters of the escalations are from the U.S.**, and the other quarter from EMEA. We encourage account teams from the rest of the Americas and APJ to ask for help if they've exhausted all their local and regional resources. Just go to <http://comphot> for more information.
- We had a couple of questions about the **100 \$50,000 prizes** that will be awarded as part of the MGB Linux contest. Rest assured that the CompHot team will be glad to help you win, but we will not be asking for a cut of the prize money.
- **The Siebel competitive taxonomy** is in the process of being updated so that account teams can more accurately profile competitors in their accounts. More details will follow by the end of the October.

New escalations in September

| Region   | Account Name   | Technology                     |
|----------|--|--------------------------------|
| APJ      | HKCSL Limited  | Oracle                         |
|          | Industrial & Commercial Bank of China (ICBC)         | Other                          |
| EMEA     | Afrox  | Linux database                 |
|          | AIB Bank - Ireland                                   | Linux/StarOffice desktop       |
|          | Federal Ministry of Education and Research (Germany) | Linux/StarOffice desktop (EdG) |
|          | City of Turku (Finland)                              | Linux/OpenOffice desktop       |
|          | Italian Government (EDS)                             | Linux e-mail                   |
|          | Allianz Group  | Linux on mainframe             |
|          | Swisscom AG  | Linux on mainframe             |
| Americas | Banco Santander (Mexico)                             | Linux desktop                  |
| US       | Chemical Abstract Services                           | Linux/StarOffice desktop       |
|          | Department of Energy                                 | Linux/StarOffice desktop       |

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|                            |                            |
|----------------------------|----------------------------|
| Hodges Transportation      | IBM DB2                    |
| JP Morgan Chase & Co.      | Linux as LOB platform      |
| Liberty Mutual             | Linux on mainframe         |
| Mellon Financial           | Linux on mainframe         |
| Nike                       | Linux on mainframe         |
| Thomson Legal & Regulatory | Linux as LOB platform      |
| TXU                        | Linux on Intel with VMWare |
| US Dept of the Interior    | Notes                      |
| Cisco                      | J2EE                       |

Wins in September:

| Account | Account Contact | CompHot Owner  | Status  |
|---------|-----------------|----------------|---|
| Safeway | Brent Mineer    | Chris Gradwohl | 4,218 servers expected to grow to 15,000 servers; 15,000 desktops expected to grow to 30,000 desktops; up to 500,000 licenses of Windows embedded |

Losses in September:

| Account  | Account Contact | CompHot Owner  | Status                              |
|----------|-----------------|----------------|-------------------------------------|
| Vopak    | Kathy Rauzi     | Chris Gradwohl | 300 terminals to run Linux          |
| ABN Amro | Susan Wiemeyer  | Dave Pollon    | 4,000 terminals to Wyse "Blazer" OS |

CompHot Escalations/Inquiries since Jan. 2002 by Vertical and Geography

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| Vertical           | Region |      |     |          |       | Grand Total |
|--------------------|--------|------|-----|----------|-------|-------------|
|                    | US     | EMEA | APJ | Americas | Other |             |
| Financial Services | 23     | 21   | 2   | 4        | 1     | 51          |
| Government         | 18     | 10   | 4   | 4        |       | 36          |
| Manufacturing      | 25     | 2    |     |          |       | 27          |
| Retail             | 18     | 4    |     | 1        |       | 23          |
| NSP                | 8      | 4    | 2   | 3        |       | 17          |
| Education          | 2      | 5    |     |          |       | 7           |
| Healthcare         | 3      | 1    |     | 1        |       | 5           |
| Other              | 42     | 11   | 3   | 4        | 3     | 63          |
| Grand Total        | 139    | 58   | 11  | 17       | 4     | 229         |

CompHot Active Engagements by Technology by Vertical since Jan. 2002

Definitions:

Block = Immediate competitive threat gone; account team needs no additional help at current time

De-escalated = Account team needs no additional help at current time

| Status | Tech. Type      | Vertical Industry  |       |                    |        |     |           |            |       | Grand Total |
|--------|-----------------|--------------------|-------|--------------------|--------|-----|-----------|------------|-------|-------------|
|        |                 | Financial Services | Gov't | Manu-<br>facturing | Retail | NSP | Education | Healthcare | Other |             |
| Active | Linux Server    | 11                 | 5     | 4                  | 2      | 2   |           | 2          | 4     | 30          |
|        | Linux Desktop   | 5                  | 2     |                    |        | 3   | 1         |            | 1     | 12          |
|        | Linux Embedded  |                    |       |                    | 6      |     |           | 1          | 1     | 8           |
|        | Linux Migration | 3                  | 1     | 1                  | 1      | 1   |           |            |       | 7           |
|        | J2EE            | 2                  | 1     | 2                  |        | 1   |           |            | 1     | 7           |
|        |                 |                    |       |                    |        |     |           |            |       |             |

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|              |                 |    |    |   |   |   |   |   |    |    |
|--------------|-----------------|----|----|---|---|---|---|---|----|----|
|              | EDGI            |    |    |   |   |   | 2 |   |    | 2  |
|              | Other           | 3  | 5  |   |   | 2 |   | 4 |    | 14 |
| Active Total |                 | 24 | 14 | 7 | 9 | 9 | 3 | 3 | 11 | 80 |
| Win          | Linux Server    | 2  | 1  |   |   |   |   |   |    | 3  |
|              | Linux Embedded  |    |    |   |   |   |   |   | 2  | 2  |
|              | Linux Migration | 1  |    |   | 1 |   |   |   |    | 2  |
|              | J2EE            | 1  |    |   |   |   |   |   |    | 1  |
|              | EDGI            |    | 1  |   |   |   | 1 |   |    | 2  |
|              | Other           |    | 2  |   |   | 1 |   |   | 1  | 4  |
| Win Total    |                 | 4  | 4  |   | 1 | 1 | 1 |   | 3  | 14 |
| Block        | Linux Server    | 2  | 1  |   | 1 |   |   |   |    | 4  |
|              | Linux Desktop   |    |    |   | 1 | 1 |   |   |    | 2  |
|              | Linux Embedded  |    |    |   |   | 1 |   |   |    | 1  |
|              | Other           | 1  |    |   |   |   |   |   | 1  | 2  |
| Block Total  |                 | 3  | 1  | 1 | 3 |   |   |   | 1  | 9  |
| Loss         | Linux Server    |    |    |   | 1 |   |   |   |    | 1  |
|              | Other           |    | 1  | 1 | 1 |   |   |   | 2  | 5  |
| Loss Total   |                 |    | 1  | 2 | 1 |   |   |   | 3  | 7  |
| De-Escalated | Linux Server    | 5  |    | 2 | 2 | 1 |   | 1 | 4  | 15 |
|              | Linux Desktop   |    | 2  |   |   | 1 |   |   |    | 3  |
|              | Linux Embedded  | 1  | 1  | 2 | 1 |   |   |   | 4  | 9  |
|              | Linux Migration | 1  | 1  |   |   |   |   |   | 1  | 3  |
|              | J2EE            |    |    | 1 |   |   |   |   |    | 1  |
|              |                 |    |    |   |   |   |   |   |    |    |

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|              |       |    |    |    |    |    |   |    |    |     |
|--------------|-------|----|----|----|----|----|---|----|----|-----|
|              | Other | 3  | 5  | 1  | 2  | 1  | 6 | 18 |    |     |
| De-Escalated |       |    |    |    |    |    |   |    |    |     |
| Total        |       | 10 | 4  | 10 | 4  | 4  | 2 | 15 | 49 |     |
| Grand Total  |       | 41 | 24 | 20 | 18 | 14 | 4 | 5  | 33 | 159 |

Detailed Information

The latest CompHot escalation report as well as summaries from past months can be found at <http://stsstar/escalations/>

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