



Update

Just Say No ...

September 12, 2000

Oh, dear. They're at it again. "They" being the half-informed "consultants" and industry newsletters who make a living on spectacular "news" that is often neither "news" nor truth. And of course your competitors just love to spread this misleading stuff around since they aren't responsible for the content in the first place.

But to summarize, the latest round of BS has to do with the ICL financial decisions and reorganizations overseas and imagining a catastrophic effect in North America. Sorry, it's not for real. Some of the most recent garbage flying around:

- **ICL cancelled its IPO due to "disastrous" financial performance.** First of all, there was never going to be an "IPO." ICL stock has been around for decades, but it's been owned by Fujitsu for the best part of a decade. Fujitsu was planning to re-float a percentage of the ICL stock it owns if market conditions allowed — on the overseas London Stock Exchange — never was going on Wall Street or NASDAQ. Delaying the re-float had much more to do with volatility in the technology sector and the market valuation of B-2-B and B-2-C eCommerce companies than it had to do with ICL's financial performance.
- **Disastrous financial performance, Part II.** Since it's privately held, Fujitsu-ICL's financials are not in the public record. ICL's numbers were clearly not as good as you'd like to see, but the situation is insignificant compared to a company like NCR, who announced losses of over \$1.5 Million **per week** — about \$80 Million last year. And the prospects for excellent financial performance for our Retail Systems business in North America is great.
- **ICL laid off its entire retail systems staff and is getting out of the business.** Since I'm writing this during a jam-packed retail systems sales meeting in San Diego, I'm in a pretty good position to tell you that the statement is false. At the end of August, ICL did reorganize the business and cut staff in certain areas. But Fujitsu-ICL has also **hired** over 100 new people in the US in the last five months. Also, Bruce Minale's Dealer team is actively recruiting for new positions.

But we should all be used to this stuff by now. The fact is that Fujitsu-ICL — particularly the Indirect Channel Business — remains a profitable business fueled by the best Dealer network in the world selling the best PoS hardware and software ever developed, and servicing your customers with outstanding capabilities and results. (If you want some serious Fear, Uncertainty and Doubt of your own to spread around, you'll soon see something that will scare the pants off your competitors — but you'll have to wait a day or two. Stay tuned.)

To Your Success,

Tony

Tony van Severter
Director: Supermarket Systems

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