

APPLIED INTELLIGENCE

Lotus Follows Strategy of Solving Functionality Problems



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Second of a series of articles on the strategic directions that Lotus Development Corp. is pursuing and the significance of those strategies to organizations planning for the 1990s.

Due largely to the astounding success of 1-2-3, Lotus is often

characterized as a one-product company. Even those in the industry who recognize that Lotus has significant products in other categories often fail to realize the extent of market penetration achieved by Lotus products.

In addition to its famous 1-2-3, Lotus has products specializing in database work, text management, graphics, utilities and word processing.

Yet what's interesting about these products is not how they're ranked in their respective categories, but their development, employing several unique features, to solve functionality problems.

In the realm of 1-2-3, of course, there is an interesting trend.

Release 2.2 of 1-2-3 was announced as a new product during the development of release 3.0. Release 2.2 was developed on the foundation of release 2.01—that is, it's an assembler code product. It offers features that have been on the wish list of many customers for a long time.

Linking of cells between files, an Undo command, greatly improved graphing capabilities, 100 percent compatibility with release 2.01 worksheets, macros and add-ins attest to the degree of importance it represents as an improvement over 2.01. Release 2.2 runs on 8086 and 8088 machines with the same speed as release 2.01.

Release 3.0, which dominated the news within the industry for some time, offers a new level of power and features: three-dimensionality with 256 spreadsheets in one file, backward compatibility with 2.01 and 2.2 file links, dramatically improved graphing and greater speed when installed under OS/2. This power, however, comes at a price. Release 3.0 requires a 286 with 1M byte of RAM. Fortunately, the 286 with 1M byte of RAM has become the standard base-level machine, and by the end of 1989 there will be more 286 machines worldwide than 8086s and 8088s.

Much has been written about the delay of release 3.0. With each postponement, the trade press questioned the ability of Lotus to deliver products on time, as well as the quality of the management team. Competitors also criticized Lotus, but for most customers the delays weren't significant. A large portion of the customer base wasn't fully exploiting the power of release 2.01 and wasn't overly concerned with the delay of release 3.0. A more important issue was the availability of features and functions expected in 1-2-3 release 2.2.

In the future, it's likely that 1-2-3 will continue to lose market share of new

sales, primarily to Microsoft Excel, and that a mixed-vendor spreadsheet environment will exist in many organizations. Mixed-spreadsheet environments don't pose major problems as long as work groups are consistent in their use of products and applications. Virtually every product provides worksheet file compatibility or transfer to standard 1-2-3 file format, sustaining and enhancing desktop operations.

It's no secret that desktop computers will play an important role in the computerized corporation of the future. Many organizations will choose to implement enterprise information systems, which link operational data to financial

not only be available, they will provide such a powerful competitive advantage that most organizations won't be able to ignore them. It's in this context that Lotus promises to provide direction to move from existing spreadsheet applications to enterprise applications.

In April 1987, Lotus unveiled a number of plans for future releases. Release 3 was just one of the many new products mentioned. Lotus 1-2-3/M, 1-2-3/G, Symphony 2.0 Plus and Lotus/DBMS were included. Later there were announcements of the joint development plan with Digital Equipment Corp.; 1-2-3 for the Macintosh; joint development with Sun; and what is now called

ities shared between Lotus and IBM, an alliance that provides Lotus with valuable access to mainframe markets. 1-2-3/M will be developed as a Systems Application Architecture (SAA)-compliant product. As such, it will be well positioned for large, multiplatform cooperative-processing applications.

Many changes have occurred since the concept of 1-2-3 on a mainframe went into development. The biggest change is the significant role that networks will play in corporate computing. Even with large PC LAN environments, 1-2-3/M on the mainframe will still be an important product, because many corporations will continue to use mainframes in their cross-platform strategy.

Dealing with Unstructured Data

Within any organization, unstructured ideas and text are managed and manipulated more often than structured data. Examples would include the management of E-mail, to-do lists, correspondence files and general information databases. The unstructured nature of the information has traditionally made it difficult to implement applications that were capable of managing the contents.

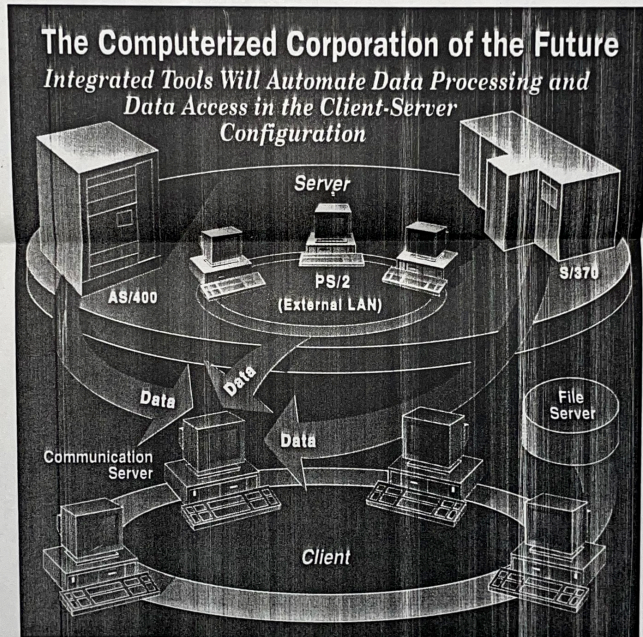
As a result, large (and vital) application domains have been ignored within major corporations. This application area will be supported more effectively in the future through the efforts of organizations like Lotus, products like Agenda, the study of work habits and the understanding of how ideas are managed and manipulated.

The introduction of Agenda in many respects was the commencement of a new software category: personal information managers (PIMs). Lotus has marketed Agenda aggressively with somewhat modest results. One reason is that Agenda, though extremely powerful, requires considerable learning and applications development to be fully exploited. Unless development resources or useful templates are available, this growth will continue to be slow.

With the migration of LAN work-group environments, it's likely that Notes, a group-productivity product under development, will be far better received. Notes will be used in a structured manner where project management, scheduling and sharing of information within a group are done. Major competition in this category exists with Symantec's GrandView, Persoft's IZE, Broderbund's MemoryMate and others.

Next week I'll discuss Lotus products geared to the spreadsheet, database, text-management, graphics and word-processing markets. ■

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Enterprise environments will provide such an advantage that most firms won't be able to ignore them. Lotus promises to help move from existing spreadsheet applications to them.

models and present the results using powerful query and graphic front ends.

The client-server configuration shown in the figure is a type of cooperative-processing system in which most processing functions are performed on personal computers and data is accessed from distributed host computers.

A complete portfolio of necessary tools to develop enterprise applications is not offered today by Lotus or any other vendor.

Today, enterprise applications are pieced together using various software programs that usually are not well integrated. Within two years, however, integrated application environments will

Datalsen, a new application-programming interface.

Lotus responded to criticism about failure to meet the delivery dates for these products by withholding comment. Until products are shipped and the atmosphere eases, the silence is expected to continue. After the logjam of current releases is broken, a less restricted communication of future product information can be expected.

1-2-3/M is a joint effort between Lotus and IBM. It will run under the VM and MVS operating systems. In addition, it is expected to be available for the AS/400 under OS/390. Lotus 1-2-3/M will be an IBM product with marketing responsibil-