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COMPUTERS MADE PLAIN

Tech A Haven For Billion-Dollar Unknowns

By Michael Tarsala

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You read a business newspaper, so you know your major technology companies. Or do you?

You probably won't impress friends much by rattling off the names of Microsoft Corp., which is the largest software maker, or Dell Computer Corp., the fastest-growing personal computer maker.

But try dropping the name Ingram Micro Inc. or Electronic Data Systems Corp. on them. And guess what? Ingram Micro and EDS each had more revenue last year than either Dell or Microsoft.

"They're the stories behind the stories, but certainly not the 'Intel Inside'-branded type of companies," said Bruce Graham, a partner with Menlo Park, Calif.-based Bessemer Venture Partners LLC. Graham is referring to the largest chipmaker, Intel Corp.

Unlike Intel, Microsoft or Dell, unknown tech giants seldom advertise on television or in the general press. Instead of selling to consumers, they typically sell to other businesses, far from the limelight.

Ingram Micro of Santa Ana, Calif., a computer products distributor and EDS of Plano, Texas, which helps companies put together and run computer systems, have more revenue than any rival in their respective fields.

Another non-household name is Milpitas, Calif.-based Solectron Corp. It's the tech industry's largest contract manufacturer. It makes PCs, disk drives and other products for better-known customers whose names will appear on the finished goods. Few people have heard of it, Graham says.

"You and I have probably touched (Solectron) products," Graham said. "They're everywhere."

There's a high chance your company, or a supplier to your company, works with the Solectrons and Ingram Micros of the tech world. So it's a good idea to have some awareness of these big players, Graham suggests.

Here are some companies you might not know, though they are among the nation's 400 largest companies.

■ **Solectron Corp.** Computer assembly is Solectron's specialty. Many of the brand-name computer products you buy are built and assembled by Solectron.

Big But Unknown

Solectron

<http://www.solectron.com>

Ingram Micro

<http://www.ingrammicro.com>

Electronic Data Systems

<http://www.eds.com>

Tech Data

<http://www.techdata.com>

Computer Sciences

<http://www.csc.com>

First Data

<http://www.firstdatacorp.com>

Western Digital

<http://www.wdc.com>

Computer Associates International

<http://www.cai.com>

The company also makes printed circuit boards for a variety of consumer electronics companies.

Solectron's '97 revenue was \$3.7 billion, up from \$2.8 billion in '96.

■ **Ingram Micro Inc.** The world's largest computer distributor resells products from International Business Machines Corp., Microsoft, Hewlett-Packard Co. and others. The company says it wholesales 145,000 computer products, and that its Web site for ordering products is visited 1.5 million times an hour.

Ingram Micro's '97 revenue of \$16.6 billion, up from \$12 billion in '96, eclipsed the sales of Digital Equipment Corp. or Texas Instruments Inc. or Sun Microsystems Inc., for example.

■ **Tech Data Corp.** Another reseller and an Ingram Micro rival, Clearwater, Fla.-based Tech Data says it wholesales 45,000 networking, storage, peripheral and related computer products from IBM, HP and others.

The company's revenue was \$7.1 billion in the fiscal year ended Jan. 31, up from \$4.6 billion the prior year.

■ **Electronic Data Systems Corp.** Though you may not know EDS, you surely know its founder: '92 and '96 presidential candidate Ross Perot. He started the systems integrator with

\$1,000 in '62. Customers include many branches of the U.S. government and many of the world's largest businesses.

General Motors Corp. bought EDS in '84 and then spun it off in June '96. The company's '97 revenue of \$15.2 billion, up from \$14.4 billion in '96, was far more than double that of computer maker Apple Computer Inc.

■ **Computer Sciences Corp.** El Segundo, Calif.-based CSC is a systems integrator and EDS rival. Unlike EDS, it targets specific industries, including oil and gas, banking and health care.

The company did make the news in February, when Computer Associates International Inc. made a hostile bid to buy the company. But CSC fought off the effort.

CSC's revenue in the fiscal year ended April 3 was \$6.6 billion, up from \$5.6 billion in fiscal '97.

■ **Computer Associates International Inc.** The Islandia, N.Y.-based company makes software for many of the world's businesses. It long specialized in software for mainframe-based systems, though it has branched out from that slow-growth niche.

Its bid for CSC was an effort to move into the fast-growing field of computer services.

Computer Associates reported '97 revenue of \$4 billion, up from \$3.5 billion in '96.

■ **First Data Corp.** When money is accessed by computer, Hackensack, N.J.-based First Data often has a hand. The company maintains data on millions of credit cards from more than 1,000 issuing banks.

The company also handles millions of electronic funds transfers and electronic bill payments each year.

First Data's '97 revenue was \$5.2 billion, up from \$4.9 billion in '96.

■ **Western Digital Corp.** Dell, Apple, HP, IBM and almost all other PC makers buy hard-disk drives from Western Digital. The company also makes drives for larger computers.

It's not the leader in its field. It trails two other companies that are perhaps a tad better-known, Seagate Technology Inc. and Quantum Corp.

Western Digital reported revenue last year of \$4.2 billion, up from \$2.9 billion in '96.

Now, you can go out there and drop a few names.

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