

## IBM POS BUSINESS PARTNER HISTORY

The first BPs in the RSS program (then called VAD for Value Added Distributor) were. Collectively they installed about 1000 POS terminals by the end of 1983.

	COMPANY	PRINCIPLE	COMMENTS
1.	ECS (Electronic Checkout Systems), Atlanta - March, 1982	William Smith	First BP installation, IBM 5260
2.	PSC (Post-Tron Systems Corp), Providence, RI - Sept, 1982	Jocko Catucci	Employed Steve Tilley as programmer
3.	Dennison Mfg, Framingham, MA - Sept, 1982	Bill Meehan	First 3680 install at Gumps Dept Store
4.	SSIC (Store Systems Info Co), Portland, OR - Nov, 1982	Walt Gorski	Installed 3680 at CostCo in Seattle
5.	CheckPoint (later TechPoint), Livonia, MI - Feb, 1983	Frank Farren	Software lives on today at SalePoint
6.	Tridata, Atlanta, GA - April, 1983	Fred Goldsmith	Installed 3680s at Wendys
7.	PSI (Post Software Int'l), Wake Forest, NC - April, 1983	Horace Clemmons, Saul Berenthal	Acquired by Fijitsu

***Alphabetical examples of early customers identified, sold and installed by POS BPs (repeatedly demonstrating the initial penetrations of the SMB space in the U.S. by RSS Business Partners) during the first 10 years of the BP program:***

A&P, Beverly Hills Hotel, Bed Bath & Beyond, Bergdorf Goodman, Costco, Colonial Williamsburg, Disney, Egghead, Eddie Bauer, Filene's, Genovese, GNC, Gucci, Gumps, Hallmark, Harris Teeter, IKEA, LL Bean, Laura Ashley, Lerner, Liz Claiborne, Michaels, Mikasa, MIT, Monticello, Mt. Vernon, Petco, Publix, Ritz Camera, Royal Carribbean, Slippery Rock Univ, Sharper Image, Six Flags, The Statue of Liberty, Talbots, Tiffany, The Greenbriar, Wendys, ZCMI, Zondervant Family Bookstores.

***Business Partner Channel History for Retail Store Solutions***

1. 1982 - VAD program begins for RSS with a unique contract and supported by RSS only; IBM's third product line to engage with BPs following Series/1 and PCs. Products available for resale are 5260 and 3680 (neither of which are user programmable in today's sense of the word)
2. 1986 - RSS VAD program is transitioned to standard IBM channel contracts, programs, sales channel incentives; RSS introduces user programmable, PC-based POS, the 4680 System; BPs are now called VARs; new VARs include InfoGenesis and ADS
3. 1987 - Advisory Council for U.S. BPs is first held; now held annually in AG and periodically in other Geos; RSS surpasses NCR as the leading POS supplier worldwide; BPs are now called IRs (for Industry Remarketers); new IRs include MidSouth (later Kyrus and Agilysys), RSS and CRS

4. 1988 - RSS Education Conference first held for BPs in U.S.; RSS initiates BP awards which are presented in categories of Excellence and Achievement for previous year's performance; IBM 4684 is announced - first RSS product which runs DOS-based applications
5. 1989 - RSS BPs begin participation at BPEC (now PartnerWorld) conference
6. 1990 - U.S. reaches 100 POS resellers; Europe, AP and LA begin implementing BP channels following the U.S. lead and structure
7. 1992 - U.S. establishes two tier RSS channel with ScanSource as initial Distributor
8. 1993 - Importance of ISV software is recognized by RSS management to extend IBM's market breadth and depth
9. 1994 - An ill-conceived attempt to create an RSS OEM channel for POS fails
10. 1996 - IBM SureOne product introduced worldwide; designed as low end or entry level product to drive SMB business; dependent upon running DOS-based ISV software
11. 1996 - Distributors established in EMEA and AP
12. 1997 - Second Distributor, Kyrus (now Agilysys) is established in North America; RSS products for Food Service market are developed/announced - these are depended upon running ISV software (initially DOS-based)
13. 1998 - Worldwide (NA, LA, EMEA) RSS BP education provided in 1 ½ day event prior to PW in San Francisco; IBM sales participate for first time with BPs; New Awards presented to ISVs called Partnership Awards
14. 1999 - First RSS Education Conference for BP and IBM audience held; 3 days, tuition charged, BP awards presented; 3 days of education with elaborate main tent sessions hosted by RSS Marketing Director, 60+ breakout sessions, executive roundtable meetings with BPs, etc.; separated completely from PW; AP version of same conference held a month later
15. 2003 - Solution EXPO and BP sponsorships added to RSSEC
16. 2005 - Seventh RSSEC held with all Geos represented (AP attends with other Geos for the first time); 900 attendees total; 450 BPs
17. 2006 - RSSEC cancelled by STG in January; Geos hold regional conferences in 2Q; RSS recommends that Geos continue holding and managing future annual regional conferences

***Business Partner Channel Structure for RSS product resellers***

1. Established as a Value Added channel; resellers must add value in the form of software or complex systems integration (not a "dealer channel" like PCD)
2. IBM midrange channel structure and contracts used for RSS products instead PC structure/contracts.
3. Other attributes also keep RSS BP channels more similar to IBM server BP channels even though POS technology is based on PC: complex HW and SW configurations and ordering (AAS vs GEMS ordering system); RSS products sold as systems not parts; desire to avoid product commoditization

4. Resellers may provide their own POS software, relicense software from an ISV or other reseller, or add significant customization to the IBM POS software products
5. POS resellers are for the most part specialized companies with backgrounds as:
6. Cash Register dealers
7. Retail software developers
8. Retail industry services companies
9. RSS BP channel has established the pattern which has been copied by most POS competitors; most IBM BPs are now also authorized to sell competitive POS - many also sell PC cash drawer systems.
10. Few RSS BPs also resell IBM server products
11. There has been significant consolidation and buy outs of RSS BPs in the past few years; many of the executives IBM had great relationships with are now gone.
12. There has also been significant change in the RSS management teams dealing with our BP channels resulting in lower loyalty, more mistrust and fragile relationships with RSS Bps
13. With more than 1000 BPs under contract to IBM RSS, the 80-20 rule applies to BP volumes
14. Finding and signing new BPs for RSS products by our distributors is fairly easy; developing new BPs into effective resellers is difficult and takes a long time; this process is definitely exacerbated by the lack of IBM resource to assist in the development process
15. Ex-RSS IBMers have found employment with several leading BPs, aiding in the all important task of understanding how to “deal with the elephant”
16. BP support is now largely automated: web resources for product and program info, online education, electronic Q&A instead of telephone support via PartnerLine, etc.
17. IBM lead generation for BPs is insufficient; successful BPs cannot rely on IBM to send them enough business to survive. Generally only the Premier and Advanced BPs get any leads at all.
18. BPs require industry experience, product skills, determination and early customer successes to achieve success and stay the course.