

TIMELY DEPARTURES

Sometimes a top executive's departure signals problems, and sometimes it signals their resolution. With luck, the departures of both David Cole from Ashton-Tate, and Dan Fylstra from VisiCorp signify that their building and restructuring tasks, respectively, are over, and that both companies can now be born again.

In the case of Ashton-Tate, David Cole arrived to bring a small, "family" company with an entangled ownership to the point of being a multi-product, public company. In a sense, he may already have stayed too long, leading the company into peripheral areas like home software and publishing, both of which may stretch Ashton-Tate's meager resources. A-T has two fine products -- dBASE II/III and Framework -- but it must exploit them to the hilt in this increasingly brutal marketplace. So far, one might say that dBASE II has been marketed most successfully by third parties and that Framework has barely been marketed at all. Meanwhile, Cole's regime wasn't especially peaceful; the presence of the new management he brought in precipitated a number of departures. But his may be the final one. The company is now ready to move forward under the steadying hand of pc software veteran Ed Esber (ironically, ex-VisiCorp). Its opportunities (read challenges) are clear.

VisiCorp has suffered much greater turmoil and financial strain than Ashton-Tate, precipitated by a variety of intra- and intercompany conflicts and the lack of an adequate follow-on to the company's highly successful VisiCalc (designed by Software Arts). Over recent months, however, the de facto admission of defeat has liberated chairman and co-founder Dan Fylstra to get on with the task of restructuring the company to exploit the assets that remain. The final step has been to hand them over in a merger to Paladin (formerly OptiSoft), whose management will exploit them while Fylstra moves on to another chapter in his life, older and wiser.

The assets that attracted Paladin include close to \$10 million in cash, raised in a recent venture funding and through the sale of the Visi On technology and the Communications Solutions subsidiary to two different units of Control Data Corp. (VisiCorp/Paladin retains the retail marketing rights to Visi On.) VisiCorp's assets also include about 30 remaining people (out of 40), many in product marketing, support, and finance and operations, and their industry connections, plus FlashCalc and the rest of the VisiSeries, which includes the excellent VisiSchedule and VisiWord but which badly needs maintenance and enhancements. On the debit side, there's several million of Visi-inventory on retail dealers' shelves that the company must help them handle if it is to regain their goodwill.

Paladin brings to the table a strong management team and an almost-completed low-end productivity product that will benefit from the VisiCorp infrastructure.

The merged company, which will use the unsullied (but unknown) Paladin name and the VisiCorp offices in San Jose, will sell FlashCalc and the rest of the VisiSeries while it completes development of its own low-end productivity product. It will be run by

president and ceo Roy Folk, former VisiCorp wp and Visi On product manager, and chairman Rich Melmon, former VisiCorp director of marketing, and a recent consultant to Paladin among others.

We wish them good luck; this combination of resources certainly increases their chances of success.

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