

Storage Technology begins year strongly

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Yet again, the dynamic US computer peripherals giant Storage Technology Corporation has turned in an impressive first-quarter result

The company, which claims to be the world's largest manufacturer of high-performance tape drives for computers, turned over \$US262.4 million for the quarter ended 31 March.

This is a massive 44 per cent jump on its figures for the first quarter last year.

The corporation managed to lift its net profit by an even more impressive 58 per cent to \$US18 million.

And as if that wasn't enough, Storage Technology has now topped its quarterly result for 28 consecutive quarters, something very few companies could claim, particularly in the current economic climate.

In the report just issued, the company's chairman, Mr. Jesse Aweida, said Storage Technology had expanded its production output using robotics and other automation techniques over the past 12 months.

He said this had allowed the company to increase its shipments of all product lines particularly its disk products.

"In spite of these Increased shipments, our backlog of orders is still large," he said. "Our firm-order backlog at the end of the first quarter this year was \$US391 million."

This is a significant Improvement on the corporation's \$US289 million backlog at the end of the quarter last year.

Less than two months ago the company won an \$US80 million contract to supply tape, disk and printer products to the US Army.

The contract, the biggest single DP procurement in the army's history, will take several years to fulfill.

Despite the state of the US and other world economies on the computer industry, Mr. Aweida said he felt "confident" that this year would be another growth year for the company.

"This Is the first time during the past 12 years that weakness in the economy has negatively affected the computer industry," he said.

"This is evidenced by the publicized reports of several companies In the industry.

"Weakness of the economy has had minimum effect on Storage Technology to date, and we feel confident that 1982 will be a significant growth year for the company."

Mr. Aweida said the company had taken some belt-tightening initiatives to ensure its continued growth.

"We have already taken action to control costs and reduce spending in areas where we can do so without negatively affecting our future growth," he said.

Locally, the company has just won a \$41 million contract to supply disk storage and controller units for a large-scale computer installation for the Federal Department of Administrative Services.

The equipment, for its offices in Canberra, includes 16 model-8360 high-performance disk storage devices, plus four 8880 double director storage control units.

Installation is scheduled for this month. The equipment will be configured with a National Semiconductor 7000PC processor, a Storage Technology 1800 line-a-minute printer, an IBM 1403 printer, and an IBM 3420 tape unit.

The equipment, which has dual-ported subsystems, replaces an interim disk storage system which was also supplied by Storage Technology.

The department will use the new equipment for a wide range of applications, including the maintenance of electoral roll files, property information management, transport and storage data, and parliamentary travel management.

Storage Technology won the contract against fairly stiff competition. IBM, National Semiconductor and Facom were also believed to have tendered.

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