

A FUN LOOK AT THE LAST 30 YEARS IN CHANNELS

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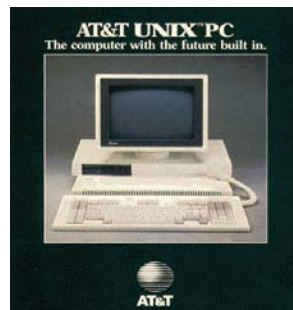
Although the company is 13, the senior consultants and myself have been working in IT channels for well over 20 years each and have grown up alongside the industry since the advent of the IBM PC in the early 80's. And, although much has changed in channel strategy and development over the years, much of what has worked for vendors and partners still does today; and continues to evolve to include the expanding and maturing roles of partnership building. I thought it would be interesting to remember where high tech channels began and where we might be headed:

Channel Trends of the 80's:

- 1981 – I graduated college the same year IBM introduced the first PC to the market - the IBM 5150
- 1984 – My first real job in the industry is at AT&T computer systems selling computer systems through channels. Do you remember any of these?



AT&T 3B2 - 400



AT&T UNIX PC



AT&T PC -6300

- Epson introduces the first notebook computer, the HX-20, with 20x4 character LCD screen, 16 kB RAM, and weighing 3 pounds.
- Compaq Computer introduces the Compaq Portable PC, with integrated 9-inch monitor and full IBM PC compatibility.
- IBM introduces the IBM PC/XT, with 10 MB hard drive and 128 kB RAM, for US\$5000.
- Microsoft announces the Windows graphical user interface for DOS.
- Computerland, Encore and Businessland owned the retail channel space
- Top Distributors included Micro D, Ducommon, Arrow
- Top Manufacturers: Honeywell, DEC, Wang, IBM, Lotus, Apple, Microsoft, Atari, Compaq
- Top Software Packages: WordStar, WordPerfect

Channel Trends of the 90's:

- August 1997 ChannelWorks is founded.
- The 90's sees the growth of the **World Wide Web** and the **Personal Computer PC**, In 1991 when the WWW first became available for the public it grew dramatically with users multiplying at the rate of about 3500 times a year, by the year 2000 there were an estimated 295 million users on the **Internet**. This in turn caused a continuing revolution in communication and business.
- The 90's saw the growth of many technology companies from small beginnings to a market dominant position , possibly the best example is **Microsoft** who from small beginnings now have their operating systems installed on 80% of the world's computers
Napster and P2P is created
- Multiplayer online gaming takes off
- MP3 players stomp the walkman
- 1995 the release of the Sony Playstation changed gaming consoles for ever.
- In the late 80's **mobile phone** technology was still in its infancy but by the end of the 1990's owning a mobile phone was a fact of life, they are now part of everyday life.

Then Came the 2000's

- Y2k!
- 2000 - The Tech Boom explodes and the NASDAQ reaches 5000+
- 2001-2002 Tech BUST!
- HP Buys Compaq
- Wireless Everything
- Identity Theft and cybercrimes
- Mergers/buyout and alliances are the plays among manufacturers and Solution Providers.
- Housing bust/The economic bust! Yikes!

More recently, we have witnessed the Internet evolve from Web 1.0 to 2.0 with the explosion of social networking and building of online communities.

In celebration of our 13th year in business we are contributing to the evolving nature of IT channels. You can now join our community dedicated to being the primary source for the channel by logging on to ChannelWorks.com, joining us on Facebook, following us on our Twitter (<http://twitter.com/ChannelWorks>) and subscribing to our blog (<http://channelworks.com/blog/>) and newsletter. You will see valuable information, numerous cases histories, interactive discussions, as well as access to our blog, videos and thought leadership from industry experts and so much more. These tools and resources represent our ongoing commitment to being on the cutting edge of channel marketing community building and thought leadership.