

Buying High Tech

By Dr. Jay Mendell
and Henry Sarkis

**A data processing
system can pay
for itself,
but only if you
buy right.**

Whatever is touched by the micro-processor decreases in cost and increases in efficiency: The microprocessor is not only the heart of the personal computer, but is also the guiding technology of computer assisted design and manufacturing (CAD-CAM), of robotics, and of word processing. And the history of each of these applications has shown profit enhancement beyond the expectation of all but the most fanatical "true believers."

In South Florida every major company is putting personal computers to use; many are using computer-assisted manufacturing, and a few are talking about robots. You don't have to hire an engineering genius to get the benefits of high technology. Much productivity technology is available commercially; today: We are talking about a turnkey systems, not about leading edge, experimental technologies.

If you evaluated an application as recently as two years ago, you may be surprised to discover how dramatically a dollar's worth of performance has increased.

Computer-assisted drafting and design were, until recently; run on computers that cost several hundred thousand dollars. But today they run on personal computers that cost \$10,000 to \$15,000. A system pays for itself in several months, even in its first big project.

Small to middle-sized businesses can afford tools that two years ago only large businesses could afford.

But you have to do your homework and educate yourself before you buy high technology:

One of our readers wrote:

"I've been thinking about automating my manufacturing, perhaps even experimenting with robotics, but probably just using CAD-CAM.

But I don't know where to get advice. South Florida is supposed to be a Mecca for high-tech, but in my circle of business associates, no one has automated."

Putting new technology to work in

your company requires a keen analysis of what you hope to achieve (and what you will lose economically and competitively if you fail to adopt), an examination of which technology will allow you to meet your objectives, an economic analysis of how soon the technology will pay for itself, a projection of the state of the art to assure that you will not be leapfrogged next year if your competitor purchases a superior system, and the careful installation of a properly working system.

The expert help that you need may not be available locally; though it certainly can be obtained on a national basis.

First, you have to do your homework. To gain an overview of the technological field, how can you acquire the latest information? We asked several local people. Harris Kent Swan, president of Solution Technology, Inc., a Boca Raton computer consulting company recommends that you ask local stockbrokers for descriptions of companies that are most active in your chosen field. Glenn Anderson, president of Applied Robotics, Inc., suggested you contact the

trade associations (for robotics, the Robotics Institute in Dearborn, MI). Trade associations can arrange for you to receive their magazines and an invitation to a trade show.

Unless your company is very small, your employees who are personally interested in computers and technology and have already invested some time studying them. Organize the people who are personally interested to read all the information you have acquired and to obtain and digest additional information. Have them prepare their strategy for visiting a trade show where they can attend tutorial sessions and advanced sessions, visit exhibitors' booths and ask questions.

At the trade show they can attend sessions, visit exhibits, collect additional literature, and, most important discover which non-competing companies will share their experience with similar technology and possibly discover how far your competition has gone in adopting the technology:

When you are ready for identification of the exact system, you may need to reach a consultant whose experience

is in the application of the technology to your fields. You should ask the trade association for a list of consultants, and then ask one or two of these consultants for a free consultation the next time they are in the area. Alan Levine of Arthur Young's Fort Lauderdale office reminded us that many of the Big Eight CPA firms are acquiring expertise in such exotic fields as robotics.

One last bit of advice from two local bankers. Dev Strischek, a senior vice president of Barnett Bank, and Joseph Magley; senior vice president on NCNB National Bank, pointed out that commercial loan departments do not maintain-depth of technical expertise. So the more easily you can make the case that your technology has been used elsewhere, the easier the loan officer will find it to bankroll your new productivity tool.

The application of technology made possible by the microprocessor will fuel the greatest productivity explosion since the Industrial Revolution. The question is not if you can afford to invest, but whether you can afford not to.

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