

# InterSystems Purchases DataTree to Combine PC and Mainframe Expertise

**T**wo leaders in the M community joined forces to "expand the technology," as InterSystems Corporation of Cambridge, MA, announced the purchase of DataTree, Inc., Waltham, MA, on March 2, 1993.

According to Terry Ragon and Peter Beaman, the principals of each business, the merger unleashed an aggressive development cycle to push their M products into new dimensions. Both men said they had been increasingly frustrated by limitations on their respective research and development activities.

Beaman explained DataTree's position. "More and more, we were relegated to focusing on short-term answers to technology development. It's a huge challenge for small companies to invest in long-term development. Together, we have the resources to take a longer view."

The acquisition, still in its early stages, is marked by many meetings and discussions as management tries to ease the transition for employees and customers.

Under the purchase agreement, DataTree became a division of InterSystems, with Beaman serving as divi-

sion vice president. "By combining the creativity and dedication of two strong organizations, we are committing ourselves to better service, faster innovation, and greater value to customers," said Beaman. "We strongly believe that this transaction is a big win for customers and prospective customers of both companies."

As a division, DataTree will continue to develop and support its current products under the DataTree corporate name from its present offices in Waltham. InterSystems will consolidate administrative and marketing functions at the Cambridge office.

The acquisition brings together two approaches to M Technology. InterSystems's approach focused on large hardware systems, such as the VAX, and on linking M systems to non-M through its SQL product. DataTree focused on the PC/workstation market and the client/server environment.

Now each company intends to fill in the gaps by expanding DataTree beyond the PC market into the UNIX arena and by offering InterSystems a much-needed PC product plus the capability to compete in the growing client/server market.

Financial figures were not released, but Ragon estimated his company's market share now will exceed 18,000 database installations: 3,500 medium and large-scale systems, and 15,000 PC systems.

The announcement caught many people in the M community by surprise, according to MTA members who have called the Association office. Some callers were dismayed that two successful entrepreneurs were so willing to combine their talents and share power. Beaman explained that the move was "purely a business decision based on a tremendous opportunity to expand technological development. Many people don't realize just how similar our business values, ethics, and customer service commitments are. I will personally work to maintain the atmosphere we have at DataTree."

Ragon saw it as "putting the R back into R&D." While the direct impact of the acquisition on the community will not be known in the short term, it is certain to create new development jobs. With more emphasis on R&D, Ragon said the company will be hiring systems programmers and senior M programmers in the coming year.