

Number 1



ATARI
REPORTS

The news information service from Britain's leading consumer electronics company

Welcome to Atari Reports...the news information service from Atari Corporation. Each issue will contain news which we hope will be relevant to your day-to-day business. You are also invited to air your views...

The objective of this Report and those that follow is simple: to communicate directly with all those who are involved in this market, hopefully with Atari — distributors, dealers, some software developers, journalists and other opinion formers. The Report will contain details of the full range of activity Atari is committing to over the next several months. I hope it will be of interest to you as it should help ensure that you continue to enjoy your share of the growth in the computer and leisure electronics market in the UK.

Obviously Atari has grown dramatically in the past year and with the addition of LYNX and PORTFOLIO we find ourselves involved in a wide variety of activities ranging from advertising to local fun days! We also offer a broad range of point-of-sale materials and have a team of merchandisers to install it for you.

Communication of this activity to you in a timely manner should enable you to plan better and take advantage of whatever is going on.

We would also like to use this Report as a way of addressing concerns raised by our customers and to answer directly any criticism that you care to direct at Atari.



Peter Staddon — Marketing Manager

Therefore I welcome the opportunity for you to write to me with your comments and questions in succeeding issues and I will reply to them both individually and within the context of this publication.

I hope that you enjoy Atari Reports and look forward to hearing from you.

*Yours sincerely
Peter Staddon
Marketing Manager*

PS: If you know of anyone who would like to receive a copy of the next issue of the Report, just get them to write to the Slough editorial address and we will be happy to add them to our mailing list.

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All correspondence should be addressed to the Editor, Atari Reports, Atari Corporation (UK) Limited, Slough SL2 5BZ. Telephone 0753 33344

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INTO THE '90s WITH THE FIRST PORTABLE VIDEO ARCADE

Atari UK leads the worldwide Corporation with the origination of three new television commercials — which feature Lynx software. Prime time spots have been booked in every television

region throughout the UK to ensure that Lynx emulates the US and becomes the hottest property around this Christmas.

ON TARGET

All the television airtime that is being bought is designed to reduce wastage by carefully selecting airtime and exposure levels amongst prime audiences. This has been possible only after an extensive survey of viewing patterns and the identification of key programmes for the target markets. The review has

given Atari the necessary information to plan its investment in product and brand advertising to a far greater level of accuracy than ever before. It also means that Atari will be buying much more expensive peak time advertising than in previous years — but with the confidence that it is getting greater value for money from the audience delivery.

BIG NUMBERS NOW

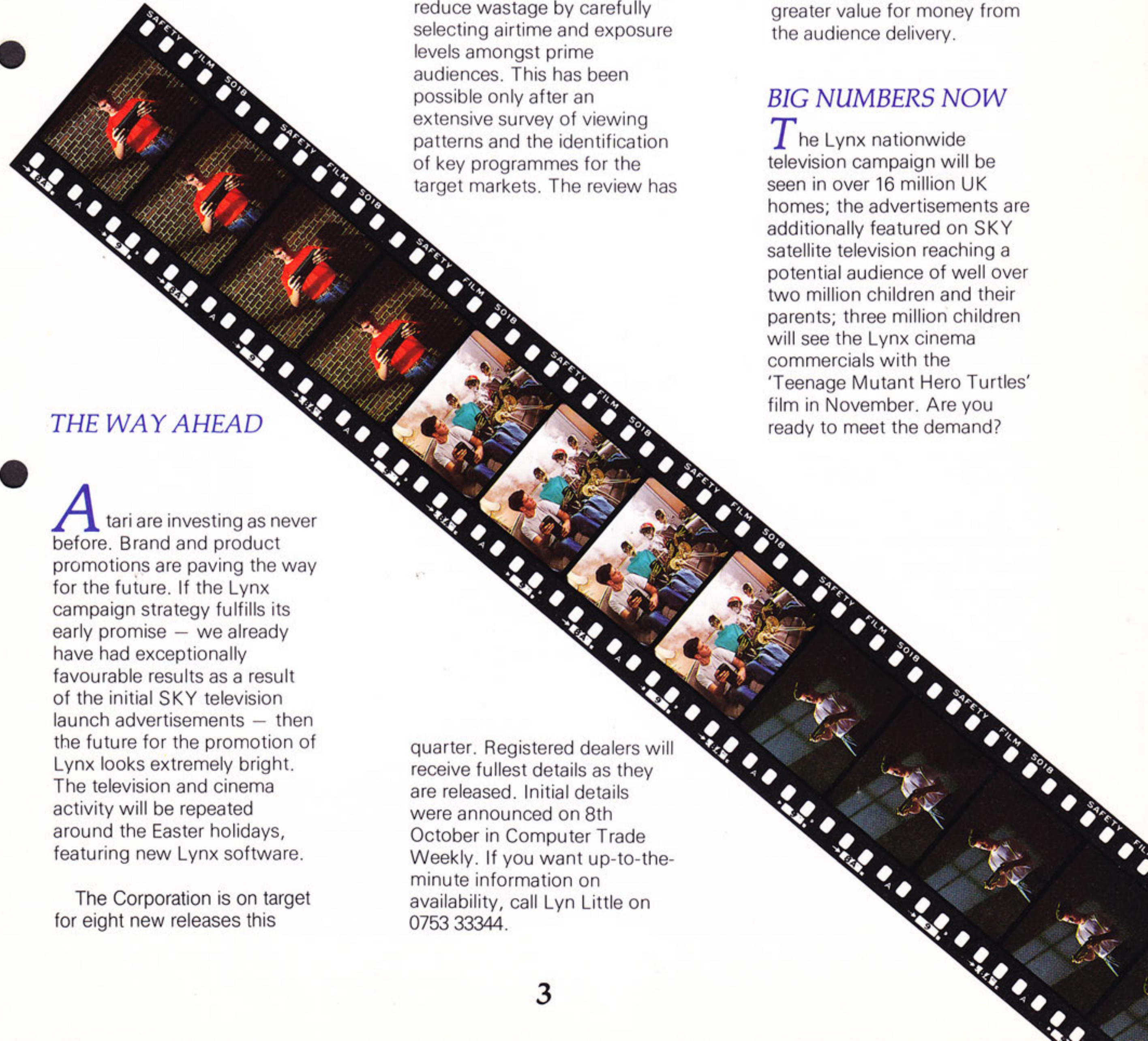
The Lynx nationwide television campaign will be seen in over 16 million UK homes; the advertisements are additionally featured on SKY satellite television reaching a potential audience of well over two million children and their parents; three million children will see the Lynx cinema commercials with the 'Teenage Mutant Hero Turtles' film in November. Are you ready to meet the demand?

THE WAY AHEAD

Atari are investing as never before. Brand and product promotions are paving the way for the future. If the Lynx campaign strategy fulfills its early promise — we already have had exceptionally favourable results as a result of the initial SKY television launch advertisements — then the future for the promotion of Lynx looks extremely bright. The television and cinema activity will be repeated around the Easter holidays, featuring new Lynx software.

The Corporation is on target for eight new releases this

quarter. Registered dealers will receive fullest details as they are released. Initial details were announced on 8th October in Computer Trade Weekly. If you want up-to-the-minute information on availability, call Lyn Little on 0753 33344.



NEWS

THE DIFFERENCE MAKES THE DIFFERENCE

It is no secret that 1990 has been a tough year for many retailers. The state of the economy has driven levels of disposable income down and, despite recent interest rate fluctuations, there seems no real respite for the immediate future. Anticipating that money would be 'tight', in March, Atari decided to add the most strategically sound benefit possible to their already established market leading 16 bit personal computer — the Atari 520ST: a price drop of £100.

Backed by a pre-Easter television advertising campaign, many of you will recall how Atari went after the lion's share of the 16 bit sector with the lowest priced machine — aggressively re-positioning their entry level model as a complete beginners package costing £299.99.

You may not have noticed the impact the High Street has been making within the sector by offering interest free credit deals.

The results prove that sales of Atari 520STs have increased momentum throughout the year, continuing to outsell its

forecast. Indeed, year-to-date shipments are already 40% ahead of last year's record levels and the Christmas season looks like a bonanza for 16 bit at the expense of 8 bit, with the £299.99 price point being a major benefit.

ALWAYS IN STOCK

One consequence of this major price differential policy has been a continual product shortfall: recently the Corporation has failed to optimise its sales potential by being regularly out-of-stock of what is proving to be Europe's fastest selling 16 bit home computer range. But, going into the last quarter of the year, the manufacturing division has been able to dramatically increase output through seasonal shift-working and plans to maintain high inventory levels — guaranteeing full stock availability well into the New Year.

Forecasts of the UK market size and performance continue to be an art form. Our in-house masterpiece shows 16 bit product taking the market share by volume and value this year with the £299.99 price point — a Discovery Pack exclusive, being the largest unit sales line.

AWARD WINNING COMMERCIAL BACK IN NATIONWIDE TV CAMPAIGN

Atari's £4.5 million television advertising campaign will be seen in over 90% of UK households during November and December.

This expanded investment behind the brand reflects the continued confidence the Corporation has in capturing the lion's share of the 16 bit personal computer market in 1990.



The 'Discovery Pack' contains everything the inexperienced user needs to get started in computing: — an Atari 520ST personal computer; a complete tutorial on a disk, which lead users step-by-step on the screen through the computer; a basic programming language — which allows users to write their own programs with the ST; a software program called Neochrome — which helps create stunning pictures on the screen and a unique games creation software program called S.T.O.S; plus a range of highly rated computer games; Bomb Jack, Carrier Command, Outrun and Space Harrier, and a valuable book called 'Discover Your ST'.

FREE MAGAZINE IN THE BOX

A magazine called 'Making The Most of Your New ST' highlights many of the possibilities that the machine offers. The contents include a software guide, detailing over 70 of the hundreds of packages now available for the machine, ranging from word processors, graphics and spreadsheets to accounts, desk top publishing and music applications; sources of the massive proliferation of free and bargain priced public demand software; details of all the machine expansion opportunities (encompassing

modems, external drives and hard discs, digitizers, scanners and colour monitors) designed to allow the home computer enthusiast or the professional user to become even more productive with his machine, and a selection of stories about how users are developing even more interesting, individual ways of bringing ST computer power to their work.

The magazine is supplied complete with every new purchase of the Atari Discovery Pack or free upon application to the Atari Press Office : 071 388 9871.

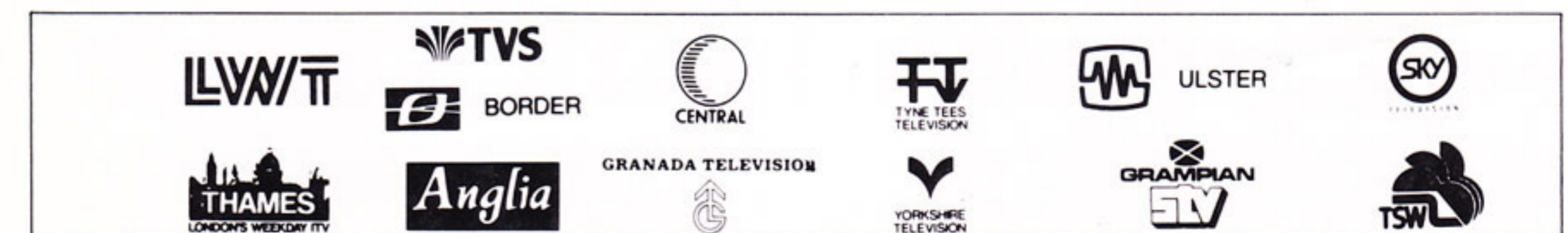
"WE'RE JUST OVERWHELMED"

The full quote is "Since the TV campaign started, demand of the 520ST has absolutely gone through the roof. We're just overwhelmed by dealers clamouring for stock." So said SDL Director Tony Deane the last time Atari brought the 520ST to British television screens.

Atari is now investing over £4 million in a nationwide

television campaign, to be screened in the weeks running up to Christmas. The Company has decided to buy more heavily into peak time spots than in previous years to ensure that everybody interested in the 520ST, in every UK television region, will have the opportunity of seeing the Atari personal computers advertisement many times.

'You better tie the roof down, Tony'.




For 1990, prime-time spots have been booked in every television region throughout the UK.

NEWS BUSINESS ON THE MOVE

Sales of the Atari Portfolio received another boost last week with the news that the creative ingenuity of the nationwide outdoor poster advertising campaign had been commended in the 1990 Poster Advertising Awards.

The Portfolio is the inexpensive and powerful latest entrant in the booming electronic organiser market and is so portable that it can be carried in the pocket. This facility was highlighted in the winning headline "It is possible to get to work on British Rail".

Advertising the Portfolio continues with a new £500,000 national press and London Underground poster campaign. Many of you will have already seen the new press campaign. Double page advertisements are appearing in the magazine and review sections of national newspapers — including the Sunday Times, Times,



BEFORE BUYING A PERSONAL ORGANISER, CHECK WHICH ONE IS BETTER ORGANISED.

Only Atari could organise themselves well enough to come up with an organiser as organised as this.

The Portfolio's neat dimensions boast a 128K RAM as standard, which is twice the size of its nearest competitor.

Even that can grow to an impressive 640K as and when you need.

They've given it a real typewriter keyboard and a big LCD screen, so you can really see what you're doing. As well as a big range of built-in features to cover everything for an organised life including a diary that plans appointments as far ahead as the year 2000, an alarm so you don't miss important meetings, an address book with automatic search and tone dialler to dial telephone numbers for you, a calculator with power, root and factorial calculations, five memories, decimal point and format settings, all as standard.

It's even got standard features which would come as expensive extras on other organisers. Like its own Lotus' compatible spreadsheet, which customises to your own specifications and a wordprocessor to handle information and memos as they happen.

Not only does the Portfolio come complete with bigger and better capabilities, it's capable of enormous expansion too.

It can change from an organiser to a pocket-sized MS-Dos computer to communicate directly and transfer information to and from any desk top PC or printer when and where you want. So if you're after a personal organiser, check which one is the better organised, because at £199.99 for an Atari Portfolio, not only will your personal life be better organised, so will your finances.

ATARI Portfolio

Independent, Observer and Radio Times. The Atari Portfolio was re-launched last month at an all-time budget beating price of £199.99. Atari believes that the Portfolio will now rapidly take its place as

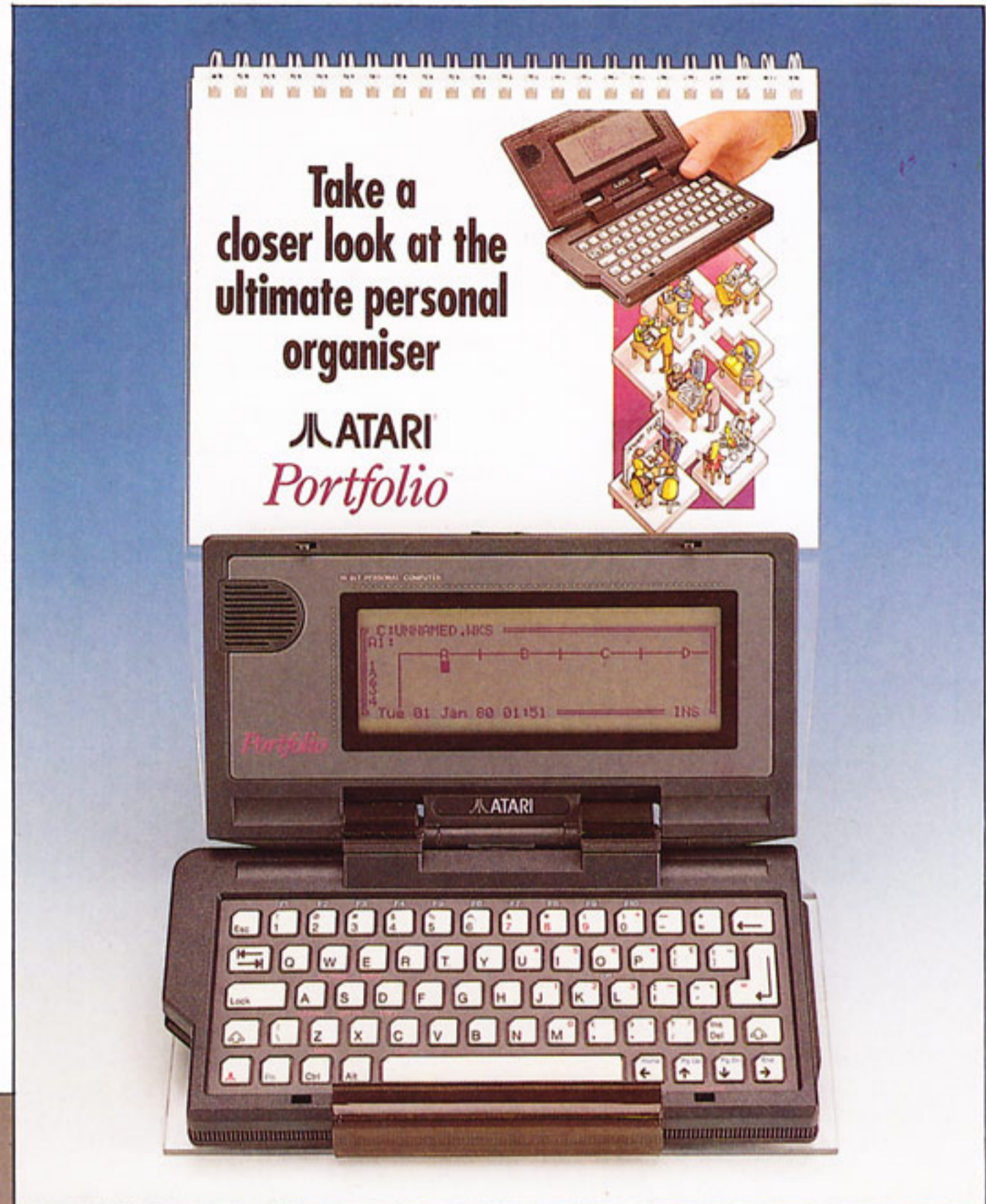
the number one in the personal organiser marketplace and become established as the most functional piece of compact technology since the microchip itself.

It is possible to get to work on British Rail.



Recognising the need to achieve a consistent and professional presence at point-of-sale, Atari have recruited a team of merchandisers dedicated to the distribution and maintenance of point-of-sale display material, and the provision of in-store staff training on key product lines.

This new team of merchandisers calls on both independent dealers, and high street retail outlets such as Dixons, on a regional basis. The initial focus of the merchandising offensive is based around the relaunch of the Atari Portfolio and the Atari Lynx. It is supplemented by further activity on the new 520STE Turbo Pack, the Atari Discovery Pack, the VCS 2600 and VCS 7800 range of games consoles.



Both Lynx and Portfolio have specially designed free standing promotional units developed that hold a working product, whilst allowing secure and controlled display in the store. The Portfolio display unit contains a tutorial booklet that enables the potential purchaser to browse through the product features and appreciate the quality of the product that is being offered, prior to purchase. The merchandisers call rate ensures widespread distribution of units that significantly improve the visibility of both items in store.

CALL US — If you would like to receive a free Lynx or Portfolio point-of-sale pack for your store or receive a visit from an Atari Merchandiser, please call Atari on 0753 33344 and ask for Merchandising Request.

Atari personal computers and video games are eagerly sought after by television programme makers and newspaper publishers — both as products to be used by themselves in the compilation of editorial features and as prizes to award to viewers and readers.

In the next few weeks, watch out for Atari on the BBC Children's Television series 'Nightmare' and 'Clockwise'. Lynx and Atari 7800 games are also to be demonstrated on Children's Channel Satellite Television. Special competitions are featured in Early Times, the Daily Mirror, and TV Times, and a host of editorial competitions are regularly run in regional newspapers up and down the country.

It is hoped that the cumulative effect of all this

HOT OFF THE PRESS

Quantities of the new Atari SLM605 laser printer, first shown at the Atari '90 Show in Dusseldorf a couple of months ago, are now freely available from the Slough UK Headquarters. At a retail price of £899, the printer is designed exclusively for the Atari ST/TT ranges. It runs at six pages per minute, producing 300 x 300 dpi resolution; accommodating A4, B5, letter and legal paper sizes and is wonderfully silent when in stand-by mode.

type of activity will help keep the famous Atari name and reputation in the forefront of consumer minds, especially in the vital weeks during the build-up to Christmas.

PARTNERS IN SALES

A regular programme of presentations and promotional activities ensures that the business partnership between manufacturer, distributor and

retailer continues to thrive. The latest successful dealer presentation took place in Scotland last month in partnership with Hugh Symons Distribution. Next month, dealers in the North West of England have the opportunity of meeting with Atari Marketing and Management Personnel.

For further information contact Atari on 0753 33344.

FREE WALL POSTER

The Atari 520STE Turbo Pack, exclusive to the independent trade this quarter, has its own "in-store" poster. For your free copy simply call Atari on 0753 33344 and ask for Merchandising Request.



EXHIBITION SURPRISE

Visitors to last month's major Computers in Manufacturing Exhibition held at the National Exhibition Centre in Birmingham were impressed with the range of business systems on display. Especially well received on the exclusive Atari exhibit was the TT030 machine.

Atari TT030 is ideally suited to desktop publishing applications with its high speed, larger memory, high screen resolutions and multitude of industry standard interfaces for a wide variety of peripherals.

To find out more call Paul Homer on 0753 33344.

STOP PRESS...

Lynx mania strikes. Dixons Store Group — who now have Lynx units fully merchandised throughout their chain — are having to find new ways of securing products to the counter. Scores of Lynx enthusiasts are so keen to own a Lynx system that they are using sophisticated techniques to steal the product by short-circuiting the electronic security system. We hear that orange juice is part of the robbers' equipment. (See page 7 for your free secure merchandising unit!)