

HARBOR RESEARCH, INC.

Strategic Advisors to Technology Enterprises

Our clients benefit from our ability and willingness to take an informed position that combines in-depth knowledge of the marketplace with a rigorous strategic thinking process.

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Introduction to the Firm

1

The worlds of electronics, computing and communications are changing rapidly, while at the same time converging into entirely new competitive arenas. The forces at work in these sectors make strategic decision-making extremely difficult. The velocity of change in the marketplace conspires with the number of variables in play to overtax many managers' ability to make confident and informed decisions.

This has two crucial effects on strategists: First, they need better methods, tools and frameworks for strategic decision-making. Second, while they are more likely to consult with outside advisors, they also need new, more efficient and effective modes of interaction with them. Harbor Research is a strategic consulting and research firm that meets these needs for some of high-tech's most winning companies.

Getting There First: Catalytic Strategy

Many companies naturally respond to the chaotic environment of high technology by trying to slow the world down in an attempt to understand and control it. They typically force partners into inflexible agreements, acquire competitors just to remove them as threats, and approach new markets with old methods. These actions, while seemingly logical, are often at odds with effective strategy in the evolving technology world. The most successful companies actually accelerate the development of their markets and use the resulting change and complexity to their advantage. At Harbor we refer to this market approach as Catalytic Strategy.

Unfortunately, at most companies conventional planning and decision-making methods do not promote the development of catalytic strategies. Too often, traditional planning leads managers directly into the traps they seek to avoid. Catalytic Strategy is demonstrated when a firm envisions an industry future favorable to itself, identifies barriers to the creation of that future, and then overcomes the barriers through a set of actions that hasten the desired end-state.

Harbor has worked with and extensively studied the best technology companies to discern what their winning strategies have in common. We have used these experiences to design methods that, far more than traditional planning processes, result in similarly powerful strategies.

2

Harbor's Catalytic Strategy Process

Embrace Uncertainty, Master Your Markets



Harbor's Approach: Better Decisions Faster

It is often unavoidable that a company turns to outsiders for help in strategy and business development. Often this help is of two kinds: industry analysis and strategic consulting. Each of these types of advisor tends to have its own limitations. Greater distance and objectivity often give the industry analyst a better view of the competitive landscape than the client can develop alone. The analysts, though, are so specialized in the study of specific domains that they usually offer nothing in the way of processes for making use of the knowledge they purvey. Generalist consultants, on the other hand, often offer plenty of process—perhaps too much. It sometimes seems as if all that process is there to hide the fact that the consultant's thinking is simply too academic.

There is an unfortunate irony in how strategy consultants work with clients. The consulting engagement is often billed as collaborative, which means that there will be much interaction between client and consultant. This should mean that the resulting strategic plan will have it all: the client's deep industry knowledge, the consultant's process expertise and objectivity, and complete buy-in on the part of the client-side professionals who have participated. In reality this ideal is seldom achieved.

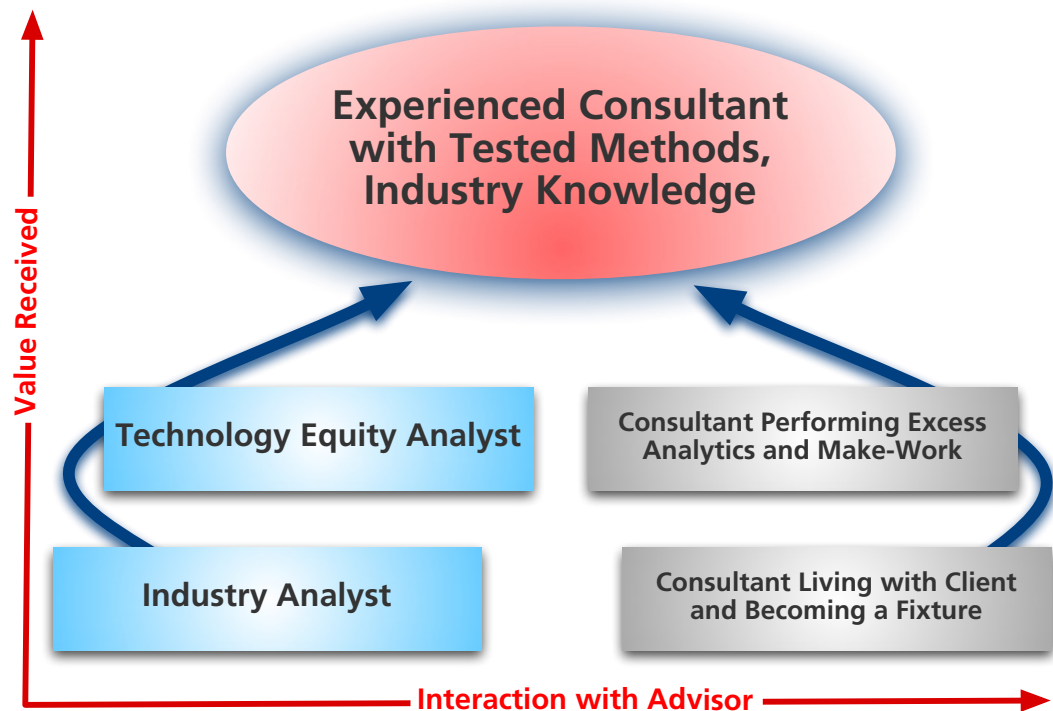


3

Expertise

Instead, collaboration often means that the client spends too much time educating the consultant, the consultant attempts too complex a process, and key client-side players can't afford to take time from their daily work to participate in the extensive interactions. So the deliberating group is too small, key managers are left out of crucial decisions, and plans are produced without the buy-in required for their success.

Harbor's Approach: In the Sweet Spot



Harbor's consulting approach is designed to overcome these faults and deliver maximum value while minimizing the cost to the client in money and, far more importantly, time. We accomplish this in several ways. To begin with, the knowledge we have gained from our ongoing research gives us a rich context in which to view the client's issues. This allows us quickly and effectively to assess the complexity of the decision to be made, and then set boundaries on the process. We then help top management determine the best mix of participants, both within and without the company, for a collaborative planning event, which in many cases can be fit into an extremely effective workshop of only a few days.

The scope of every engagement is customized to the client's needs. A client may choose anything from a customized engagement of large scale to a brief strategy workshop. A full-scale strategy engagement may, for example, include a complete strategic audit of existing businesses, an analysis of the client's competencies and corporate "personality," scenario planning to provide insight into long-term changes in market conditions, assessments of new opportunities, and searches for acquisition candidates in key strategic areas. A simple workshop, on the other hand, may cover only a single step in a strategy process, such as scenario planning.

Domain Expertise, Proven Methods



Domain Expertise, Proven Methods, Online Research Services

In addition to our optimized strategy processes, we make industry knowledge a key element of our toolset. In order to keep ourselves fully up-to-date on the issues that matter in high-technology markets, we perform continual research into both specific markets and, especially, the strategic moves of the best performers. We database the resulting knowledge as the foundation of our innovative online research services.



These services, rich with data-visualization tools, are available in Harbor-configured and custom client-configured packages.

5

Harbor's keen eye toward market results is manifest in all of our processes and tools, providing managers with the perspective they need to make best-informed decisions in real time. We emphasize interactive analyses, the incorporation of outside perspectives, time-efficient workshops, and action-oriented decisions. Our multi-faceted approach, ranging from the research we deliver to subscription clients, to the fully customized consulting engagement, provides optimal value to our clients and has also allowed us to develop important advantages as a firm. Because both our subscription services and our workshop mode of consulting minimize make-work, we are able to serve many and diverse clients, building unique relationships within electronics, computing and communications. This breadth of clientele and experience allows us to gain industry insight out of proportion to our small size, across the spectrum of high-tech arenas. Our small size itself is an advantage in that it lets us efficiently share knowledge and promote the best processes and techniques throughout our firm.

Ultimately all these advantages accrue to our clients. Harbor's advisory services have led many of them to winning strategies, and we invite you to join them. Contact Harbor Research today to learn more about our research services, our unique consulting methods and processes, or simply our unique, clear-eyed view of the high-technology environment.

About Harbor Research, Inc.

Founded in 1983, Harbor Research, Inc. has more than twenty years of experience in providing strategic consulting and research services that enable our clients to understand and capitalize on emergent and disruptive opportunities in high technology.

6

The firm has established a unique competence in developing business intelligence and strategy for the convergence of pervasive computing and global networking—the phenomenon we call “the Pervasive Internet.”

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