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Monday, July 16**Ebiz**

By John Pletz
American-Statesman Staff
Monday, July 16, 2001

Vultures flying over Compaq

The vultures are out, picking over what they believe will soon be the carcass of Compaq Computer Corp.'s Unix business.

Since the Houston-based computer maker said three weeks ago that it will phase out its high-end Alpha processor for Unix servers in favor of Intel's new Itanium chip over the next three years, Compaq's rivals have wasted no time trying to poach its customers.

Among them is Austin-based Sector7 USA Inc., a computer services and software company that helps companies switch from the Open VMS operating system commonly used on Alpha to IBM Corp.'s AIX platform.

"My phone's been ringing off the hook," said Jon Power, chief executive officer, adding that a recent industry poll estimated at least half of Compaq's customers were considering a switch. "It's like Christmas, Ramadan and Hanukkah all in July."

Power estimates Compaq's customer base could mean \$60 billion to \$70 billion in combined hardware and services sales for rival Unix vendors such as IBM,

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LOCAL PATENTS

A look at some of the U.S. patents recently issued to inventors and companies in Central Texas

Venture Capitalist Roundtable

Four venture capitalists sat down for a roundtable discussion at the American-Statesman on June 20, and the conversation had barely started when a headline

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Sun Microsystems Inc. and Hewlett-Packard.

That's a big opportunity for Sector7, which has about 200 employees, including about 140 in Austin. Compaq says it will transition Open VMS to Itanium. But Power said he thinks some customers won't stick around. "VMS was such a great operating system," he said. "But there's hardly any user base anymore. Now we're just waiting for someone to bury the patient."

Compaq officials did not return calls for this story.

-- John Pletz

popped into my head:
The Defiant Ones [More.](#)

CEO Roundtable

Five leaders of private tech companies tell us what it's like in the trenches. Together, these executives' companies have raised \$198.5 million and have an impressive and growing list of customers. They've also accumulated the type of experience that's worth reading about. [More.](#)

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