

SPACE

NEWSLETTER March, 1997



President's Corner

By Mike Fitzpatrick March., 1997

Greetings fellow club members! Spring is soon here and as expressed at the February Meeting, we will be planning some social outings, for later this year, at the March meeting.

Tentatively for April, the club will have another auction. Didn't realize that this was such a popular club event.

There is an Atari Game Club that has formed and it would be nice if we could extend an invitation to them as well as visit them and give them our support.

Video-61's BBS is constantly improving and if you have a chance give them a call and see what they are doing. I upload files from the Atari Nets there for general usage.

See you at the March meeting.

Treasurer's Report by Greg Leitner

The February meeting was held on the 14th, Valentine's Day, and even though some of us should have been with our loved ones, we still found time for the SPACE meeting. As is the norm of late, we had about fifteen members present and the proceedings went smoothly. Glad to see Mike and Earline back after Mike's bad slip on the ice last month. Sorry to hear about Glen's father and I hope that things improve for your father and your family. After last year with my father-in-law I know just what you are going through and the toll it can take on everyone.

Because Glen had to miss the February meeting we didn't sell much software, but thanks to Terry and his Disk of the Month we sold five copies. That was the extent of our income for the month, and because all we had for expenses in February was the BBS phone bill for January 6 February of \$20.00 we only lost five dollars to our bank balance. Our balance now stands at \$496.12 and that isn't too bad.

There was talk about another auction coming up, possibly in April, and with our major expenses out of the way until April we have a chance the next two months to add to our treasury. Please make it a point of coming to the next meeting and buy those DOM's. If you think there isn't any good 8-bit software available anymore, just take a look some month on what Terry puts together. This stuff is really good, and if you need a back issue of a DOM, Glen would be glad to accommodate you.

See you all at the March meeting.

Minutes Of Space Meeting Feb. 14th, 1997

Space meeting opened at 7:35 PM. Space club president, Mike Fitzpatrick, welcomed members to the meeting. Mike asked for a treasurer report. Greg Leitner stated a \$105 was paid out for quarterly room rent. Greg also stated that \$52 was paid out for post office box rental. There was \$33 dollars taken in last month. The new treasury balance is now \$501.12. In April 1997, another \$105 will be due for room rental. A motion to approve the treasurer report and meeting minutes was made.. Motion was seconded and approved.

OLD BUSINESS- Lance's BBS was talked about. Wes Ringquist, BBS SYSOP is doing a good job. Mike Fitzpatrick stated we can look at other options instead of paying Lance for SIG area rental on his BBS.

NEW BUSINESS- Mike Fitzpatrick talked about the possibility of advertising the Space club on Lance's BBS and Craig Peterson's Flightline BBS.

Mike talked about having another Space club auction in April 1997.

Mike said the club should think about the idea of having a club picnic or other event this summer. Call old members and invite them.

Glen Kirschenmann, Membership chair, not at meeting, Dad is very sick.

Mike Fitzpatrick asked the membership what they would like to do in 1997 for activities. Asked membership to think about it..

Lance Ringquist, club software and hardware vendor, talked about a Atari club in Minneapolis called Classic Games. He plans to attend one of their meetings in the near future. He said this club is planning several events in the future.

Mike Fitzpatrick also asked the membership if we should have more contact with other Atari clubs around the country. The membership likes this idea. Mike says he is getting many calls from people looking for Atari software and hardware. He is directing these people to Lance Ringquist.

A check will be made out to Lance Ringquist for the SIG area rental on his BBS. Greg Leitner will take care of check.

Mike Fitzpatrick said Ray Wafer is enjoying his vacation in California and RED is having fun in Arizona.

Meeting adjourned at 8:00 PM. Mike Weist, Club secretary

What Ever Happened to... Atari?

by John C. Dvorak

Atari's story began in 1972 when Nolan Bushnell shipped Pong, the very first commercial video game. Bushnell originally was going to name the company that would ship Pong "Syzygy"-- a metaphysical term for an unknown magical energy -- but he quickly opted instead for "Atari," a word taken from the terminology for the Japanese strategy game GO.

Atari soon became the video game kingpin and grew large enough to be sold in 1976 to Warner Communications for \$26 million. Sales soared as Atari spearheaded the home-game market in 1977 with the Atari Video Computer System, later dubbed the 2600. A year later, Atari rolled out two excellent computers-- the 6502-based 400 and the 800--that competed head-on with the Apple II.

THE ROARIN' '80s

Things looked good in the early 1980s. The computer business seemed secure, with Atari among the key players. The XL machines (the 600XL and 1200XL) were positioned for success. As the less expensive VIC-20 and Commodore 64 machines put price pressure on the Atari line, however, the IBM PC changed the direction of the market. Atari hoped to counter the low-bailers at Commodore with the 65XE and 130XE, but the test marketing failed.

Then came the bad numbers. Atari managed to lose nearly \$500 million in 1983, triggering the following year's game-market collapse. The company scrapped aggressive plans for the 1400XL and 1450XLD, and left something called the "Atari phone" unfinished on the drawing boards. The rumored IBM-compatible portable, which could have placed the company in the same league as Compaq, also died on the vine. A

1200XL portable was scheduled to be rolled out in January 1984, but it too was put on hold.

Talk came of a deal between Atari and Bushnell's new company, Androbot. Nothing came of the deal; Atari continued to bleed money. On July 10, 1984 came the announcement that Atari would be sold to Jack Tramiel for no cash down and a promissory note.

A NEW ERA

Over the next year the company was reorganized, and the rumors of Tramiel's real plans surfaced: He was going to build a new computer architecture that would be similar to the Macintosh. Industry observers referred to it as the lackintosh. Eventually, it was called the Atari ST (where the ST stands for 16/32, which refers to the data bus and address bus of the chip). It was powered by the Motorola 68000 and ran the GEM operating system from DRI. The STs shipped in 1985, about six months after they were officially announced.

The rarest system was the Atari 260, which simply did not have enough memory to do anything. The 560 became the first serious machine, followed by the 1040 ST. 1986 was arguably the "Year of the Atari ST." There were flourishing Atari magazines, Atari user groups everywhere, and Atari-fests of all sorts. The company was earning millions. By the end of 1986 Atari was touting the upcoming Mega machine (which shipped in '87) and talking about its TT line of workstations, including the 2080 and 41GOSTF. But for ST users, the plans for the "Mega" machine marked the end of an era--at least symbolically.

By 1987, things were still going well, but the company was losing focus. Talk was that Atari was going into the PC business. In an odd move, the company bought the Federated Electronic Stores and promptly sued the sellers. Atari would find itself often in court trying to make money using the legal system rather than using its own R&D. It eventually closed the stores.

BLUE PERIOD

From this period until 1989, when the palmtop Portfolio was introduced, it was apparent that the company had begun to coast. It was attracted to the game market again--in response to Nintendo's emergence--and introduced the Lynx, an outstanding little handheld game machine.

Along the way it sued Nintendo over some perceived violation. In 1990 the company took a weak shot at the PC-compatible market with a machine introduced in the UK, called the ABC-386SX/40. It also released the 68030-based TT030 Workstation. Interest in these

machines was lagging, and the company continued to milk the ST. In September of 1992 Atari took its last shot by showing a multimedia machine called the Falcon. Two weeks later the company shut down R&D and reported again that it was losing money.

At the end of 1993, Atari introduced the 64-bit Jaguar into a game market tinged with confusion. Worse, the company did little to promote the game machine to the very kids who would have to get their parents to buy it. The company generally did not have much faith in advertising, but you could also argue that Atari had very little money to spend on advertising. High hopes counted on Wal-mart's agreement to carry Jaguar in its stores during the 1995 Christmas season. But scant sales resulted in truckloads of returned merchandise, which virtually sealed Atari's fate. Through a slew of infomercials, the company made a last-ditch effort to unload its inventory.

THE MERGER

On July 30, 1996, Atari Corp. merged with JTS Corp. a new disk drive company. JTS found some tax credits in its "merge" with Atari, plus an easy way to become a public company. Most of the employees were dismissed, and there is no evidence of JTS' commitment to continue using the Atari brand name.

Ex-employee Don Thomas posted a long, mournful note on the Internet. It reads:

"All that really remains of the Atari namesake is a Santa Clara warehouse full of unsold Jaguar and Lynx products...Now that JTS has 'absorbed' Atari, it really doesn't know what to do with the bulk of machines Atari hoped to sell. It's difficult to liquidate them. Even at liquidation prices, consumers expect a minimal level of support, which JTS has no means to offer. The hundreds of calls the company receives from consumers who succeed in tracking it down each week are answered to the best ability of one person.

Nolan Bushnell, among others, is making some effort to buy back the Atari name. And if you search the WEB, you'll find a large, active contingent of Atari computer hobbyists and collectors still swapping patches and files for the machines.

I spoke with Don Thomas about this situation, and what baffles him most is the lack of coverage of this story. No one, particularly the press, seems concerned by the outcome of all this. It's amazing how a company that was a pioneer and a major industry player -- even a force to be reckoned with in 1986 -- could fall so easily into the abyss within a decade. And even now, with Atari truly gone, nobody really seems to care.

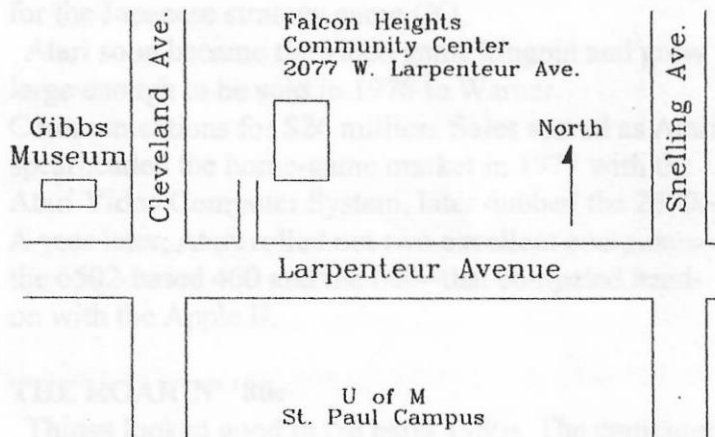
I suppose the song of the consumer is Janet Jackson's "What Have You Done For Me Lately"?



CLUB OFFICIALS

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Saint Paul Atari Computer Enthusiasts (SPACE) meets on the second Friday of each month at 7:30 PM in the Falcon Heights Community Center at 2077 West Larpenteur Ave. Doors open at 7:00 PM.



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SPACE BBS

BBS Phone: (612)-462-3680

Sysop: None

Co-sysop: Open Position

Supporting:

ATARI 8-Bit Computers

ATARI ST Computers