BGR COMPUTERS

IF EVER there has been an Australian computer manufacturer created as a model of what the conservative business and financial communities say should be done, it is Melbourne start-up company BGR Computers, which has just launched Excalibur 64, its first product.

BGR was conceived in January last year because of a chance meeting between its eventual principals and an independant design company. The BGR team undertook several months' market research which produced specifications for a system to suit the education and small business markets — a disk-based system, because "early computer users were through with tape cassette-based systems".

They identified Microbee as the only Australian success in the low-end market and proceeded to closely parallel key aspects of the Microbee's development. BGR commissioned an independent design company to produce the desired unit, first releasing a diskless kit version through Electronics Australia from last July, originally at $400.

It was BGR's intention from the outset to manufacture the complete Excalibur system, but it identified two particular problems with the low-end market: the cost of development and the availability of software. Of more that 300 kits sold, BGR claims 250 went into user groups which are now providing a software feedback of games, utilities and educational packages.

The company has been privately financed by its three directors who had backgrounds in marketing-sales-administration, retailing and technical-service-engineering, without resorting to the risky use of advance-purchase payments to fund continuing development. Two directors have abandoned their outside sources of income to work full-time on BGR, with their matching Mercedes in the Brunswick back-street carpark reflecting previous achievements.

Overheads have been kept to a minimum, with an old canvas deck chair being the only seat offered to visitors. Despite the economies, BGR does not expect to be trading in the black before September, by which time those Mercedes may also have to be converted to something more negotiable, or mothballed to save on running costs.

Although Excalibur was not ready to be considered for the recently announced Victorian Education Department preferred-suppliers list, it has already been shown to them in the quest for a position at the next annual review. It is expected that local preference will count heavily in its favor.

The completed Excalibur 64 disk system, which is configured just slightly above the Microbee 64, is one of the few Australian-designed computers not trying to add something substantially innovative to the market. BGR recognises that the Excalibur design is at least half way through its market life, and is not exactly what it would specify if the company was starting now.

As with most newer 8-bit systems, Excalibur is fast. Its built-in color with a programmable character generator for multiple character graphic images are cited as advantages. BGR did not want to be heavily committed to the resale of peripherals, so made Excalibur open for third-party hardware vendors and vertical market applications.

Victorian marketing is done through dealers who have not got IBM, Apple or Tandy and who were looking for product. Interstate marketing is done through sub-distributors, and overseas marketing is targeted at fringe countries rather than major markets. BGR will be happy to secure a percentage of the market segment in which Excalibur's features are applicable.

The well-credentialed trio of businessmen who formed the company saw computers as a way of making money, and saw an opportunity to reach for the sky over the next two years with a more technically advanced "mini-mainframe" positioned well away from Excalibur.

To get complete Excalibur manufature going, BGR increased the price of the kit form by $100, thus reducing demand in preparation for the three months it took to set up the full operation. Board soldering was contracted out. BGR is also looking at non-computer electronic products as insurance against volume drops.

While the directors recognised the risk factors and say they have taken on far more pain and worry than they needed, they could no doubt go back into their original fields if the venture is not successful.