



Dell, Inc.: Recipient of the
2007 North American CIO Choice Award for Best PC Computer Server



“Partnering with clients to create innovative growth strategies”

Award Description

The Frost & Sullivan CIO Choice Award for Best PC Server is bestowed each year upon the company that has demonstrated excellence for its PC Servers. The Award recipient has distinguished itself through its proactive strategies that position it to emerge as a global leader.

Research Methodology

The objective of the U.S. CIO Choice survey is to measure brand preferences of network security hardware products among CIOs. The 2006 survey was completed in December using Frost & Sullivan's U.S. CIO panel that consists of Chief Information Officers (CIOs), Vice Presidents of IT, Senior Executives of IT, or any other C-level executives whose primary role is IT-related in his or her organization. To assess the competitive landscape of the network security hardware products, Frost & Sullivan surveyed 150 executive decision makers of companies across the U.S. Survey respondents were requested to select the network security hardware products they considered to be the best in each evaluative category from a list of market competitors. Respondents were encouraged to specify other selections if their brand choice was not listed. Awards are presented to market participants that receive the highest proportion of respondent selections. The values presented in this document reflect the distribution of selections among valid responses.

Measurement Criteria

The U.S. CIO Choice survey measures network security hardware product preferences by using a 1-to-5 rating scale, where "1" represented "worst" and "5" represented "best. All respondents were asked to rate each product brand listed as well as any other brands they thought should be represented (by use of an "other specify" response option). Specifically, the following product categories were surveyed:

- Best DNS Server
- Best Gateway Appliance
- Best Home Network Products
- Best Network Interface Cards (NIC)
- Best Network Storage Products
- Best PC Server
- Best Routers
- Best Switches
- Best VPN Technology
- Best Wireless LAN (WLAN)

Survey Results

The results of this research demonstrate the strong reputation that Dell, Inc. has among U.S. CIO. Specifically, Dell's PC Servers are perceived as being the Best Overall Brand of PC Servers...with nearly one-third (31 percent) rating Dell a "5" on a 1-to-5 best-worst rating scale. Furthermore, while it is usually a difficult task to please all customers or to have a solid reputation among the general public, it is interesting to note – and supportive of Dell's good standing among CIOs – that only 3% of CIOs surveyed rate Dell PC Servers as "worst." Thus, demonstrating Dell, Inc.'s strength of not only producing top notch PC Servers but also for its indirect marketing efforts...ensuring that experts in the computing field are aware of their PC Server capabilities.

Respondents are instructed to select the best overall PC Server from a list of market participants. Respondents are encouraged to specify other selections if their brand choice is not listed. Only the top four (4) service providers are listed in the above charts.

This Award recognizes that Dell, Inc. has shown extraordinary commitment to the development of its PC Servers. Specifically, this significant attribute has earned Dell, Inc. the top preference among business leaders – who are a demanding and powerful reference group with the ability to influence the purchases and enhance credibility for companies’ products and services...as well as influence personal-use consumers.

This most favorable evaluation that Dell, Inc. has received is expected to support the PC Server developer in furthering its acceptance and prominences within the business community. It is in recognition of the company’s commitment to continuous research and creating a proven product – that delivers efficiency and scalability to businesses – that Frost & Sullivan presents Dell, Inc. with the 2007 U.S. CIO Choice Award for Best PC Server.



Company Background: Dell, Inc.

Dell, Inc. is an American computer-hardware company based in Round Rock, Texas, USA. Dell, Inc. develops, manufactures, sells and supports a wide range of computer systems. These include enterprise systems (servers, storage, workstations and networking products), client systems (notebook and desktop computer systems), printing and imaging systems, software computer peripherals and more. As of 2006, Dell, Inc. employs more than 63,700 people worldwide and manufactures more computers than any other organization in the world. According to the Fortune 500 2006 list, Dell, Inc., ranks as the 25th-largest U.S. company. Furthermore, in 2006, Fortune magazine also ranked Dell, Inc. as No. 8 on its annual list of the most-admired companies in the United States.

(Source: <http://www.cbronline.com>)

Although Dell’s server side of the business is somewhat young – roughly 10 years old – compared to other products and services it provides, Dell is proving they are serious about dominating the PC Server market not only within the United States but worldwide.

Over the years, one of Dell’s strategies regarding their PC Servers was to be very price competitive while still offering a high quality product. But in recent years, their strategy to become the best manufacturer and direct supplier of PC Servers has become more defined into three (3) basic principles: 1) Simplifying operations; 2) Optimizing solutions; 3) Maximizing value.

The first principle of simplification is not new throughout Dell, Inc. as Dell regularly elicits customer feedback in many of their products/services via customer research (both quantitative and qualitative methods), customer advisory councils, etc. Dell utilizes the feedback received directly from their customers to help simplify operations and the user experience, so that network administrators, etc. can focus on other aspects of their jobs. Specifically, regarding Dell’s PC Servers, Dell strives to be the “most manageable server”...specifically, incorporating technology that makes it easy for users to install, support and maintain a Dell PC Server.

The second principle – optimizing solutions – focuses on building technology on “standards” thus developing products that are “business ready.” Specifically, Dell’s PC Servers focus on common designs that allow for easy upgrades.

Maximizing value by offering industry-leading price performance and price performance per watt – the third principle – focuses on the balance of power consumption, performance and price. Specifically, Dell is very cognizant of power and cooling issues that network administrators face and thus, Dell aims to provide optimal performance while reducing power consumption. For example, Dell’s PowerEdge™ 2950 server uses 25% less power, yet has 196% greater performance per watt than its previous generation of PC Servers.

Combined these principles/strategies appear to be serving Dell well as they continue to improve upon their solid base of products. And their efforts have not gone unnoticed, as CIOs across the U.S. recognize Dell as the best developer and manufacturer of PC Servers.

About Dell

Dell Inc. (NASDAQ: DELL) listens to customers and delivers innovative technology and services they trust and value. Uniquely enabled by its direct business model, Dell is a leading global systems and services company and No. 34 on the Fortune 500. For more information, visit www.dell.com, or to communicate directly with Dell via a variety of online channels, go to www.dell.com/conversations. To get Dell news direct, visit www.dell.com/RSS.

About Best Practices

Frost & Sullivan Best Practices Awards recognize companies in a variety of regional and global markets for demonstrating outstanding achievement and superior performance in areas such as leadership, technological innovation, customer service, and strategic product development. Industry analysts compare market participants and measure performance through in-depth interviews, analysis, and extensive secondary research in order to identify best practices in the industry.

About Frost & Sullivan

Frost & Sullivan, a global growth consulting company, has been partnering with clients to support the development of innovative strategies for more than 40 years. The company's industry expertise integrates growth consulting, growth partnership services, and corporate management training to identify and develop opportunities. Frost & Sullivan serves an extensive clientele that includes Global 1000 companies, emerging companies, and the investment community by providing comprehensive industry coverage that reflects a unique global perspective and combines ongoing analysis of markets, technologies, econometrics, and demographics.