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[21973001]

Ashton-Tate Corp. reported a net loss of \$ 19.4 million , or 74 cents a share , for the third quarter , which was burdened by severance costs and the expense of upgrading its database software inventories .

[21973002]

The software company said revenue slid 28 % to \$ 53.9 million .

[21973003]

This contrasts with the year-ago quarter , when the company had net income of \$ 11.7 million , or 45 cents a share , on revenue of \$ 75.7 million .

[21973004]

For the nine months , Ashton-Tate had a loss of \$ 27.6 million , or \$ 1.05 a share .

[21973005]

In the year-ago period , the company had profit of \$ 34.3 million , or \$ 1.32 a share .

[21973006]

Revenue in the period slid almost 8 % to \$ 203.2 million from about \$ 220 million last year .

[21973008]

He said the company was " encouraged by feedback " it received from selected customers now testing Version 1.1 .

[21973009]

The red ink came as no surprise to Wall Street , but analysts said they saw ominous hints of a further delay in volume shipments of Version 1.1 , a harbinger of continued losses in the fourth quarter .

[21973010]

" The loss is in line with our expectations , " said John C. Maxwell III , an analyst with Dillon , Read & Co. in New York .

[21973011]

He added gross margins and operating profit " eroded quite dramatically " from the prior quarter , along with sales of existing software product lines like Multimate and Framework .

[21973012]

" The success of a new product in the database line is needed .

[21973013]

And while the company has n't made a definite statement , it now looks like that 's not going to be anytime soon , " Mr. Maxwell said .

[21973014]

The company said in a statement that it expects to ship new products " during the next two quarters . "

