

# intercom

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HP Intercontinental Operations News

May - July, 1975

Close-Up of a Region:

## Mañana is Today in Latin America



The long-awaited "tomorrow" has arrived in Latin America.

From Mexico down to the southern tip of South America, the countries of Latin America have stepped up the pace of economic development. Business is still being done over a friendly lunch or dinner, but the results have a new urgency.

As *Fortune* magazine put it recently, "mañana" is today!

Certainly HP's own growth in this region confirms the saying. In 1968, total Latin American sales were \$3.4 million. By Fiscal Year 1971, the order level had reached \$8.1 million, and from that year to 1974, the compounded growth rate has been over 35 percent per year.

### Ready for action

Until eight years ago, all of HP's Latin American business was conducted through distributors. It was Dick Alberding (now director of operations for Europe) who converted four major HP distributors into wholly

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# Latin America: Big, Bustling &

*Continued from page 1*

owned subsidiaries: Mexico in 1967, and Brazil, Argentina, and Venezuela the following year. This was the initial groundwork on which ICON's Latin American region was established. Puerto Rico will become the fifth subsidiary this fall.

HP is still represented by distributors in the rest of Latin America: five in Central America and eight in South America. This issue of INTERCOM spotlights two of them: Peru (one of ICON's oldest) and Guatemala (a technically sophisticated newcomer).

To support this sales activity, HP is bringing on line this summer the company's first manufacturing plant in Latin America at Campinas, Brazil.

## **Doing business in L.A.**

How does HP conduct business with a Spanish accent (or Portuguese, in Brazil)?

Basically, the "HP way" remains the same but the details become more complex. The company's business principles are consistent in Latin America, with a strong emphasis on selecting capable people and giving them thorough, on-going training. HP policies are standardized to the degree that the local environment will permit.

The rapid expansion of the region has resulted in a variety of combinations of sales operations.

The four (soon to be five) HP subsidiaries in Latin America are an integral part of the HP international and corporate community. Sales are made to customers in U.S. dollars or local currency. Sales and service activities by and large are conducted by HP employees. In some cases a subsidiary authorizes local distributors to sell one or more product lines.

*Distributors* offer a quality of sales and service fully on a par with that of HP subsidiaries, but they operate with some differences. Distributors do not necessarily sell all HP product lines, nor represent HP exclusively. Contracts with the company are renewable on a yearly basis. Distributors either buy equipment for resale in which case sales are made in the local currency, or quote a price in HP's name and the customer buys from HP in dollars.

Two patterns of ownership appear among HP distributors. Those distributors which were selected in the early '50s are typically father-son businesses, e.g., Costa Rica, Puerto



Rico, Peru and Chile. Those which joined in the '60s and '70s are typically partnerships—Colombia and Guatemala are good examples.

## **A policy on people**

The man with overall responsibility for HP sales activities in Latin America

is Marcelo (Mark) Gumucio, himself native of Bolivia who came to the United States in 1956 to complete his bachelor's and master's degrees. Before joining ICON in 1971, Mark was HP's marketing manager for computer systems.



# Doing Business the HP Way



Mark's own career is representative of the 290 highly qualified professionals in HP's Latin American staff. HP's personnel strategy encourages the hiring of nationals and promotion from within. It is quite the norm to find people with advanced degrees

throughout ICON's sales, service and management ranks in Latin America. For example, Odmar Almeida, the Sao Paulo district manager for IPG, received his Ph.D. EE from Stanford University. Jean-Francois Thions, HP Mexico country manager, and Helenio

Arque, computer systems sales manager in Venezuela, both hold master's degrees from Cal Berkeley. Several Brazilian employees—including Country Manager Luiz Barata and Ary Santos, IPG discipline sales manager, and Setsuo Kida, Rio's branch office manager—are all graduates of I.T.A., the M.I.T. of Brazil. Mexico's Monterrey Office Manager Gabino Perez completed studies at the Tecnológico de Monterrey and has earned two master's degrees, one in Great Britain and another in the U.S. Gonzalo Figueroa, service manager in Mexico, has a D.Sc. in electronics from the University of Poitiers (France).

This listing only covers a few of those who have advanced degrees. But even more important than academic education are such qualities as HP training and development, practical experience, unlimited drive and enthusiasm and, above all, harmonious teamwork at all levels of the organization. These qualities provide the elements of success for HP in Latin America.

Since cross-fertilization among the Latin American country operations is encouraged, it is not unusual that Horacio Manifesto, formerly a sales manager in Argentina, was promoted to HP Venezuela's country manager-ship.

## A place in the sun

A "house tour" of HP in Latin America would look far different today from the early startup days when HP subsidiaries operated from rented houses.

Now Latin America has 50,000 square feet of sales office space alone. During 1972 and 1973, well-equipped modern facilities were obtained for HP activities in Mexico City and Monterrey, Mexico; Caracas, Venezuela; and Rio and Porto Alegre, Brazil.

In Brazil, five acres of land have been purchased for the new Brazilian sales headquarters scheduled for occupancy by the end of 1976—tripling the current available space.

HP facilities are thus expanding along with the Latin American economy.

On the following pages are brief glimpses at some of the people and places that make up the lively world of "ICON's America."

*[First in a series of articles about the areas of ICON.]*





HP de Venezuela C.A.'s facility in Caracas is modern and well-equipped.

## VENEZUELA: Off and running

The story of HP in Venezuela is typical of the growth pattern of the company in an expanding Latin American market.

Before the incorporation of HP de Venezuela C.A. in November, 1967, HP products were distributed and supported in Venezuela by a local sales and service organization. The decision to go direct implied increased HP investment and signaled a new era for HP's activities in Venezuela.

Now HP de Venezuela is off and running, with 73 employees and a healthy quota! The firm sells all HP products and is bursting out of the modern building it occupies on the east side of Caracas. As a result, an additional floor will be leased to double the available floor space by the end of this year.

The growth of HP de Venezuela C.A. reflects the industrial and economic growth of the country itself. Venezuela

has the unique feature of being geographically part of South America and within the Caribbean region. It is relatively close to the United States, making communications, travel and shipments easier than with many countries in the region.

Directing HP's role at this time of growth is Horacio D. Manifesto, general manager since November, 1973, and formerly data systems manager at HP Argentina. His management team includes Helenio Arque, computer systems; Isidro Castineyra, administration; Ramiro Filgueiras, service; and Pedro Rabinovich, instruments and calculators.

Every employee of HP de Venezuela is either a Venezuelan native or is from another Latin American country. This closeness of relationship serves to strengthen the bond between the HP subsidiary and the customers it serves.



Part of the modern office building of HP de Venezuela.



General Manager Horacio Manifesto (left) talks things over with Consumer Calculator Field Engineer Blasius Mintzias.



Ramiro Filgueiras (left) heads up the service department.





# ARGENTINA: Finding the right formula

HP Argentina is a unique blend of a central staff supported by independent technical and service organizations.

Political conditions have made it difficult to chart HP's future there with certainty, but opportunities appear to be promising. For instance, in 1974 HP Argentina's team of four led by Luis Brennan had no sales quota, and a year of real uncertainty was anticipated. In actuality, the HP sales team there had a very good year! 1975 looks even better!

HP's beginnings in this highly industrialized South American country started in the 1960s. At that time Luis Brennan (now HP Argentina's general manager) worked for Cientifica Suize Argentina which handled Sanborn and other companies. Because of this contact in products, HP cancelled its original distribution contract and Luis was asked to carry on for HP. Thus it was that in 1964 the company of Vigliocco & Brennan was established to handle the HP medical line.

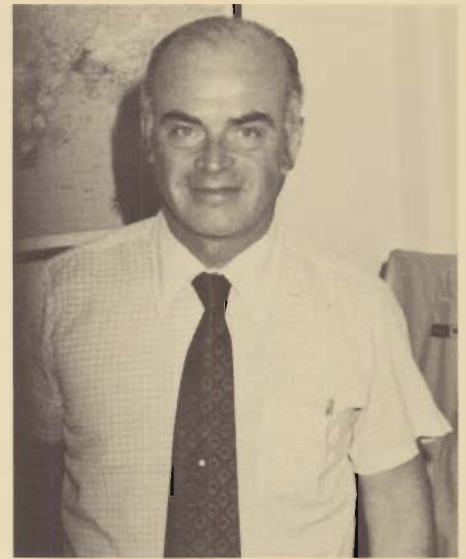
Three years later, HP decided to buy out Vigliocco & Brennan and consolidate its industrial and medical lines under one office. This was actually the beginning of HP Argen-

tina. The office was staffed to carry all HP lines except analytical products which were added two years later.

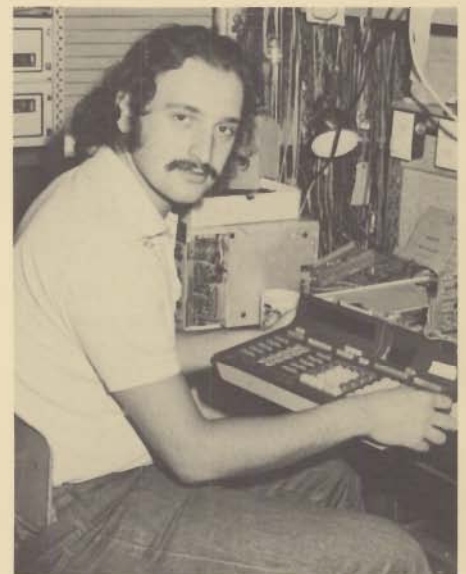
The HP Argentina staff grew for several years as sales volume climbed. But by 1973 import restrictions and the political situation had caused sales to fall dramatically. HP then made the decision to control further internal growth and to collaborate with outside agencies to handle some product sales and service work. Since that time, the company has prospered; sales are up and the future looks encouraging.

The HP Argentina staff is now composed of five full-time and two part-time people. Service work is contracted out to Efitecnia, which is located in a suite adjacent to the HP Argentina office. Distributors cover consumable sales, data systems, industrial and computer-based systems support and consumer calculators.

Thus it can be said that HP Argentina has found the right key to operating in an uncertain market. It has combined a small, capable central staff with highly qualified independent technical and service organizations for support. That is the formula that is working in Argentina!



Luis Brennan



Rubin Rotulo is part of Efitecnia's service team.



Norma Gagliolo, secretary to General Manager Luis Brennan, smiles prettily for the INTERCOM camera. Accountant/Bookkeeper Suzanna Hand is in the back.



Carlos Rivara (left) and Mario Gilardoni (center), representatives of two of the independent distributors that work with HP Argentina, are shown here conferring with HP Argentina Field Engineer Antonio Ramirez.





# BRAZIL: A most promising

## HP do Brasil: Sales

In eight short years, HP do Brasil has mushroomed from a staff of seven to approximately 140 people in three branch offices. Such spectacular growth certainly shows Brazil to be one of HP's most promising Latin American markets.

HP was represented in Brazil by Ciental, a private firm which marketed and serviced most HP product lines until 1967 when HP do Brasil was founded. During its first year of operation, HP do Brasil sold nearly \$100,000 worth of equipment. That figure is now a fraction of the monthly sales piled up by today's energetic HP Brazilian crew.

In addition to offices in Sao Paulo and Rio, it was decided in 1971 to open up a third branch, this one in Porto Alegre in the southern part of the country. The Sao Paulo operation currently occupies two overcrowded facilities but has recently purchased five acres in Barueri, just outside the city. Currently in the architectural design stage, the new 60,000 square-foot Sao Paulo branch will jointly house sales, administration and service facilities—and will even provide room for one of HP do Brasil's favorite recreations, table tennis! The building is expected to be completed by the end of 1976.

Luiz Barata, formerly data systems manager and sales manager of HP do Brasil, now heads the entire Brazilian sales operation. He is ably assisted by four discipline sales managers: Oscar Barbosa, computer systems; Daniel Mazar-Barnett, calculators; Nelson Oliva, medical, and Ary Santos, instruments. He is also backed up by Service Manager Wilson Cesarino and Administrative Manager Bill Johnson. Rio's branch is managed by Setsuo Kida, who formerly was with Ciental, while Wolfgang Schrader took over last fall at the Porto Alegre office.

The future looks very promising for HP do Brasil. The country has a stable



HP do Brasil's sales office in Sao Paulo is in this downtown office building.



Medical Sales Manager Nelson Oliva (left) goes over some work with his staff in Rio.



Luiz Barata

government, its gross national product has increased at an average rate of 10 percent per year, and the country possesses enormous natural resources. For example, Brazil expects to be self-sufficient in petroleum by 1977.

All in all, the people of HP do Brasil, in combination with the splendors of the country, make this one of HP's most challenging and exciting markets!

## Here's More About the

The \$2.3 million medical order HP received earlier this year from the University of Sao Paulo (Brazil) Heart Institute is the company's largest single order for medical equipment. Small wonder, then, that the order came to be code-named the "Brazilian Big Deal" until the wraps could be taken off of this very special sale.

The 2,000-bed hospital complex is expected to become one of the largest and most modern institutions dedicated solely to cardiovascular care. That goal will be reached partly after shipment of more than 2,000 HP instruments by mid-1975, according to Dean Morton, vice-president of MED Products Group in Waltham, Mass.

Included in the order are complete electronic instrumentation for catheterization laboratories, analytical testing, research facilities, operating rooms, post-operative intensive care



# market

## HP do Brasil: Manufacturing

Operations at HP's first manufacturing facility in Latin America, HP do Brasil Ltda., are underway with the arrival of the startup management team drawn from manufacturing operations in the United States and Europe.

Outfitting of a leased facility in Campinas that is serving as a temporary startup location was completed on April 25 and the first shipment of products is scheduled for mid-June.

General Manager Gunter Warmbold, formerly GmbH manufacturing manager, arrived from Boeblingen, Germany, on March 20. In Brazil with him are Manufacturing Manager Joe Conrad, who served in that capacity and as finance manager at the LID plant in Loveland, Colorado, and Finance Manager Stan Whitten from Delcon in California.

Factory Marketing Manager will be Edmar Almeida, who will leave his present post as Sao Paulo district manager for IPG to join the Manufacturing Division team on August 1.

## Brazilian 'Big Deal'

and coronary care areas. Also ordered were five HP-2100 Series minicomputers which will be used in patient-care programs. The computers and associated peripheral equipment will be used in diagnosis, electrocardiogram interpretation and patient monitoring, among other uses.

With its modern facilities and highly trained staff, the Heart Institute will train future Brazilian as well as foreign doctors who specialize in coronary diseases.

Dean explains that HP was awarded the whopping order because it is able to supply complete medical systems ranging from telemetric patient monitoring and resuscitation to sophisticated computer-based diagnostic systems.

Needless to say, the "Brazilian Big Deal" is indeed that, and will be a medical sales milestone that will be hard to beat in the years to come.

## Meet Wolf Schrader



BACK ON THE JOB as branch office manager in Porto Alegre is Wolfgang Schrader, who just completed a three-week management development program in the U.S. plus one week at HP Venezuela. He reports that he found the country living near ICON headquarters in Palo Alto most appealing. A native of Germany, Wolf has lived in Brazil for the past 25 years and is now a confirmed "native." Wolf joined HP in February, 1973. Because the INTERCOM camera missed him in Palo Alto, he sent along this recent photo but neglected to say what project he's so absorbed in. Paper dolls???

Technical support for the initial products off the Campinas line—medical instruments and hand-held calculators—will be provided by production engineers Harry McLean, from the Medical Products Division in Waltham, Mass., and Earle Ellis, from the Advanced Products Division in Cupertino.

Plant engineer Luis Aguirre, who was the first employee hired for the new plant in January of this year, has been joined by Jose Carlos Paradeila in export/import; Alfred Srour, order processing; Maria Aparecida Straccialano, secretary; and Elisabete Damasceno, administration.

Interviewing is now going on to fill other slots in the organization with Brazilian nationals, and eventually all expatriates will be replaced in two to five years. Manpower at the plant should reach 80 to 90 people by the end of this year.

According to Gunter, the first medical instruments manufactured in Campinas will be the 1500B Electrocardiograph, the 7802D Defibrillator, the 7802B Monitor Scope, and the 7830A ECG Pulse Heart Rate Monitor.



Manufacturing Manager Gunter Warmbold (right) chats with ICON Personnel Manager Jim Kapralos from Palo Alto.



ABOVE: Carl Cottrell at his desk in Rio. LEFT: This startup structure is the newly leased manufacturing facility in Campinas.







# MEXICO: Five blocks can be a considerable distance



Jean-Francois (Pancho) Thions with some of the Mexico City office staff.

Only five blocks separate the present modern office building of HP Mexicana S. A. from the small apartment in Mexico City where it originally set up shop in 1967, but the distance traveled is considerable.

The five people in that first operation have increased to a sales, service and administrative staff of 52 which fills 3½ floors at headquarters, plus a branch office which opened in 1974 in the industrial city of Monterrey. Proportionately, sales growth has topped the annual percentage increase of Mexico's gross national product almost every year.

Jean-Francois (Pancho) Thions assumed his role as general manager of HP Mexicana in August of 1974. Key staff members serving with him in the Mexico City office include Discipline Managers Miguel Mora (analytical products), Ruben Barbosa (calculators), Agustin Bravo (computers), Antonio Castro (IPG) and Fausto Gomez (medical), and Administrative Manager Fernando Roman. Gabino Perez is sales manager for the Monterrey office.

Proximity to the United States has resulted in an added understanding of American customs, procedures and language, and transportation lines are correspondingly shorter. While tourism is big business in the sunny coastal resorts of Mexico, other developments are creating excitement in the heartland. Recent discoveries of petroleum and nitrates will soon provide all the country's domestic needs for these resources and bring in substantial money from export markets.

These money-producing efforts—combined with an ever-growing pool of engineering, scientific and business-oriented professionals—give a real thrust to the national industrial development program underway.

One strong factor in HP Mexicana's favor is that most of its U.S. competitors use representatives in Mexico. HP Mexicana thus has a decided edge by offering a full line of high-quality equipment with efficient service capability.



Three members of Mexico's efficient service operation work on some repair problems.



Discipline Managers Antonio Castro and Miguel Mora have a quick conference together.



Gonzalo Figueroa (front) shows off his leg cast for the camera while Guillermo Pineda looks on.





# GUATEMALA: A record of 'firsts'

The story of IPESA (Instrumentación y Procesamiento Electrónico S.A.), the exclusive distributor for all HP product lines in Guatemala, is characteristic of the vigorous modern commercial growth of this country.

Guatemala has a special significance for HP: an HP-2115 sold in 1968 to a firm of civil engineering consultants for structural analysis was the first computer system sold in Latin America.

That customer, Alvarez-Guiterrez & Zepeda, eventually joined in 1972 with the electro-engineering consulting firm of Telectro S.A. to form IPESA, giving HP a distributor with strong technical and sales background in both computers and electronics.

Heading the organization are General Manager Jose Miron, who holds a master's degree from M.I.T.; Dino (Adolfo) Alvarez, who has a master's degree from Harvard; and Pablo Guiterrez, a Stanford graduate. From a modest start with five employees,



A meeting of Guatemalan managers, from left: Adolpho Alvarez, Roberto Zepeda, Jose Miron and Roberto Balsalls.

the firm has grown to 28 people. It now has an HP-2100 Data Center with on-site dedicated specialists, and soon will have an HP-3000 System added to it.

Within four years, IPESA has developed into a self-sufficient operation which has made its own record of "firsts":

- First distributor given two countries (with the assignment of El Salvador)
- Only distributor in ICON authorized to sell the HP-3000
- Capability to sell customers IPESA-developed software and turnkey operations.

Already in a dominant position in Guatemala, IPESA expects continued sales growth in all product lines.

It is a soaring flight in the best tradition of Guatemala's Quetzal bird,

which, according to Mayan tradition, cannot survive in a cage!



IPESA Sales Manager Luis Valenzuela and office staff.

## Ceremony for a Computer

The successful introduction of efficient data processing to the alcoholic beverage industry association in Guatemala recently called for a ceremony.

IPESA (Instrumentación y Procesamiento Electrónico S.A.), the HP distributor in Guatemala, sponsored a formal dedication on April 1 of an HP-2100 computer system that had finished a month's startup phase to the complete satisfaction of the customer, INVERSIONES.

Preparation for the event actually began a year ago when IPESA learned that the financial association for the major manufacturers of alcoholic beverages and associated industries was experiencing troublesome delays in its accounting practices.

The growing size and complexity of the industry pointed up the need for accurate information on raw materials

needs and availability. The solution chosen by INVERSIONES after discussion with IPESA was an HP-2100 with RTE system software.

IPESA staged the dedication event in the penthouse of the Chamber of Commerce building in Guatemala City. Members of the INVERSIONES board of directors and the general managers of member companies mingled with IPESA's staff.

Coverage by two local newspapers and a TV station also added to the significant goodwill created for HP that day.

*(Editor's note: We had the good fortune of being in Guatemala at the time of the dedication—and served as the HP representative at the event. Accolades should be extended to IPESA for organizing a medium for very professional and productive public/customer relations.)*



Some of those attending IPESA's gala dedication for an HP-2100 computer system.





# PERU: A pioneer distributor



**Carlos Barboza**



**Fred D. (standing) and Fred J. Wakeham**

a pioneer in the sales of medical electronics equipment for nearly three decades. In 1946 he helped establish the partnership of Kohler and Wakeham S.R.L. to import X-ray equipment into Peru; the present company name was adopted a few years later.

His familiarity with HP indirectly goes back to those early days when his firm represented Picker X-Ray of Canada, which was associated with Sanborn Company (later absorbed by HP in 1961).

Fred's knowledge of products from the Waltham, Mass., plant of Sanborn stood him in good stead when Compañia Electro Medica took over the HP medical sales franchise. By 1970, other HP product lines had been added. Fred continues to head up

medical sales activity while his son Federico J. Wakeham handles both analytical and calculator sales. Carlos M. Barboza has responsibility for IPG sales.

Still in daily use in a Lima physician's office is one sturdy symbol of Fred D. Wakeham's long sales career in his field: the first unit of a Sanborn Viso-cardiette that his firm sold in 1948.



Typical of the high level of expertise that characterizes HP's Latin American distributors is Compañia Electro Medica S.A. in Peru.

Federico (Fred) D. Wakeham, the general manager of the firm, has been

## ICON Quarterly Calendar

### May

Instruments Service Seminar,  
Santa Rosa & San Diego, U.S.A.  
Through May 16

50th Business Show  
Tokyo, Japan  
May 9-14

ICON Operations Council Meeting  
Palo Alto, U.S.A.  
May 21, 22

Top Management Visits to YHP  
and South East Asia  
May 26-June 6

### June

Top Management Visits to YHP  
and South East Asia  
May 26-June 6

Latin American Calculator Sales Seminar  
Guatemala  
June 9-14

Combined Europe/ICON  
First Half Review  
Palo Alto, U.S.A.  
June 13

Annual ICON General Managers Meeting  
Palo Alto, U.S.A.  
June 18-July 3

### July

Annual ICON General Managers Meeting  
Palo Alto, U.S.A.  
June 18-July 3

Telecommunications Seminar  
Brasilia, Sao Paulo, Rio de Janeiro, Brazil  
July 7-25

Medical Managers Meeting  
& Quota Setting  
Waltham and Palo Alto, U.S.A.  
July 7-25



The HP view:

# A milestone year For Latin America

By now you should have a pretty good mental picture of HP in Latin America today. Let me comment on some of the accomplishments that will mark 1975 as a milestone year for HP in Latin America.

- From an order volume standpoint, Latin America in Fiscal Year '75 will equal Europe's performance in 1967, will parallel HP's International order level of 10 years ago and exceed HP's Corporate sales in Fiscal Year 1958!
- The \$2.3 million Brazilian medical order has been consummated!
- The new Brazilian factory will be in operation by the second half of the year.
- Our field management team for HP Puerto Rico is now being selected so that new subsidiary will be operational by October 31, 1975.
- The new management concept of "verticalization" is evolving well in all subsidiary countries, and our second- and third-level field man-

agers are gaining valuable experience and strength.

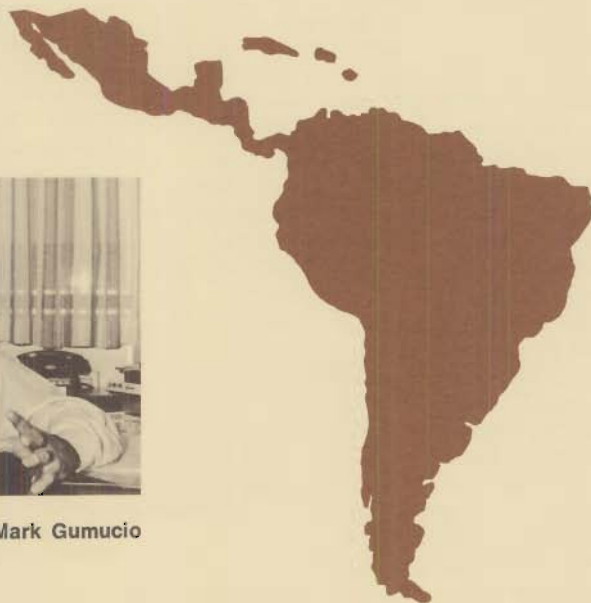
- In Palo Alto, discipline sales managers have been named for the IPG, MED and Calculator groups dedicated to look after Latin America. Increased support exists from the areas of administration, order processing, legal and Corporate construction.
- All subsidiaries without exception have appropriate facilities and the necessary capital investment has been made to provide for future growth.

To conclude, Latin America will continue to grow from within, striking a balance between sales growth, cost control, fiscal responsibility and our ability to hire high caliber people. We shall continue to practice the fundamentals of the HP management philosophy which has proven to be successful worldwide. I firmly believe that we have built a solid foundation for continued growth and success!

*John Walling*



Mark Gumucio



## Eight Represent ICON At IPG Service Seminar

For the second year in a row, ICON was strongly represented at the Instrument Products Group's Service Seminar. The seminar, hosted by HP's seven IPG divisions, officially started March 3 at the New Jersey Division and continued at Colorado Springs, Loveland, Santa Clara, Stanford Park and Santa Rosa. It will finally conclude on May 16 at San Diego Division. Each division's training, except at New Jersey and San Diego, was for a period of two weeks, and covered a combination of mature product training with new product introductions.

Eight ICON representatives were among the seminar attendees. Welcomed to the United States for the IPG training were: P. R. Sainathan and V. V. Ramanan, India; Harry Setianto, Indonesia; David Yeo, Singapore; Yigal Khalifa, Israel; Alfirio Russo and Hector Harnaiz, Venezuela, and Jose Luis Aguirre, Mexico.

Conducting a series of seminars places as much of a burden on the people coordinating the effort as on those who attend. IPG Service Training Manager John Walling deserves much credit for the successful organization of this annual event.

John, who was ICON's first regional service manager, realized that it is often extremely difficult for ICON people to travel from the far reaches of the world to the United States for one or two weeks of training. So, with the cooperation of all IPG divisions, he consolidated all training into the package now in progress.

Much credit also goes to Loveland Division for the specialized training given Harry Setianto and Alfirio Russo. Ken Jessen, service manager for mature products at Loveland Instruments, not only conducted the standard two-week seminar, but willingly added another two weeks to concentrate on MLA and 3042 training for Harry and Alfirio.



# "People Make It Happen"

In the August/September 1973 issue of *Measure*, Bill Hewlett did an excellent job of describing the team spirit that exists throughout HP. He called it "the HP way." In my mind, it is this spirit which causes us to pull together, even under the most difficult circumstances, to achieve that extra measure of success which clearly sets HP apart from other companies. Bill put it this way:

*"Any group of people who have worked together for some time, any organization of long standing, indeed, any state or national body over a period of time develops a philosophy, a series of traditions, a set of mores. These in total are unique and they fully define the organization, setting it aside for better or worse from similar organizations. At HP all of this goes under the general heading of 'the HP way.'*

*"What is the HP way? I feel that in general terms it is the policies and actions that flow from the belief that men and women want to do a good job, a creative job, and that if they are provided the proper environment they will do so. But that's only part of it. Closely coupled with this is the HP tradition of treating each individual with consideration and respect, and recognizing personal achievements. This sounds almost trite, but Dave and I honestly believe in this philosophy and have tried to operate the company along these lines since it first started."*

I frequently find myself reflecting on Bill's words as I consider the excellent team spirit that exists throughout ICON and the outstanding progress we are making in each country. Let me give you a few examples:

In Japan, we are currently experiencing a major economic recession. The turndown in business has been sharp indeed. Aggressive measures on the part of the Government, in a dramatic attempt to stabilize the rate of inflation and prepare Japan for continued economic growth in the future, have had a major impact on HP's business prospects. Fortunately, the YHP team has rallied to the challenge. Over the last several months, special strategies, intra-company employee transfers, voluntary work

schedule reductions and a very carefully worked-out cost reduction program have turned what could have been a bleak situation (one in which even our objective of stable employment could have been threatened) into a real success story. At the end of March, YHP's orders were 89 percent of quota. More important, in the month of March an absolutely spectacular quota performance of 120 percent was achieved. Costs are well in line and it is very clear that when the current economic crisis passes, YHP as an organization will be in an extremely sound operational and financial position to move ahead.



**Alan Bickell (right) with Herb Rost, new Singapore general manager (sales). In the background is ICON's Senior Personnel Administrator Walt Ross.**

Most of you know that owing to a downturn in worldwide demand for calculator displays, HP's operations in Singapore and Malaysia, which currently employ over 2,200, moved to a short work-week in order to maintain a balance between orders and production. Other companies would not have taken this course of action. They would have simply laid off the necessary number of employees to balance production capacity with the incoming order rate. Frankly, that is exactly what many companies did in Singapore and Penang during the last 12 months. Not so with HP! Again, the "HP way" rallied the team together in a cooperative program whereby all employees shared in an hourly work reduction. As a result, our South East Asian organizations preserved their most important strength, their people, for the future.

Fortunately, the future is here today. New product programs at APD and an increased demand for optoelectronic devices and core memories have placed a completely new challenge before our HP Singapore and Malaysia teams. Today, our operations are hum-

ming, with all employees back on a full schedule. We were able to spring back immediately to meet the challenge because the team was intact. Clearly, this provides very visible proof that our fundamental strategy was well founded.

In the last issue of INTERCOM I indicated that, although we might continue to be affected by economic troubles in Canada, Japan and Australia, we were fortunate overall because ICON's other markets appeared to be strong and could be called upon to meet the challenge of offsetting our weak areas. Just how well have those other countries measured up?

Latin America met the challenge. At the end of March, ICON's four sales subsidiaries in Latin America turned in year-to-date performances nothing short of spectacular: Venezuela, 105 percent; Brazil, 198 percent; Mexico, 155 percent and Argentina, 202 percent of quota. Our markets in Latin America, particularly in Brazil, literally exploded. What is it like to cope with twice as much business as originally forecasted? Darn difficult—but the job is obviously being done. Our HP teams in Latin America are meeting the challenge. Again, I think the "HP way" is really adding that extra measure of performance required to do the job.

Finally, I would like to mention our activities in some of the markets that continue to be under considerable economic pressure: Canada, Australia, New Zealand, South Africa and Taiwan. In each of these locations our response to uncertain economic conditions is similar. We are dedicated in every instance to doing a truly professional job. The results achieved to date by each of these organizations are excellent, particularly when you consider the economic situations these teams face.

Clearly, the "HP way" relates to how each of us feels about his job, our relationships with our fellow employees and our understanding of and belief in HP's fundamental corporate objectives. All of this adds up to tremendous esprit de corps, and results in outstanding performance.

Keep up the good work. We can be very proud of what is happening within ICON.



## In the Spotlight

# Two Gentlemen from Malaysia

Two Malaysians are in the spotlight this issue and, as you can see from the photos accompanying this article, their working environments are very similar though they are now on opposite sides of the world.

Liong Wong was HP Malaysia's first employee, after having joined HP in Singapore in 1970. In November, 1972, he went to Penang to set up the company's operation there. "I incorporated the company, hired employees and built up the organization there so that now HP Malaysia has about 800 employees," he recollects from his new location in Cupertino, California, where he is now calculator production manager.

Liong shares the spotlight with his replacement as company manager at HP Malaysia, Teng Ong Keok, a young man of 36 who has been with HP since 1971. Aside from the fact that they are both Malaysian natives and have held the same job, Liong and Teng have other similarities as well.

For instance, both have electrical engineering degrees, both have spent some time in the United States and both are married with two children!

All this was gleaned from interviews with Liong and Teng, one in person in California, and the other over the Telex line that connects ICON headquarters with the rest of the world.

Liong says he was quite familiar with the San Francisco Bay Area before he came to Cupertino earlier this year. That's because he earned his E. degree at the University of California at Berkeley in 1965, and a Master of Science degree there in 1967. After some working experience as an engineer, Liong migrated north to Montreal, Canada, where he obtained an M.B.A. at McGill University.

By that time he was ready to return to Southeast Asia, and he soon was employed by Singapore's Economic Development Board in promoting foreign investment in Singapore.

When he joined HP in 1970 as special projects manager, he worked at the Singapore plant and soon was promoted to production manager for magnetic products.

Plans call for Liong to become familiar with marketing, product development and other phases of HP business while in the United States. He expects to stay in this country at least two years and then will return to the Southeast Asia area.

Teng's academic background was obtained in Australia, first receiving a Fellowship Diploma from the Royal Melbourne Institute of Technology, and then a Bachelor of Engineering degree at the University of New South Wales.

He first worked as an engineering assistant for the State Electricity Commission of Victoria in 1964 and 1965, then as a graduate engineer at Amalgamated Wireless in Australia from 1966 to 1968. Teng then moved to Singapore where he worked for Texas Instruments for the next two years.

When he came to HP he worked as a production engineer in the integrated circuit group, then came to the United States for two months to be

trained in semiconductors. Upon his return to Singapore he became product manager for optoelectronic devices and, later, production manager for all of the multiple digit display products in both Singapore and Penang. He was promoted to plant manager at HP Malaysia when Liong came to Cupertino.

Liong, his wife, Sieu Hoon, and their two daughters are now living in Sunnyvale where they are getting involved in community activities. Liong is particularly delighted with the weather which he describes as "not so hot and humid as Malaysia. There are a lot of great opportunities here for self-development and we are hoping to take advantage of them."

This is not Sieu Hoon's first visit to the States either, having been an exchange student in Oregon for a year when she was at the university.

Teng's wife, Ah Ngtek, and their two children, are just settling in to life in Malaysia after having lived in Singapore. They share Teng's hobbies which include squash, swimming and reading.

Truly Liong and Teng are outstanding examples of the caliber of employee at HP's Southeast Asia operations. It is in their capable hands that the growth of this vital area depends.



Liong Wong



Teng Ong Keok



## 11 IPG Field Engineers Get Intensive Training



Jim Taylor, left, of the Corporate TV Studio, shows some of the IPG Neophyte Sales Seminar attendees around the modern TV facilities in Palo Alto.

High enthusiasm was generated by everyone involved with the first-ever ICON Instrument Products Group Neophyte Sales Seminar held earlier this year.

Throughout the intensive product-oriented training program, which was conducted in both California and Colorado locations, the 11 field engineers attending maintained a high level of interest and morale. They came in contact with all U.S. instrument divisions and made a first-rate impression on all who worked with them.

The attendees, who represent ICON subsidiaries or distributors in eight countries, were:

Antonio Ramirez, Argentina; Fernando Guimaraes, Ceferino Rodriguez and Hugo Vasconcellos, Brazil; Boris Garcia, Guatemala; Moti Carmel, Israel; Enrique Cuahonta, Mexico; Brian Happy, New Zealand; Unre Visagie, South Africa; and Ricardo Perez Esciusa and Carlos Rojas Perez, Venezuela.

Their tight schedule included meetings with key divisional people in the immediate Palo Alto headquarters area, a six-day visit to the Santa Rosa Division (also in Northern California), six days in Colorado at Loveland and Colorado Springs divisional locations, and two days at the San Diego (California) Division en route back to Palo Alto and their "graduation" dinner.

This successful seminar thus covered a lot of ground, both in terms of introduction to the company and geographical distance. Some of the trainees put on even more mileage by using open days in their schedule for day-long side trips to San Francisco, nearby California wineries or a relaxing weekend at Lake Tahoe.

## Order Processing Seminar

A "meeting of the minds" was the phrase coined by ICON Commercial Services Manager Dick Wilson to describe the two-week Latin American Order Processing Seminar held last February.

This was the first such seminar ever set up between subsidiary and headquarters order processing people, and it was prompted by the new "HEART" order processing system and recent policy changes, according to Dick.

Dual purpose of the seminar was to give subsidiary order processing managers updated training, and to

enable them to get a first-hand look at the Palo Alto operation. Three managers came to headquarters for the sessions: Max Ricardo, HP Venezuela; Mamoru Tinone, HP Brazil, and Mario Viveros, HP Mexico.

One of the highlights of the seminar was the presentations made by the visiting order processing managers to ICON headquarters personnel, Dick relates. "They were enlightening, extremely informative presentations based on the managers' participation at the point of order origin through to the customs clearance of those orders," he adds.

Likewise, many ICON headquarters people made presentations to the visiting trio. Among the speakers were Order Administrative Manager Mary Andrews, Order Processing Supervisor Jean Smith and Training Coordinator Aida Somkuti.

The Latin American managers also had ample opportunity to discuss various aspects of order processing with Parts Supervisor Debbie Goldman, Brazil Group Lead Lynn Kennedy, and all the individual order coordinators in each area. "This was surely one of the most significant benefits of the seminar," Dick continues, "since meeting daily with each other truly helped us have a better 'meeting of the minds'."

Dick says the main objectives of the session were to establish a mutual understanding of export and import documentation requirements; to put into effect any necessary changes in present order processing procedures, and to discuss present ICON policy relating to order processing. All three objectives were attained, he emphasizes.

On a few days, the visiting managers took in tours of the Corporate Parts Center, plus Stanford Park and Advanced Products Divisions nearby.

## In their Easter Bonnets



Here they are wearing their Easter finery, from left: Laurie Peterson, Dee Ellacott, Dodie Weaver and June Bye.

Not too many of the creations modeled in ICON headquarters' Easter Bonnet Contest actually will be worn in public, but their owner-milliners were much admired by the coffee-break crowd on Thursday, March 27.

Inspiration for Dee Ellacott's hat, voted "most original," came right from her U.S. Customs desk in Traffic. She covered a Chinese hat with a selection of paperwork, studded with diodes and other components made in Singapore.

Other prize winners receiving boxes of candy were June Bye, "funniest hat"; Dodie Weaver, "oldest hat"; and Laurie Peterson, "most beautiful hat"—her award was an orchid corsage.

Hats off to the arrival of Spring!



## Administrative Managers Meet



Three weeks of intensive discussions, training and information sharing were in store for the administrative managers of ICON subsidiaries beginning last February 24. This was the first such meeting in two years but will be held annually in the future, according to Regional Administrative Manager Lloyd Taylor.

Arriving from around the globe to represent their countries were Administrative Managers Roger Bailey, Australia; Fernando Roman, Mexico; Mike Mallalieu, New Zealand; Viv Van Zyl, South Africa; Noel Wu, Taiwan; Isidro Castineyra, Venezuela, and Kenichi Akasaka, Japan. Three other participants for portions of the meetings were Peter Robinson, accounting manager for Canada, Herb Rost, Singapore country manager, and Wolfgang Schrader, Porto Alegre (Brazil) office manager.

The conference had a number of objectives, primary of which was for the administrative managers to establish a sense of identity as a key administrative team within HP. Other purposes included exchanging ideas and the development of solutions to key administrative problems within ICON, understanding interface responsibilities between ICON and HP, and developing plans for the future automation of many key administrative activities.

General Manager Alan Bickell and Lloyd opened the conference with welcoming remarks, followed by intensive discussions about EDP plans and system specifications for automating administrative activities.

The first week's meetings were in Palo Alto, so conference-goers got a change of scenery for the second week. They reconvened in Carmel, California, where the group was joined by Corporate Accounting Manager Jerry Carlson, and began workshop discussions on such topics as management reporting, accounts receivable, inventory control, pricing, cash management and other business matters.

During the last week, discussions centered around functional presentations about credit and collections, accounting, order processing and legal matters. A critique of the conference and dinner concluded the marathon session.

## Seminars at Blue Star

Two Californians ventured to India recently to offer their particular expertise to Blue Star engineers and others. Ganesh Basawapatna, an Indian by birth who is now at the Santa Rosa Division of HP, gave seminars on microwave S-parameter design at Bangalore and New Delhi. Dave Widman of Stanford Park Division also went to Bangalore and New Delhi as well as Hyderabad to conduct his renowned signal generator seminar.

Blue Star is HP's exclusive distributor in India.

The seminars all proved highly popular with the attendees, who included R&D engineers of major manufacturing companies and communications laboratories, as well as test, quality assurance and production employees of some of India's largest manufacturing firms.

All agreed also that both Ganesh and Dave spoke to them as one professional to another rather than giving a typical sales pitch impression.

Adds Ani Ghosh, who provided INTERCOM with the information from India, "What the attendees got out of the seminars was helpful technical information, and what we got in return was a new band of believers in HP's concept of measurements."

Here are photos of Dave, left, at New Delhi last February, and Ganesh (seated in photo at right) talking with some of the Indian R&D engineers at his microwave S-parameter design seminar.



Dave Widman



Ganesh Basawapatna

## EVERYONE Uses an HP-65!

More Brazilians than ever are finding that an HP calculator can solve a lot of their financial problems. But one photo in the *Journal of Brazil* newspaper last fall really gave HP products a push.

The photo: A picture of Dr. Mario Simonsen, Brazilian minister of finance, hard at work figuring out his country's financial picture with the help of an HP-65.

The photo appeared with an article headlined "Brazil Needs 900 Million Dollars to Balance the Balance of Payments," and then explains Dr. Simonsen's opinions about Brazil's financial future.

HP do Brasil's Daniel Mazar-Barnett obtained the accompanying photo from the newspaper for INTERCOM. He reports that the HP calculator booth at Brazil's 10th National Banking Congress was visited by many Brazilian dignitaries including Dr. Simonsen. Other VIPs who visited the HP display were Alexandre Kafka, president of the International Monetary Fund; Angelo Sá, president of the Bank of Brazil; and Teófilo Santos, president of the National Federation of Banks.

"The HP booth was the highlight of the meeting," writes Daniel. "It was here that the HP-70 was launched, and it got off to a very good start."





# YHP Fourier Sales Team Forges Ahead



SELLING A YEAR'S QUOTA in the first four months of Fiscal Year '75 put the YHP Fourier sales team ahead of every other region in the world. By the month of February this outstanding team had reached a sales total of \$728K—eight dollars over the full-year quota. Not pictured here is Computer Systems Sales Manager Matsuji Tezuka, who will be in Palo Alto in May to receive the team's Outstanding Sales Performance Award that Dave Packard is shown admiring at right, above. The sales team members pictured at left above are:



1—Akira Ohzone, 2—Yasuhiko Matsushita, 3—District Manager Hajime Takagi, 4—Hidemi Fukushima, 5—Isao Ohkubo, 6—Akio Tsubouchi, 7—Tomohisa Dohmen.

## INTERCOM

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## Edited . . . by the editor

In the last *Edited* column, we gave some much-deserved credit to Joanne Engelhardt, our associate editor, for her contributions in publishing the first two issues of INTERCOM. Well, apparently we jinxed ourselves, because Joanne will be concluding her time with ICON with this issue. Certainly we hate to see her go, but have reluctantly issued her an exit "visa" and wish her well.

We are very fortunate, however, to have found a highly qualified replacement and she is already on board learning the ropes. Betty Gerard comes to us with some excellent professional credentials, and we are looking forward to working with Betty in the months to come. In the meantime, this issue is the result of the blending of both these professionals' editorial talents. We will have more information about Betty in an upcoming issue.

You are probably aware that we originated INTERCOM for the purpose of improving communications around the Region as well as to give ICON some much-deserved exposure at HP corporate and group levels. Our distribution has been somewhat limited to these purposes in the past.

Now we feel genuinely pleased that some new (and somewhat unanticipated) audiences have surfaced to give INTERCOM additional value. For one, we understand that our paper is finding its way into the hands of ICON families, so that all members of the family are getting

a chance to know more about HP in general and the type of work ICON employees do. For another, regional personnel departments and some subsidiary field offices are using INTERCOM as a handy device to describe the ICON environment in the recruiting process.

Finally, extra copies are now being put into office lobbies and given to some of our customers. For although INTERCOM is an *employee* publication, it readily serves to show our size, complexity and capabilities to the outside world.

A few more notes about INTERCOM and then we'll leave space for the real meat of this issue. We are issuing a call for help: Are there any artists or cartoonists in the Region? If so, let us know by sending us some of your work. We hope to soon make improvements in this area in INTERCOM, but we need your cooperation.

Our distribution system is still new and just becoming mechanized. While on a month-long Latin American swing in March, we learned that some offices had never received our two previous issues (published in November and February). No doubt they may be on the proverbial "slow boat," although they were mailed out immediately upon publication. Apparently the mail systems in our Region don't recognize the importance of our work! In any case, drop us a line if you have not received previous issues—or if you don't get this one!