

intercom

Vol. 3, No. 2

HP Intercontinental Operations News

March 1977



COUNTRY MANAGERS ON FACILITY TOUR:



For the country managers winging in to Palo Alto for this year's Intercontinental Managers Meeting in January, some additional traveling was on the schedule.

Country managers had a chance for the first time in four years to visit firsthand with the management of all six HP product groups and to tour individual divisions. Their fast ten-day tour of facilities in Massachusetts, Pennsylvania, Colorado, Oregon and Northern California met with record-breaking cold weather on the East Coast but it didn't slow down the pace of their travels. The international visitors included Luiz Barata, HP Brazil;

Luis Brennan, HP Argentina; Antonio Castro, HP Mexico; Lok Lin, HP Taiwan; Horacio Manifesto, HP Venezuela; Toshio Muraoka, YHP, Herb Rost, HP Singapore-Sales; Clay Smith, HP Puerto Rico; Tienie Steyn, HP South Africa, and John Warmington, Australasia Area Manager. Malcolm Gissing, newly appointed country manager for HP Canada, joined the group on the eastern leg of the journey.

The general agreement was that the trip, however tiring, was most worthwhile. For one thing, country managers had a chance to hear about and even to see some of the new products that

(Continued on page 2)

A LOOK DOWN THE ROAD AT TOMORROW'S PRODUCTS



HP Computer Museum
www.hpmuseum.net

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BUILDING 35. Time between meetings for luncheon and a tour.

Country Managers

(Continued from page 1)

will be introduced in the next two or three years. They could also learn in advance about the marketing strategies planned—useful information for the managers who are charged with providing day-to-day guidance for discipline sales programs in the field. In addition, they could give the groups and divisions feedback on how appropriate various sales programs and products are for their particular countries.

Before leaving on their facility review, the country managers spent several days in an Expanded Operation Council meeting held at Building 35 in Santa Clara, which gave them a chance to have luncheon with the Intercon employees at that location and tour the warehouse. (When one of the country managers mentioned he was unfamiliar with carrot cake, several Consol Group members hurried home to do some baking for the visitors.) They also had time to fit in one beer bust with all headquarters employees before departing for the East Coast.

After their final division visit in Santa Rosa, the country managers went back into sessions in Palo Alto. As a finale, they joined Intercon managers in presenting a review of the Region's economic and sales picture for top HP management (see page 16). There was just time for a few quick conversations with people they deal with in Building 16 before it was time to pack up again for that long flight home.



BEER BUST. John Warmington and friends.

About those OP flags . . .

What do you do if Bill Hewlett suggests that you buy country flags for each Intercon headquarters order coordinator and charge them to him?

Why, you go right ahead to order those flags, of course.

That's what happened to Far East Asia Supervisor Lily Smith, who faithfully followed through on a request that Bill made during his luncheon last August for some representative Intercon employees. When Lily finally had the 91 flags in hand (some order coordinators handle more than one country), she alerted Alan Bickell. He

arranged for Executive Vice President Bob Boniface to come to Building 16 to hand out the flags and meet the group. Joining in the event were International Vice President Bill Doolittle and the visiting country managers.

From the smiles on the opposite page, it is easy to see that the idea was a winner.

(The behind-the-scenes hero was Lily's husband Jim, who saved the day by quickly turning out the flag stands which were missing from the shipment.)

ON THE COVER (reading from upper left): Waltham Division; Luis Brennan (right) at Avondale Division with (from left) Marketing Manager Bob Turner, Bill Hart; Tom Kelley addresses group at Fort Collins Division; Luiz Barata dressed for the trip; Corvallis Division's Service Manager Chick Alexander (left) helps lead a tour; Corvallis exterior; Loveland Calculator Products Division.

Lily Smith (left) enjoys flag presentation by Bob Boniface





A MESSAGE FROM THE DIRECTOR:

Intercon's FY76 Awards to Co



Alan Bickell (center) had Region awards for both Herb Rost (left) and John Warmington for the improved overall performance by their country teams.

We have just completed our annual Intercontinental Managers' Meeting here in Palo Alto. This year's meeting covered a broad range of subjects, but probably the principal focus was related to Country Manager visits to key manufacturing divisions for updating on new product plans and marketing strategies. The country manager has as one of his prime responsibilities the task of organizing and directing our country sales and support resources to effectively implement the product marketing strategies of HP's product groups and divisions. To do this effectively, he obviously must have an intimate understanding of each group's marketing strategy.

While this activity served as the central theme of our meeting, clearly the high point was our annual awards ceremony. You will recall that last year we initiated a program whereby outstanding country performance would be formally recognized on an annual basis. This year, it was particularly tough to decide which countries would be so recognized. FY76 was not

an easy year for Intercontinental. Most of our countries continued to experience economic problems and, as a result, the job of meeting quota and controlling cost was doubly challenging. Nevertheless, I am proud to say that each and every one of the country teams turned in a truly excellent performance. Selecting the best was extremely difficult.

Our first award was given to HP South Africa in recognition of an outstanding job of **Cost Control**. South Africa was particularly hard hit by unfavorable economic circumstances during FY76. Tienie Steyn and his management team did an excellent job of controlling costs in an effort to match expenditures with incoming orders. We feel they truly measured up to a difficult job.

The **Best Order Performance** award was won by YHP Sales. During FY76 the Japanese economy emerged from two extremely difficult years into a positive growth phase. The YHP Sales team capitalized on this and as a result turned in a truly spectacular



Toshio Muraoka made an informal award of his own during the recent LID facility review: a gift to thank order coordinators for expediting orders ahead of the end of the Japanese government's fiscal year (March 31). Here Linda Underdown accepts a watercolor painting of bamboo on behalf of the OP group.



Sharing YHP's Best Order Performance Award: (front row, from left) Toshitumi Arai, Matsuji Tezuka, Toshio Muraoka, Chuck LaPorte, Yasuaki Hanatani; (center row) Kenichi Akasaka, Kazunobu Shimada, Ken Uyeminami, Toshimitsu Suwa, Masao Terazawa, Toshio Andoh, Hiroatsu Kohno; (back row) Yoshiaki Mikuni, Katsu Yoshimoto, Yasuo Karakisawa, Masatoshi Kurosaki, Yukio Horie.

Country Teams

order performance in FY76, finishing the year at 115 percent of quota representing 40 percent growth over 1975. As a postscript I might add that they are off to an excellent start in FY77 and have already served notice that they intend to win the award again in FY77.

Our third annual award goes to the country with the **Most Improved Overall Performance**. Here, we not only consider orders and cost control, but also asset management, productivity, improvement, etc.: all of the things that really need to be pulled together to achieve an outstanding performance. We judged that Australia and Singapore should share this award for FY76. Both countries did an excellent job of improving orders, controlling costs, increasing productivity and in general managing their affairs in a highly effective and competent manner. It was a great pleasure to present these awards to John Warmington and Herb Rost during our ceremony.

Finally, we were all especially pleased to recognize HP Taiwan with our highest possible honor, the award for the **Best Overall Performance for FY76**. Under the leadership of Lok Lin, the HP Taiwan team turned in an outstanding performance in FY76. On balance they managed each element of their business very effectively. A great deal of credit for this goes to Lok Lin who, through the vigorous application of management by objectives, has established a team which really believes in that concept and is absolutely dedicated to a top performance.

This year, for the first time, we gave two awards for customer service performance. I will let Bill Harper comment on these.

It is always a difficult task to single out one or two countries for special recognition, particularly when everyone has worked so hard. On behalf of all of the members of the management team here at Intercon Headquarters I would like to thank all the country teams for their efforts in FY76 and encourage everyone to make FY77 even more successful.

Keep up the good work!



TOP PICTURE— Radiant smiles were the order of the day as members of the HP Taiwan team admired their Region award for Best Overall Performance for FY76. (From left) F. T. Lu, Venus Lei, Ellen Tchou, Bosco Sun, and I. K. Huang.

BOTTOM PICTURE— First winner of the Region's Most Outstanding Customer Service Performance award was the HP South Africa service team. Country Service Manager Peter Shaw (left) accepts congratulations for everyone from Director Tienie Steyn.

New Region Awards for Service Performance

As Intercon Customer Support Manager Bill Harper explains the new annual Region Service awards:

"Over the past several years, a great deal of emphasis has been placed on our double-barreled objective of improving customer satisfaction, while operating service as a profit generating business. During this period many of you have spent considerable time and energy in improving this performance.

"Now that we are seeing the positive results of those efforts we felt it appropriate to begin to formally recognize outstanding achievement in Customer Service. The criteria used were financial target and customer satisfaction. In the financial area we paid particular attention to profitability and cost control. In the area of targeting we looked at FY76 performance against FY76 targets, as well as evaluating the targeting process for FY77. To attempt to tie down the elusive measurement of customer satisfaction, we interviewed the discipline RMM's

for their evaluation of each country's performance.

"The first award for **Most Improved Performance** went to Australia. While they fell somewhat short of their targeted performance, they showed very substantial improvement in all three of the above categories. It should be mentioned that although New Zealand was reported separately in FY76, their contribution to the Australasian Area was a contributing factor in the award.

"For the **Most Outstanding Customer Service Performance**, the award went to South Africa. They exhibited outstanding cost control in a business environment that fell far below expectations, but even with this loss in shipments, they were able to attain the targeted profit level without degradation of customer satisfaction.

"Special mention should certainly go to YHP which turned in an outstanding financial performance, and to Taiwan which also had an excellent all-around performance."



ABOVE: Packing up to leave the old rented buildings in Sao Paulo took energy and some improvisation. BELOW: Flag pole in front of the new Alphaville building seems to invite this flag of Brazil's most famous soccer team. (Order Processing Manager Graco Ferreira, at right, coordinated the entire move.)



MOVING DAY

Everyone Helps in Sao Paulo

January was moving month for 110 Sao Paulo employees of HP Brazil, as the sales subsidiary moved headquarters and local sales operations into a new building of its own.

The attractive new facility, located in the Alphaville development 16 miles from downtown Sao Paulo, is a marked change from the two old buildings

which HP Brazil has been leasing for sales and service activities. All employees helped in packing up for the move and arranging the new offices.

The formal dedication ceremony is scheduled for October to coincide with Bill Doolittle's visit but Hewlett-Packard do Brasil has already settled down to business in the new location.

Division in Instrument sales manager territory

With the departure of Don Rowe to join the Data Systems Division as sales manager for end-user products, the area which he has served as an Intercon Instrument sales manager will be divided into two parts.

Gray Morgan has been named Instrument Sales Manager for the Australasian Area, reporting directly to George Cobbe at Intercon headquarters but remaining based in Melbourne, Australia. An Instrument sales manager for the territory covering the Far East, Israel and Africa will be named later.



F. T. Lu (left) of HP Taiwan receives Intercon Instrument's outstanding sales performance award for FY76 from Don Rowe in Taipei.

INTERCOM

Published quarterly by and for the people of HP Intercontinental Operations
3200 Hillview Avenue, Palo Alto, CA 94304

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Gissing named Country Manager in Canadian management changes

Malcolm Gissing, who joined Hewlett-Packard originally as an Instrument field engineer in England, was named president and general manager of the company's Canadian subsidiary in February.

He takes over the top executive post in Hewlett-Packard (Canada) Limited from Chuck Williams, who has left HP.

A native of England, Malcolm spent 12 years in the Royal Air Force (fitting his 6'4" frame into one of the RAF's largest uniforms) before going into industry. After working a few years for RCA, he joined HP Limited in the Manchester sales office in 1963 and was appointed Instrument sales manager in Slough six years later.

Malcolm moved to HP Canada in 1973 as manager for the former electronic products group with headquarters in Montreal; he subsequently transferred to Toronto as manager of the Canadian Instrument Group with added branch responsibilities for Western Canada.

He and his wife Thelma have four boys—Mark, Ivan, Graeme and Mathew—and the family enjoys camping and cross-country skiing.

Replacing Malcolm as Canadian Instrument Group manager is Tony Johnson, formerly sales manager for Instruments, who has been with HP Canada since 1965.



Malcolm Gissing



HP Canada's Instrument sales managers: (from left) Dave Lansley, George Jones, Don Lacey, Mike Reilly, John Stewart, Vince Terpstra, Instrument Group Manager Tony Johnson, Alan Holdway, Roger Darby, Les Horn, Don MacDougall, John Roussos.



ABOVE: YHP President Ken Sasoka turns shovelful of earth. RIGHT: Shinto priest waves tree branch to free construction site from evil spirits.

A ceremonial start for YHP sales building



A traditional Shinto ceremony was held during the groundbreaking on December 27 for YHP's new sales headquarters building in the Takaido section of Tokyo.

Among the 70 people who attended were YHP directors and sales managers, executives of the contracting firms involved in the construction, and representatives of neighbors.

A Shinto priest performed the ancient rite of exorcising evil spirits from the land and asking the local shrine god for permission to build. A sacrificial altar held fruits, dried fish and other food offerings.

According to Tadao Nishimoto, YHP's manager of general affairs, the ceremony finished successfully and actual construction started the next day.



The many holidays

Move around the Intercon Region and you'll help celebrate some unfamiliar holidays in the countries where HP has employees. As you might expect, a number of those holidays mark important moments in a country's history or have religious significance. We asked INTERCOM correspondents to describe a few of those special days when the HP office closes its doors.

Alice Chen of HP Taiwan describes the Dragon Boat Festival which will be held this year on June 2:

"As legend has it, there was once a great general who wanted to reform the bad empire but none of the governors listened to him. He finally jumped into a river to express his unchangeable decision. His comrades on the shore threw their rations into the river to save the general from being eaten by the fish while the dragon boats raced to retrieve him from peril. We eat the rations (rice packed in bamboo leaves) and have dragon boat racing on this holiday."

The Mid-Autumn Festival on September 27 marks a gallant attempt at

revolt during the Yuan Dynasty, Alice says.

"One day when the moon was the fullest and most brilliant, the leader sent his people a cake which contained the message that they would stage the revolution at a certain time that night. Although the attempt failed, families gather together that day to eat moon cake (a mixture of bean paste and lotus seeds) and appreciate the moon."

Among the other holidays observed in Taiwan are Tomb Sweeping Day on April 5, when graves are swept and trimmed as a gesture of respect for ancestors, and the Birthday of Confucius (also called Teacher's Day) on September 28.

At YHP in Japan, employees join in festivities which honor certain age groups—adults, children, and old people—and take part in Athletic Day and Culture Day, among other holidays.

In Australia, Geoff Windsor of HP Melbourne says such national holidays as Australia Day and Anzac Day are observed throughout the country but other holidays are strictly local in

nature:

"Australia Day is our national day, celebrated in recognition of obtaining national status in 1901 when six sovereign states were joined federally. Usually a number of public naturalization ceremonies are held along with various religious and dedication ceremonies, parades and military tattoos, etc. It occurs on January 31 and is usually a fun holiday since it is in the hottest part of our summer."

Another public holiday throughout Australia is Anzac Day on April 25, dedicated to those who died in all wars. "Anzac" refers to the first soldiers from Australia and New Zealand to fight side by side in a European conflict (at Gallipoli during World War I) as representatives of independent nations.

The Melbourne office closes on September 22 this year so city dwellers can see one day of the Royal Melbourne Agricultural Show—the largest livestock show in the Southern Hemisphere. Another holiday observed in the state of Victoria is Cup Day on November 1, when the most important



The annual picnic of HP Brazil's Sao Paulo office may not have been held on an official holiday but it was definitely a lively occasion. At left, a soccer game with costumed players. Above, "war cable" for the children.

Tradit
emplo

*Dragon boat races, Boxing Day,
and the smell of boiling hallacas*

of Intercon

single horse racing event in Australia draws a crowd of 100,000 to the large Flemington Racecourse in Melbourne. (Several other HP offices in Australia observe either a Cup Day or a Show Day of their own.)

HP New Zealand joins in the celebration of Anzac Day, and both Australia and New Zealand celebrate the birthday of the Queen of England (although the actual date of the holiday varies). According to Radha Bhulla, "Waitangi Day" in New Zealand marks the signing by 46 Maori chiefs and Captain William Hobson of the Treaty of Waitangi, which joined together the Maori and Pakeha under the Queen's sovereignty.

Canada, another member of the British Commonwealth of Nations, observes Canada Day on July 1—remembering the occasion in 1867 when the provinces of Canada were united in one government called the Dominion of Canada. It calls for patriotic programs, fireworks, parties and fairs. (A week earlier, on June 24, Quebec's traditional holiday of St. Jean Baptiste Day attracts a huge throng of cele-

brants to Mount Royal in the center of Montreal.)

The old English holiday of Boxing Day, December 26, is retained throughout most of Canada, Australia, New Zealand, and South Africa. It stems from the tradition of setting Christmas Day aside for religious purposes and then distributing boxes of clothes and food to employees and tradespeople on the day after Christmas.

Last year the United States wrapped itself lavishly in red, white and blue bunting for the country's 200th birthday on Independence Day, July 4. Other Intercon countries have their own holidays to celebrate winning freedom. In Brazil, for instance, September 7 marks the proclamation by Emperor D. Pedro I of the country's independence from Portugal in 1822, while November 15 commemorates the Proclamation of the Republic by Marechal Teodoro da Fonseca in 1889. Venezuela also celebrates two early days in the fight for that country's independence: April 19, 1810, when people gathered in the main plaza in Caracas to protest Napo-

leon's invasion of Spain and then decided to free themselves from any foreign rule, and July 5, 1811, when the actual Declaration of Independence was signed. A number of other countries have similar patriotic holidays, and the birthdays of such national heroes as Benito Juarez in Mexico and Simon Bolivar in Venezuela are also remembered. On August 17, Argentina commemorates the death in 1850 of "The Liberator," General Jose de San Martin, who freed Argentina, Chile and Peru from Spanish rule. South Africa celebrates both the dates of May 31, when South Africa was declared a republic in 1961, and Kruger Day on October 10 in honor of its first president.

Some holidays are linked to more current political happenings. Valarie Ban at HP Malaysia explains that the birthday of the governor of the state of Penang is a holiday; it changes with the incumbent, of course, and will be observed on July 16 this year. Olga Dona-Dio of HP Mexico mentions that last December 1 employees helped to celebrate a national holiday that occurs only once every six years—when a newly elected president of the Mexican Republic takes office.

The variety of cultural backgrounds throughout the Region is apparent as you look at the religious holidays observed.

In countries with a strong Christian heritage, the periods of Easter, Christmas and New Year are official holidays.

Yolanda Digweed writes from HP Venezuela:

"According to our Spanish back-
(Continued on page 10)



Traditional Malay candle dance performed by Penang representatives was featured in HP's 1976 annual report.

Confucian Temple, Taiwan



(Continued from page 9)

ground, the great celebration is on the night of New Year's Eve. All the family gets together for a big dinner, and we visit all the neighbors after midnight.

"Today in modern Venezuela (particularly in Caracas) we give more importance to Christmas Eve. The Venezuelan tradition is to arrange a *nacimiento* or creche in the corner of the livingroom, although this custom is now rapidly changing to the imported Christmas tree.

"A tradition that remains and is here to stay is making *hallacas*, a kind of meat pie prepared with maize and wrapped in banana leaves. Christmas season to any Venezuelan means *hallacas*; in December as you enter any household you detect the smell of the banana leaves boiling."

It's not a holiday from work at HP Puerto Rico, but Linda Cunha reports with particular pleasure about St. John's Day, June 24, in honor of the patron of the city of San Juan:

"Everyone goes to the beach at midnight on June 23 to purge his or her sins by backing into the ocean. It's a fun time with lots of fires on the beach and native drum playing."

In Singapore and Malaysia, HP employees this year will have Christmas as a holiday along with Chinese New Year (February 18 and 19), the Muslim holidays of Hari Raya Puasa and Hari Raya Haji, and the Hindu festival of Deepavali. (HP Singapore will also observe Vesak Day, a time of fasting and charity for Buddhists.) Hari Raya Puasa marks the end of a month of daily fasting from 5 in the morning until 7 at night; it falls in September and is a day for celebration and feasting. Hari Raya Haji (in late November or December) is a day of prayers and religious observance associated with the holy pilgrimage to Mecca.

From this sample of the Region's holiday schedule, you can see that a fair share of the days—whichever calendar you might use—are marked for special observance somewhere in the Intercon world.

(Thanks to these additional correspondents who provided material: Norah Westerdahl, HP Argentina; Joao Jose da Costa, HP Brazil; John Ross and John Roussos, HP Canada; Joanna Foo, HP Singapore; Gwen Grove, HP South Africa.)

SPOTLIGHT

GUENTER WARM

"A new generation of HP managers with broad international experience . . . who can manage effectively in most any environment."

That's the description of Guenter Warmbold, general manager of manufacturing operations at the Campinas plant in Brazil, who is pictured on page 21 of the 1976 Hewlett-Packard Annual Report.

For Guenter, that international experience began in the German town of Hannover, where he was born; his career path led to Canada and to the United States before returning to the village of Boeblingen where he helped establish HP's first factory outside Palo Alto. He subsequently started up HP's first manufacturing operation in Latin America.

As a young man, Guenter learned electromechanics in a rigorous setting. He completed a three-year apprenticeship in Germany (which included compulsory schooling as part of the training) with a firm making navigational instrumentation for aircraft. He was later a pilot in the Airforce from 1942 to 1948, then spent five years in an administrative post with a Hannover business firm.

In 1953 Guenter emigrated to Montreal, Canada, where he put his knowledge of aircraft instrumentation to use as a production supervisor for Sperry Gyroscope Company. Guenter's number for immigration into the United States came up in 1956 and he drove directly to Northern California. Since he had used Hewlett-Packard instruments in Canada, he applied to HP for a job in Palo Alto and went to work October 1, 1956, for Al Bagley as an electronic technician.

It was a good time for someone with

technical and business training—and proficiency in the German language—to be on the Hewlett-Packard scene. Within three years the company decided to start a manufacturing operation in Germany. Guenter was asked to serve on a team of three people who would get that plant underway; the other two members were Ray Demere, now vice president of the Instrument Group, and Fred Schroeder, director of Corporate Development.

"Before leaving Palo Alto, Fred and I spent time in a number of departments to learn about their operations and prepare lists of materials that would be needed in Germany," Guenter remembers.

"The three of us did everything





were added to the usual logistics of outfitting a leased facility. Brazilian professionals are very good but in short supply, so competition for their services is brisk among local industries. Since there are fewer experienced assembly workers, on-the-job training is a necessity. Mary Capez, a former lead at APD who is fluent in Portuguese, spent three months in Campinas giving the first basic training.

"I'll match the employees in the Campinas plant with HP employees anywhere," Guenter says today. "They're prompt, dependable, and very accurate in their work."

Conforming to governmental restrictions on doing business also presents some special challenges in Brazil. To keep its booming growth rate going, Brazil is concerned about its balance of trade and keeps a close eye on imports. Governmental approval is necessary for expansion into manufacturing new product lines, something which HP is hoping to negotiate this year.

Guenter, along with his wife Heidi and six-year-old son Marcel, has adjusted comfortably to his new Latin American environment while still retaining ties with his former locations. The Warmbolds hiked and skied together in Austria this January, for instance. Little Marcel, who is attending the American School in Campinas, is now trilingual in Portuguese, English and German. And Guenter took a hand recently in continuing one of HP's more informal traditions from his days in California—he helped grill the steaks at the second annual employee picnic in Campinas.

BOLD: *at home in Campinas*

involved in getting the leased facility in Boeblingen going—arranging to have the building painted and wired with the necessary electrical connections, and bringing in the basic tooling. The place in which we started operations had been used as a textile mill and was full of scrap metal which had to be cleared out. Our first workbenches were some left behind by the previous firm."

Six months later, operations had outgrown the first small location and a larger building was leased; GmbH moved to its own building in 1961. Guenter, who had intended to return to the United States after two years, decided to stay as he saw that Germany's depressed post-war economy was beginning to take off.

By the time that Guenter was asked to go to Brazil in 1975, GmbH had grown to a major facility with 1,200 employees and four divisions. Guenter's own responsibility as head of the Manufacturing Division included all the functions that couldn't be split up among the three other product-oriented divisions: raw materials, component engineering, quality assurance, construction engineering.

It was a long jump from Boeblingen to startup operations in Campinas, but Guenter welcomed the opportunity to pioneer for HP.

As an experienced European manufacturing manager, he has found both similarities and differences in the atmosphere in Brazil.

For one thing, staffing difficulties





John Young has an answer for Intercon group.

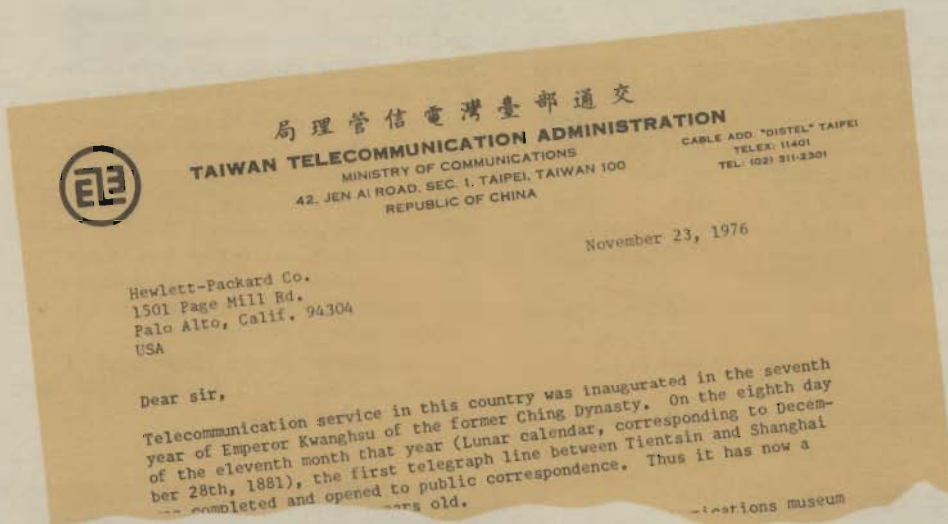
A Luncheon With John Young

Questions were expected when Executive Vice President John Young joined a dozen Intercon employees for luncheon in Palo Alto on February 16.

The conversation ranged from a discussion of how the HP stock is doing to the effect of fluctuations in inventory on the company's operating profit.

Top management has been holding a series of communications luncheons in the various divisions with employees representing a cross-section of jobs.

(See pages 2 and 3 for the results of Bill Hewlett's luncheon with another Intercon group last August.)



Director General Hien-Chee Fang (left) discusses HP contribution to Taiwan telecommunications museum with Lok Lin (right) and Sy Corenson.

HP answers a letter

Letters are frequently received at Intercon headquarters on subjects for which no answers are available or with appeals that cannot be met.

One piece of mail had a happy ending, however. When the letter above arrived from Managing Director M. L. King of the Taiwan Telecommunication Administration requesting the contribution of appropriate HP instruments for a new telecommunications museum, wheels of action went into motion at HP. (Intercon has had a long and pleasant association with that agency.)

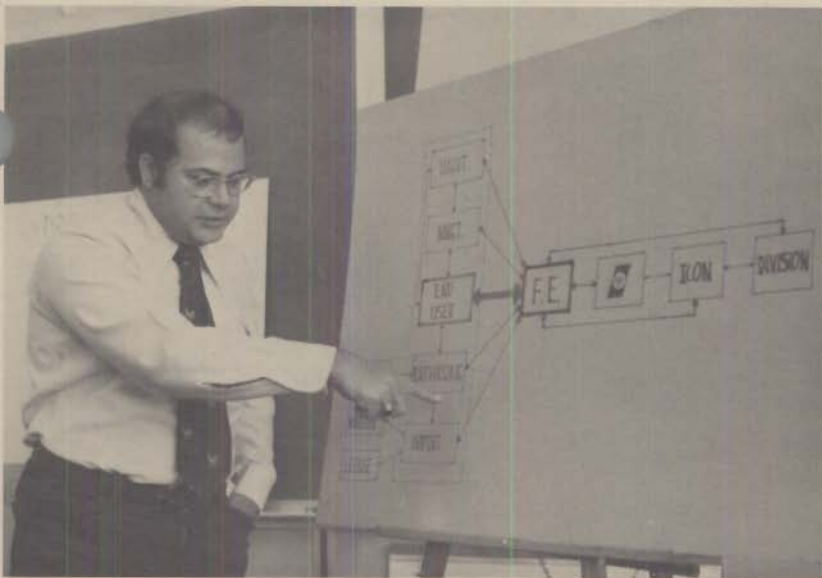
First, Myrt Ebright, keeper of the HP school stock and obsolete equipment, was contacted to determine availability

of equipment. George Stanley, Instrument Training Manager, analyzed the list to screen out items that would have little relevance to a communications museum. The refined list was then telexed to Lok Lin and F. T. Lu at HP Taiwan to determine the museum's final selection: HP models 400A Vacuum Tube Voltmeter, 320B Distortion Analyzer, and 236A Telephone Test Oscillator.

The next vital step was for Kunio Hasebe (former ICON Instrument staff engineer now at the Colorado Springs Division) to generate standard international shipping paperwork with instructions to Order Processing and the Building 35 warehouse to ship to

Taiwan. Sy Corenson, enroute to take part in a Medical training seminar in Singapore, was able to make a brief stopover in Taiwan with plaques prepared in Palo Alto for presentation with the HP instruments. Lok, F. T. and Sy visited the offices of Hien-Chee Fang, Director General, Directorate of Telecommunications in Taiwan, on January 6 for the customary green tea and social conversation before formally presenting the HP contribution to Director General Fang and Managing Director King.

The result of one letter will be a display of HP instruments in the new museum in Taipei.



At left, Instrument's Sergio Mendez uses chart to show central role played by field engineer. Above, Ellen Mayhew gives slide show on pocket calculators.

SELLING



Linking Headquarters to the F.E.

As Intercon Region pays increased attention to the role of the field engineer this year, some activities are under way at headquarters to help everyone in Palo Alto and Santa Clara understand how they fit into support of the selling job.

Open House. On December 12, Building 16 joined Corporate in holding an open house for employees and their families. All generations took an interest in Intercon's product exhibits and demonstrations, video tapes, and of course the refreshments. (See page 16.)

Sales and Service Program. An ambitious orientation program to acquaint all Intercon employees with products of the various discipline groups and with service activity was given for the first time in January. It took three mornings to rotate everyone through a schedule of three hour-long presentations, but by the end of the sessions a lot of knowledge had been imparted.

Follow-up activities. Present plans call for product displays in the lobby of Building 16, a visit this spring from the Instrument demo truck, and guest

speakers explaining their departmental activities to other Intercon groups. A campaign for correct telephone usage is also under way.

To improve the general flow of information to headquarters employees, quarterly meetings of Intercon supervisors will now supplement the weekly managers' meetings.

Sometimes it is difficult thousands of miles from the field to feel part of the on-the-line sales effort. But Intercon headquarters really has the machinery cranked up to help everyone get closer to the selling action.



Left, Tony Abbis describes how Analytical instruments are marketed. Above, John Hayes with poster showing the sequence of a major Medical order; at right, he is hooked up to HP patient monitor.





Amtron-Tyree's Sydney headquarters sales force with sales manager David Finch on right, marketing manager Ray Gudgeon at left. (Another office in Melbourne is managed by Richard Knehans.)



At the E. & E. Division of Motorola Israel: (from left) Paul Carmel, Rami Segal, Sales Manager Yehuda Kapelner, Beni Abramoff, Moshe Yaakobi, Serge Bitan, Components Sales Manager Amichai Ginsburg, Eti Agmon.

STOCKING DISTRIBUTORS

Another way to sell HP components

HP components, which have become big business for the company, are now sold throughout Intercon in a variety of ways.

The newest sales arrangement is "stocking distributors," which have been established in Australia, Israel and South Africa to provide customers with a convenient supply of HP microwave and optoelectronic components.

Hewlett-Packard, which originally began designing high-quality components needed for its own products, now sells more than 85 percent of the components it manufactures to other customers. The Components Group has sales about equal to those of the Analytical Group.

Selling components is different from selling other HP products. Price is not fixed for large volumes, and sales quantities range from a single component to orders involving a million or more of a particular item. Two to five years of design-in time may elapse between the delivery of the first few HP components for use in a prototype and final full-scale production (when prompt delivery of components becomes critical). Small experimental orders or give-away samples can thus eventually result in big-ticket orders—business for HP that just keeps coming and coming.

According to Bernie Belkin, ICON Components Distribution Manager, a technically qualified sales force which can promote the use of HP's advanced components is a must in the careful choice of a stocking distributor. Another requirement is carrying sufficient local stock on the shelf (along with other non-competitive component

lines) to meet customers' needs. The stocking distributor thus serves as a handy supermarket which in addition has a highly professional sales force out calling on major manufacturers.

One of Intercon's stocking distributors, Amtron-Tyree in Australia, has been associated with HP for several years and is now enlarging its inventory of HP components. In Israel, the Electronics & Engineering Division of Motorola Israel Ltd.—the established distributor for all HP products—went on the stocking distributor program for components last November. In South Africa, Fairmont Electronics of Johannesburg was selected in June 1976 to handle the HP components line.

In other Intercon countries, components are still sold by HP Instrument field engineers or through regular HP distributor channels. In Japan, where the concentration of electronics manufacturers provides a key market for HP's sophisticated components, Intercon's Components Far East Sales Manager Hiro Shishido has set up a sales structure patterned after the U.S. The YHP Components sales force calls on major customers and a distributor, Ryoyo, serves smaller customers and more remote locations.

To help Intercon's stocking distributors penetrate their markets, the Components divisions have been lending a hand by providing visits of managers and applications engineers and putting on customer applications seminars.

At the present time, it appears that stocking distributors will also be signed up in Mexico and Brazil by this summer.



(From left) Managing Director Nico Hemmes, Errol Farrel and Mike Clarkson of Fairmont Electronics, stocking distributor in South Africa.

CHILEAN DISTRIBUTOR ADDS MEDICAL PRODUCTS

Calcagni & Metcalfe Ltda., which has been selling and servicing HP's analytical, instrumentation and calculator products in Chile for several years, also became the new distributor for the company's medical products on January 1.

General managers and owners of the Santiago firm are Jorge Calcagni and John Metcalfe. Both men have two-generation ties with Hewlett-Packard: Jorge's father, Hector, originally began representing HP products in Chile in 1958 under his own name and John's son, Roberto Metcalfe, now handles Calculator sales for the present firm. (Jorge also worked for HP Venezuela for a year and a half before Calcagni & Metcalfe was established in 1973.)

John Metcalfe will now be responsible for Medical/Analytical sales while Jorge Calcagni continues in charge of Instruments; Guillermo Pinto is manager of the service operation.

NEWS AROUND ICON

Five-week sales seminar for new Instrument FEs

Field engineers enrolled in the five-week Instrument Group Intercon Neophyte Sales Seminar received a thorough introduction to the fundamental techniques and areas of measurement of the various Instrument divisions.

Compliments on this year's strong group of new field engineers have rolled in from the divisions in Colorado and California visited by these attendees: George Listopad (Melbourne) and Dave Robertson (Brisbane), HP Australia; Luis Sergio Nunes and Carlos Ribeiro (Rio de Janeiro), Fernando Da Cruz and Paulo Guimaraes (Sao Paulo), HP Brazil; Hector Richerand, HP Mexico; Bruce McCormick, HP New Zealand; Marius Furst (Johannesburg) and Trevor Tee (Cape Town), HP South Africa; Leopoldo Torres, HP Venezuela; A. Sivasailam, Blue Star, India; Ridzwan Abdullah, Teknik Matu, Malaysia; and Motoi Inoue, HPIC.

Their schedule began on January 31 with a review of digital logic at Santa Clara Division, followed by firsthand visits to Colorado Springs Division, LID, San Diego Division, Delcon Division, Stanford Park Division and Santa Rosa Division. (They spent three days on microwave fundamentals at Santa Rosa in addition to learning about products.) Presentations were also given on behalf of New Jersey and South Queensferry divisions.

By the time of their graduation dinner on March 2, the neophytes had their heads and notebooks full of useful information for their new professional roles.

1977 FEA Medical meeting adds basic sales training

A pilot program of the new "HP Sales Basics" course now being developed by Corporate Training was included in the 1977 Far East Asia Medical Sales Seminar held in Singapore from January 12 through 22.

This year's seminar highlighted the Medical perinatal and respiratory product lines. Ted Koern, product manager for Waltham perinatal products, and Marty Rogers, pulmonary product specialist for Waltham respiratory products, joined Intercon's Medical FEA sales manager Ted Ogrey and Sy Corenson in presenting the program.

Attendees included Les Lawrence, HP Australia; Robert Tang, HP Singapore; John Fursman, HP South Africa; I. K. Huang, HP Taiwan; Lawrence Chan and B. Y. Lee of Schmidt & Co., Hong Kong; S. G. Kripalani, Blue Star, India; Hudiono Prasetyo, Berca Indonesia; Thomas Ong, Teknik Mutu Sdn., Malaysia; Ernie Tolentino, Online, Philippines; Gowit Jira and Soontorn Wattanayont, Unimesa, Thailand; John Stephens, MEDISUP, New Zealand.



Rene Colen (right), sales manager for the New Jersey Division, talks with new Instrument field engineers (from left) Luis Sergio Nunes, Paulo Guimaraes, Leopoldo Torres and Carlos Ribeiro.



Gowit Jira (left) and Soontorn Wattanayont (right) of Unimesa in Thailand receive the Intercon FY76 Medical sales award for Far East Asia from Ted Ogrey in Singapore. (Not pictured is sales team member Viboon Srupraseart.)



Waltham's Ted Koern (right) gives a presentation at the FEA Medical Sales Seminar in Singapore.



Intercon Region's annual review for top HP management.

Two occasions to tell the Intercon story

Each year when we have our "gathering of the clan" (Intercon country managers and headquarters functional and staff managers) we enjoy an opportunity to review with top HP management the Region's current performance and our objectives and strategies for the coming year.

It's quite a story, encompassing a broad spectrum of responsibility and challenges, and could easily take a week to tell. (Perhaps the biggest challenge was doing it in the scheduled four hours on February 10 without compromising the review's objectives.)

Following an introduction by Alan Bickell and an overview of Intercon, each geographical area manager covered the factors affecting the performance of the individual countries where HP has subsidiaries or distributors: the current economic status and political climate, HP operating performance trends, and FY77 objectives and contingency plans.

After a mid-morning break for coffee, Intercon regional marketing managers and key functional managers covered their objectives and plans for FY77.

As a wrap-up, two hard-working Intercon task forces presented reports on their respective activities: "The Organization of Small Sales Subsidiaries and Branch Offices" (Lee Ting, Dick Warmington, Lloyd Taylor) and "Field Engineer Support" (George Cobbe, Bill Harper).

Top management representation at this event included Hewlett-Packard's three executive vice presidents—John Young, Ralph Lee and Bob Boniface—plus our International Vice President Bill Doolittle and group vice presidents, general managers, and marketing managers.

The story was told, we believe, in a seasoned and professional manner stimulating the type of questions and dialogue that contributed to learning—in both directions.

Each year the story becomes more lengthy and complex, so hopefully in 1978 a full day or more can be arranged for this important review.

Another way to tell the Intercon story—to a different audience—was used about the time that the last *Intercom* was going to press.

On Sunday afternoon, December 12, Intercon in Palo Alto held its first-ever Open House in Building 16. We've come a long way from our bare-bones factorylike appearance of the early days and we're rather fond of today's orderly facilities with more of a sales office air.

As such, we invited family members, friends and other HP associates and visitors to come to our daytime home to show off a bit.

Full-sized flags of all Intercon subsidiary countries were proudly draped over the rail of the second floor balcony while instruments from all the product lines were on display in the lobby and throughout the office areas of the different discipline groups.

The Intercon Personnel Department gave two showings of the Headquarters slide show, and a continuous video tape show was presented on test and measurement.

Afterward everyone agreed that we were probably too apprehensive in putting on our first Open House—it turned out to be a real success for everyone who took part.

By

Palo Alto Open House for family and friends.

