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# intercom

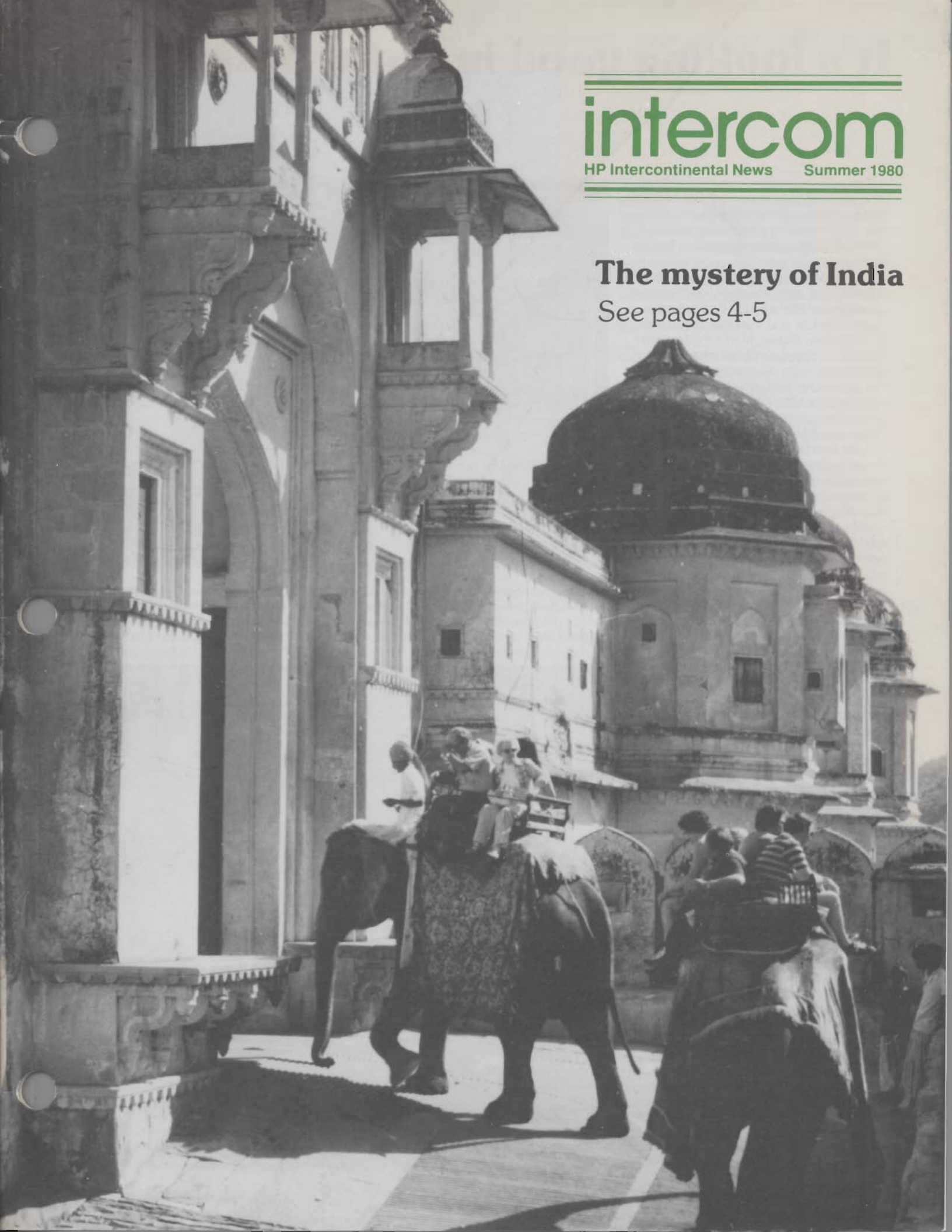
HP Intercontinental News Summer 1980

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## The mystery of India

See pages 4-5



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# It's looking good in Latin America

Top corporate management is enthusiastic and cautiously optimistic about future sales prospects throughout the Latin American area following a two-week review of three HP subsidiaries there in late May and early June.

The review team, led by HP President John Young, also included Vice President and General Manager for Computer Products Paul Ely, and from Intercontinental, Director Alan Bickell, Marketing Manager George Cobbe, Latin American Area Manager Jose Grapa, and for portions of the trip, Computer Systems Regional Marketing Manager Mike Naggiar, and Manufacturing Operations Manager Dick Love. They visited Mexico, Venezuela and Brazil.

Jose said the trip was set up to "review the performance of the subsidiaries and establish contact with some government officials locally." He said the trip was "very successful."

John, on his first official trip to the area, said he was "enthusiastic about the business opportunities" in Latin America. He said he was pleased with our market position in the countries and was confident in the abilities of the HP people running the local companies.

But while his review was quite positive, the changing nature of the local economies combined with the increasing complexity of HP's business as it moves to more computer-oriented products means that the company cannot be satisfied with its current situation.

"We need to move quickly to meet the changing needs of the markets and our product lines," he said. As HP's business becomes more complex, particularly in the computation field, "we need a wider range of professionals to build a local nucleus of people with skills additional to those the company has previously needed." Such personnel requirements "put a strain on smaller organizations to identify and recruit the broad range of professionals it takes to fully function."

The situation there is even more complex because each Latin American country has its own economic system and different standard of living.

In Mexico, for example, oil discoveries plus the political-climate move to a more free-market economy has resulted in a mood of confidence among Mexican businessmen, and this has stimulated investment.

This trend toward a free-market economy has "created a dynamism in the whole marketplace that's very exciting," he added. He indicated that the market is growing so fast that we have had to add expatriates to build up our management in the short run. This



*A friendly chat captured during the review team's tour of the systems engineering organization at HP Venezuela. From left are Systems Engineer Nancy Rabinovich, Alan Bickell, George Cobbe, Paul Ely, Country Manager Helenio Arque, Jose Grapa, John Young, and Systems Engineer Norberto Bozzo.*

## Reviews mean opportunity

Reviews of subsidiaries by top management — like the recent Latin America Review — are really opportunities for a great deal of productive communication, according to Intercontinental Marketing Manager George Cobbe.

And the Latin America Review "was extremely successful in terms of exposing our top management to the uniqueness of our organization and the marketplace in Latin America."

In general, reviews give corporate executives a snapshot look at how a subsidiary is organized, what business opportunities exist in the country, and how the subsidiary is responding to those opportunities.

It's a give and take situation, George indicated. The sessions afford an opportunity for local managers to express themselves to top management, and give top management the occasion to provide direction to the local programs.

Each country has unique customs and problems, and it is important for corporate management to be aware of these.

In Latin American countries, for example, government regulations extend to many areas associated with doing business. The review gave the visitors direct exposure to some of the difficulties experienced by the company because of these restrictions.

Beyond enhancement of company-wide communication, a review is also quite important for morale, George said. Jose Grapa, Latin America Area manager, agreed, and added, "I was very pleased to note the time that John and Paul took, on their own, to meet and talk to people to find out what they were doing." He said that John and Paul also spent time with first-level supervisors in each organization, discussing and interchanging ideas. This, he indicated, was "a clear example of 'managing by wandering around.'"

"But really," George said, "that's the HP Way — personal interaction leading to better understanding and high motivation. These reviews serve as examples of the HP Way in action."



Junior Production Operator Vera Sorana (foreground) demonstrates how to build an HP calculator during the review team's visit of the Campinas factory in Brazil. Watching and discussing the operation are (from left) Alan Bickell, Paul Ely, Campinas Manufacturing Manager Ophir Toledo, Dick Love, John Young, Campinas Factory General Manager Odmar Almeida, Brazil Country Sales Manager Luiz Barata, and Campinas Controller Waldir Storino.



John Young shakes hands with Brazil's Commercial Services Manager Graco Ferreira at the country sales headquarters at Alphaville. With John were (from left) Dick Love, Paul Ely, and Country Sales Manager Luiz Barata.

## Credit where credit is due

In the last issue of *Intercom*, we gave exclusive credit to Campinas MARCOM Manager Jose Lacerda for providing pictures and story on Brazil's Carnaval. We

neglected to mention that Milton Brusius, Brazil's personnel manager, also played a big role in making the article possible. We apologize.

will change in the future as we have time for training and management development.

Venezuela has a different situation, due mostly to its huge oil reserves. Again, John said he was optimistic about sales growth in that country because of the government's policy of funneling back much of the country's oil wealth to build a "more sophisticated economic infrastructure."

Venezuela is "among our very best small calculator customers in terms of sales per capita," and because of the tremendous oil reserves, we should develop additional growth in all product areas.

Brazil differs from both Mexico and Venezuela in that it has many tight government controls on commerce, especially within the computer industry.

Part of the trip to Brazil was to meet with government officials to request approval for expansion of the Campinas factory product line to include the new HP-85.

The problem is that the manufacture and sale of all mini- and medium-sized computers are by government direction reserved for Brazilian companies only. The question is, "Is the 85 a mini-computer or not?"

John said he felt the Campinas factory can be a real asset, calling it especially important because of duty preferences the company derives by having a manufacturing branch within the Latin American Free Trade Association (LAFTA). Localized factory marketing will also help the sales company programs.

But because of the strict government rules, "sales prospects in Brazil are considerably more challenging," John said. This relates not only to computers but also to a serious balance of payment problem within the country brought on by the increased costs of its oil imports. However, Brazil is a key marketplace in South America, and we must look to the longer term in building an organization.

In each country, the computer program received special emphasis. George Cobbe attributes this to Paul Ely's participation in the review.

"Paul had lots of interchange and input with our local managers regarding the direction of their computer sales programs and the interaction of those programs with the corporation's Computer Products Group strategy."

George said Paul was particularly pleased with the progress being made in Mexico, both in terms of the HP organization and the ability of that organization to take advantage of the tremendous opportunity for business in that country.

Mike Naggiar echoed George's sentiments, and said that as a result of the trip, he felt it became more obvious to the mem-



4 Computer Products group work was especially emphasized during the reviews due in part to Paul Ely's presence. Taking a lunch break in the cafeteria of HP Mexico's sales headquarters in Mexico City are (clockwise from left) Computer Products District Manager Aaron Storms, Monterrey Field Manager Jorge Llanderal, Paul, Computer Products Technical Support Manager Bernardo Morales, and Computer Products Technical District Manager Munir Dabaghi.

bers of the review team that Latin America has the potential to become one of the largest markets in ICON for the Computer Products Group.

According to George, the review had a "very definite positive effect on the morale of the organization. It demonstrated to the people that top management really is concerned about what's happening down there."

The various presentations and tours included in the review program gave local managers the opportunity to more clearly understand the company's objectives, and the degree to which their own objectives are consistent with those of top management.

This type of trip also permitted John and Paul "to experience some of the cultural differences and uniquenesses of the countries" both through facility tours and through side trips, George added.

For example, John said that he was impressed with the Brazilian capital of Brasília, a city built from the ground up in the high plains of that country. The capital, set up in part to reduce the rivalry between Rio de Janeiro and Sao Paulo, has a radically different architectural scheme.

The city "is laid out to resemble an airplane. Groups of buildings form a body, and two big wings, and it's meant to symbolize the flight of the country into a modern age."

While on the trip, John said he was pleased to see that the HP Way was alive and well throughout the area.

"It's always interesting to me that wherever we go, whether I've been there before or not, there's a clear stamp of the HP Way of doing things, an attitude about professional approach to business, the informality and team spirit . . . that characterize our people wherever you go around the world. It's a little surprising to see how faithfully the HP Way philosophy gets reproduced," John said.

He said that in many countries the formal culture makes the HP Way even more different from the way most local businesses operate than it is in the United States. HP facilities in Latin America have the open office plans and the open communication and the team feelings found at other HP operations.

"It indicates to me that the HP Way appeals to the way people wish to work together, and it clearly transcends national customs and boundaries," John said.

The review was part of an ongoing corporate management program to see different HP worldwide operations up close. In previous years, corporate review teams led by John have visited several Intercontinental facilities including some in the Far East, Canada and Australia.

# Passage to India

By Virginia Brunner

(Editor's note: We thank Virginia Brunner, who recently visited India, for contributing the following article.)

It is May in India, mangos are ripe and the monsoon is coming. Clouds of chaff rise across the Indo-Gangetic Plain marking the threshing machine in each village which throws out grain in glistening piles. Racing with the monsoon is an annual event. If the farmers get the grain stored, India has bread. If the monsoon comes early, famine follows.

Mounds of mangos glow rosy in the sun. Their promise sets taste buds awash. The oblong, slightly acid king of tropical fruits — eaten ripe, pickled or preserved — has long been a part of Indian culture. Stylized drawings of a sliced mango are a traditional Indian design in use long before the Western world borrowed it and renamed it paisley.

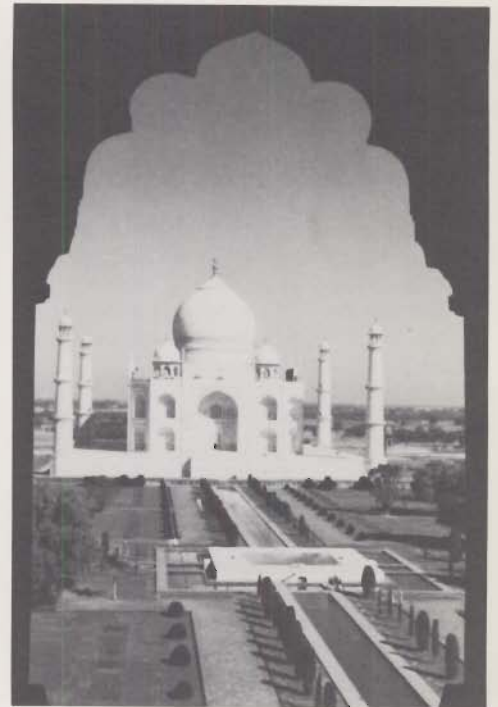
India is a land of many faces, people, languages, temples, religions, cuisines, cultures, politics and problems. India is the Taj Mahal, the world's great monument to love, swaying saris and tilaks, that distinctive spot of red paste worn on the forehead as a religious symbol. It is these. And more. It is mangos and monsoon, India Gate and Tower of Silence in Bombay, the bazaars of Chandni Chowk in Old Delhi and Rajpath with magnificent buildings in New Delhi. It is the Himalaya, literally "dwelling place of snow," the sacred Hindu city of Varanasi on the Ganges and Jaipur the "Pink City of Rajasthan." Like the country, Indian art, dance and music is exotic, colorful and complex interblended with myth, history and religion. Here are mystics and soothsayers, priests and pilgrims, reciting mantras and meditating.

India is a complex sub-continent with overlays of culture and aftereffects of conquerors. The Harappa Culture in the Indus Valley dates from the third millennium B.C.; the Vedic Age, which brought the Aryans, 1500-500 B.C.; the Mauryan Dynasty, 322-184 B.C.; Alexander the Great's invasion, the Hindu Gupta Dynasty, and the effects of the Muslim invasions, around A.D. 1000; to the British Raj, 1757 to 1947. Foreigners were always romping across the countryside. Influences from contact in trade or warfare with Persians and Chinese have left lasting marks, as have the artistic achievements of India's great religions Hindu, Buddhist, Jain and Moslem.

In Sarnath, birthplace of Buddhism, there are many mango trees. When they bloom the government accepts bids for the fruit of each tree. Each winner builds a hut under



A view of Sikh's Golden Temple at Amritsar from across the sacred pool.



The Taj Mahal at Agra.

his tree and lives there until the ripe fruit can be picked and sold.

Every Indian family has three persons who are very important: the priest, barber, and dhobi walla or laundry boy. Of these the barber is most important. The priest gives religious guidance; the dhobi walla does the laundry; but the barber does much more than trim hair.

He is the social secretary. If there is a party to be given or an auspicious occasion to celebrate, the barber sends the invitations; that is, he uses the grapevine and gets the word around as to who are to be guests. If there is a death, he gives the last bath and prepares the body for cremation. The barber makes the arrangements and sees that tradition is honored and the final rites properly executed. For example, the eldest son must set the torch to the pyre of mangowood and sandalwood, and he must eat no prepared food for a period of time after the cremation. It is the barber who manages all of the important events in the life of the family.

The mango is beautifully colored with red and yellow. Its origin is lost in antiquity, but its historical background is woven through Indian folklore and religious ceremonies. Buddha was given a mango grove as a gift so that he could rest in the shade. Akbar the Mughal emperor had such high regard for the mango tree that he had planted an orchard of 10,000 during the 1500s when

large orchards were unknown. One of its Sanskrit names, "Am," also means provisions or food, indicating the mango's economic importance.

"My father cut a mango with the precision of a surgeon," Gulab Ramchandani said as he sliced a mango in the same way. Guests dining this evening on the terrace at the Headmaster's Residence included the star of the school's Spring Play just performed for an enthusiastic audience. Gulab, until a year ago Executive Vice President of Blue Star, Ltd., HP's representative in India, has just completed one year as Headmaster of The Doon School in the hill country of northern India. Some 300 Indian youngsters study here to learn the best of two worlds, Indian and British.

Day to day activities, from quality of instruction to curriculum content — with interruptions such as boiling drinking water when there is an outbreak of hepatitis, to finding funds for a much needed roof — are all responsibilities of the headmaster. The challenge of a class of "new boys" each September, passing on in June as graduates or "old boys," may provide Gulab with the unique quality of life he seeks and so few persons achieve. He and his wife, Ratna, say *Nameste*, the Hindu greeting with hands raised, palms together, meaning "My soul and yours are one," to their many friends in the HP world.



The Kandariya Mahadeva Temple, built by Chandella kings at Khajuraho almost 1000 years ago.

**On the cover:** an elephant ride in Jaipur. Photos courtesy of the India Tourist Office and Bob Brunner.

# Our men in China

Three Intercontinental managers conducted a series of seminars in the People's Republic of China recently on HP product capabilities. The sessions were attended by more than 400 representatives of technical universities and industries in the People's Republic of China.

The sessions were as much a benefit to the people who conducted them as they were to those who attended because they helped "establish long-term working relationships with different buying groups" throughout the PRC, according to Wes Wickham, Instrument sales development manager for Intercontinental.

Wes traveled to China with Colin Chin, PRC market manager for Instruments, and Chi-ning Liu, market development manager for China. The three visited Guangzhou, Shanghai, Beijing, and Xian.

Wes said the three-week trip was "very successful. There was a tremendous amount of interest in our products."

But he stressed that although several specific products were presented during the seminars, the development of customer contacts and market understanding, and resolution of questions about ordering and export licensing procedures were the objectives of the trip. More general presentations about the capability of various HP systems were included as examples in the seminars.

Colin said he found a major problem was that customers in China often have a difficult time understanding HP data sheets, making it tough to get information to the customer. As a result, he said, configuration of systems is hampered, and the customers tend to order "everything under the sun."

He explained that he plans to spend time with customers analyzing their intended use and fitting systems to their needs. Often this involves shaving the orders back significantly, but Colin said "our objective is to ensure the user's needs are fulfilled. We don't believe in just selling everything."

Colin said there was "an enormous sales potential in the region."

Wes said the interest was so great that the hosts would continue asking questions for as long as he, Colin, and Chi-ning were willing to stay and answer them. One session scheduled to end at 5 p.m., he said, continued until after 11 p.m.

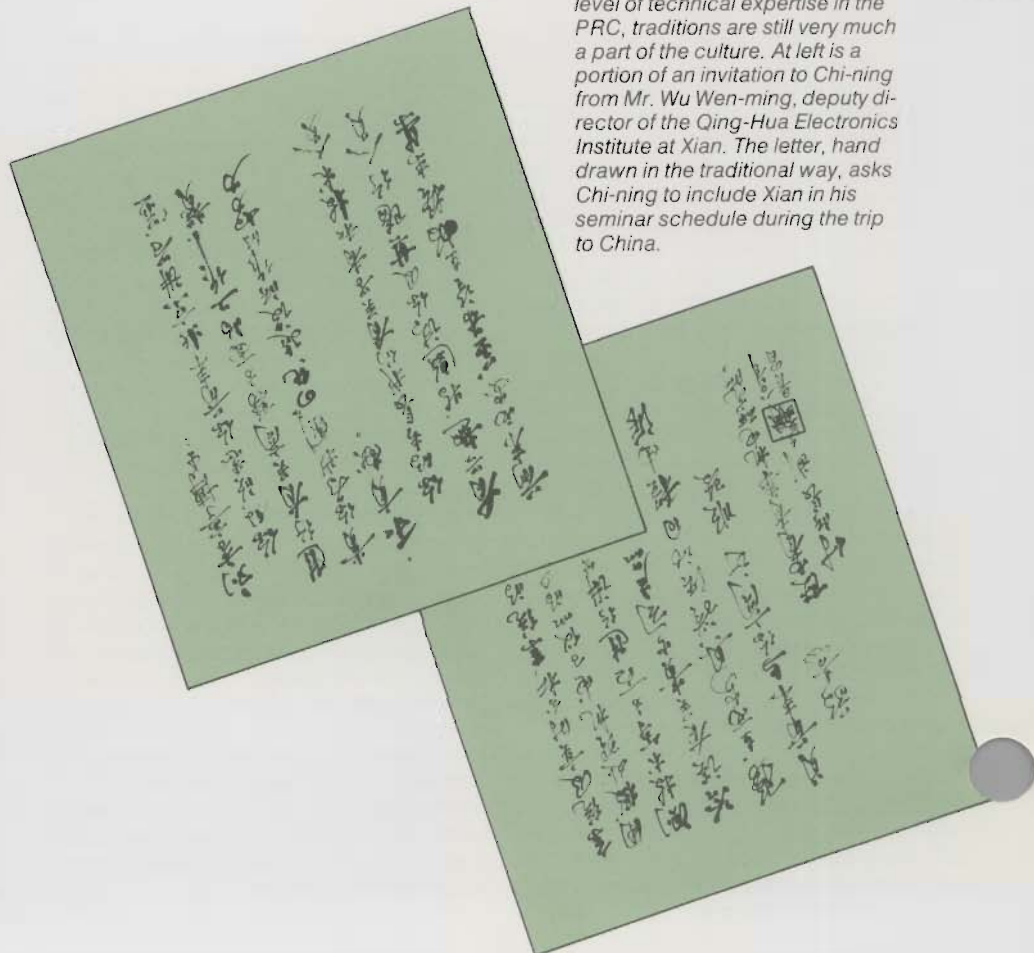
There is a "tremendous growth potential" in sales to the PRC which "will be controlled by our ability to obtain export licenses" from the U.S. government. He said such licenses are currently difficult to secure, but there are indications that trade restrictions with China may ease in the near future.

Colin plans to return to China in late July for similar meetings with representatives in several other cities.



Chi-ning Liu, Intercontinental's market development manager for the People's Republic of China, speaks on HP product capabilities at a seminar in Beijing. The presentation was one of a series of sessions given during a three-week tour of China in May.

Despite the rapidly accelerating level of technical expertise in the PRC, traditions are still very much a part of the culture. At left is a portion of an invitation to Chi-ning from Mr. Wu Wen-ming, deputy director of the Qing-Hua Electronics Institute at Xian. The letter, hand drawn in the traditional way, asks Chi-ning to include Xian in his seminar schedule during the trip to China.



# More room to breathe Down Under

Employees in the Sydney branch office of HP Australia have a bit more breathing room now that they have made their long-awaited move from their old, cramped building to a spacious, new sales facility.

Area Manager John Warmington predicted the new offices would "give the team there a lift like nothing else before."

The new building, under construction since last September, opened June 23, providing some 4000 square meters of sales support space.

"It's a vast improvement over our old rented facility," said David Booker, general marketing manager for the subsidiary. "The new building has many features like well-equipped training and demonstration rooms which will enable us to present a far more professional image to our customers."

John and David said the old facility had several drawbacks besides just a lack of space. Offices were spread out over several levels, and few were in visual contact with one another.

Intraoffice communication was impaired, and different offices acted somewhat "like little divisions operating on their own," John said.

In the new facility, there will be much more of a feeling of togetherness, he said.

The two-story structure includes office and parking space for up to 185 staff people. It has complete access for handicapped persons.

The top level is an open-plan general office with conference rooms specifically for use by visitors. An archives storeroom, a library, a first aid facility, and a Comsys computer room are also included on that level.



The new, 4000-square-meter Sydney office of HP Australia.

Downstairs includes four large training rooms, each fitted with projection facilities for use in customer and internal training. Equipment demonstration rooms and customer conference rooms are also located on the lower floor.

A cafeteria and canteen area is also provided downstairs, the space opening onto a patio area complete with barbeque.

The structure has been built to permit expansion to 7000 total square meters.

John said that if current Intermediate Range Plan (IRP) forecasts are accurate, the additional space will be needed within about five years.

Dave said that Australasia area management will remain in Melbourne, despite the

size of the new facility. But a program to decentralize many support functions, such as order processing and service, will mean that the Sydney office will become an important location for customer support for much of northeastern Australia.

The new address for the Sydney office is:  
Hewlett-Packard Australia Pty. Ltd.  
17-23 Talavera Road

P.O. Box 308  
North Ryde, New South Wales 2113  
Australia

Telephone: 887-1611

Telex and Cable addresses will remain the same:

Telex: 21561

Cable: HEWPARD Sydney

## A long-awaited reunion

It was a once-in-a-lifetime experience. And thankfully so.

That was how Mexico Country Manager Sergio Mendez described his family's feelings following the exciting rescue of some close relatives from Cuba recently.

Sergio said his sister-in-law, Sylvia Alvarez, was able to arrange the release of her parents and aunt from Cuba during the recent "Freedom Flotilla." During that period, tens of thousands of Cubans fled their country for the United States.

Sergio said his relatives had been trying

to leave Cuba for more than 10 years, and he said it had been 18 years since his wife, Mirtha, had seen her parents. When people started fleeing, Sylvia went to Miami from her New York home to try again to get them out.

She went to Cuba, and she waited on a boat there for five weeks, unaware that once permission had been granted for their departure, the three refugees had been shoved onto the first available boat for the trip to Florida.

Sergio and Mirtha acted as intermedi-

aries for information between Florida and Cuba during the operation. They were finally able to get word to Sylvia that everyone was already safe in Miami.

It was a very difficult experience, Sergio said. His relatives had waited four days on the Cuban shore without food or water before they got onto a boat. When they arrived in Miami, they were seriously dehydrated and had to be hospitalized.

But now that everyone is safe, "we are very, very happy," he said.



# Picnics the Intercontinental way

It doesn't matter if it's Mexico, Hong Kong, Taiwan, or the United States, picnics in the Intercontinental region mean lots of food, fun, and friendship. These photos from recent annual picnics confirm that the events are a great way to spend a day . . . the HP Way.



*Tug-of-war at HP Mexico*



*Launch party arrives at scenic Lamma Island for HP Asia/Hong Kong festivities, the group's first annual picnic.*

HP Asia/Hong Kong's youngest picnic participant, 13-month-old Everett, shows that the HP Way is something to get excited about at any age.



*Marketing Manager George Cobbe reverts to his childhood during the beer-drinking contest at Headquarters. Oh yes, everyone's bottle was full of beer.*



*Taiwan General Manager Wen Ko awards Instruments Service Manager S. N. Chang the second prize from the raffle drawing as Executive Secretary Alice Chen (background left) and Receptionist Kitty Tseng look on.*



*Just hoppin' along at the HP Mexico sack race.*



*Financial Reporting Department Secretary Rosanna Chao plans strategy with Chinese visitor Hu Yan-ping before the Headquarters egg-throwing contest.*



*He's only nine months old, but Drew Bloechl knows a deal when he sees one. A free plastic fish — a real delicacy courtesy of the fish game at Headquarters — should make a pretty decent lunch. Especially since it's hard to eat the hot dogs without any teeth. Holding Drew is mommy, Donna Bloechl, the training documentation clerk at Headquarters.*

# News briefs

## General managers conference

Managers from nine Intercontinental sales subsidiaries plus the Headquarters management team attended the annual Intercontinental General Management Meeting in Palo Alto June 23 through July 3. The theme of the nine-day meeting was "Managing Growth in the 80's."

Included in the agenda were product group presentations as well as discussions of international issues in the personnel, communications, and legal areas. Area reviews of Latin America and the Far East were discussed, and a country-by-country breakdown of the Intermediate Range Plan (IRP) was presented.

At a remote meeting of the Expanded Intercontinental Council June 30 and July 1, a series of intensive workshops were held on a variety of issues, including the Role of Area Sales and Support Managers, EDP Systems Critique and Strategy, Quality and Meaningfulness of Field Marketing Expense (FME), Targets and IRP's, Market Development Manufacturing, People Selection and Development, and Organization Decentralization and the Future Role of the Palo Alto Headquarters.



As part of the kick-off for the General Management Meeting, a wine and cheese reception was held in the cafeteria of the Headquarters Building. The event gave employees an opportunity to meet and talk with management from throughout the region as Venezuelan Country Manager Helenio Arque (left) and Intercontinental Accounting Systems Manager Shamik Mehta show.

surgical intensive care unit, a six-bed fetal monitoring system, a 16-bed arrhythmia monitoring system, an eight-bed newborn intensive care unit, several general operating theater monitors, and two cardiothoracic operating theater monitoring/recording systems. HP won the contract from among 10 contenders.

## Super sale for Singapore

The sales branch of HP Singapore has won a contract to supply \$1 million of medical equipment to the new Singapore General Hospital. The sale represents the largest single order ever for the subsidiary.

Included in the order were an eight-bed cardiothoracic intensive care unit, an eight-bed coronary care unit, a four-bed pediatric



Ten years ago, HP New Zealand began operations from District Manager Wayne Squire's home in Auckland (above). Now, HP operates out of its own building (below), and sales in the 10th Anniversary year are 40 times their first-year level.

## Blue Star over India

Blue Star, HP's long-time distributor in India, has closed a \$2.2 million order with the Indian Post and Telegraph, the government agency responsible for installing and maintaining India's telephone system. The order is for test equipment which will support a domestic satellite that India intends to launch in the near future. Included in the order are 15 sets of HP 3710 microwave link analyzers, 15 8555A spectrum analyzers, 24 2620C sweep oscillator systems, 25 1715A oscilloscopes, nine 8755 network analyzers, nine 8558B spectrum analyzers, plus other accessory equipment.

## Happy Birthday, New Zealand

HP New Zealand's Auckland office celebrated its tenth birthday recently and Wayne Squires, who founded the branch and is now office responsible district manager for New Zealand, was honored at a special anniversary celebration.

Wayne took the occasion to recall that when he opened the office in April 1970, in his Auckland home, he had no staff, used his own car and retained an outside secretarial service. The first employee came on board two years later. Today the office has 11 employees in its own building and boasts sales that have increased 40-fold from their level in 1970.





### It's a bird, it's a plane . . .

A "superhuman effort" by members of the HP Canada Order Processing team put that subsidiary 36 percent over target in sales for April and established a new one-month sales record.

Order coordinators completed work on more than \$3.7 million of sales on the last day of the month to set the record, according to John Cross, commercial services manager for HP Canada. That included nearly 50 percent of the month's orders from Medical, Computer Products, and Instruments Divisions.

The effort was even more impressive when one considers that many of the Canadian order processing people are new to HP — several with less than one year with the company. "We've got a junior team as far as order processing experience goes, but they really put in a superhuman effort to pull this off," John said.



Order Coordinators Kim Ferguson (left) and Jackie Dohnal (right) and Order Processing Supervisor Pauline Allen (back) are part of the Canadian O/P team which entered \$3.7 million of orders the last day of April to give HP Canada a new one-month sales record.

### Mega Yen for YHP

The Medical sales group at YHP's Osaka office closed the largest sale in the history of YHP Medical groups with a contract to supply \$1.2 million of equipment to the new Kobe City Central Hospital in Kobe, Japan.

The equipment sold included a computerized patient data management system, used in intensive and cardiac care units; a computerized arrhythmia monitoring system, for use in cardiac care units; and a computerized cath-lab system, for diagnostic use in cardiac cases.

The new Kobe Hospital is being built on "Port Island," a man-made island in the Kobe port. Scheduled for completion in April 1981, the island is being formed literally by transporting the side of a mountain — trainload by trainload — and filling the harbor.

The island will be a model 21st-Century city with one of the world's largest container distribution centers in the most modern port facility in Asia. The new hospital will be one of Asia's largest, with 1000 beds.

HP Chairman Dave Packard (right) chats with South African official Counciller Conway (left) and HP South Africa General Manager Chuck Bonza at the groundbreaking for the new South African sales, service, and training office now under construction in Johannesburg.

### Australian good citizens

HP Australia has become an associate company in the Australian National Association for Training the Disabled in Office Work (NADOW) following a monetary contribution and a pledge of training support by the subsidiary.

HP Australasia Area Manager John Warmington said the company will provide an undetermined amount of support — in the form of office space and terminal time — for NADOW to train handicapped people in

computer use at the new HP facility in Sydney. The office has complete handicapped access, John said, making it an ideal facility for such training.

### Trial training program

Teaching skills for more effective management was the goal of a two-week "Campinas Training Center" held in April and coordinated by Bob Coutts, who is responsible for Intercontinental training and development.



# Newsmakers

Bob said the program was a pilot for similar training sessions which may be held in other parts of Intercontinental in the future.

Some 42 people, representing 90 percent of the management and supervisory personnel of HP Brazil, attended one or more of the workshops comprising the program. Participants included employees from the Campinas factory plus the Sao Paulo and Rio de Janeiro sales offices.

HP Brazil Personnel Manager Milton Brusius and Senior Personnel Representative Jair Pianucci assisted Bob in organizing the Center and conducting the sessions. In addition, several members of the HP Brazil management team participated as instructors for the sessions.

Three different courses were offered: "Managing at Hewlett-Packard," which focused on HP's corporate objectives, management philosophy, and management-by-objectives process; "Presentations at HP," which helped people refine their style and techniques in making presentations; and "Selection and Interviewing," which equipped people to identify and interview appropriate people.

## Sound and light show

Intercontinental's new slide/tape presentation, designed for use in employee orientation, is in the final review stage and will be ready for distribution soon. The 30-minute presentation gives an overview of Intercontinental, its organization sales offices, factories and people. The show also includes scenic shots from each country and the soundtrack features ethnic music from throughout the region. HP Corporate Television produced the show, aided by Judy Hansen, Intercon's regional public relations representative.

## Over the top

Medical Group sales in HP Canada topped \$1 million for the month of April — the first time monthly sales have ever broken that barrier. Regional Sales Manager Dave Mutch said sales have remained strong and look very good for the rest of the year.

Dave said the extraordinary April performance was paced by the sale of a 45-bed intensive care monitoring system to Toronto General Hospital and a 24-bed system to Toronto Western Hospital. Both accounts were handled by Field Engineer Hank Markslag. The two systems accounted for almost half of total sales for the month.

HP Brazil's Campinas Factory General Manager **Odmair Almeida** has been elected to the Board of Directors of the Brazilian Association of the Electrical and Electronics Industries (ABINEE). With more than 700 associated companies, ABINEE is the largest professional association for the electronics field in Brazil. The May 9 election was for a three-year term.

Odmair also recently participated in the annual meeting of the Latin American Free Trade Association (LAFTA) in Montevideo, Uruguay. He was the Brazilian representative for office equipment.

**Bruce Thompson** of HP Australia has accepted a two-year assignment as administrative manager of the Taiwan branch of HP Far East, Ltd. He replaces **Margaret Chang**, who has become a commercial computer sales representative. Bruce has been serving as commercial services manager for HP Australia.

Bruce is a graduate of Monash University in Melbourne, Australia with a degree in economics. Besides his work in commercial services, Bruce has also worked as an assistant accountant and accounting manager over his 12 years with HP.

Joining HP Mexico as its new personnel manager is **Arturo Acosta**. He brings to HP extensive experience from his work for personnel at Sperry Univac Mexico and for human relations departments in several banking institutions.

Arturo was graduated in psychology from the Universidad Iberoamericana in Mexico, specializing there in industrial relations. He later served five years at the university as a professor of psychology.

Now that the HP Hong Kong sales office is organized, the special administrative duties, which were assigned to Hong Kong Computer Sales Manager **John Toppel**, are complete, and he will henceforth devote his time to managing computer sales, service, systems engineering operations, and consumer calculators. He will report to Far East Area Computer Sales Manager **Tony Abbis**.

Consumer Calculators Sales Representative **David Tse** will report to John on a day-to-day basis under the reorganization, but his functional responsibility will still have him reporting to Field Manager for Calculators **Anthony Lee** in Singapore.

Meanwhile, **Suresh Rajpal**, the Far East area sales manager for Instruments, has now relocated from Intercontinental Headquarters to the Far East Area Headquarters (HP Asia) located in Hong Kong.

Far East Area Manager **Lok Lin** will also serve as acting general manager for the HP Hong Kong sales office under the new organization, and Hong Kong Administrative Manager **Carmelo Leung** will now report to Area Administrative Manager **Jeremy Beaty**.

**Stan Whitten** has accepted a newly created position and title as Intercontinental Headquarters administrative controller. Stan will handle various administrative functions at Intercontinental Headquarters.

Following graduation from Bentley College in Boston, Mass., Stan worked as an accountant for Sanborn Company, a Waltham, Mass. medical equipment manufacturer. That company (now the Waltham Division) was acquired by Hewlett-Packard

## Introducing Mike . . .



Mike Charlson

This issue of *Intercom* relied heavily on the efforts of Mike Charlson, student intern in the Public and Marketing Communications Department this summer.

Mike, who's working on his M.S. degree in biological sciences from Stanford University, has a fine journalistic background. He's served as editor-in-chief of the *Stanford Daily*, one of America's outstanding college papers. Mike has also worked in other capacities for the *Daily*, plus is past president of the Stanford Daily Publishing Corporation and currently on its Board of Directors.

Besides working on *Intercom*, Mike has been responsible for organizing the *Intercom* readership survey which will be administered soon.

in 1961. Stan was transferred to Palo Alto in 1964 as a corporate tax accountant. He has worked for HP in various divisions and has been at Intercontinental Headquarters since 1978 as general accounting manager.

**Jennie Arnold** has been named ICON Headquarters order processing manager following the resignation of **Michele Irving**. A seven-year veteran of the HP organization, Jennie will now be responsible for processing of non-computer orders, paid for in U.S. dollars, from throughout the region. Her staff totals 65.

Jennie served in the credit departments of two Midwest Sales Region offices and as administrative manager of the Detroit Sales office before joining ICON last September. At ICON, she has been credit and collections supervisor under Commercial Services Manager **Mark Naismith**. She will continue to report to Mark in her new job, and Mark will assume her old responsibilities until a new supervisor is named.

Assisting Jennie as Latin American Distributor Order Processing Group supervisor will be **Pat Dupray**. She replaces **Mozelle Ault**, who has taken a leave of absence. Pat has been with HP for six years working both in order processing and credit/collection. Most recently, she served as a credit specialist in the Palo Alto office of Neely Sales Region.

Also moving to Jennie's staff is **Connie McIntire**, who has been named India Order Processing Group supervisor. Connie has been with ICON for eight years in various order processing capacities. Most recently she has served as commercial services training program administrator. She replaces **Debbie Goldman**, who will assume a special staff position with Jennie working on inventory management and audit preparation projects.

HP newcomer **Dave Reichert** has taken a similar staff position with Jennie. Dave recently received his M.B.A. from the American Graduate School of International Management. He also holds an M.A. in diplomatic history from Georgetown University and a B.A. from University of Santa Clara. Previously, Dave has held teaching positions in Brazil and Peru, and he speaks fluent Spanish and Portuguese.

Meanwhile, **Pat Boyd** has assumed the job of commercial services training program administrator. Pat has served with HP for five years, including more than four with ICON. His most recent assignment was as a collections specialist.

Assuming Pat's old duties in collections will be **Nancy Lent**, who has just returned to ICON's accounting department after a seven-month maternity leave. Before her

leave, Nancy had been with accounting for more than two years.

In her new position, Nancy will be responsible for collections involving Taiwan, the People's Republic of China, Korea, and some U.S.-based accounts.

**Rosanne Neall** has been appointed senior personnel representative in HP South Africa's Johannesburg office. It is her first HP assignment. Previously a personnel and training officer for a large retail organization there, Rosanne will be responsible for organization and coordination of personnel and training functions.

Rosanne holds a B.A. with honors in psychology and a M.A. in industrial psychology from the University of Witwatersrand, plus a degree from the University of Natal qualifying her as a nursing sister and midwife. In addition, she is currently working towards a degree in business administration.

**Jose Velasco**, a native of Yaracuy, Venezuela, has joined ICON as a computer staff engineer. He will be in computer product training and will undertake staff assignments for about one year when he will be transferred to HP Venezuela as a computer systems engineer. Jose joins HP having just graduated from the University of Texas with a B.S. in electrical engineering.

**Rosa Katz** has joined Intercontinental as the new service support accountant at headquarters in Palo Alto. She is currently studying HP accounting methods and targeting.

Rosa recently completed her M.B.A. work at the University of Michigan and also holds a B.A. in philosophy from Indiana University. She has also studied French and French Literature at the University of Grenoble in France.

**Don Barkley** has joined Intercontinental as the new regional customer engineering manager for Japan and the ICON region, replacing **Natalie Churchill**. Natalie has moved to the newly created position of regional systems engineering manager for Intercontinental. Both serve at Intercontinental Headquarters and report to **Mike Naggiar**, Computer Products Group marketing manager.

Though Don's new appointment is his first with Intercontinental, he is a 20-year veteran of HP. His previous service includes work as the North American customer engineering manager for HP's Computer Support Division, as quality assurance and sales manager for General Systems Division, and as the Eastern Region sales manager for the Computer Products group. In his new position, Don will be responsible for computer support operations throughout the region and the SEO in Japan.



Natalie Churchill



Don Barkley



Stan Whitten



Rosanne Neall



Robbins Pancake



Jennie Arnold



John Chua



Danshiro Hirata

Natalie, who has been with HP for more than seven years, will be responsible for all aspects of the systems engineering organization in the Intercontinental subsidiaries and distributors. She has been the customer engineering manager for Intercontinental since March 1979 and previously was an area computer customer engineering manager in HP's Eastern Region.

**Max Schuller**, the operations manager for Corvallis Operations at HP Singapore, has been appointed to the Electronics Trade Advisory Committee of the Singapore Vocational & Industrial Training Board (VITB). He has been with HP 15 years.

**Danshiro Hirata** has been appointed material manager at the Campinas facility for HP Brazil. He has been with HP for four years. Danshiro has previously served as a planning engineer and a production engineer with both the Calculators and Medical Product groups. A graduate of the Instituto

Technologico de Aeronautica in Sao Jose dos Campos, Brazil, Danshiro holds a B.S. in electrical engineering.

A new addition to the Intercontinental legal staff, attorney **Robbins Pancake** has joined HP to handle legal issues involving sales, distribution, and manufacturing in Central and South America.

Robbins brings to the position extensive background in international affairs having served four years with the U.S. International Trade Commission in Washington following his graduation from law school.

Robbins holds a B.A. in economics and international affairs as well as a law degree, both from the University of Virginia. He has also studied for one year at the Institut d'Etudes Politiques in Paris.

**Paulo Jose Chamoun** has been named district sales manager for business computers for HP Brazil in Sao Paulo. He has been with HP for five years and moves into his new job from his former post as senior field engineer. Paulo will be responsible for promotion of computer sales, preparation of seminars and trade shows presentations, and training of field engineers. He holds a B.S. in electrical engineering.

The new service manager for HP Brazil's Medical and Analytical groups is **Helio Ventura**, a new face at HP. Helio has worked as a service manager, production manager, and manufacturing manager for several instrument lines with Varian before joining Intercontinental. A qualified electronic and nuclear electronic technician, Helio has also earned a B.A. in business administration from Luzwell University in Sao Paulo.



Pat Dupray



Connie McIntire



Helio Ventura



Tom Mansfield

A variety of MARCOM support duties will fall to **LeAnna Willis** in Intercontinental Headquarters following the departure of **Sue Hawkins**. Sue, a 10-year ICON veteran, is taking a leave of absence to return to school.

LeAnna has been with the company six months as Headquarters receptionist. In her new position as MARCOM services coordinator, she will have responsibility for the international sales office listing, literature distribution, publication of the Intercon operations policy manual, and production of the Headquarters newsletter.

**Rui Morbey** has been named field manager for Personal Calculators at the Sao Paulo office of HP Brazil. He has been with HP more than five years.

Rui has previously served as a field engineer for Calculators in both the Sao Paulo and Rio de Janeiro offices. In his new position, he will be responsible for calculator sales through dealers across Brazil.

The new service supervisor for Calculators at HP Brazil's Sao Paulo office is **Rubens Stephans, Jr.** He had been working as an electronics engineer for Personal Calculators before his latest appointment.

Rubens, who holds a degree in electrical engineering from MacKenzie University in Sao Paulo, joined HP last January after serving with Philips do Brasil and Amatron Company.

**Betty Hamilton**, of the Sydney office of HP Australia, has accepted the newly-created position of distributor sales specialist. In this role, she will be responsible for the day-to-day support for Australia's sole components distributor, CEMA Electronics Pty. Ltd. Betty has been with HP nearly seven years, and has held a variety of positions in customer support areas.

In Mexico, **Tom Mansfield** has been named field sales manager for the Personal Calculators and Medical Groups. Tom, who has been with HP for 18 months, had been serving as a senior field engineer for Medical Group with HP Mexico.

Before joining HP, Tom had been marketing manager for American Hospital Supply Corporation's Mexico operations and national sales manager for a division of C.R. Bard.

**John Chua** will head computer sales in Singapore and Malaysia following his promotion to country sales manager for Computer Products group at HP Singapore. He has been with the company four years.

A native of Singapore, John studied in the United Kingdom before moving to Canada. There he joined HP as a computer sales representative in Alberta. His latest assignment was in Singapore as a major accounts sales representative.

# Growth in the 80's

By Alan Bickell *Intercon Director*

We have recently completed our 1980 Intercontinental General Management meeting, and the latest Intermediate Range Plan (IRP). I would like to share with all of you some of the highlights of the plans we have submitted to corporate management.

We have a great deal of confidence in the region's order potential and in our ability to realize that potential. Therefore, our IRP targets are quite optimistic, and we are forecasting annual compound growth rates in excess of 25 percent through Fiscal Year 1985.

In addition, the latest IRP anticipates continued improvement in cost effectiveness — primarily through increased productivity — and asset management.

But while we expect these issues will directly impact our profit-making abilities, we also plan to initiate some more indirect changes which we hope will lead to better customer support and service. I would like to outline some of the major changes we anticipate over the next few years.

## Decentralization

Over the past year, decentralization of the Far East Area Headquarters to Hong Kong has become a reality. Sales management of the Instruments, Computer Products, and Components Groups and administrative management resources are on site and operational, and commercial service activities are beginning to take shape for full implementation in the coming year.

We expect to continue our decentralization program. Location studies are currently underway to identify an appropriate area headquarters site for Latin America, which we hope to activate in FY 81. This moves us further along on our plan to manage our sales activities through autonomous decentralized sales regions — Japan, Canada, Latin America, the Far East, Australia, and South Africa — within the IRP period.

We believe this program is vital because it brings our management and support structures closer to the customer, where they can be most useful. People who deal with us will find it easier to get answers to their questions and solutions to their problems. At the same time, we expect decentralization will help optimize operational cost effectiveness, especially when the move is coupled with a continued emphasis on productivity and quality improvement.

## Human resources

As we move to decentralized operations, we plan to likewise decentralize our personnel departments, setting up professional personnel staffs in all subsidiaries.

The selection, development, and reten-

tion of qualified individuals to staff our organizations is the single most important factor in determining our ability to increase sales and productivity.

This will become an even more acute problem as HP continues its move to more computer-oriented products, which require professionals with skills new to our organizations.

Training and development will stress functional as well as supervisory and management training. And we will develop the capability to train our International people on site in customer support functions such as order processing and accounting.

Most importantly, as Intercontinental continues to grow and change, our goal will be to minimize any adverse effects this might have on our people. We will continue to ensure consistent application of the HP Way, paying particular attention to equity between employees and employee groups. And we will aggressively anticipate our people's needs in the areas of pay, benefits, training, and motivation.

#### **Manufacturing**

Issues, ranging from local protectionism and concern for balances of trade to the need to broaden career growth opportunities, develop a global tax strategy, and "localize" products, make it increasingly clear that HP will move toward manufacture of considerably more of its products in the markets of their end use in coming years. This will be particularly true for computation products.

In recent months, considerable effort has gone into refining our long-range goals for Yokogawa-Hewlett-Packard (YHP), and our Southeast Asia and Campinas plants. Expansion of several of these facilities is expected. In addition, we are currently awaiting a response from the Brazilian government to our application to include the HP-85 in the Campinas production line. Approval would significantly improve the division's contribution toward developing the Brazilian market.

Moreover, new market development manufacturing strategies are being considered for Canada, Korea, Mexico, and the People's Republic of China. New initiatives in manufacturing may be required to meet order quotas in those areas, so we will be evaluating the markets closely.

#### **Asset management**

Because inventory and accounts receivable amount to 70 percent of our sales assets, management of these assets is critical to our objective of self-financed growth in the future. Failure to manage these

assets properly results in unnecessary borrowing and related interest expense, which absorbs funds we need for growth.

We plan to improve our inventory performance, as measured by Months of Supply, through several programs. Where possible, products will be shipped directly to international sales companies and customers. While the Eastern and Western Distribution centers will still be responsible for traffic management of the shipments, the centers will no longer physically handle them, and transit inventory should be reduced by three to five days.

We will also strive for improved control over coordinated shipments, to achieve more simultaneous customer delivery, and automation of the customs clearance process in major countries, to expedite the flow of products through this procedure.

Associated with inventory management is the problem of physical distribution. Fuel cost rises plus replacement of old aircraft with newer equipment has resulted in skyrocketing air freight costs to the company. In addition, we project that air freight capacity will increase more slowly than will our demand.

In order to combat these negative pressures, we will move to rework current shipment patterns which create a month-end bulge in our air freight demands — a bulge which will likely create increasingly significant delays in delivery in the future. In addition, we are examining our packaging to ensure that it is efficient in terms of maximum product protection with the lowest possible weight and volume.

We are studying local distribution plans on a country-by-country basis, which could lead to bulk shipments of products to a country followed by local redistribution. Finally, the high cost of shipping gives us added impetus to manufacture a greater number of products at facilities closer to our major markets.

Accounts receivable management will continue to improve as measured by Days Sales Outstanding. This will be achieved by finalizing the installation of our automated A/R system in each facility, coupled with timely field engineer follow-ups on customers, to check for potential payment problems, and strengthened subsidiary credit-analysis capability to orient our sales efforts toward customers with a high ability to pay.

#### **Electronic data processing systems**

Over the IRP term, we will move toward decentralized data bases and applications. In FY 81 and FY 82, this policy will mean development and installation of systems to manage primary field processes. By 1983,

an integrated systems package will be completed covering a host of functions, including quotation, order entry, invoicing, collection, and accounting.

Between FY 83 and FY 85, we will concentrate on upgrading "first generation" systems with more sophisticated worldwide versions. This program is part of the corporate-wide Marketing Admin System (MAS) development strategy.

#### **Corporate business conduct**

Increased government regulation and local scrutiny of our operations will make it more important than ever that we track new government regulations and that we train our people in HP's standards of business conduct.

Bill Doolittle and I made this especially clear to the country managers during the recent management meetings. It is up to everyone to understand and absolutely abide by the HP standards of business conduct. In short, "the end does not justify the means." We have optimistic objectives, but these must be achieved in a manner which is consistent with our business conduct policy and the HP Way.

We will, of course, continue to work toward our objective to contribute to the social, economic, and intellectual goals of each country and community where we operate.

As you can see, the next five years will be a period of contrasts for Intercontinental. We expect more than 25 percent per annum growth at a time of worldwide economic stress. We plan to significantly reduce cost per order dollar (CPOD) during a period of huge cost pressures associated with more government regulations, and energy and transportation price increases.

These stresses underscore the fact that we are moving into a challenging time for Intercontinental. But I am confident that with a solid team effort, we can achieve our goals. We will be growing rapidly to meet expanding opportunities in our region, and we must continually be looking for creative ways to accomplish that growth in the most efficient, cost-effective manner possible. That's going to require maximum effort from every person at every level within Intercontinental. There are exciting times ahead — times that will afford each individual the opportunity to grow along with the organization we are part of. We must begin now to determine how we can best meet the challenges of managing growth into the 80's.



# Communications HP Style

A couple of months ago, I placed a telephone call to one of our subsidiaries which we shall call "HP Transylvania"—to protect the guilty. The conversation went something like this.



16

HPT: "Hello."  
Me: "Is this HP Transylvania?"  
HPT: "Well, yes."  
Me: "It would be nice to know as I didn't know if I had the right country or the right company. Is your general manager Mr. X there?"  
HPT: "Who is calling?"  
Me: "Pause . . . "but you didn't answer my question. Is Mr. X in?"  
HPT: "Who is calling?"  
Me: "If I say my name is Bill Hewlett, will you answer my question first?"  
HPT: "Oh yes! Are you Mr. Hewlett?"  
Me: "No, not really, but I could be even more important. I could be a customer."  
HPT: "Are you a customer?"  
Me: "No, it's only Sy Corenson."  
HPT: "Oh hello Sy — How are you?"  
Me: "I'm fine thanks, but you still haven't answered my question, is Mr. X in?"  
HPT: "Yes he is; he's in a very important meeting and can't be disturbed."  
Me: "Even for Bill Hewlett?"  
HPT: "No that's different!"

The point of this mostly accurate conversation is that the HPT telephone operator

was using a style counter to everything HP stands for, called screening. But she is not to be blamed as she was told to screen and she had received precious little instruction on use of the telephone.

While it is recognized that each country has its own local style of communicating by telephone, we feel it is very impolite to ask someone in effect "Are you important enough to put through" or "Is your purpose more important than something else the person being called is doing?"

Hopefully, next time I call HP Transylvania, the operator will proudly announce that fact and give me his or her name. Frankly, I'd like to be the person to ask "How are you?" Next, if Mr. X or some other person I am calling is unavailable, that's all that needs to be said. What is important is that the caller is not made to feel ignored or unimportant — because in fact, any caller might be very important. After all, privates have been known to become heads of state and Sy Corenson *might* be trying to give some money away.

In some cases, that's exactly what could happen. The advertising money I distribute around might end up elsewhere because no arrangement could be made to set up a phone call at a more convenient time. I wonder if we've ever lost any sales because of the same thing?

Sy

## We want to hear from you!

Soon after distribution of this issue of *Intercom*, approximately 17 percent of our readers will be asked to complete a survey about the magazine.

The survey information will be used to help make subsequent issues of *Intercom* more responsive to your needs and interests as well as to its own objectives.

"Despite the fact that we generally have very positive unsolicited comments about *Intercom*, we have come to the realization that those are not necessarily a valid test of how well *Intercom* is read or is meeting its objectives," notes Sy Corenson, manager of Intercon Public & Marketing Communications and editorial director of *Intercom*.

The survey will poll about one of every six

readers of *Intercom*. Coordinators for the project have been set up at each subsidiary, and they will identify and distribute questionnaires to a randomly selected group.

Following questionnaire completion, the forms will be returned to Palo Alto for analysis. Thoughtful completion of the survey is expected to take no more than 15 minutes.

*Intercom* editor Judy Hansen observes that a similar survey run for the company magazine, *Measure*, two years ago yielded some very constructive suggestions. She says she hopes people will give the survey some thought and tell the editors what they really think.

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