

Newsmagazine for Employees
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U. S. Edition

INTERCOM

HELPING OTHERS:

The
United Fund
and You



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"Thanks to You, It's Working"

Memorex United Fund Drive Begins

"Thanks to you, it's working," is the theme for this year's United Fund, and for all those Memorex employees that contributed last year, this message holds a special meaning, according to **Bill Rucker**, Memorex campaign chairman. "More than 100 local agencies have been able to continue serving the human care needs of local residents, thanks in part, to the contributions of Memorex employees," said Rucker.

"This year, Memorex is again participating in the annual United Fund drive, which is the only contribution ever asked of Memorex employees," explained Rucker. "Memorex supports the United Fund because one out of every four people in your county of residence will receive direct services from United Funds programs . . . more than 250,000 in Santa Clara County alone. All

employees at Memorex and every county resident benefits from a healthy community where agencies are serving their health, social welfare and recreational needs," he said.

"Employees will be asked to contribute to this year's campaign and it will be your once-a-year opportunity to help yourself and the people around you. The money you contribute or pledge through payroll deductions will be earmarked for your home community and your contributions are tax deductible," he explained.

"Memorex employees may choose payroll deductions, direct payment or not to support United Fund," said Rucker. "Whatever their decision, I hope they give careful consideration to the 'united way' of giving."



Pledging her "Fair Share" gift to the United Fund, is Sandy Gallo, personnel clerk, as Bill Rucker, Memorex U. F. chairman, looks on.

Sale and Leaseback Transaction Completed

Memorex has completed the previously announced sale and leaseback of its Santa Clara manufacturing and administration facility for equipment products, according to **H. J. Krauter**, vice president, finance. The sale price was \$18,250,000. "Proceeds from the sale after deduction of costs, will be used to reduce Memorex's bank debt and associated interest expense," said Krauter. "Completion of this transaction was an important first step in a series of programs the company currently has underway to more appropriately capitalize the company and further reduce overall interest expense."

"Our second quarter interim report indicated that revenues continued to rise—35% over the comparable period for 1971—largely as a result of our expanding base of equipment

for lease," Krauter said. "Income from operations also improved as a result of our expanding revenues and the fact that we have been able to hold operating expenditures constant."

"The income from operations was, however, offset by interest expense and hence the company was able to report only modest earnings during the first six months of the year," said Krauter. "The company's financial programs are intended to reduce interest expense so that a greater portion of our income from operations is reported as earnings."

"The completion of the sale and leaseback with the proceeds used to reduce bank debt was an important first step in these pro-

grams and reflects the continued confidence of the investment community in Memorex's long term viability as a competitor in the industry. Cabot, Cabot and Forbes was a principal investor with Teachers Insurance and Annuity Association of New York providing financing for this transaction, both prestigious names in their respective industries. Other steps in the financial program are necessary to accomplish the extent of interest expense reduction we have set as an objective," he said.

"We will be certain to keep Memorex employees informed as the remaining steps in this program are accomplished," Krauter concluded.

Intercom

Editor: Dave Williams
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ABOUT THE COVER

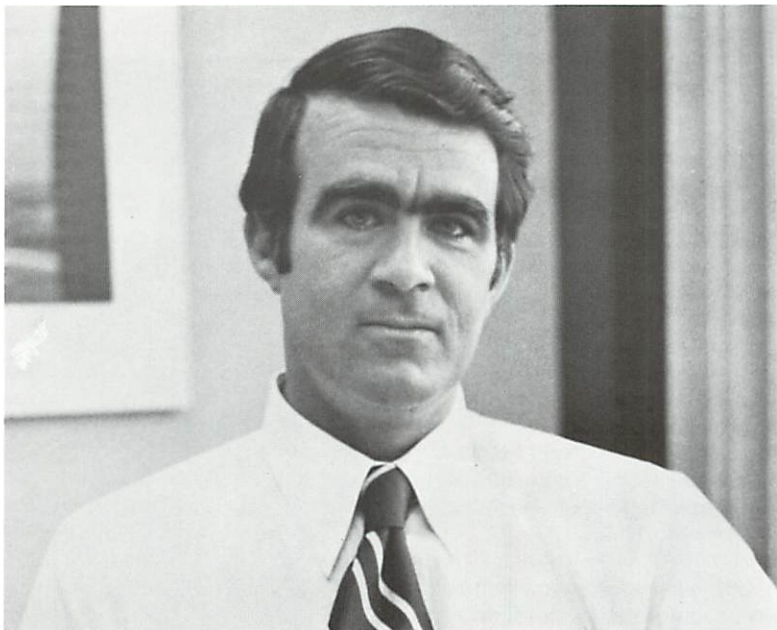
A smiling Gina Flores of San Jose reflects this year's United Fund theme "Thanks to you, it's working." Gina and thousands of other Santa Clara residents benefit from your contributions to the United Fund.

Nixon's Commission Selects Pew

John Pew, assistant to Memorex President **Laurence L. Spitters**, has been selected by President Nixon's Commission on Personnel Interchange to participate in the Executive Interchange program for one year. He has been granted a one year leave of absence from Memorex to participate.

The program is designed to foster a better understanding and cooperative action between business and government by allowing qualified business executives to fill positions in government. Selected business executives are invited to work in government for a year. Approximately 40 executives will participate in the program this year.

"I will fill a position in the U.S. General Accounting Office for the next year," said Pew. "I am very happy to have been selected for the program as it will give me a better understanding of the workings of government and how it relates to business," he said. "It will truly be a valuable educational experience."



John Pew

"For Our Boys"

A Noontime Spaghetti Feed

The Suds Sisters are at it again. As reported in the November, 1971, issue of INTERCOM, two Memorex laundry ladies, **Dorothy Swanson** and **Lena Salerno**, dish out lint-free cleanroom uniforms and plenty of humor each day. This time their antics included a noontime all-you-can-eat spaghetti feed for over 50 of "their boys" in the Tape Plant.

Supplying spaghetti, french bread, salad, fried chicken, coffee and cake, Mesdames Swanson and Salerno said they "wanted to make sure our boys got a good hot lunch at work." They cooked all the food themselves, staying up late the night before to fix the sauce then getting up at three the next morning to get everything else ready.

"We do this once every two or three months," said Mrs. Salerno. "It's all part of my plan to convert all the boys here in the Tape Plant to Paisanos." Judging from the quick way the food disappeared, she's already succeeded.



(Above)

Lena Salerno readies a helping for Jerry Marinda. Employees enjoyed spaghetti, bread, fried chicken, salad, dessert and coffee.

(Top Right)

A hungry Bill Anderson comes back for seconds during a luncheon put on by Lena Salerno (l) and Dorothy Swanson.

(Right)

Dishing up a generous helping of spaghetti during an "all-you-can-eat" luncheon is Lena Salerno, laundry room worker in the Tape Plant.



Memorex Attends Joint U.S. Computer Seminar

Memorex people and products were well received at the Joint U.S. Computer Technology Seminar held in five East European countries recently, according to **Keith Plant**, director of product marketing for Memorex International.

"The seminar was very successful and it appears that there are substantial opportunities for U.S. computer equipment manufacturers to do business in each of the Eastern European countries," said Plant. "Those who attended learned a great deal about Eastern Europe's computer technology and how it is evolving."

Larry Beam, U.S. economist, was asked by East European countries to invite representatives from U.S. computer equipment manufacturers to participate in the seminar. The purpose was to acquaint East Europeans with the evolution and development of the U.S. computer industry. Memorex and nine other computer equipment manufacturers were represented at the seminar.

Plant and **Dave Scott**, Memorex director of engineering communication subsystems, traveled to the Soviet Union, Czechoslovakia, Poland, Hungary, and Rumania, and spoke to approximately 300-500 delegates in each host country—all in four weeks.

Seminar Format

"The first day in each country was devoted to reviewing the development of the U.S. computer equipment industry and the relationship of each in the industry sectors in this development," said Plant. "The East Europeans were very interested in learning about the interworkings of the technological, economic, and marketing factors which characterize the U.S. EDP industry," he said.

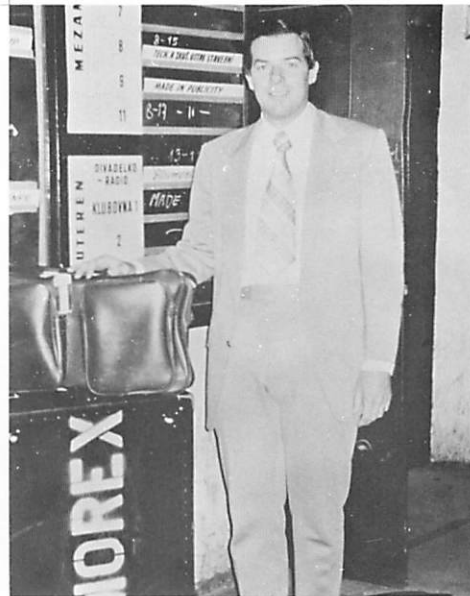
"We explained the development of the U.S. peripheral equipment industry, the demand for data communications systems, and the contributions Memorex has made to the development of the U.S. EDP industry," said Scott.

Applications Workshops

Applications workshops dealing with Memorex disc drives, terminals, computer output microfilm and data communications systems were also conducted, Scott said.



Dave Scott



Keith Plant

"The workshops and discussions with engineers which followed went very smoothly thanks to the help of **William McCalmont**, v.p. Memorex European operations; **Reto Braun**, area manager for Switzerland, Austria, and Eastern Europe; and **Rolf Dolina**, Eastern European sales representative, who has been actively involved in our three-year-old East European sales opera-

tions," Plant explained.

"The East Europeans are very interested in Memorex communication terminals, disc drives, disc packs and magnetic tape," said Scott. "The East European market is very different from the U.S. market because we must deal directly with each country's government instead of dealing with separate sectors," explained Scott.



Preparing for a Memorex equipment discussion and workshop with Russian engineers is Dave Scott (r), Memorex director of engineering communication subsystems.

The East European Market

"The East European market for high technology products is much smaller than other world markets, due to current trade restrictions between certain East and West European countries," said Plant. "There is an ever growing demand for small computers, telecommunications equipment, and data transmission facilities, and we are doing more business in Eastern Europe every year," he said.

The East European countries are ready to make substantial purchases of U.S. and other foreign computer equipment over the next five years, provided the equipment can be delivered, said Plant. "U.S. manufacturers are willing to fill the demand but the problem of obtaining export licenses remains a major obstacle."



Discussing the Joint U.S. Computer Technology Seminar is Keith Plant (l), director of product marketing for Memorex International, and Reto Braun (r), area manager of Switzerland.



A view of the Kremlin Wall.



Keith Plant (third from r) and representatives from the U.S. EDP industry arrive at the Moscow Airport.



Dave Scott (second from r) and U.S. EDP industry representatives visit the University of Moscow and enjoy ice cream.

Trade Relations

George Pavlov, Administrative chairman of the USSR's Central Committee of the Communist Party, visited Memorex Santa Clara in February of this year and expressed the hope that trade relations between the U.S. and the Soviet Union could be normalized. Pavlov is one of the highest ranking Soviet leaders ever to visit the U.S.

Pavlov stressed his country's need for computer equipment and their determination to build a viable manufacturing base to fill that need. "There is a tremendous challenge facing us in accomplishing that objective," he said. "We are having difficult problems with our peripherals and flexible software and they must be solved before we can fulfill our ambitious program."

Pavlov said the USSR and their Eastern European neighbors are pursuing a commercial computer activity that is distinctly non-military.

Memorex Employees Celebrate Anniversaries

5 Year Anniversaries

These men and women have joined the ever-growing group of veteran Memorex employees. Each has marked his or her fifth anniversary with the company. The contributions of experienced employees such as these helps form the basis for Memorex's continued growth.

Dianna Aldridge
William E. Anderson
Leroy J. Borders
Gary L. Davis
Thomas A. Howard
Michael S. Janto
Jack D. Lake
Dennis Merrill
Ledale L. Smith
Valia Martin
Howard G. Geddie



10 Year Anniversaries

Clarence Hamm, computer tape coating operator, was presented with an engraved clock honoring his 10th anniversary with Memorex at ceremonies held recently at the tape plant. E. D. Larson, v.p. of manufacturing, and Don Matson, director of computer tape manufacturing, made the presentation in recognition of Hamm's participation in the company's growth. Hamm joined Memorex August 30, 1962 as the company's 75th employee.

Behind the Scenes:

The Phone Operators

Answering more than 1800 calls, paging more than 140 employees and responding to numerous questions about Memorex is all in a day's work for three Memorex Santa Clara operators . . . people who are heard, but seldom seen.

"Operators Nola Marshall, Ann Lear and Toni Marinski are kept quite busy during an average day," said Greg Plahn, corporate telecommunications manager. "The operators heavy work load is due in part to the large number of calls received from individuals who do not know extension numbers of employees or departments," said Plahn.



Examining the monthly telephone bills for each department is Greg Plahn, corporate telecommunications manager and Pat Cardoza, communications coordinator. The average monthly telephone bill for Memorex runs approximately \$62,000 per month.

"Many of these calls can be dialed directly, but instead are routed through our central switchboard," said Pat Cardoza, communications coordinator. "With our Centrex phone system individuals may call employees

directly by dialing 987 plus the last four digits of their particular extension number," she said. "The Centrex phone system can be used more effectively if all employees inform their callers of their direct dial number."

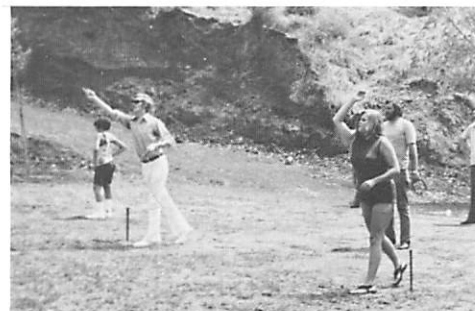
"Although our work load is sometimes very heavy, our department enjoys communicating with Memorex employees and the public," said Mrs. Marshall. "We feel we are performing an important service."



Answering more than 1800 calls per day are operators (l to r) Nola Marshall, Ann Lear and Toni Marinski.

Comdata Picnic... Flying 'B' Ranch

August was picnic month for more than 200 Comdata employees and their families who attended the MAG sponsored picnic at the Flying "B" Ranch in Orange County. Volleyball, baseball, swimming, pony rides and a giant pillow ride were just a few of the numerous activities.



MAG Calendar

BLOOD DRIVE AT TAPE PLANT

The Red Cross Bloodmobile will be coming to the Education Center on Memorex Drive on Monday, October 2. Donations will be accepted between 1:00 and 4:30 p.m. Your donation of blood is greatly needed to fill an increasing demand. Your donation will also help maintain free blood coverage for all Memorex families if 20% of our employees participate each year. Please sign up on the sheet being circulated in your department.

THEATER PARTIES

MAG has obtained discounts for movies at the Century Theaters on two dates. Tickets will be \$2.00 (normally \$2.80) for non-reserved seats. Tickets will be sold from **Celia Moyle** (7-2292), **Sandi Gallo** (7-2770), **Ed Sutter** (7-2815), and **Bette Binford** (7-1044).

"BUTTERFLIES ARE FREE" (3:10 p.m.) and "DIARY OF A MAD HOUSEWIFE" (5:15 p.m., Sunday, October 15, 1972 at Century 22-C.

"THE GODFATHER" (4:15 p.m.), Sunday, November 12, 1972 at Century 23.

BASKETBALL NIGHT

Make a note of this special event, the Cable Car Classic. This college favorite will be Friday, December 8 and Saturday, December 9 with two games each night between University of San Francisco, Santa Clara University, Duke, and LaSalle. MAG will be selling \$6.00 seat tickets for only \$5.00 each late in November.

ADULT BOWLING

Several openings are still available for regulars, subs, and pacers. Contact the league representatives directly for further information.

TUESDAY NITE MIXERS—Tuesdays, 6:15 p.m., Moonlite Lanes—**Chuck Linen**, 7-0921.

TUESDAY MIXED 5's—Tuesdays, 9:00 p.m., Saratoga Lanes—**Jim Grammatico**, 7-3074.

MEMOREX MIXED SCRATCH—Wednesdays, 6:30 p.m., Moonlite Lanes—**Joanne Gerry**, 268-9593.

SWING SHIFT LEAGUE—Wednesdays, 12:30 a.m., Fiesta Lanes—**Larry Smyth**, 7-1974.

MEMOREX MAGNETICS—Fridays, 6:30 p.m., Moonlite Lanes—**Willard Pearson**, 245-8450.

CHILDREN'S BOWLING

MINI-MAGS—Saturday, 8:30 a.m., Moonlite Lanes—**Tony Van Gestel**, 7-2163 or **Gene Scott**, 7-3409.

VOLLEYBALL

Co-ed volleyball will be starting October 15 and will continue on Thursday nights for 25 weeks. To sign up call **Steve Salter** at 7-1561. MAG has also allotted funds to sanction two teams in the USVBA. Men who are interested in getting on the Memorex teams should contact **Hal Canion** at 7-0160.

FLAG FOOTBALL

An eight week season of intramural flag

football has already begun. For information contact **Nick Gaetani** at 7-0162 or **Doug Smith** at 7-0921.

MEG GOLF CLUB

Spyglass/Del Monte sign ups are being accepted from team members through September 27. A deposit of \$25.00 green fees is required to hold your tee-off time. There are 32 tee-off slots available. If these are not filled by September 27, then sign ups will be accepted from any Memorex employees and their guests. Lodging is available. For sign ups and further information on lodging call **Don Monahan** at 7-2057 or **Ken Lowe** at 7-0466.

AIKIDO CLASSES

New members are now being accepted for employees and dependents who wish to learn this Japanese martial art. Classes are taught free of charge by instructor **Joe DeLuca**, Sho Dan (black belt, first degree). The classes are held every Wednesday night from 7:00 to 8:30 p.m., in the Wilcox High Wrestling Room. Students should wear judo gi or old clothes. For further information call **Joe DeLuca** at 7-3644.

SOCCER

Memorex employees originally from many different countries have formed the first MAG Soccer Club. The club practices Wednesday night. They will be playing championship games every Sunday beginning October 1 in the third division of the Peninsula Soccer League. For further information contact **Leslie Fodor** at 7-3188.

COM-LINE is an open and anonymous communications channel available to all Memorex employees. Every legitimate question received along with an authoritative answer will appear in INTERCOM every month. Questions are limited only to those regarding company policy and practices, and must be within the bounds of good taste. Other questions of limited or special interest should be directed to INPUT/OUTPUT. INPUT/OUTPUT questions and answers of general interest will also appear in COM-LINE. INTERCOM reserves the right to edit questions in conformance with our editorial style and for readability, however the basic intent of questions received will not be changed.

To participate in COM-LINE, simply write or type your questions and send in via inter-office mail to Editor, INTERCOM, mail stop 12-33. There is no need to identify yourself. Your questions, along with an authoritative and complete answer will then be published in a succeeding issue. If you have any questions, you may call the Editor at 7-2200.

Does Memorex plan to include some kind of retirement program in their benefits sometime in the near future?

Yes, Memorex does wish to provide retirement benefits for its employees. Since some employees have expressed interest in a pension plan, Memorex has recently hired an actuarial consulting firm to analyze our Profit Sharing Plan, alternative pension plans, and the related benefits and costs for each.

It is our intention that the company's compensation and benefit programs remain equal or superior to those of competitive employers in the Bay Area and in the data processing industry. We periodically review our comparative programs and modify the overall benefits package so that it continues to be a superior one for Memorex employees.

When can I expect to receive stock certificates requested in withdrawing from the Savings and Investment Plan?

According to the Plan there are two ways to receive payment from the Savings and Investment Plan:

1. Cash
2. Stock Certificates

If you elect to take the cash value of the stock, it should take approximately three to six weeks to receive a check in the mail.

However, if you opt to receive the stock certificates, it is necessary for our trustees to request our transfer agent to prepare a

stock certificate for the exact amount of shares and transfer the title from the Trust to the individual. This process takes approximately six to eight weeks.

Why is it that Memorex does not give cost-of-living raises?

Memorex determines the salary ranges for various jobs by comparing them to the going rate in the labor market. In setting and adjusting these ranges, we consider the movement of the economic labor market which includes many factors including cost-of-living. Rather than go strictly by a national price index, we instead pay for performance. Our approach to salary administration is to provide both salary structures and merit opportunities which are competitive with other companies. Our system of mandatory reviews at specified intervals insures employees of regular opportunities for increases in pay.

Why do the vending machines operate improperly and sometimes contain spoiled candy?

All machines have been reviewed as to content and working condition by the Coca-Cola management. Necessary corrective action has been taken, and improvement should be noted.

Should there be similar problems in the future, please contact Greg Plahn, Corporate Telecommunications Manager on extension 7-3543. Samples of spoiled candy, together with time and date of purchase should be brought to his attention.

It is our desire that the vending machines should provide satisfactory service. Your help in bringing problems to our attention will be appreciated.

Why isn't there a guard stationed at the door leading from Building 10 to the cafeteria?

The Security Department has for some time been aware that the lack of a guard at the Building 10 entrance opposite the cafeteria constitutes a gap in our security program. To correct this situation, and barring any further cost reductions, a guard station is planned for this entrance by year-end 1972.

Who is responsible for cleaning the Vending-master microwave oven in the main cafeteria?

The microwave oven is leased from Coca-Cola for the use of employees who bring their lunches. Cafeteria personnel have been cleaning this particular oven for us. They have been instructed to be sure this is done on a daily basis.

Intercom

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