

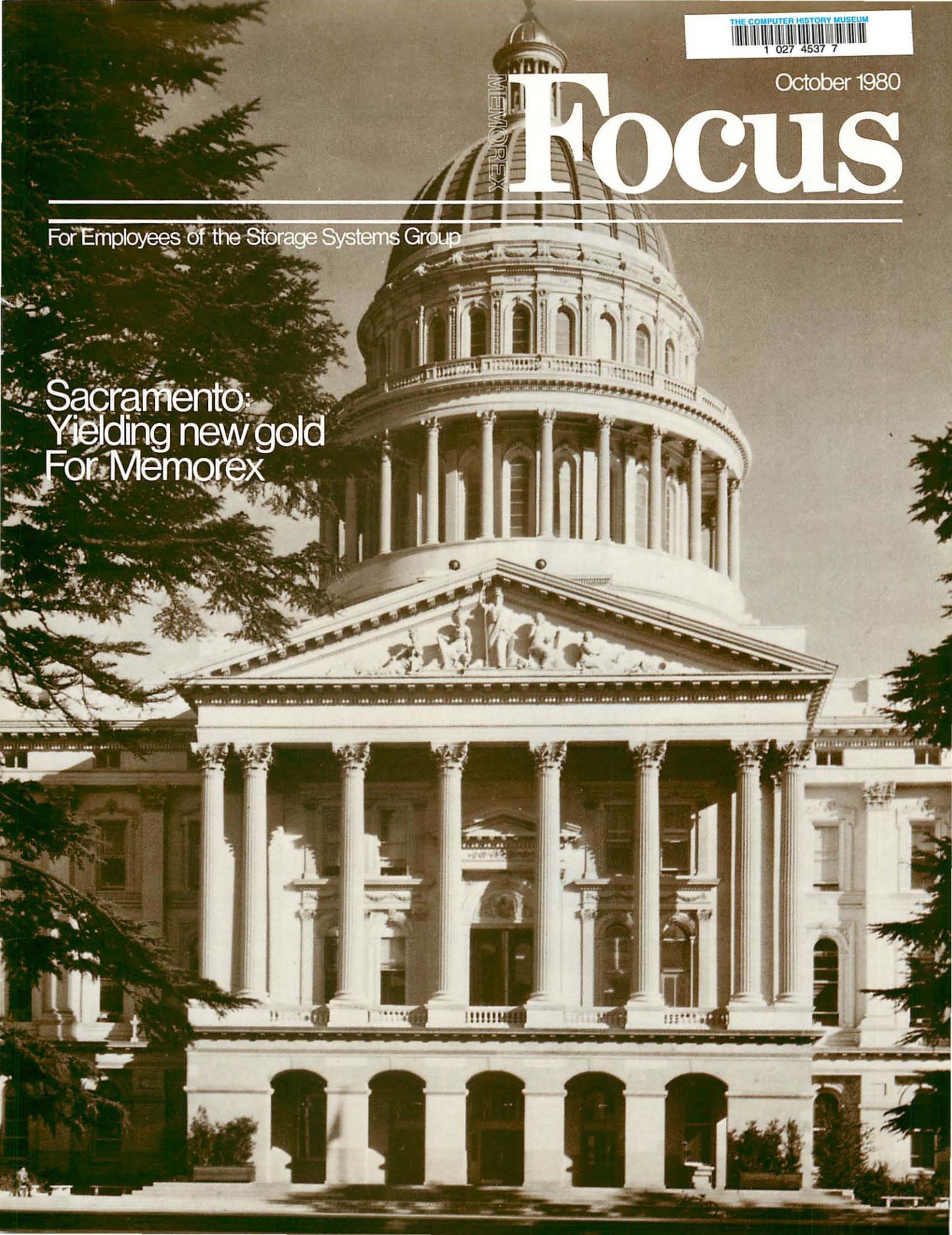
October 1980

Focus

For Employees of the Storage Systems Group

**Sacramento:
Yielding new gold
For Memorex**

MEMOREX



Contents

Vol. 1, No. 1—October 1980

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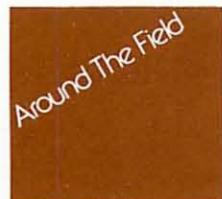
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In November, over 10 million Californians will go to the booths to vote for a president. Rapid election-night returns will be aided by Memorex 365X and 367X drives installed at Stephen P. Teale Data Center in Sacramento. The center has three CPUs and provides data processing services for over 82 state departments and organizations.

San Francisco team tastes success at Teale Data Center after five-year effort

While Ronald Reagan was running for Governor and 18-year olds were being granted the right to vote, an elder senator from California's Third District, Stephen P. Teale, was pushing legislation that would change and simplify the work of many state government agencies. Senator Teale wanted all the data processing operations for the State of California consolidated into one responsive, cost-effective computer center.

The Senator retired before the legislation passed, but the citizens didn't forget him. When his dream finally came true in 1974, the new consolidated data center was named in his honor.

Today, Stephen P. Teale Data Center, located near downtown Sacramento, is one of Memorex's newest and largest accounts, and a very bright spot for the Western Region. Business in the state's capitol had eluded Memorex since 1971, when an unsuccessful bid at Franchise Tax forced the Sacramento office to close. Trying to re-build business, proposals were given to Teale in 1975 and 1978.

(Continued)

Teale Data (Continued)

But it was March, 1979, when the break finally came. Craig Tysdal, San Francisco/Santa Clara Sales Rep, aided by Branch manager Graham Baxter, won an order for 60 spindles of 367X. This significant order was to lay the groundwork for a much larger procurement to be issued in October. "The success of this install was critical to Memorex," recalls Tysdal. "It was our chance to prove our capability."

Immediately Jim Pelican, San Francisco Branch Customer Engineering Manager, assigned two full-time CEs to Sacramento. Of the six who applied, Ken Lobner and Theresa Bradley were chosen.

As fate would have it, those delicate months between March and October were not easy ones. Teale was using media from four different vendors and, according to Lobner, disc pack problems were plentiful, including several head crashes.

Although a tense time, it was also a time of opportunity, and the entire San Francisco/Santa Clara office rallied to make the most of it. Jim Dethlefson, San Francisco Branch Specialist, and Pelican, were frequently on-site. Computer Media sent disc pack engineer Mike Beale, who helped instruct the customer on media handling and cleaning. The problems were solved and the tension eased. But Pelican says the ordeal may have been what won Teale to Memorex.

Although Memorex's bid was lower than IBM, both Pelican and Tysdal concur that service, especially that of Huson and Lobner, sold Memorex more than price.

"The account had been through similar problems with other vendors, but none had ever shown our pride and determination to resolution. Teale employees were extremely impressed, and our mutual respect grew throughout the trial." It was during these months that Dave Huson also became an on-site CE at Teale. He and Lobner were indispensable in solidifying Memorex's relationship with Teale, and smoothing out the installation.

In August, Tysdal submitted a \$1.3 million bid for 365X drives. In September Memorex was informed that it was the lowest qualified bidder and that the State intended to award the business to Memorex. It would have been a golden afternoon in Santa Clara, filled with the usual parties and slaps on the back, had not the State Department of Finance overturned this decision.

Bitterly disappointed, the San Francisco/Santa Clara branch protested, writing senators and other state legislators and Department of Finance personnel. Finally, it was decided to undergo another evaluation for all the vendors. STC, CDC, IBM and Memorex each installed 14 spindles of drives at Teale. For four months the equipment went through rigorous testing.

Equipment availability, service response, repair time, were among the factors considered. At test completion, only Memorex and IBM passed. Although Memorex's bid was lower than IBM, both Pelican and Tysdal concur that service, especially that of Huson and Lobner, sold Memorex more than price. At last a celebration party was in order.

Today Lobner and Huson meet with Teale personnel every morning. Once a week Pelican joins them. "Teale employees are keenly interested in their operation," explains Pelican. "They want to know percentages of up-time and throughput, and thoroughly study vendor reports. Memorex has disciplined itself to work with all the information supplied by Teale in order to support this account. They want to be on top of things and so does Memorex."

Plans are in the works for another data center to open in Sacramento next year. Humorously referred to as "Son of Teale", it will eventually be as large as Teale. Tysdal is already anticipating that procurement. "We've got a strategy in the works. If our equipment continues to perform to everyone's satisfaction, Memorex may soon be even bigger in Sacramento."

Memorex Detroit tops 1979 despite auto slump

Pozniak cinches \$4 million order at VW

Everyone is familiar with the bleak news coming out of Detroit these days. The collapse of big-car sales has devastated the automobile industry's profit structure. Detroit, which has always prided itself on its marketing skills, is facing the prospect that it may have to cede nearly a third of its home market to imports. Michigan's unemployment is the highest in the country, and in all, 1980 is the industry's worst year since World War II.

Not very good news at all. But there is one bright note in this otherwise dark picture. For Memorex, recession and inflation seem to be working to an advantage. The selling and prospect activity of the Detroit office is running substantially ahead of 1979 figures.

Now, more than ever, the auto industry is looking for cost-saving proposals. According to Tom Pozniak, Sales Rep, Detroit, prospects which were previously strictly IBM are now taking a second look at Memorex.

Pozniak should know. He just closed an order with Volkswagen of America. "Before the first of the year, VW wouldn't even speak to Memorex," he recalls. "But when their profits weren't improving, they wanted to know what we had to offer."

The outcome was well worth the persistence. Pozniak, together with MFC Sales Rep Frank Jakovac, presented a whopping \$4 million package lease to VW. When the account accepted, it displaced GM Research as the Central



In 1980 auto sales slumped to their worst since World War II and new car inventories piled shamefully high. Here, new Chevy Citations are loaded into rail cars for distribution across the country. Ironically, Memorex reports much brighter news coming out of Detroit.

Area's largest order. (Sales Rep Rich May closed a \$2 million order with GM Research last Spring.) VW of America plans to open a new plant in Michigan, and Pozniak is optimistic about the possibility of future business.

Meeting the Market

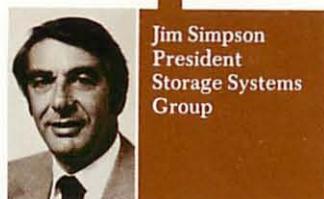
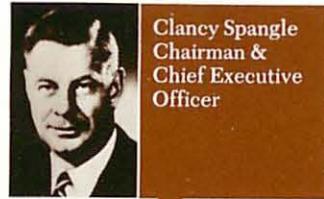
To meet the huge marketing demands of the automobile industry, the Memorex Detroit office is divided into two "teams"—GM and Ford. General Motors, Volkswagen, Chrysler, American Motors and Budd Co., an auto parts supplier, are served by sales reps Tom Pozniak and Rich May and Branch Manager Bill Colestock.

The Ford team, which markets to Ford, Bendix and other commercial accounts, consists of Sales Consultant Robert Turner, Sales Rep Berry Bernstein, and Branch Manager Mike Jarvis.

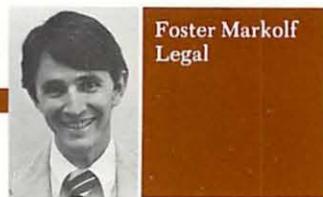
Customer Engineering support for the two teams is under Branch Manager Chris Newton. Territory Supervisor Tom Dionne heads support for the Ford team, and CE Manager Bernie Harrison and Sr. CE Gordon Paquette support the GM team.

Although things are looking bleak in Detroit, Memorex is doing its best to turn the situation to its advantage. And if orders like Pozniak's and May's happen often enough, the picture may get even brighter.

MEMOREX ANNOUNCES NEW STORAGE SYSTEMS GROUP



Storage Systems Group



Bill Brown
Development
Engineering



Frank Sordello
Recording
Technology
Center



Jim Key
Manufacturing
Support



Bill Richards
Industrial
Relations



Ralph Walch
Finance



Gary Land
Product
Management



Rich McCraney
Sales



Robert P. Berry
Customer
Engineering



Jim Simpson
(Acting)
Planning

**Organization designed to
improve cost effectiveness and
management talent**

A realignment of Memorex's organizational structure, consolidating the former Field Operations Group and the Large Storage Systems Group into a new group called SSG—Storage Systems Group, was detailed in a July announcement.

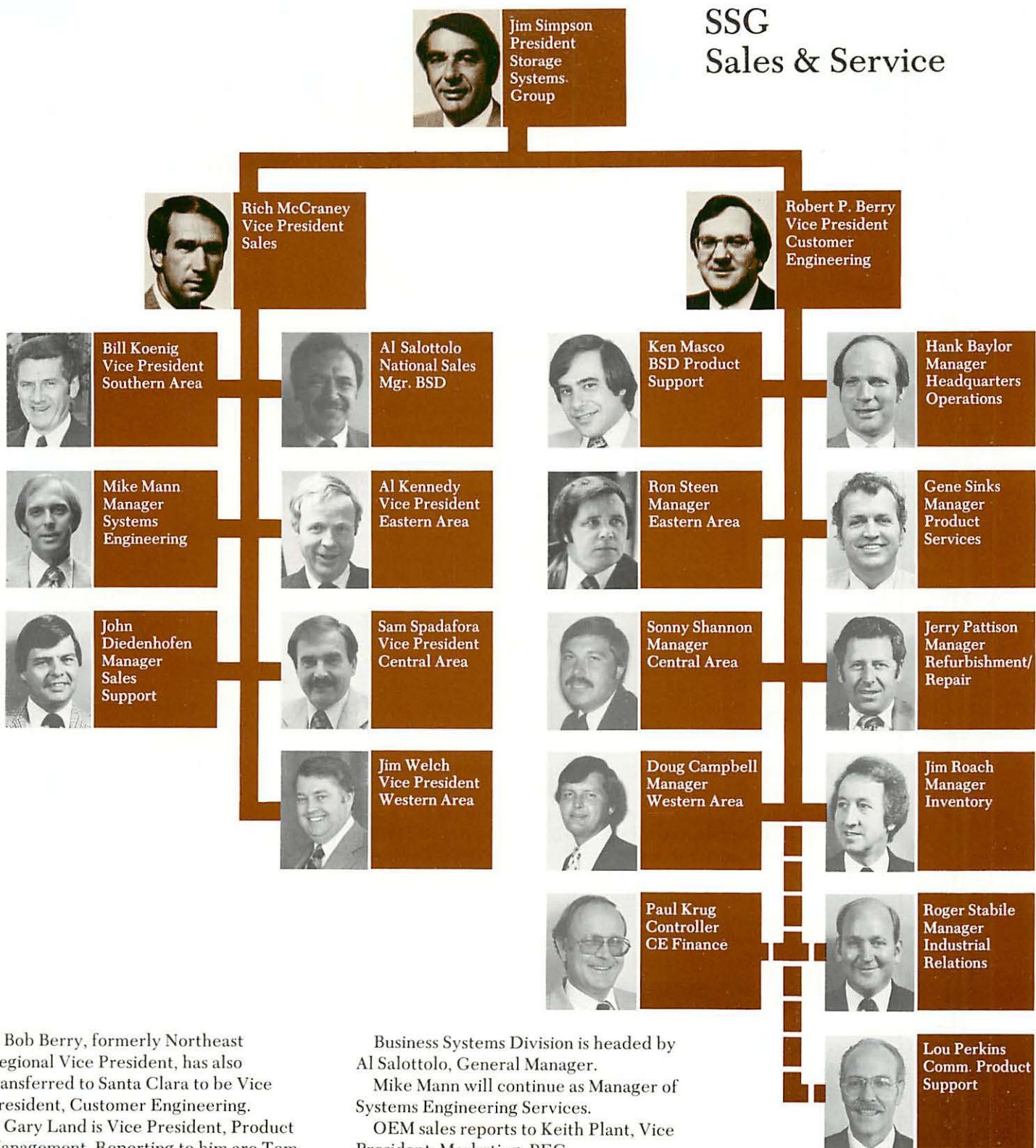
Jim Simpson, formerly President of LSSG, is President of the new Storage Systems Group. Storage systems sales and customer engineering report directly to Simpson.

The SSG sales and service organization continues to be responsible for the sale and service of Communications Group products in the United States. However, prices, product goals, budgets, and staffing for the communications products will be set by the Communications Group.

All disc drive manufacturing activities have been consolidated into the Peripheral Equipment Group, with Bill Bayer as President.

Richard McCraney, formerly Vice President, Central Area, is Vice President, Sales. He has transferred to Santa Clara, and Sam Spadafora has assumed the Central Area sales responsibility.

SSG Sales & Service



Bob Berry, formerly Northeast Regional Vice President, has also transferred to Santa Clara to be Vice President, Customer Engineering.

Gary Land is Vice President, Product Management. Reporting to him are Tom O'Keefe, Manager, Customer Service; Larry Haas, Manager, Revenue; Advertising and Promotion (to be named); Bob Varo, Manager, Educational Services; and Program Managers Gary Brock, Frank Fowler, Mark Lutvak, and Al Tinker.

Business Systems Division is headed by Al Salottolo, General Manager.

Mike Mann will continue as Manager of Systems Engineering Services.

OEM sales reports to Keith Plant, Vice President, Marketing, PEG.

According to Clancy Spangle, "The purpose of this new structure is to enable Memorex to be more efficient and more responsive to market requirements."

Around The Field

Hannon receives award

Nan Hannon, Regional Administrator for BSD, Irving, has been named "September Employee of the Month" for the Western Area.

Hannon was selected from several nominees by the Area's MAG committee, a group of co-workers that oversees the recognition program. The MAG committee has one representative from every department, and they meet monthly to evaluate nominations and select an award recipient.

Recommendations for "employee of the month" are submitted by supervisors and managers. Criteria for nominating employees includes: 1) an employee who has completed a major assignment in an exemplary manner and ahead of schedule; 2) an employee who made a suggestion which resulted in cost savings, or new business; 3) an employee who has exhibited noteworthy improvements in overall performance or one specific area.

Hannon was nominated by Jim Peck, Regional Manager, BSD. He described her as "...my right arm in running the region. Without her help and dedication, I would not be able to devote as much time to out-of-town sales work. She is truly a great asset to me and BSD."

Award winners receive an engraved pen holder, and their names are added to a "perpetual" plaque on display in the Dallas regional office.

Memorex to the Rescue!

Four customer engineers from the Dallas office deserve special recognition for their outstanding efforts at Employers Casualty Company.

Employers Casualty had decided to replace its CDC tape drives with Memorex 3226 (1 x 6 configuration). But ten days before the switch was due, on a Friday morning, the CDC drives failed. With Employers Casualty at month-end closing and 2,000 statewide employees unable to complete their work, CDC told them the part to fix the controller would not be available until Monday morning.

Employers Casualty found that unacceptable, and immediately called Memorex. Within 30 minutes, CEs *Mark Cox, Ted Robertson, Joe Trevino* and *Ed Scott* were on-site. It was 10:00 A.M. By 4:45 P.M., CDC was out and the Memorex drives were in and running beautifully. The dedication of Mark, Ted, Joe, and Ed made an outstanding first impression on this new Memorex account. Their swift work, plus understanding of the customer's situation and needs, was applauded by both Employers Casualty and Memorex.

Central Area Awards

You can almost become rich if you're good in the Central Area. A recognition program for Central Area customer engineers has been implemented under the benevolent eye of *Sonny Shannon*, Central Area customer engineering manager. Nominees are chosen for their performance and dedication to a task, and presented a cash prize.

First quarter recognition went to *Warren Maertens*, former CE branch manager, Minneapolis (retired). Second quarter monthly awards went to *Fred Mosley*, ACE, Chicago; *Gordon Paquette*, Sr. CE, Detroit; and *Mark Green*, CE, Cleveland. Quarterly awards went to *Randy Whitehead*, FSS, Detroit, and *Chris Newton*, Branch CE Manager, Detroit.

Thus far for the third quarter, *Ron Gelaude*, FSE, Detroit, has been named CE for July, and *Laura Coba*, Sr. ACE, received the honor for August.

The awards include: \$50 and a recognition plaque for the CE of the Month; \$250 and a digital watch for CE of the Quarter; and \$250, digital watch and traveling trophy for Manager of the Quarter.

GSA on schedule

Since that famous order was received in April, a CE install team dedicated to the GSA order has been hustlin' to get the units in. Under the supervision of Washington Region CE Manager *Curt McCrary*, the following machines have been installed in the Washington D.C. area: 33-3674s; 12-3650s; 10-3653s; 4-3654s; 10-3670s; 42-3673s; and 109-3675s. They've gone to the following agencies: US Dept. of Agriculture; FBI; Army Communications Center; Dept. of HEW; Social Security Administration; Civil Aeronautics Board; Dept. of Labor; US Air Force; and Dept. of Treasury. More installs have taken place in a few other agencies across the country, and overall product performance has been good.

McCravy reports that they have an equal amount of equipment to install before December 31, 1980. "But we're on schedule so far," he adds.

Installing such a large order could be a logistics nightmare, but McCrary has it under control. "This is the first time I've done longterm planning based on firm forecasts," he says. "For example, I know what I'm supposed to be installing in 4th quarter 1981. This makes my job as a manager much more predictable."

The GSA order is for \$30 million worth of equipment.

Blood Drive

Over 36 employees from the King of Prussia Distribution Center participated in a Red Cross Blood Drive in late August. Among participants was long-time blood donor *Ted Sack*, a Senior Traffic Clerk, who has donated three gallons of blood to the worthy cause.

Sack says he's always been extremely healthy, and enjoys knowing that his donation is going to help someone when it's needed. His daughter, who has a rare blood type, is also a faithful donor. "I've been giving blood all these years to help others," says Sack. "I'd like to know that if my own family ever needs help, they'll be taken care of because other people like me have been giving."

In addition to Memorex, industrial neighbors Honeywell, Sorbus, and Sears also participated in the drive, pulling the total number of donors to 76.

Where's Foghorn?

Right in your hands, only now it's called *Focus*. The publication will continue to be primarily for the field sales and service employees of what is now the Storage Systems Group.

You'll notice that *Focus* is a magazine format. This new lay-out lends itself to more in-depth feature stories and broader coverage of Memorex people.

If you have any comments about *Focus*, or perhaps an article idea for the next issue, please address your correspondence to: Editor, 2800 Bowers Ave., Santa Clara, CA 95051.

TRANSITIONS

Promotions

Ames, Frank, Mgr. Br. Sls., St. Louis
Badesso, Dennis, Credit Rep., Norristown
Baylor Jr., Henry, Mgr. Cust. Eng. Opns., Santa Clara
Bedel, Victor, Sr. CE, Indianapolis
Bentley, Terence, Sr. CE, Boston
Berry, Robert, Vp. Cust. Engng., SC
Bonaventure, Donald, SR. CE, Long Island
Brown, Ronald, Sr. ACE, Detroit
Bugher, Nelson, Order Corr A, SC
Bujacich, Dennis, Sr. CE, LI
Caffo, Jr., Anthony, Sr. CE, Federal
Cahill, James, Fld Supp. Oper. Clk. A, K of P
Campbell, Howard, Mgr. Reg. CE, Irving
Carpenter, William, Sr. CE, Birmingham
Casale, Ralph, Mgr. Reg. Sls., Boston
Castaldo, Thomas D, CE, Federal
Coba, Laura, SR. ACE, Chicago
Cousineau, Allan, Sr. CE, Atlanta
Coyle, Richard, Sr. CE, Portland, ME
D'Ascenzo, Manfred, Cust. Eng. Spec., K of P
Dasalla, Rizaline, Actng. Spec, SC
Disney, Jacquelyn, Field Admin. Spec., SC
Dixon, Margaret, Sec. A, K of P
Doyle, Richard, CE, New York
Dupont, Mitchell, Sr. ACE, K of P
Eshelman, Raymond, Mgr. Adm/ Fin, Federal
Faneuf, Robert, Sr. CE, SC
Fautt, Donald, Sys. Eng., LA
Florence, Michael, Terr. Supv., SC
Francimore, Bernard, CE, Houston
Freund, John, Sr. Sales Rep., Detroit
Garner, Jamie, Sr. Fld Ord. Admin, Garden Grove
Gray, Thomas, CE, Santa Clara
Hecker, John, Sr. CE, Kansas City
Herbert, Robert, Sr. CE, Newark
Hogeman, Stanley, Mgr.-Reg. Cust. Eng., SC
Huhn, Dana, Mgr. Br. CE, Federal
Huie, Pamela, Supv. Br. Adm. Supp, LA

Jackson, Mitchell, CE, Federal
Jacobs, Janice, Fld. Admin. Spec., Minneapolis
Keown, Robert, Assoc. Fin. Anlst, SC
King, W. Mackenzie, Sr. Sys. Engr., K of P
Kreps, Timothy, Sr. CE, Pittsburgh
Kurtz, Thomas, Sr. CE, Baltimore
Labs, Dennis, Sr. CE, Minneapolis
Lawley, Annemarie, Fld. Pts Adm., K of P
Le Baron, Luel, Sr. Dispath. Data Coll., SC
Magliocco, Grace, Acent Assoc., SC
Mangola, Robert, CE, Federal
Miller, Larry, Mgr. Reg. S/S Eng., Santa Clara
Moffitt, Michael, Sr. CE, LA
Moore, Ronald, CE, Oklahoma
Peabody, John, Mgr. Br. Cust. Eng., SC
Pearson, Larry, CE, Denver
Picket, James, CE, Greensboro
Raines, Jeffrey, CE, Federal
Rawlings, Betty, Field Admin. Spec., Irving
Robeson, William, CE, Raleigh
Russell, James, Sr. CE., Chicago
Sampson, Arthur, Sr. CE, Federal
Sedgwick, Jr., John, Sys. Eng., Boston
Smith, Arthur, Sr. CE, Providence
Smith, Steven, CE, Greenville
Smith, William, CE, Pittsburgh
Stokesberry, Dianna, Acentg. Assoc., SC
Taffe, Horace, CE, Chicago
Taylor, Lorena, I.R. Spec., SC
Terry, Tammy, Cust. Supp. Oper. Clk. A, Irving
Twardy, Lawrence, Sr. ACE, Boston
Weiland, Daniel, CE, Pittsburgh
Whitney, Gary, Sr. ACE, Columbus
Wilcox, Frank, CE, Hartford
Wilson, Kenneth, Mgr. Gen. Acctg., SC
Wong, Patrick, Mgr. Budgets-Meas BSD, SC
Wood, Jr., Harold, Territory Supv., Federal
Yurek, John, Cust. Eng., Minneapolis
Zanone, Dennis, Mgr. Br. Sls., New York

Retired

Warren Maertens, CE Manager, Minneapolis
Al Montgomery, CE Mgr., Wst. Reg.

Ten-Year Anniversaries

Phil Atwood, St. Louis
Hank Baylor, Santa Clara
Anne Bidwell, Santa Clara
Ernie Brieger, Dallas
Howard Brunner, Santa Clara
Jim Brown, Charlotte
Jim Coulter, Dallas
Randy Dale, Houston
William Dumler, McLean
Paul Ellis, Philadelphia
Mark Hill, Los Angeles
John Hughes, Houston
Larry Hurst, Seattle
Don Juhola, Boston
Charles Linen, San Diego
Ken Matthews, Birmingham
Roger Mauerman, Dallas
Jerry McSpadden, Houston
Doug Middour, Atlanta
Jack Mitchell, Santa Clara
Al Oeding, Dallas
Dennis Palmerston, Santa Clara
Ken Price, Miami
John Pugh, Seattle
Robert Quiring, Santa Clara
Les Schaub, McLean
John Schneck, Cleveland
Mike Schosky, Cleveland
Del Show, Santa Clara
Jerry Stutzman, Chicago
Lynn Swidersky, Atlanta
Charles Weber, St. Louis
George White, Philadelphia
Reggie Widgeon, McLean
Ken Wieland, McLean
Pete Wong, Philadelphia

Focus: On People

Name: Tony Caffo

Position: Sr. Customer Engineer, C & P Telephone, Washington D.C.

Most satisfying accomplishment:

"Identifying a re-occurring problem on the 3650. Bill Gonos and I discovered that the spring retaining lock on the 3650 motor was weak. We sent an equipment performance action report (EPAR) to California. Then Santa Clara sent a communique instructing customer engineers on how to detect and correct this problem. Manufacturing took steps to correct the lock on future units."

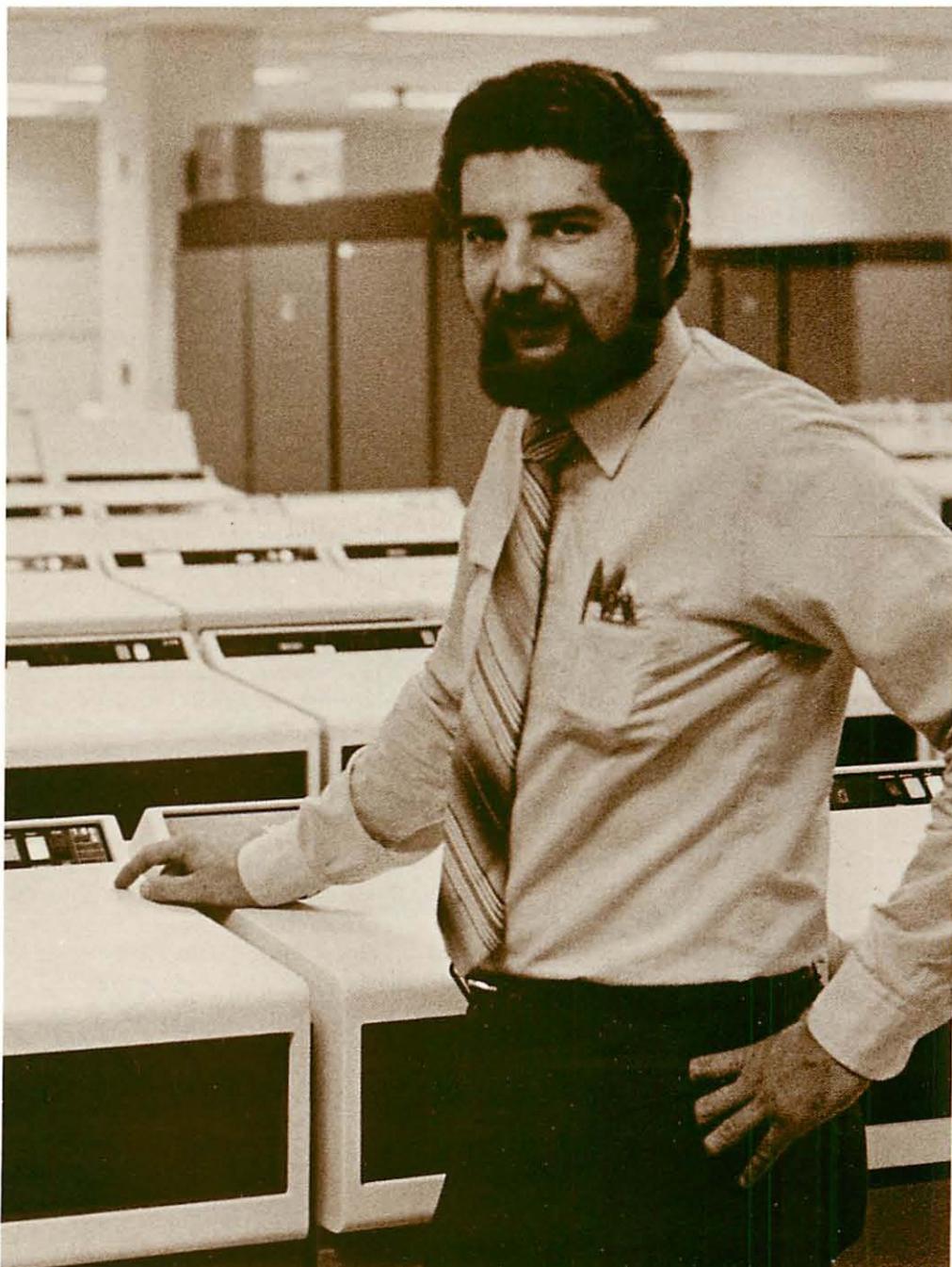
Most influential event or person in your career: "My wife, Deborah. She's gone through a lot in the last four years with me going to school and starting my career. Yet she's always encouraged me and been behind me when I get discouraged. She's my mainstay."

Favorite way to unwind or relax:

Fishing for large-mouth bass, a fresh water fish.

Ambition: "To write instructional fishing articles for young children and teenagers. I've taught my two little girls how to fish. Most of the articles you see in fishing magazines are written for adults."

Off the cuff: "I like getting involved in my work. Sometimes I get too involved and forget about my personal life. That's where my wife helps keep me in balance. I get a deep satisfaction solving problems, and find being a customer engineer very challenging. Sometimes the hours get to me, but they're part of the job."



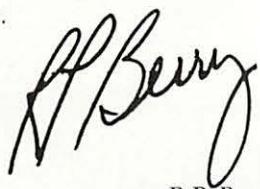
View From Santa Clara

It's appropriate for a number of reasons that this new magazine is called *Focus*. As you know, field engineering recently changed its name to Customer Engineering. This was done to "focus" our attention on customer satisfaction. This is our major objective, and our name is now an acknowledgment of that goal. Our task is much more than simply repairing equipment. The more important issue is "Customer Satisfaction".

Customer Engineers are often the only interface between the customer and Memorex for extended periods of time. They are always the first contact our customers have when a machine malfunctions. At these times, it is just as important that we spend some time with our customer as it is to repair the machine. Take that extra moment. The dividend it pays is a closer and more harmonious relationship between the customer and Memorex.

In achieving customer satisfaction, we will contribute significantly to Memorex's success, and will build enduring business relationships. These relationships must be founded within the framework of the entire Memorex team. "We" means all of us—C.E., sales, marketing, engineering, manufacturing, quality and finance, and all other groups. "They" is the competition!

Please join me in the attainment of this goal—together.



R.P. Berry
Vice President
Customer Engineering

At the beginning of football season each year, I observe how some teams continually stay on top while others struggle to stay alive. They all begin with the same goal—to be number one—and they all begin with a plan to accomplish this goal. They all have their ups and downs—players lost, coaches fired, injuries abound. But the spirit of cooperation with which their plan is executed, as well as the individual commitment and dedication toward their TEAM'S goal, is what keeps the winner on top.

A new decade is upon us—a decade that could be the birth of a new and better Memorex. We as a team have a goal and we as a team have to cooperate to achieve our goal. We have built a fine reputation in our field for quality products and excellent service. Building on this reputation is our starting point for the 80's.

We as a team must make a commitment to fulfill our goal. This in turn means an individual commitment to accept our share of the responsibility for implementing our plan. It means cooperating and working together to assure that we keep our spot on top. Gary Land, Bob Berry, Paul Klein, and I have made our commitment. Have You?



R.M. McCraney
Vice President, Sales