

MEMOREX

AMERICAS & ASIA GROUP

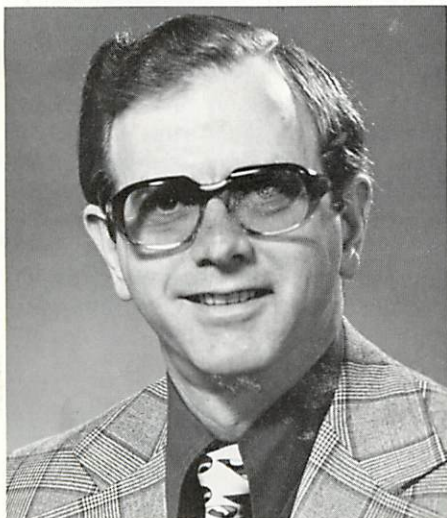
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March, 1977

HUGHES APPOINTED PRESIDENT, MEMOREX CANADA LIMITED

"Gary N. Hughes has been appointed President of Memorex Canada Limited," announced Marcelo Gumucio, Vice President and General Manager. The appointment is effective April 1, 1977.



Gary is responsible for optimizing Memorex's business results and for developing future opportunities for the Canadian operations. He will provide leadership to Memorex employees in Canada and is directly responsible for all Memorex activities there.

A member of the computer industry for 20 years, Gary has had varied experience as a user and in the marketing and manufacturing of computer equipment, software, and services. During the past six years he worked with Systems Dimensions Ltd., one of Canada's largest data processing service organizations. His most recent assignment was Vice President of SDL's United States operations.

Farre Transfers to Venezuela

Carlos J. Farre, previously Country Manager of our Argentine subsidiary,



has transferred to Venezuela to head up our operations there. Mr. Farre joined Memorex in October of 1969 when he left English Electric to launch the Memorex product line in Argentina. During his 14 years of experience in the computer industry, Carlos had an opportunity to work with IBM and had his own consulting firm. He has the distinction of being the only Country Manager Memorex-Argentina has known.



Ruben Corti will serve as Acting Country Manager in Argentina. Ruben joined Memorex in February of 1970 as salesman. His career in the computer industry closely parallels that of Carlos Farre in that both gentlemen have worked together since 1961 at IBM, English Electric, and the Middle West Service Company. Farre jokingly refers to Corti as "my left-hand man"—a play on the familiar phrase since Farre is left handed.

COUNTRY PROFILE: CANADA

Canada is the largest country in the "free" world and, yielding only to the U.S.S.R., is the second largest country in the world. However, like Australia, it is relatively sparsely populated. Almost all of its population lives within 100 miles of the U.S. border, with the greatest concentration, apart from Vancouver, living in the Southern Ontario and the Montreal and Ottawa areas. Politically, Canada is divided into ten provinces, of which two are islands and two are territories.

Memorex Canada was formed in 1968 and was limited, at that time, to the sale of disc packs and magnetic tape. Its main facility consisted of a small office and warehouse in Mississauga, a suburb of Toronto. Hard on the heels of its U.S. parent, Memorex Canada started marketing equipment in 1970 with the highly successful 620 and 630 disc drives. Since those early days, equipment has been installed at many large and small accounts in Toronto, Montreal, Ottawa, and Vancouver. The head office and warehouse facilities are now consolidated in Don Mills, Ontario.

Because of its proximity to the U.S., Memorex Canada tends to announce new products at the same time as the U.S., or very shortly thereafter. Sometimes it catches the U.S. sales force by surprise. In 1972 it was the first to realize revenues from the installation of 3670s, and it is currently still ahead of the U.S. in 6268 Model II memory installations.

The addition of equipment products in 1970 did not diminish Memorex Canada's attention to the media market, either for computer media or consumer and business media. In addition to Toronto, Montreal, Ottawa, and Vancouver, media representatives are active in Edmonton, Calgary, Winnipeg, and Halifax.

With growth, it became necessary for Memorex Canada to organize along divisional lines. There are now three sales divisions and two service organizations. The Equipment Sales Group is headed by Peter Hilton who joined the Company in 1976 after ten years experience with IBM.



1976 was a recession year in Canada with an economic climate that tended to favor the lowest bidder. Nevertheless, most of Memorex Canada's existing installation base was preserved and the inroads that were made into new, large accounts produced a creditable net gain.

The biggest success story of the year was the securing of the disc drive business and, subsequently, the memory business at the Ontario Ministry of Government Services. This organization, usually referred to as MOGS, evolved from the old Department of Public Works and is responsible for all common service functions required by the other ministries and agencies. Its most glamorous and conspicuous function, data processing, involves three large computing centers, each with a System/370 Model 168. Memorex's successful proposal, prepared by Peter Campbell, Toronto's Senior Sales Representative, with the assistance of Field Engineering and Product Sales, has resulted in the installation of seven 3672s, ten 3673s, two 3670s, and thirty-five 3675s. More are being installed as their needs increase, along with a total of six megabytes of 6268 Model 2 memory.

In Montreal, Yvon Leveille, who joined the Company during 1976, made Memorex Canada's first sale to an Amdahl user. IST, a large service bureau, has two 3672s, two 3673s, and six 3675s, attached to an Amdahl 470/V6 and a System/370 Model 168. Yvon was also successful in selling two strings of 3670s to a strong IBM 3340 prospect.

Vancouver's Terry Ibbetson, who has earned a reputation for being a pioneer,

secured the first 1377 and the first 3650 orders in Canada. He also sold two megabytes of 6268 Model 2 memory and two 1270s to the Insurance Corporation of British Columbia. Also, ever mindful of the small user as a source of revenue, Terry managed to sell ten BST printers and a System/3 Model 15 memory.

Canada's most successful new product of 1976 was the 6268 Model 2 memory. In addition to the three installations at the Ontario Ministry of Government Services and one at the Insurance Corporation of British Columbia, these memories are installed at Manufacturers Life in Toronto and Bell Northern Research in Ottawa.

1976 seems to be the year in which Memorex Canada has built the launching pad for a strong take-off in 1977. Already, Terry Ibbetson has sold two more large memories at the Insurance Corporation of British Columbia and at BC Hydro Electric Commission. IST and the Ontario Government are ordering more drives, 3650 orders are coming in, and the 1380 program is under way. 1977 could be a strong year for the Canadian Equipment Group.

Computer Media Sales has as its leader Maurice Jolicoeur who transferred from video product sales in 1976. Previously, equipment and media sales were combined with some sales representatives handling both product lines. When Maurice was promoted from his position in video sales to National Sales Manager, Computer Media, the groups were divided. His sales force and geographic coverage has since increased.



Maurice Jolicoeur

COUNTRY PROFILE:

Memorex Canada Limited

Computer Media sales successes in 1976 included sales to five major service bureaus, two GSA tape contracts,



Rick Carnell

a contract with the Alberta Government, and a tape contract with Canadian National Railways.

Rick Carnell spearheads the Consumer and Business Media efforts. Rick joined the Company in 1973 as a video products salesperson at a time when the division was composed of three sales representatives—two in Toronto and one based in Calgary covering all four western provinces. Since that time the division has expanded to fourteen representatives, although six are

shared with the Computer Media Division and devote 50% of their time to each Division.

The Consumer and Business Media Division has the capability of local delivery in all major cities with warehouses in Toronto, Montreal, Ottawa, Halifax, Winnipeg, Edmonton, Calgary, and Vancouver. In addition, a technical laboratory facility was installed for analysis of video products in 1976 and will be upgraded to include audio products in the first half of 1977. Don Williams, Technical Service Engineer, offers twenty-four hour availability to all points in Canada should a service call be required. Further, a technical service system is in place that guarantees a written or verbal report within three days of receipt of suspected faulty product.

A new position, Manager of Dealer Sales and Support, was created in January. Mike Anderson, responsible for that function, will implement support programs to enhance the already substantial revenues realized through dealers and distributors, train dealer representatives, and devise new and innovative marketing programs.

The Division was successful in obtaining the Federal and Provincial Xerographic toner contract business as a sole supplier throughout 1977 and signed Inter-City Papers, one of the

competition's largest dealers of toner and developer.

In the video tape area, Memorex is sole supplier to CFTO-TV in Toronto, one of North America's largest production houses, the CTV Television Network, Global Television also in Toronto and Edmonton.

The Consumer and Business Media Division is committed to exceeding their 1977 budget, basing their feelings on the high calibre of personnel, excellent quality products, available marketing tools, and service capability of their division.

The two service organizations are Field Engineering and Administration. Moe LaPalme who has many years of field engineering experience (six of them with Memorex) has put together an equipment service organization that is widely regarded as one of the best in the industry. Michael Green, Finance Manager, is responsible for the Accounting, Personnel, and Customer Service Departments.

With the infusion of new and enthusiastic personnel and the steady continuity provided by the longer term employees, Memorex Canada is poised to try for a record year in 1977.

MEMOREX JAPAN Participates in ICSF Fair

During the month of February, members of MJL's technical staff participated in the International Computer Systems Fair. Backed by embassies of the United States, France, and Germany, the fair was held in conjunction with 12 computer trading corporations.

Held for the purpose of introducing newly developed data processing machines and computer peripherals to the Japanese marketplace, some 6000 visitors viewed the various exhibits during the three-day program.

Memorex systems on display were the 1300 label printing system, Memorex System K, and the 1210 Librarian.



New Zealand Closes 1st Computer Media Order

A sale of 1500 reels of cubic computer tape was made to Databank Systems Ltd. in Wellington. Databank Systems is a service bureau offering a central processing facility for the majority of banks in New Zealand. Despite stiff competition from IBM, ICL, and NCR, Country Manager Ivan Kenna brought down the first significant sale in dollar magnitude for New Zealand. The sale also represented the first of cubic magnetic tape in that marketplace.

BITS & BYTES

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MEMOREX CANADA *Takes Command for 1977*

Treacherous highways, snow, sub-zero weather, and a 47-passenger, washroom-equipped bus—that was the setting for the start of the Memorex Canada Sales Rally on January 7.

Equipment, Media, Video, and Word Processing sales personnel, plus eight individuals from Corporate Headquarters left Memorex Canada's headquarters in Don Mills, Ontario, at three o'clock on a cold winter afternoon for their trip to the Hidden Valley Holiday Inn in Huntsville, Ontario. On arrival, they were quickly checked in by Bill Potts and Peter Hilton, the Rally's co-organizers, and fortified with a smorgasbord that was out of this world.

The theme of the Rally was established the following morning with a showing of the film "Take Command," featuring former astronaut Wally Schirra. After a review by Acting Country Manager Dan O'Brien of 1976's results and Memorex Canada's plans for 1977, the three divisions separated for their own market-oriented and product-oriented sessions.



Consumer and Business Products, which had more new sales representatives than the other two groups combined, ran a no-nonsense video and word processing training program that filled their entire schedule, and then some. Art Anderson and Reinhard Ortgies, of Santa Clara, in conjunction with Mike Anderson, Don Williams, Dave Atchison, and Rick Carnell, covered dealer support, word processing equipment, video equipment, terminology, the video market, Memorex products and their manufacture, competition, quality, forecasts, trends, sales aids, and the handling of field problems. This was the first chance the people in the Consumer and Business Products group had had to get together in this way. It won't be the last.

The Computer Media group, which benefitted by the presence of Bill Schroeder, Steve Stone, and Barry Carpenter, all from Santa Clara, dealt with such topics as the Canadian media market, Data Mark, software (specifically, Tape Error Analysis), pitch-book selling, and problem resolution. Maurice Jolicoeur and Moe LaPalme provided the Canadian content for the media sessions.

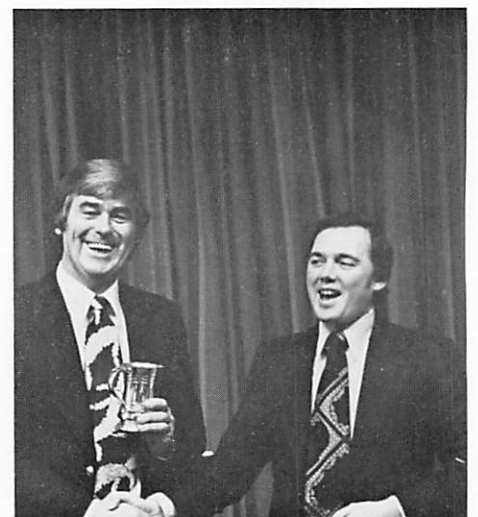
The Equipment group was treated to a preview of the new universal memories from National Semiconductor. Mike Cooper, of Memorex, and Gary Wilson, of National Semiconductor, made a detailed and highly informative presentation. The ubiquitous Steve Stone dealt exhaustively with all the rotating memory products. Peter Hilton and Bill Potts, both of Memorex Canada, dealt, respectively, with IBM's Selected Product Line and Memorex's communication products. Moe LaPalme, Memorex Canada's Field Engineering Manager, described his organization and its purpose.

Joint activity included most meals, the closing session, some films, and a special presentation by Frank Kirchhoff, Regional EPG Sales Manager from New York, on "Winning." Of particular value was a joint session which included all media sales representatives, in which ideas were exchanged with Michael Green, Controller, and Tom Woodruff, Manager of Customer Service, on the subject of improving customer service.

The Rally was not, of course, all work. Under the able guidance of experienced curlers like Rick Carnell and Mike Comessotti, two dozen intrepid souls sallied forth on Saturday night to the Huntsville Curling Club. Brooms and stones were wielded with much alacrity and occasional skill. Sunday afternoon was designated a rest and recreation period, and skiers ranging from neophyte to expert took to the slopes — with varying degrees of success. Others took a more mechanized approach to their recreation by going snomobiling.

The piece de resistance was, of course, the Awards Dinner. Awards were given in all three divisions for Salesman of the Year, Salesman of the Month (December 1976), and for Special Merit.

In Consumer and Business Products, Dave Atchison, Vancouver, was awarded Salesman of the Year. A 5+-year veteran of Memorex Canada, Dave has served in various capacities, among which was "Mr. Memorex." Recently promoted to Branch Manager, Dave is now responsible for sales activities in the West and a staff of six sales representatives. Garry Carroll, Halifax, was recognized as Salesman of the Month. Instrumental in developing the Atlantic Provinces during 1976 and, in particular, his capture of a substantial order from Memorial University, he achieved 150% of forecast for December. A Special Merit Award went to Don Williams of Toronto for his part in establishing the most advanced technical lab facilities available to the video market in Canada.



Don Williams & Rick Carnell

Computer Media Salesman of the Year Award was presented to Gilles Sanscartier of Montreal. He achieved 110% of quota for 1976, but most significantly, he continually outsold our competitors—CDC, 3M, and BASF—in the extremely competitive disc market in Montreal. Both Salesman of the Month and Special Merit Awards in Computer Media went to Wayne Hammell of Ottawa. His professional approach to the GSA dilemma was an example of sheer perseverance and determination. During the month of December he sold 5,000 reels of GSA to the Federal Government.

Peter Campbell was awarded Computer Equipment Salesman for 1976. During the year Peter captured a significant memory order from the Government and achieved 168% of quota. Yvon Leveille, Montreal, was recognized as Salesman of the Month for closing the IST order, and Terry Ibbetson received a Special Merit Award for BST orders in Vancouver.



Peter Campbell & Dennis Pepin

A surprise award was made to Barry Carpenter, Manager of Media Marketing for A & A. He became the first and only recipient of the "Straight Arrow" award, for being such an all-around good guy. The dinner was climaxed by a sometimes serious, sometimes hilarious, but always interesting speech by Dr. Joe Connell, a psychologist who is very much in demand for such occasions. His subject was "What's the Difference?"



Maurice Jolicoeur & Barry Carpenter

The Canadian Sales Rally marked the first time that all Canadian sales representatives have joined together for a working meeting in one location. During three-and-a-half days of concentrated training, they received the benefit of outstanding support from Santa Clara experts.

In a real sense, this meeting signalled the beginning of a new era for Memorex Canada. 1977 opens with representatives in eight cities, up from five. The total sales coverage has been increased from 19 to 27 people. Distribution has been improved with the addition of three Phone Power representatives, an expanded dealer support program, and dedicated small systems representation. Thus, Memorex Canada is in a strong position to meet its objectives and "Take Command."

VISITING SANTA CLARA IN THE NEAR FUTURE?...Call the Editor to arrange for a photograph and an interview for our Round-Up Column.

"FIRST EVER" FINANCE CONFERENCE SCHEDULED

A & A's "First Ever" Finance Conference will be held in Santa Clara beginning April 21. The three-day affair will be hosted by Jeff Henley, our Finance Director, and attended by all Country Finance Managers.

The conference theme is "Excellence" — a spin-off from the Silverado theme of "Creative Excellence." A complete agenda outlining speakers, plant tours, and customer service meetings was sent to the field earlier this year. The program will include a country-by-country financial review, speakers from the various Corporate Finance areas, and a review of their Silverado presentations by Messrs. Montgomery and Gumucio.



Distributor Conference

A conference for all Memorex Distributors who service our non-subsidiaries is scheduled in Santa Clara March 21 through 25. The announcement was made by Barry Carpenter, Manager of Media Sales & Distribution, who indicates that this will be another first at A & A.

The purpose of the conference is to give our Distributors a better understanding of Memorex operations and products in order to enhance sales and profits. The conference will also afford the opportunity to meet and become acquainted with Memorex management personnel and to communicate ideas, opportunities, and requirements.

Initial response has been excellent. Distributors from nine countries have already confirmed their plans to attend.

SILVERADO III

They gathered from all corners of the "Memorex World" to attend the Third Annual Memorex Management Conference at Silverado, Napa, California. Europeans, Latin Americans, Canadians, Australians, Japanese, and New Zealanders alike journeyed to Santa Clara to begin a whirlwind of presentations, meetings, and tours.

It was a time set aside to make new and renew friendships, exchange ideas on modes of operation, discuss opportunities and review 1976 business results. There is no other time during the year when such an event takes place.

For a gathering of this magnitude, laying the groundwork starts very early. First a theme is selected upon which presentations will be based. "Creative Excellence" was chosen as this year's theme and each coordinator began reviewing his Group's 1976 accomplishments in line with the ten key result areas. Outlines are written and rewritten; countless hours are spent reviewing operating results; libraries are visited and revisited for source materials; speeches and slide requirements begin to take form. In essence, the wheels constantly turn to put together a clear, concise picture for the entire corporation of what was accomplished in 1976 and what the strategy is for 1977. For a group such as ours, whose geography is widely dispersed, with social and political environments foreign to most U.S. employees, it is not an easy task.

In 1976, Marcelo Gumucio made a solo presentation to the attendees at Silverado. This year A & A's presentation was made by Messrs. Gumucio, Henley, and Carpenter. In his opening remarks, Mr. Gumucio gave the audience a flavor for the environment in which each of our countries operated in 1976; floods, earthquakes, devaluations, political unrest, import restrictions, terrorism—to mention only a few. Attitude improvements were highlighted and new members of A & A's management team introduced. Jeff

Henley discussed achievements in the areas of Profitability, Productivity, and Asset Management. Barry Carpenter spoke of the inroads made in our export markets, both in the Far East and Latin America.

Creative Excellence Awards were presented to A & A Managers for major accomplishments in 1976. Rafael Gomez, Country Manager, Mexico, received an award for Asset Management accomplishments. Rafael was successful in collecting receivables prior to the devaluation of the Mexican peso. Ney Arias, Country Manager, Brazil, was recognized for his contributions in the area of Profitability. Brazil's revenue growth doubled in 1976. Carlos Farre, Country Manager, Venezuela, was applauded for his Productivity accomplishments. His emergency support of the Peruvian subsidiary was essential in meeting our legal and fiscal government requirements. T. Yamada, Country Manager of Japan, contributed to significant revenue increases and received a Profitability Award. Dan O'Brien was recognized for creative excellence in Asset Management. His contributions as head of Memorex Australia and Canada were singularly effective in bringing the Memorex philosophy to the field.

In his closing remarks, Mr. Gumucio noted that "we look forward to an exciting and challenging 1977. The A & A Management Team will work diligently to meet budgeted and non-budgeted objectives for the coming year."

WHO'S WHO...

Although we originally anticipated recognizing one individual per issue in our "Who's Who" column, this issue will introduce you to the personnel of the Communication Arts Department.

Organized to provide in-house assistance in the production of promotional and audio/visual materials, the members of the Communication Arts Department have continually provided A & A personnel with high quality materials in the form of artwork, photographs, 35mm slides, and technical assistance. Although services are provided on an on-going basis year 'round, the quality of service and dedication of department personnel are most clearly evident during the time set aside for preparation of Silverado materials. "Burning the midnight oil" is not uncommon and although they may be engrossed in other projects, in the midst of developing a roll of film or concocting a detailed caricature, there is always time to lend assistance, and always with a smile.

This year the entire A & A presentation was prepared in house. Not once during the development stage was there a request made that posed too great a task. The creativity of Terry Gustavson and Gerard Fujita, the patience of Sam Geraci and Al Schuler, and the fortitude of Vince Price clearly paid off for us all. Let's not forget Chris Mazzucco whose job it was to schedule the work flow and keep the troops in line.

We at A & A thank you and tip our hats to the Communication Arts Department, our "Who's Who" for March.

