

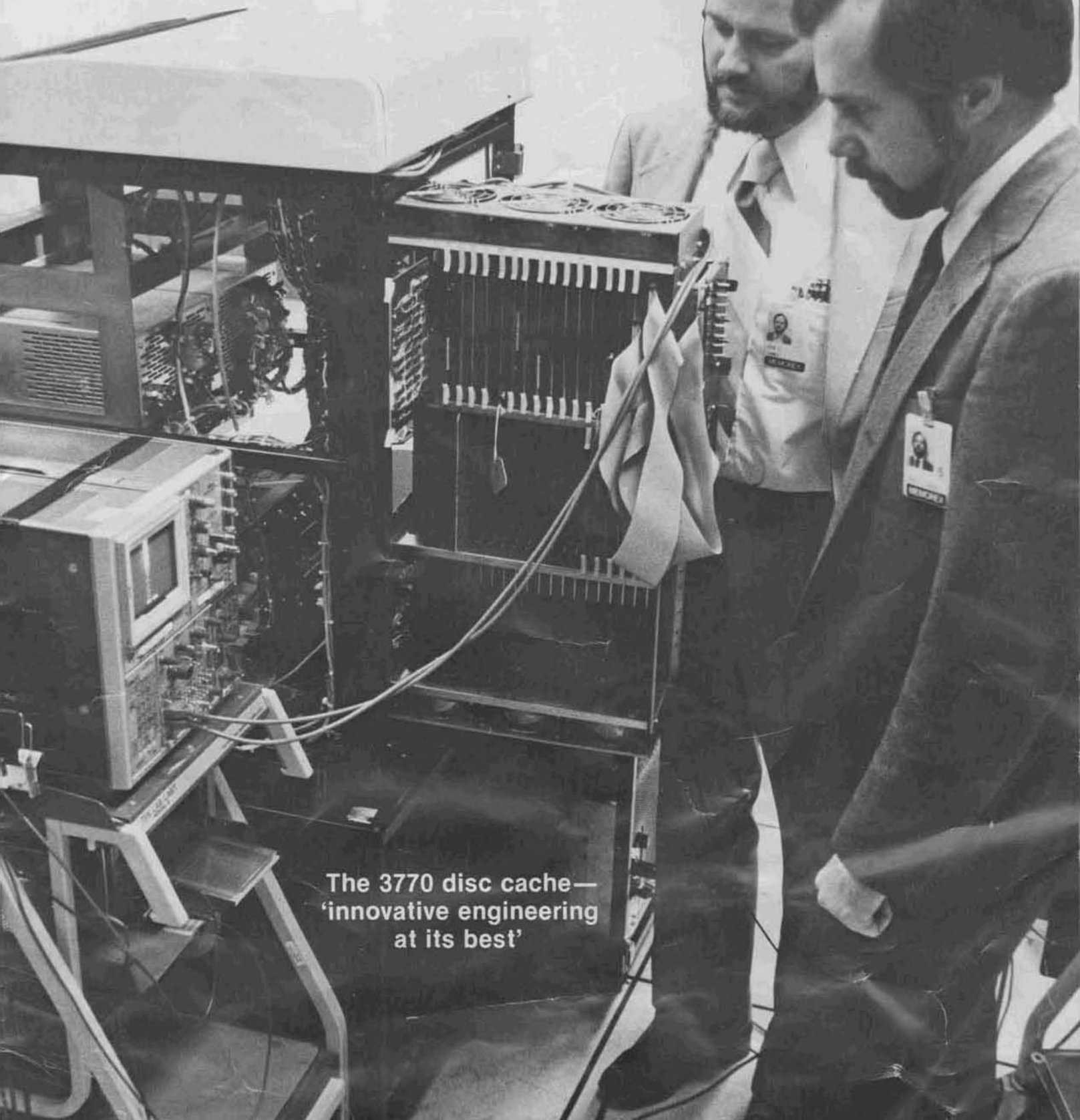
INTERCOM

A newsmagazine for Memorex people everywhere

Volume 16

Number 1

February 1979



The 3770 disc cache—
'innovative engineering
at its best'

Record income of \$41.9 million reported; revenue increases 41% to \$633.3 million

Memorex reported record income for 1978 of \$41.9 million, or \$5.64 per share, before extraordinary credit. This compares with 1977 income of \$33.9 million, or \$5.22 per share, before extraordinary credit.

Chairman Robert C. Wilson said, "Earnings per share grew at a smaller percentage for the year and for the fourth quarter than in comparable 1977 periods because of the large number of common shares and equivalents outstanding in 1978 and the higher dividend requirements on preferred stock."

Net income for the year was \$50.2 million, or \$6.88 per share, including an extraordinary credit of \$8.2 million, or \$1.24 per share, from utilizing tax loss carryforwards.

Net income for 1977 was \$56 million, or \$8.78 per share, including an extraordinary credit of \$22.1 million, or \$3.56 per share, from utilizing tax loss carryforwards.

Record 1978 revenue of \$633.3 million is 41 percent, or \$183.2 million, greater than revenue of \$450.1 million in the preceding year.

Income before extraordinary credit in the fourth quarter of 1978 was \$12.4 million, or \$1.56 per share, compared

with income before extraordinary credit in the comparable 1977 period of \$9.4 million, or \$1.42 per share.

No extraordinary credit was available in the fourth quarter of 1978 as tax loss carryforwards have been essentially utilized. Net income in the fourth quarter of 1977 came to \$15.3 million, or \$2.35 per share, including \$5.9 million, or 93 cents per share, from utilizing tax loss carryforwards.

Revenue for the fourth quarter of 1978 totaled \$183.3 million, an increase of 48 percent over revenue of \$124 million in the comparable 1977 period.

In a letter accompanying his year-end report to employees, Mr. Wilson said, "It is our objective to make Memorex the preferred place to work. During the year there were over 860 promotions. Participation in training programs was at record levels. New vacation and medical benefits were added, and a credit union was formed.

"Each of us can help to make Memorex a good place to work by reaching out to help and support our fellow employees. Since our growth requires the addition of new employees, we can also help by recruiting good people."

Dick Loftesnes, division manager for Memorex Eau Claire, dies at 38

Dick Loftesnes, manager of Memorex Eau Claire in Wisconsin, died Feb. 1 of an apparent heart attack. He was 38. Mr. Loftesnes had become ill after reporting for work in

the morning and died while being taken to a nearby hospital.

Chairman Robert C. Wilson said, "I join all those who knew and worked with Dick Loftesnes in expressing the great loss which we feel and in offering our deepest sympathy to his wife Sandra and son Patrick." Mr. Wilson had participated with Mr. Loftesnes in September dedication ceremonies for the company's new printed circuit board plant in Eau Claire. The chief executive credited Mr. Loftesnes with a major role in the success of the new operation.

Mr. Loftesnes joined Memorex in 1973. He became Memorex Eau Claire manager in December 1977, after four years as Eau Claire manufacturing manager. A native of Minot, N.D., he earned a bachelor's degree in business administration from Winona State College in Minnesota. Before joining Memorex, he held industrial and manufacturing positions with Control Data Corporation and Univac.



Dick Loftesnes



On the cover: Tom Gardner, manager of Large Storage Systems engineering, right, and Jesse Stamness, LSS senior staff engineer, observe oscilloscope screen during monitoring of 3770 disc cache activity. The two men are in the Engineering Computer Lab in building 14 in Santa Clara.

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Innovative engineering gives customers superior alternatives

Standing at the blackboard in his office where he has just drawn diagrams representing Memorex's 367X and 365X disc storage systems, Tom Gardner points to the latter and says: "From a business point of view, the 365X is the best disc product program Memorex has ever had."

His tone of voice and gestures reflect his mounting enthusiasm and excitement as he continues his discourse, ticking off evidence supporting his statement. "First, reliability, as measured by our domestic field force, exceeds that of both the 3670 and 3675 disc drive modules at comparable periods in their product life. Second, 1978 factory output for the 365X far exceeds comparable years for the 3670 and 3675, and third, engineering change activity—design changes or corrections which have to be made both in the factory and in the field—are remarkably lower."

The tall, bearded, 38-year-old engineering manager clearly is in his element. Since joining Memorex in 1968 as product engineer for the 630 Model 1 disc drive, Gardner has been involved with every one of the company's major plug-compatible disc storage products and most of its OEM (original equipment manufacturer)



Gardner receives 10-year service pin from LSS Vice-President Marcelo Gumucio.

disc products. Now, as manager of Large Storage Systems' entire engineering organization, he leads a highly trained and experienced team of some 200 engineers plus an additional 100 support personnel.

Having observed his 10th anniversary with Memorex in September, he also ranks as the dean of all the engineering managers in his group. Looking back on that 10-year career, he says, "What has impressed me most during my years with Memorex is the remarkable degree of innovation our engineers have been able to achieve within the constraints of plug-compatibility."

"An example of this innovative engineering at its best is the 3770 disc cache, which transfers frequently used data from disc drives to a special cache, where it can be retrieved faster. Other examples are the 'high-flyer' heads for our 3675s, our superior voice coil motors and our innovative control unit architecture."

Of his recent role in Memorex's antitrust suit against IBM, he says, "As technical director, I explained technical matters involved in IBM's monopolistic acts to our lawyers and then to the judge and jury. We're appealing the judge's decision in the suit, which was declared a mistrial. I'll probably be testifying again after the

appeals court rules in our favor and the case is then retried."

Born in Florida and raised in New York City, Gardner has an undergraduate degree in electrical engineering from the Polytechnical Institute of New York and a master's degree in automatic control systems from Rensselaer Polytechnic Institute in Troy, N.Y. He holds five U.S. patents, including one for the design of the 3670 and one for the 3670 diagnostic display apparatus.

He says that what he has found rewarding in his work with LSS is also true for engineers elsewhere in Memorex and for those just joining the company. "First, we have fun. It's fun to design something, then see it produced in large numbers and sent all over the world to serve customer needs. There is also the personal satisfaction of working with leaders in your field."

"But more important, there's a lot of tough, demanding work to be done which results in a significant social achievement. During a period when inflation is a major problem in America, we are providing customers with a superior alternative to an IBM product at a competitive price. Within those constraints of plug-compatibility, which I mentioned earlier, we're taking on the best in the field—and we're bettering them."



Gardner discusses disc cache with Lynn Whitfield, one of the LSS engineers whose contributions played a major role in the success of the 3770 program.

A & A Group adds customer service staff

The company's Americas & Asia (A&A) Group has established a new five-person customer service function which improves responsiveness to customer needs. Barry Carpenter, A&A manager for export and media sales and distribution, says the new structure also elevates the customer service function within the A&A organization and thus emphasizes its importance.

Personnel involved in the new structure are: Teri Rymer, customer service manager for export and media, plus her two customer service representatives, Linda Leffel for the Far East, and Narel Bohorquez for Latin America; Faith Mortensen, customer service manager for equip-

ment; and Mary Jane Garvey, administrative assistant for equipment customer service. Rymer, Leffel and Bohorquez report to Carpenter, while Mortensen and Garvey report to Brian Molloy, equipment sales distribution manager.

The new structure establishes procedures for order processing, shipping, forecasting of customer needs and handling of credits and returns.

"This heightens our awareness to customer needs and our responsiveness to these needs," says Carpenter. "Ultimately it enhances our reputation as a company with high-quality customer service, and this will influence potential customers throughout A&A."



From left, Rymer, Mortensen and Carpenter discuss new A&A customer service function.

New Marketing V-P

F. Gordon Smith has been appointed vice-president for Marketing for Memorex. In announcing the appointment last month, Chairman Robert C. Wilson said, "Securing a leader of Gordon Smith's capabilities confirms our company's strong marketing orientation."

During a distinguished 38-year career in the computer field, Smith has held high-level executive posts with IBM, Sperry Rand, Singer Business Machines, International and other companies. He has introduced a number of marketing innovations and has pioneered many new customer applications of data processing systems.

In his new post, Smith reports to Executive Vice-President Charles S. Strauch and is a member of the company's Corporate Operating Committee. He is directly responsible for the



Vice-President Smith

Corporate Marketing staff and for pooled corporate marketing activities such as advertising, public relations and customer service. He is functionally responsible for Memorex marketing activities world wide, including sales, field engineering, customer service, market research, sales planning, advertising and sales promotion.

'Old Masters' ad campaign wins art directors award

An advertising campaign for Memorex equipment conducted under the direction of James Simpson, now vice-president for the Computer Media Group, was one of the winners selected during the 1978 Western Art Directors Annual Exhibition of Communicating Arts. Simpson directed the campaign in his former post as vice-president, operations support, at Memorex's Europe, Middle East and Africa Group headquarters in Liege, Belgium.

The four color ads ran in European editions of *Datamation Magazine* and *Computerworld*. The ads likened the quality of Memorex equipment to the work of Old World master craftsmen. They featured equipment products presented against backdrops depicting a master violin maker, a watchmaker, a finely sculptured chess set and an ancient Corinthian column.

The campaign was one of 300 entries from ad agencies throughout the western half of the United States.

Two new members join Technical Council

The Memorex Technical Council welcomed two new members during its Jan. 16 meeting. Joining the other 17 engineering managers on the council were Art Ichnowski, advanced engineering manager for the Communications Group, and Joe Nussbaum, product development manager for the Computer Media Group.

The meeting included a presentation on "Engineering Professionalism" by Engineering Vice-President Steve Puthuff. Guest speaker Tom Stevens, manager of

corporate budgets and measurements, explained how the company's new AFE (Authorization for Expenditure) procedures facilitate approval of capital projects.

Formed last year, the Memorex Technical Council meets regularly to consider Memorex product leadership matters and such issues as engineering contributions to business, professional development, membership and attendance procedures for conferences and technical societies and engineering standards review.



Puthuff, standing, responds to Council President Bryant Campbell, far right.

New executive V-P brings extensive management experience to Memorex

Charles S. Strauch has become an executive vice-president of Memorex, joining Chairman and President Robert C. Wilson and Executive Vice-President James Dobbie in the company's Office of the President.

In a statement accompanying his announcement of the appointment last month, Mr. Wilson said: "Chuck Strauch brings to Memorex a very extensive domestic and international background in the general management of the electronics and chemical businesses. His experience will strengthen our ability to serve our growing customer base with products and services of exceptional quality."

Strauch comes to Memorex from his former post as executive vice-

president of Gould Inc. At Memorex, he will have overview responsibilities for: Memorex's two international marketing organizations (Europe, Middle East and Africa Group and Americas and Asia Group), the Consumer and Business Media Group, the Computer Media Group and Corporate Marketing.

After becoming executive vice-president at Gould in 1977, Strauch had responsibilities for the Gould World Trade Corporation, the Instrument and Electronics Group, the Electrical Products Group and the Electrical System Group. Earlier, as group vice-president, he was responsible for the worldwide operations of the Instrument and Electronics Group.



Charles S. Strauch is Memorex's new executive vice-president.

Credit union plans election in March

The Memorex Employees' Federal Credit Union will hold its first annual meeting at 5 p.m. March 29 at the American Legion Hall at 2120 Walsh Ave., across the street to the south of building 10 in Santa Clara. The first full-term members of the Board of Directors and Credit Committee will be elected at the meeting.

Serving as the group's nominating committee are: Ed LaChance, Quality Assurance manager for Large Storage Systems; Ed Theis, Quality Assurance manager for Communications; and George Surmeier, finance director for Computer Media. Members wishing to run for office should visit or call the credit union (987-1122) for information and forms.

Credit union business plan projections for January have been met or exceeded in all areas. As of Feb. 15, membership had reached 1,794 persons, with shares deposited totaling some \$396,000. Some \$34,000 had been lent to members in the form of 16 signature loans and one share loan. A 7% dividend was declared for January, to be compounded monthly and credited to members' accounts on March 31.

Plans call for initiating new car, truck and motorcycle loans in March and used car and truck loans in April as well as expanding membership to the rest of the United States by April 30.



Walker, left, talks with Bob Erdman, marketing and sales support manager, in front of new facility.

Move to Mountain View facility means increased production capacity for flexible disc drive section

General Systems' Flexible Disc Drive Product Section has moved its manufacturing operations from buildings 10 and 14 in Santa Clara to a new 40,000-square-foot facility at 455 N. Bernardo Ave. in Mountain View. According to section manager Gary Walker, the move to the new, larger site, located six miles from headquarters, will involve 160 employees.

General Systems Vice-President Keith Plant says, "This move and expansion will enable us to increase production to meet the rapidly growing demand for our flexible disc products." The facility also allows a consolidation of section manufacturing

operations and support activities such as engineering, marketing, quality assurance and finance.

Memorex was the first company to enter the flexible disc drive market with the introduction of its Model 651 in 1972. The 651 is a one-quarter-megabyte drive designed for OEMs (original equipment manufacturers). Memorex has produced nearly 50,000 of these highly reliable drives.

Other flexible disc drives manufactured by Memorex include the Model 550, a single- or dual-density, one-half megabyte drive, and the Model 552, a dual-headed drive with one megabyte of storage capacity.

1,895 employees attend corporate training classes

In 1978, a total of 1,895 employees attended 19 courses offered by Industrial Relations' corporate training and development department, and another 440 employees were reimbursed for classes taken elsewhere. The figures represent some duplication because some employees attended more than one class (The combined worldwide total for employees attending 1978 Memorex corporate and group training was 4,700).

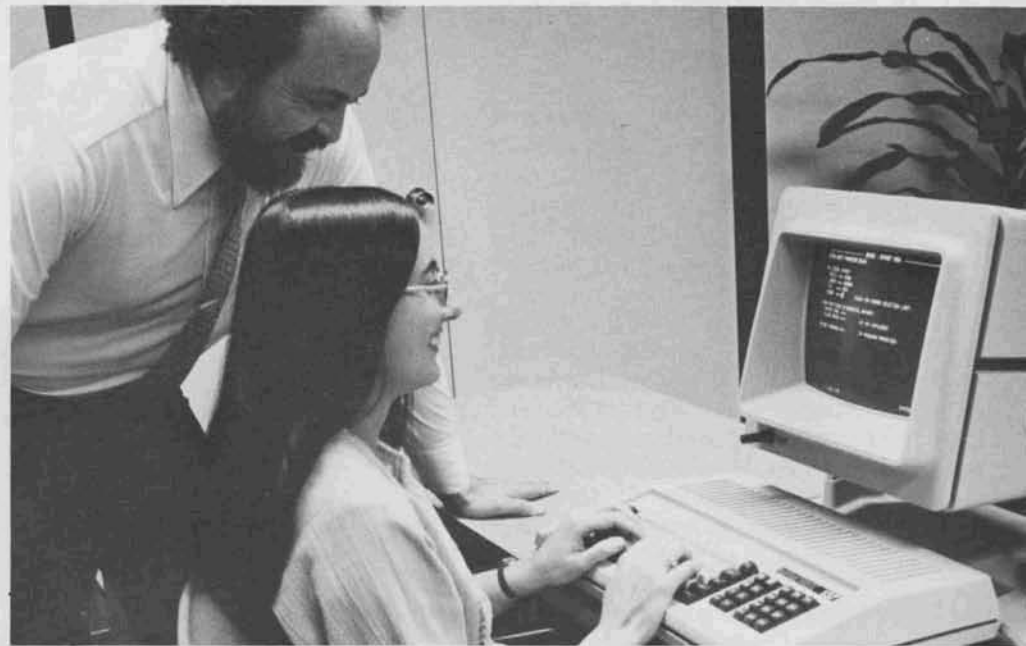
The number of employees participating in the improved and expanded 1978 corporate program was more than four times the total of 468 participants attending department training courses in 1977. Among the courses which drew large numbers of participants were:

- Memorex Management Program, 201 students
- Job of the Supervisor, 169
- Effective Writing, 165
- Finance for the Non-Finance Manager, 150.

Training resource guides providing details and registration requirements are available in all Industrial Relations offices.

\$80-million credit agreement announced

Memorex has negotiated an agreement with a group of nine commercial banks for a revolving credit line totaling \$80 million. The agreement provides that amounts may be borrowed, either in dollars or Eurocurrencies, until the end of 1981. At that time, Memorex can convert all or part of the total to a four-year term loan repay-



Marty O'Keefe and Betty Wenzel demonstrate use of 1377 terminal in TSO training.

ISD offers more data processing classes

Though still in its first year of existence, the company's Corporate Information Systems Division training program is already offering employees an expanding schedule of more than two dozen data processing courses. Some 500 Santa Clara area employees have completed courses in the program so far, and a select number of courses

will be offered at Memorex sites throughout the U.S. during the second half of this year.

Among the more popular classes are: Introduction to Data Processing for Non-Data Processing Personnel and two Time Share Option (TSO) courses. The latter deal with concepts and commands used in sharing CPU and other components of a computer resource system. Interested Santa Clara personnel should contact their managers for schedules or call: 987-1735.

Joint-venture firm formed in Japan

Memorex Corporation and Memorex Japan, Limited have joined the Japanese firm Teijin Limited in forming Teijin Memorex Company, Limited, which will manufacture high-quality flexible disc products in Japan.

The new, jointly-owned company was formed to meet the growing Japanese demand for such products. The firm will combine the technical, manufacturing and marketing expertise of the parent companies to provide Japanese customers with superior products.

Teijin, a diversified high-technology company with a 1978 fiscal year revenue of \$1.4 billion, has its headquarters in Osaka. It will supply employees and facilities for the new firm.

Krauter chosen to head new finance company



Krauter

Hal J. Krauter has been appointed president of the newly formed Memorex Finance Company. The new company will provide Memorex customers with financing programs which will allow them to combine the leasing of Memorex information storage and communications products and the mainframe computers in one lease financing package.

The formation of the new finance company represents new business for Memorex, and it means the company now has one more service to offer directly to its customers. Also, under lease agreements it will be easier for customers to add more Memorex equipment.

Success of Referral Marathon sparks new 'Main Event'; grand prize winner will fly to 1980 Moscow Olympics

Last year's Employee Referral Marathon proved so overwhelming a success that it has been extended another six months to July 31, 1979, and a new and improved prize package has been developed.

The grand prize winner whose name is drawn during the second phase of the program will receive an all-expense paid trip for two to the 1980 Summer Olympics in Moscow. (The trip is subject to Civil

Aeronautics Board approval. If, for some reason, CAB does not approve the Olympics trip, a trip of equal value will be substituted).

Three runners-up also will receive prizes during the second phase, called the Memorex Referral Marathon Main Event. These persons also will be chosen by drawing. Prizes are:

- First runner-up, a 19-inch Sony Trinitron television set with a Sony Betamax video tape recorder.

- Second runner-up, a 17-inch Sony Trinitron television set with an Atari programmable video game and three cartridges.

- Third runner-up, a 17-inch Sony Trinitron television set.

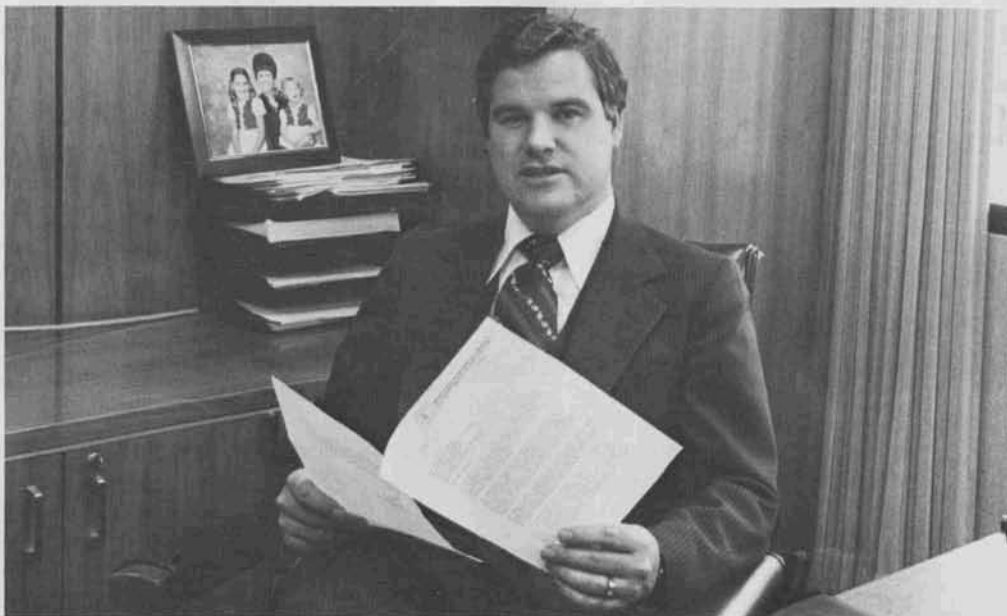
The winner of the grand prize for the Marathon's first phase (a \$2,000 trip to the destination of his choice) will be chosen during a drawing next month. The first phase resulted in 861 qualified referrals and 167 hires.

\$2 million goes to employee share plan

The company reached the 1978 profit level required for contributions to the Memorex Share Plan, one of two stock plans which enable employees to acquire Memorex common stock at no cost to them (The second is the Tax Reduction Act Stock Ownership Plan, whereby the company receives a tax credit equivalent to its contribution to an employee stock fund).

Employees with one year's service or more as of Jan. 1, 1978, become participants in the Share Plan. Under the plan, the company will contribute more than \$2 million for 1978 in newly issued stock.

Participants will receive voting cards to indicate to the trustee for the plan, Bankers Trust Company, how shares credited to their accounts should be voted at the April 25 shareholders meeting. Participants also will receive statements showing the status of their accounts.



Puthuff makes reference to Commerce Department letter during interview.

Engineering V-P Steve Puthuff appointed to US Commerce Department committee

Engineering Vice-President Steve Puthuff has been appointed to the U.S. Commerce Department's Computer Peripherals, Components and Related Test Equipment Technical Advisory Committee. He also has been named chairman of the committee's Storage Memory and Media Subcommittee.

The committee advises the department's Office of Export Administration on technical export control matters. Puthuff's subcommittee will keep the department informed of the latest developments in media and storage technology.

Membership on the committee is for four years, or until the committee is terminated. Puthuff says his role on the committee is that of a technology specialist advising the Commerce

Department as to what level of U.S. technology can be exported without posing a threat to national security.

"Depending on developments in East-West relationships, available opportunities for product exports by U.S. corporations may change," he says. "The committee's work prepares for such changes by updating the list of recent products which may be sold to Eastern countries."

The engineering vice-president says the specific role of his subcommittee is: to define the technological level of currently available products, to describe the latest state of the art with scenarios which project into the future and then to recommend what level of this technology should be submitted to export control.

News**makers**

Controller **William George** presided during ceremonies last month honoring the two most recent graduates of the company's two-year Finance



From left, George, Hunt and Ehrman during awards presentation.

Development Program. The graduates, **Prentice Hunt** and **Terry Ehrman**, received special certificates in recognition of their achievement. Program participants complete four- to six-month corporate or division finance assignments to familiarize themselves with Memorex's finance organization.

★ ★ ★

Three members of Memorex's technical family have won honors for publishing technical articles while a fourth has been awarded a U.S. patent for an electrical device.

Receiving \$100 honorariums plus certificates of merit from Engineering



Dean



Dubin



Ravey



Ricketts

Vice-President **Steve Puthuff**, were: **Phil Ricketts**, product manager, Recording Components Division, for "Technology Dictating Return to Fixed Discs," which appeared in *Computerworld*; **Paul Dubin**, senior staff chemist, Magnetic and Chemical Technology Center, for "Observed Bi-modality in a Branched Condensation in a Polymerization" in the technical journal *Polymer Preprints*; and **Phil Dean**, manager for system engineering services, Field Operations, for "Data Communica-

tions Concepts Dictate Terminal Selection, Network Cost" in *Data Management Magazine*.

Don Ravey, senior systems analyst, Large Storage Systems development engineering, was awarded a patent for a sequence switching circuit. He says the device is a kind of electrical combination lock. "To turn something on electrically, a person has to know a certain sequence of numbers."

★ ★ ★

Ernie Tydell, Corporate manager of personnel services, has been elected 1979 President-Elect of the Santa Clara Chamber of Commerce. Tydell will assist the 1979 president until next year, when he will serve as president.



Tydell

Membership in the group includes representatives from more than 800 companies and organizations. The group promotes the interests of the area's business community. It also is one of 410 city chambers which are members of the California Chamber of Commerce and one of 6,300 which are members of the National Chamber of Commerce.

Lion livens up CMG Sales Conference

An African lion from Marine World/Africa USA provided a little light-hearted entertainment when it was presented to group vice-president **James Simpson** during the Computer Media Group Sales Conference Jan. 24 to 28 at the St. Francis Hotel in San Francisco. Simpson's group has adopted a rampant lion as its insignia.

Honored during a more serious awards presentation were Computer Media's outstanding sales performers for 1978. Accepting awards from National Sales Manager **Steve Walsh** were: **John McMahon**, area representative, Philadelphia, Salesperson of the Year; **Karen Zaveckas**, area representative, San Francisco, Rookie of the Year; **Vince Tarpey**, Mid-Atlantic Region manager, Region Manager of the Year; and **Bill Carlson**, manager, OEM (original equipment manufacturer) technical support, OEM Contributor of the Year.



Tarpey



McMahon



An excited Zaveckas accepts award from Walsh.



Trainer holds chained lion which was presented to Simpson, right.

Sixteen receive service awards



Jim Chatman—EEO & Affirmative Action manager, Corporate, 15 years



Joyce Lopez—executive secretary, Corporate Legal, 15 years



Gene Holthouser—senior coating technician, Video, 15 years



Ann Bassford—Quality Control manager, Flexible Disc, received 15-year pin from James Simpson, Computer Media vice-president.



Anne Lear Poirier—switchboard operator, Corporate, 10 years



Kenneth Abbott—senior planner, Production Control, LSS, 10 years



David Jones—shift supervisor, coating & finishing, RCD, 10 years



Mildred Germanich—production operator, Disc, RCD, 10 years



Bill Britton—QA department technician, RCD, 10 years



Oscar Perez—QA department technician, RCD, 10 years



Lanora Tuttle—senior product technician, RCD, 10 years



Billie Killmartin—product tester, 3650 Final Test, LSS, 10 years



Charles Harris—development model shop supervisor, LSS, 10 years



Dick Bigotti—Incoming Materials QA manager, LSS, 10 years



Al Koshinz—quality engineer, LSS, 10 years



Caridad Tamayo—accountant, LSS General Accounting, 10 years

Consumer & Business Media honors its top sales managers

"The Making of Champions" was the theme for Consumer & Business Media's four-day Ninth Annual Sales Meeting, kicked off by group vice-president **Ted Cutler** on Jan. 24 at the Royal Orleans Hotel in New Orleans, La. Some 150 sales personnel attending the meeting were joined by Chairman **Robert C. Wilson**, who addressed the group during their final session.

Three of the group's 1978 champions were honored with awards for their outstanding sales records: **Harry Heskamp**, East Central Region, Country Zone Manager of the Year for Consumer Products Division; **Arthur Einhorn**, Atlantic Region, Country



With Mr. Wilson, second from left, are award winners, from left, Heskamp, Einhorn and Shumate.

Area Manager of the Year for Professional Audio/Visual Products Division; and **Paul Shumate**, Western

Region, Country Manager of the Year for Word Processing Products Division.



Theis, left, and John Heldt examine sketches of "Mark of Excellence" symbol.

Greek symbol for Zodiac's Leo will be Communications 'Mark of Excellence'

It is said that hundreds of years ago skilled silversmiths used the Greek letter representing the astrological sign for Leo to mark their best work. Communications Quality Assurance personnel have decided to continue that tradition by using the symbol in their new Mark of Excellence vendor certification program.

"Vendors will be provided stamping devices bearing the symbol, which they will use on forms and other paperwork," says Ed Theis,

Communications QA manager. "Once we certify that a vendor meets our high quality standards, he is awarded the Mark of Excellence, and he conducts our source inspection. By motivating vendors through this highly visible program, we will improve the quality of incoming materials by making the vendor a part of the Memorex quality team."

Theis says the symbol also will appear on Memorex binders and literature dealing with the program.

Quality circles utilize valuable employee input

Quality personnel in several of the company's groups are planning to introduce quality circle programs in their respective divisions. Quality circles are small discussion groups aimed at involving workers in the solution of quality problems.

One of the furthest along in developing its program is the manufacturing area of General Systems' Disc Drive Division. Paul Plumb, division quality engineering manager, has been coordinating work on the program.

Plumb says the quality circles have been used extensively in Japan with great success. The programs allow employees directly involved with something like printed circuit boards to provide quality input. If there's been a consistent quality problem with their PCBs, the people working with them may very well know something about it that management doesn't.

Quality circles provide these persons with a means of participating in the solution of the problem. It also eliminates any feelings of frustration or helplessness arising when these people see the problem day after day but can do nothing about it.

Training for the division's quality circles will begin in early March. Each of the groups, about seven persons plus a leader, will go through a training period to learn how to analyze quality problems and come up with viable alternative solutions. They will then meet regularly to work on quality problems in their areas.

The result for the employees, says Plumb, is the positive feeling of being included in a vital team effort. Also, Memorex's customers ultimately benefit from the improved quality of the products they receive.

The Communications Group is planning quality circle programs for its material department, printed circuit board test and repair area and 1377 terminal and 1380 controller production lines. The group's first quality circle will begin operating in April. Large Storage Systems also is planning to introduce quality circles as part of its quality program.

Tape splitter hikes output 25 percent

Consumer Products Division has increased its production of audio cassette tape by 25 percent with the recent installation of a fifth splitter in its audio tape plant. Elmer Csaba, senior staff engineer, at left, says, "The division already is looking into ordering a sixth splitter to meet the increasing demand for Memorex audio cassettes." With Csaba at the new splitter, are Tim Harris, Process Control quality engineer, center, and Manuel Reyes, slitting lead operator.





From right, LaChance, Booth, Johnson and Tilmant visit string testing area for 3650 disc subsystems.

LSS reorganizes its QA staff into new total quality program

Ed LaChance, who moved late last year from manager of Corporate Quality Assurance to his present post as Quality Assurance manager for Large Storage Systems, is getting a chance to practice what he preaches.

In his former post, LaChance had introduced plans to establish a total quality systems program throughout the corporation. The plans called for division quality managers designing total quality programs to meet the individual needs of each of their respective divisions.

Now, in his new post as one of those division QA managers, he has done just that. He has reorganized the approximately 200 persons in the LSS QA program into a total quality struc-

ture which, he says, "gives us womb-to-tomb control over product quality."

LaChance describes the new structure as basically a three-legged stool concept. It includes a Product QA manager, Joe Tilmant, a Process QA manager, Bruce Johnson, and a Field Product Assurance manager, Richard Booth. The three report to LaChance. These managers and their staffs represent the three legs of the stool.

"The new program ensures that we have the proper level of quality assurance at the proper point to make a product right the first time," says LaChance.

"It works this way. After we receive engineering specifications for a product, Product QA people join Manu-

facturing and Development Engineering staffs in producing product quality plans. The plans are then implemented by Process QA personnel working with Manufacturing engineers and shop management. A separate plan is set up to ensure quality integrity while the product is in each LSS shop area.

"Process QA responsibility extends right to the shipping dock and includes testing, pre-shipping inspection and quality audits. Field Product Assurance takes over then, checking products against customer requirements and seeing that accessories and other necessary materials are included in the shipment. These people also handle such things as shipping damage and performance problems at the customer site. It's their job to see that quality systems are properly developed to eliminate these problems.

"Once in place, the total quality systems mechanism eliminates repetition and results in greater customer satisfaction with our products, thus enhancing our reputation as a quality company."

Other related organization changes in the LSS QA program include the creation of an Incoming Material QA function, with Dick Bigotti as manager, and the formation of two separate QA units for HDAs (head disc assemblies) and magnetic heads, with William Lavery and Robert Livingston as QA managers of these critical functions.

Chairman Wilson will deliver address at California Quality Week meeting

Chairman Robert C. Wilson will be one of three Memorex speakers participating in a two-day 1979 California Quality Week program to be held March 16 and 17 at the Plaza Airport Inn in Millbrae. The other two Memorex speakers will be Ed Theis, Communications Quality Assurance manager, and Richard Booth, Field Product Assurance manager for Large Storage Systems.

The theme for the program, which is sponsored by the American Society for Quality Control, is "New Horizons

in Quality Resources." Quality professionals from throughout the ASQC's northern California region are expected to attend.

Activities are scheduled from 8:30 a.m. to 9 p.m. Friday and from 8:30 a.m. to 2:30 p.m. Saturday, with Mr. Wilson speaking during the Saturday luncheon. Memorex employees interested in attending should contact John Heldt, Communications staff quality engineer, who will be one of the program moderators, at 996-9000 ext. 267.



Kathy, number 3, competes against men in motocross race. Phil, in mid-air after jump, won this race.



Dirt bikes provide thrills and challenges for Kathy and Phil

Ask Kathy Wall or Phil Douglas why they spend their Sundays aboard motorcycles tearing around motocross dirt tracks or scrambling over



Phil and Kathy examine photo of Kathy in Intercom office.

cross country courses, and you get pretty much the same answer.

"I love the thrill of riding," says 19-year-old Kathy, a document control clerk with Memorex's Recording Components Division. "Racing isn't so much a matter of winning. It's a challenge, a test of my skill and a way to improve that skill. Racing is mainly up here (tapping her forehead), and when you're doing things right, it's exhilarating."

Her boyfriend Phil, an electrician at the company's tape plant, puts it this way: "When you ride a lot in competition, your conditioning, your reflexes, your senses reach a peak where everything works as one. It's like a well-conditioned distance runner hitting that perfect pace in mid-race. The thrill of being at that point, that peak—that's why I race."

Phil, who is 24, has been racing in professional (expert) motocross com-

petition for four years. "Last year I was winning about \$100 a weekend and spending it all on gas to get to the races, entry fees and maintenance," he says. He now owns a German bike, a 250-cc. Maico, and a 370-cc. Suzuki, while Kathy rides either her Swedish 250-cc. Husqvarna or her 125-cc. Yamaha.

Kathy has been riding dirt bikes since she was 12, when she and a girlfriend used to tear around vacant fields near San Jose on a 75-cc. Kawasaki. During the last two years, she's competed in about 100 races, mostly in novice class motocross competition against men because there aren't many women participating in the sport. The high point of her career was winning first place in the intermediate class (between novice and expert) at the Women's Motocross Nationals in October 1978 at Carlsbad Raceway near San Diego.

Employe families to participate in Second Annual Fitness Run

Participation in the company's Second Annual Fitness Run has been expanded to include employe family members as well as employees. The site for this year's run, to be held at 9 a.m. on March 31, is the same as last year's—a scenic, four-mile course through the campus of West Valley College in Saratoga.

All adult and child participants running, jogging or walking across the finish line will each receive a custom designed T-shirt. A new perpetual team trophy will go to the team with the best combined time for its top five finishers, and medals will be awarded to the top three male and female finishers in seven categories: under 13, 13-15, 16-22,

23-29, 30-37, 38-44 and over 44.

In addition, prizes will be awarded to participants whose names are selected during a special drawing.

A \$1 registration fee will be charged for each participating family member, up to a maximum of \$3. For further information, contact run coordinator Dave Branning, 987-2688, mail stop 10-27.