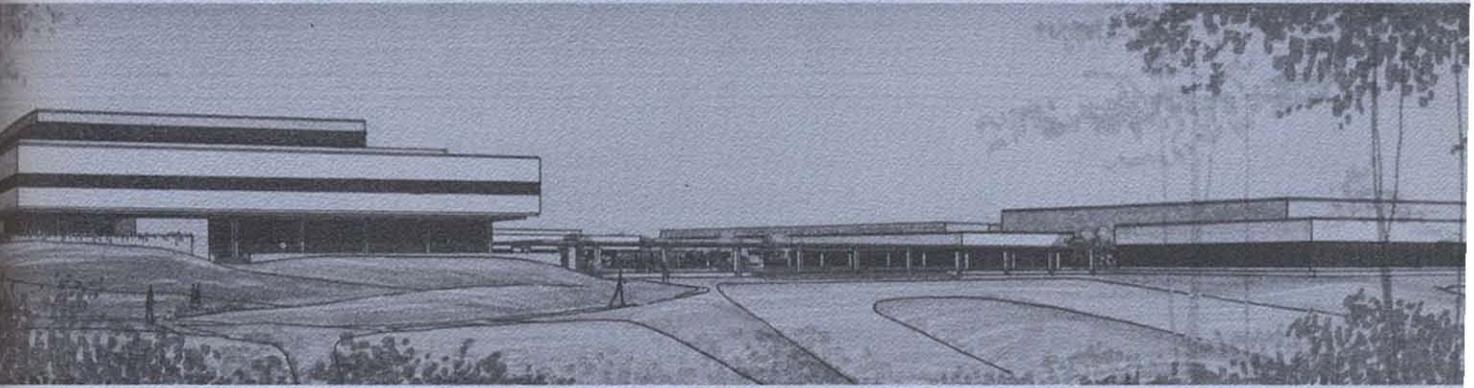
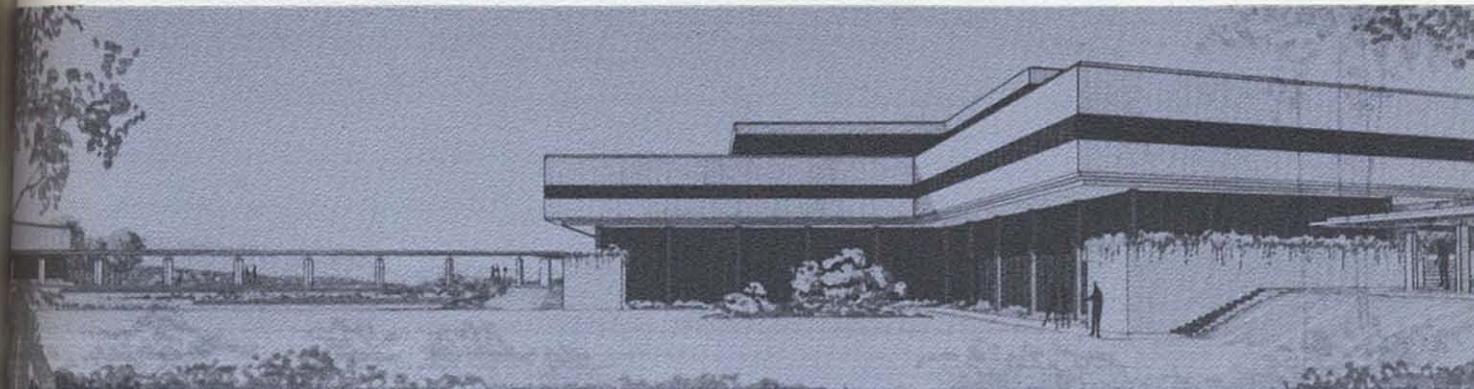


INTERCOM

NEWSLETTER FOR MEMOREX EMPLOYEES

Vol. 6, No. 9, November, 1969



Architect's drawings show two views of the Corporate and Equipment Group facilities now under construction in Santa Clara (top and bottom), and the new buildings are shown from still another angle in the center photo taken by Bob Mendonca. See page 3.

Memorex People On the Move

John Del Favero, executive vice president of Supplies, and **Dave Elliott**, vice president of Administration, announce that promotions and new assignments have been made in Industrial Relations.

Don Newton has been promoted to director of Personnel for the Supplies Division, and will report to John Del Favero. Don has been manager of Employment at Santa Clara since 1966. Before joining our company he was manager of Personnel Administration for Lenkurt Electric Company.

Tim Schwarzer will continue to report to Dave Elliott, and he has been promoted to manager of Compensation for the Corporation. In his new job he will be responsible for the development and coordination of corporate-wide compensation plans and policies.

Don Smith has also been promoted to corporatewide responsibilities. His title continues to be manager of Personnel Administration, and he continues to report to Dave Elliott. Don came to Memorex in 1967 after serving as personnel manager for Eitel-McCullough, and industrial relations manager for Dymo Industries.

Dave Harris continues as coordinator of Manpower Development for the corporation. Dave joined Memorex early this year after serving in a similar position at Lockheed.

John Kramer, vice president of International announces that **William McCalmont** has joined the company as managing director of European Operations. Bill will be responsible for all European activities, replacing **John Eastling**, who will return to Santa Clara in December. Bill is completing a two week training program in Santa Clara, then he will report to his new office in Maidenhead, England.

Before joining Memorex, Bill was general manager of Control Data Corporation, European Operations. He has spent the last five years in Europe, first in Amsterdam and later in London.

Ron Heilig has moved from supervisor of Drafting to Manager of Engineering Services. Ron started with the company in 1965, and worked his way up to design draftsman, supervisor of Drafting, and now manager. He was previously employed with Friden, Inc., in San Leandro.



has also taught math at a private secondary school, served as cost engineer for a construction company, and served as vice president for a 14-man company, Camden Boat Works, Inc.

More promotions in the past month include: **Howard Olson**, who moves to field service engineer, in Q. C.; **Carolyn True**, to accounting clerk in Supplies Division Finance; **Tom Ide-moto**, to supervisor of Drafting and Design; **Bob White**, to senior chemical technician; **Roberto de Jesus**, to expeditor in the Equipment Group; **Sharon Jones**, to finishing operator; **Mary Vasquez**, to finishing operator.

Emitt Floyd, to maintenance technician C; **Mike Bowman**, to systems analyst/programmer; **Yvonne Neissel**, to programmer; **Darlene Kirk**, to programmer; **Ed Gomez**, to production set-up operator; **Dennis Maruyama**, to electrical engineer; **Mike Gorman**, from order correspondent to sales representative; **Don Brissenden**, to sales engineer; **Bill Carter**, to facilities technician C; **Lee Jolly**, to senior chemical technician.

Dennis Zanone, to order correspondent A; **Peter Rippert**, to senior research technician; **Kaye Olson**, to chemical technician C; **Ron Wilcox**, to electronic technician A; and **John Uebel**, to budget specialist.

HOLIDAY SCHEDULE

This is a reminder that Thursday and Friday, November 27 and 28, are holidays.

Also, the Saturday before Christmas (December 20) will be a regular work day so that we can have a four-day Christmas weekend (December 25-28).

AND THE BEAT GOES ON . . .

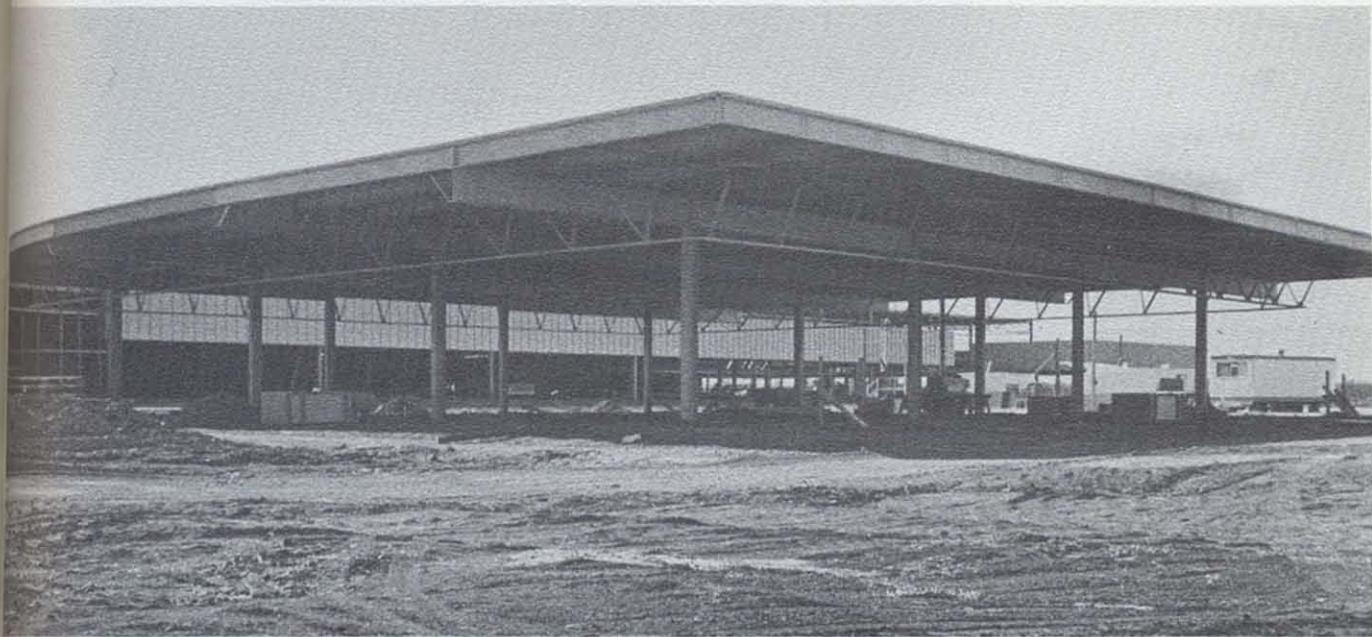


Photo by Bob Mendonca

IF YOU WANT to know how hard it is to keep up with an energetic 8-year-old, ask our contractors or our competition. Since 1961, buildings have been going up continuously—and

now is no exception. This is the framework of the Employee Center on the San Tomas and Central Expressway site, in Santa Clara.

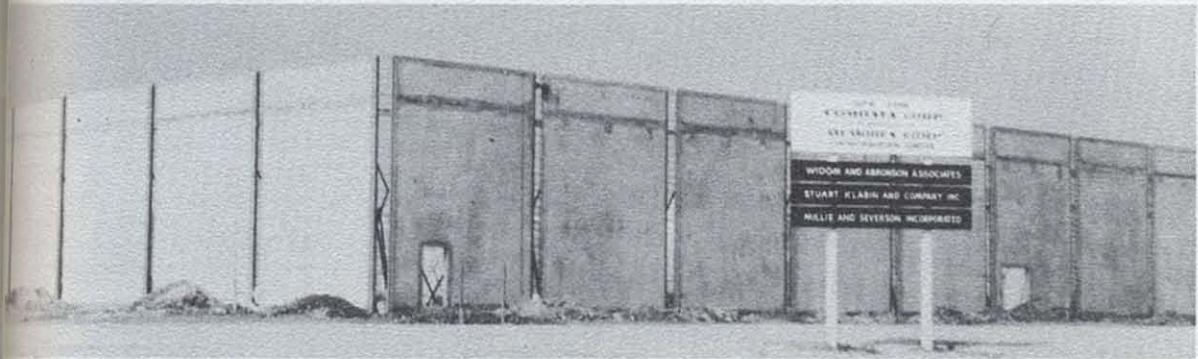


Photo by
Dick Switzer

THIS PICTURE was taken in October, just after the walls had been raised for our 70,000 square foot Comdata plant in Orange County. Comdata is scheduled to occupy the building in February.



Photo by Charles Brierly

SWIFT PROGRESS is also being made on the addition to the third floor of the Santa Clara tape plant. It will provide much needed office space.

Dear Memorex

Thank you. They are

They help me read be

Memorex you are nice

I listen to the tapes.

Kelly Burks.

THE THANK-YOU'S aren't always fancy when we've given tape to charitable organizations or schools, but some, like

this one, are especially rewarding. It's from a second-grader at a nearby grammar school.

Memorex Foundation Handles Hundreds of Donation Requests

In the two full years that he's been president of Memorex Foundation, Corporate Secretary Carl Anderson has authorized donations of \$570,902 in cash, tape and used equipment to worthy charities throughout the United States and the world. That total will reach nearly \$1 million by the end of 1969.

Last year alone, the mailman left between 300 and 400 requests for donations in the Memorex mailbox, and everyone of those letters was sent to an officer of Memorex Foundation.

The Foundation is a non-profit corporation, which was organized in late 1966 to handle all Memorex Corporation donations to charity. Memorex allocates a certain amount of cash and tapes to the Foundation each year;

then the Foundation's directors must sift through the hundreds of donation requests and give to as many charities as they can.

However, the Foundation is limited by the Internal Revenue Service in that it can only contribute to organizations which are approved as non-profit charities by the IRS.

Requests for donations are usually sent to Carl Anderson, who routes them to Dick Boucher, Foundation vice president and vice president of Manufacturing for Memorex Corporation; and Gary Menzemer, a Foundation director and director of Finance and Administration in the Equipment Division.

The three then give their approval or disapproval and suggest the type

and size of donation to be made.

Foundation Secretary-Treasurer Les West, accounting supervisor in the Supplies Division, arranges for the gifts to be distributed and maintains the records of all donations.

In 1968, 151 different organizations received a total of \$294,107 in cash and gifts from the Foundation. Many of the donations went to well known charities like Big Brothers, Inc., City of Hope, Heart Association, National Jewish Hospital for Children, and the Santa Clara County United Fund. Other gifts went to colleges and organizations such as Santa Clara University, Opportunities Industrialization Center, KQED Auction, Chandler Tripp School, Curtis Intermediate School and the Synanon Foundation.



Photo by Bob Mendonca

CLIFF AKERS (holding box) explains that the "character generator" in his hands is one of the keys to our new 1603 Microfilm Printer. Listening are (from left) Board of Directors Members T. Robert Sandberg, Prentis C. Hale, Alger

Chaney, Dr. Alejandro Zaffaroni and Noel Eldred; Equipment Group Vice President Jim Guzy and Memorex President Larry Spitters.

Growth of the Equipment Group Strengthens Corporation

EDITOR'S NOTE: This story includes a brief history of the corporate decisions leading to the formation of the Equipment Group, as well as an emphasis on the 1603 Microfilm Printer. Articles in coming months will cover the other Equipment Group organizations, beginning with Manufacturing in December.

In 1966 the officers of Memorex Corporation decided that the company should branch into other areas and away from a total dependence on magnetic tape products, which is all we were making at that time. So Memorex launched two subsidiary companies, Disc Pack Corporation and Peripheral Systems Corporation.

The first undertook the development and manufacture of disc packs. Peripheral Systems set to work developing an advanced disc drive, which was to

be our first product for the computer peripheral equipment business.

Both companies were launched as separate subsidiaries, away from the distractions and pressures of our magnetic tape business. This was done because both companies had narrowly-defined objectives that required them to spend all of their time on their own projects.

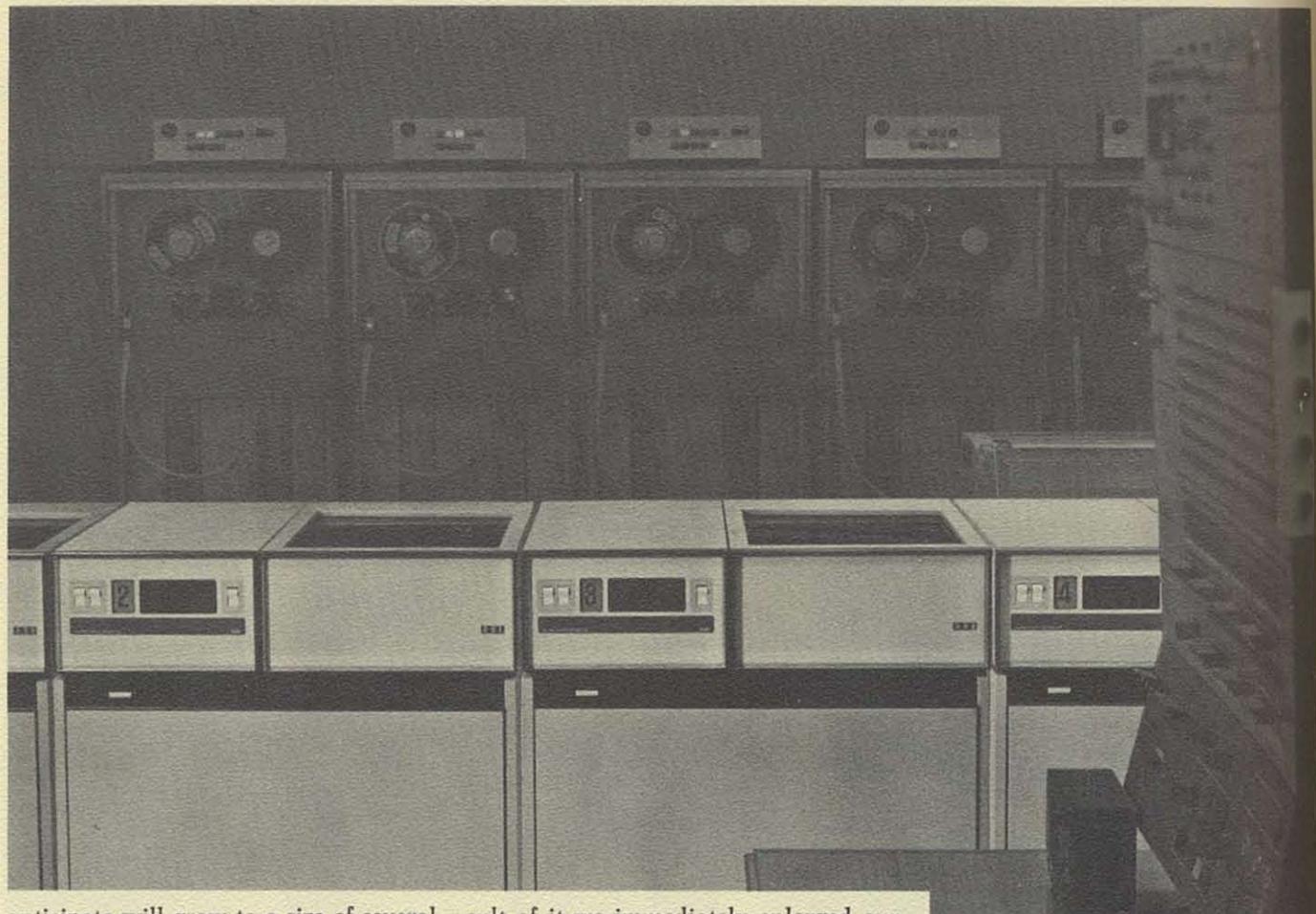
Keeping the businesses separate during their development stages must have been a good idea, because both subsidiaries had their products on the market in very short time. Disc packs were first sold in June, 1967, and the Peripheral Systems' disc drives were announced in August of the same year.

When the development of both new products was completed, their separate operations became disadvantageous. Disc Pack was taken into our computer supply business, as part of what has

become the Supplies Division, so that our chemical magnetics and manufacturing skills in the tape business could be used to benefit Disc Pack products. This also enabled us to use our computer supply marketing organization to distribute disc packs throughout the world.

Peripheral Systems, on the other hand, remained distinct from our computer supply business, but it was affected in other ways. Peripheral's progress encouraged Memorex to launch three more subsidiaries to develop new computer equipment products. Image Products was incorporated in 1968, Information Printing Systems in 1969, and Storage Products in 1969.

Memorex's plan was, and still is, to develop a multiple-product line in the computer peripheral equipment business, which our corporate officers



anticipate will grow to a size of several hundred million dollars by the mid-1970's. At the same time, our corporate officers also committed Memorex to continue pursuing opportunities in magnetic tapes, disc packs and other related supply products.

On the equipment end of the business, they committed the company to develop the organization's structure; to provide the money; and to build the facilities essential to the instrumentation of their ambitious plans.

The strategy to build a major equipment business required a coordinated management of all our equipment programs, and above all, it required a unification of our equipment manufacturing and marketing operations. So all four equipment operations were brought together into the Equipment Group, which was formally established in May of this year.

Jim Guzy was appointed vice president and general manager of the Equipment Group, and Memorex President Larry Spitters says, "I've been thoroughly impressed by the effects of this organizational change. As a re-

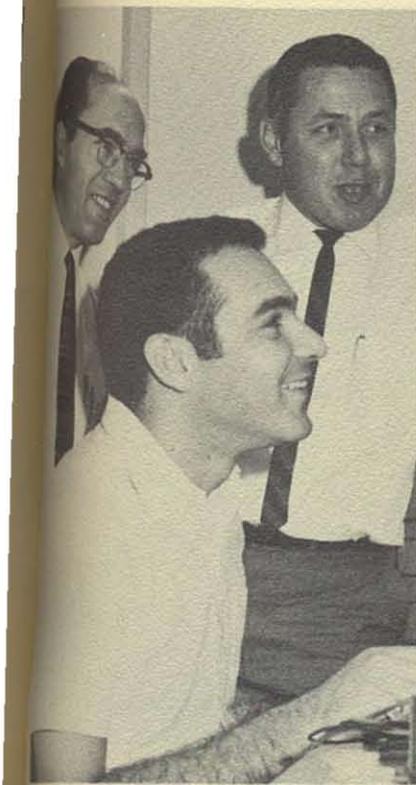
sult of it we immediately enlarged our plans and raised our sights to higher objectives."

The current corporate goal calls for the total sales of Memorex Corporation to fall somewhere between \$200 million and \$250 million by 1972. This is quite an increase from our 1968 total sales of \$58 million, and is even more impressive when compared to our 1963 sales of \$3½ million.

The original Equipment Group operation, Peripheral Systems, was first located in Mountain View. When PSC outgrew that building it moved to a rented facility on Commercial Street, in Sunnyvale. Today, the Equipment Group is scattered around the same general area, occupying three buildings on Commercial Street and buildings at five other locations.

A new home for the Equipment Group is under construction in Santa Clara, on the corner of the San Tomas and Central Expressways. When that \$4 million facility is completed in April, a \$2 million corporate office building will already be under construction on the same 54-acre site. The corporate headquarters building is expected to be completed in late 1970 or early 1971.

MEMOREX DISC DRIVES, foreground, are shown in a Bay Area computer center. Disc drives are in production in the Kern Street, Santa Clara, manufacturing facility.



WORKING BEHIND the closed doors of a IPSC development lab are Joe Pastore, left, Ammon Rosen, center, and Dan Reichel.

CHUCK HARRIS operates his milling machine in the Kifer Road Model Shop, where equipment prototypes are made.

While construction is going on as fast as possible, equipment production and sales expansion is also continuing at a rapid clip. By the end of this year, the volume of equipment shipments will be about three times the 1968 volume.

In the past, all of our computer equipment has been sold to companies who buy our equipment and then sell or lease it to other companies. Now, the Equipment Group is organizing a sales and service organization so we can market equipment directly to computer users.

The impact of this development of an equipment business upon what is happening in the Supplies Division is major. It has changed Memorex to an evenly balanced business which looks for sales, profits and growth, not only in magnetic tape and disc pack products, but also in equipment products.

This provides stability to our company and increases the security of all Memorex people. It also opens up new opportunities for growth by bringing us new technologies and new marketing capabilities which will be reflected in new tape and disc pack products.

In fact, the people in our Supplies Division Marketing organization report that five years from now 75% of the supplies products we hope to be selling are not products we now have on the market. These additional product lines, some of which are under

development, include microfilm media, high performance video tapes and consumer audio tape. But then that's another story.

The biggest news in the Equipment Group, and the corporation, in recent months was the October introduction of the 1603 Microfilm Printer. The 1603 is the first product of Image Products Corporation (IPC), and it's expected that its sales in the next 12 months will surpass all other Memorex new products in a like period.

IPC was formed as a Memorex subsidiary, as were Disc Pack and Peripheral Systems, and its objective was to develop products that use microfilm.

With Jim Guzy as the company's president, IPC has grown from five employees to about 100. When Jim became vice president and general manager of the entire Equipment Group, Cliff Akers became director of Engineering and general manager in charge of IPC. Cliff was one of the first employees of Peripheral Systems, then he became one of the first five at IPC and guided the development of the 1603.

As in all large projects, many people helped make the 1603 a success. However, key men in its design and development include Jim Applequist (program manager and major patent holder), Don Daniels, Bob Farkas, Dick James, Jim Johnson, Bob Madej, Bob Peterson, George Palm, Joe Recinos and Sturl Williams.

EQUIPMENT GROUP Vice President Alan Shugart (second from right) conducts an Engineering staff meeting. With him are Chuck Zwingman from Equipment Group Personnel, Johan Willems, sitting in for Walt Hillblom, Ron Plescia, Yang Hu Tong and Dr. Joe Werning. Not shown are Rusty Nagakura, Cliff Akers and Don Reichel.



"Our printer will revolutionize the market," says Cliff. "It leases for less than half of what other microfilm printers lease for, and offers other significant advantages as well. For instance, ours is the only printer which can take information directly from a computer and print it out on microfilm. Other microfilm printers have an extra time consuming step, because they take information which has been recorded on magnetic tape and then print it on microfilm."

In May of 1969, less than a year after its formation, Image Products showed the Corporation Board of Directors a working model of the 1603. From that point it only took five months to actually put the industry's most advanced microfilm printer on the market.

Eventually, a complete line of accessory equipment and supplies will be sold along with the 1603. Accessories

include processors, viewers, view/printers and duplicators. The Supplies Division will support this total system by providing master print films, copy films and processing chemicals specifically formulated for the new microfilm system.

The other two Equipment Group subsidiaries, Information Printing Systems and Storage Products, are not yet ready to announce their products. Until they do, we can only repeat Mr. Spitters' statement at the August President-Employee conferences, when he said they are working on "a disc file control device and a keyboard terminal device for computers."

Key people at Information Printing Systems (IPSC) are Don Reichel, general manager, and John Pastrone, director of IPSC Engineering. Heading the operations at Storage Products are Walt Hillblom, Rusty Nagakura, Yang Hu Tong and Marko Padalino.



FRANK MITZEL, a technician at Image Products, wires part of a Model 1610 Developer, which is used with the Microfilm Printer. The 1610 develops the microfilm, much as film from a camera is developed.



DON DANIELS uses an oscilloscope to test the circuitry of a 1603.

THE FIRST 1603 engineering model is the object of attention in this picture taken in August by Dick James. Shown are (counterclockwise from the front), Gene Lackey, Jim Applequist, Don Daniels, Cliff Akers and Steve Nemeth.





PROFIT SHARING POINTERS

By RON CASENTINI



If you haven't heard it by now, this year's Third Quarter is a good one for both Memorex and the Profit Sharing Plan. The Company set record high operating results for the nine months ended September 30, 1969, and the Profit Sharing Trust realized appreciation of 15.7 percent over the June 30 valuation.

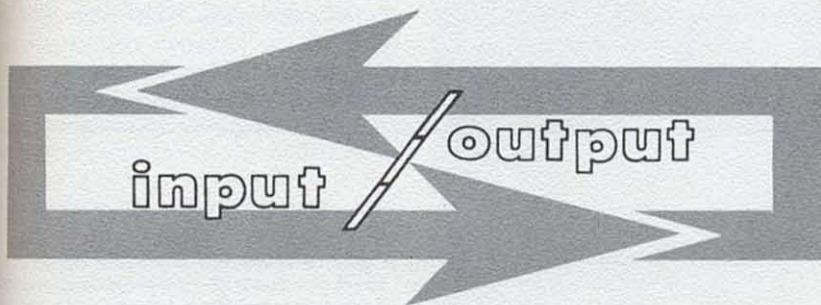
Memorex sales for the first nine months of 1969 amounted to \$54,834,000, 37 percent greater than the year earlier figure of \$39,956,000. Profits after taxes grew even more impressively—\$4,824,000 compared to \$3,020,000 in 1968.

The substantial increase in profits had a large impact on the Company's indicated 1969 contribution to Profit Sharing. To date there is about \$1,100,000 reserved. By comparison, in all of 1968 Memorex contributed about \$1,120,000. You can see that if we continue the same rate of profit growth for the final three months of 1969, the total contribution to Profit Sharing will be the greatest ever. Something better than \$1,500,000 is a figure a lot of us would be pleased with!

If you are already an owner of Memorex stock (I know next year at this time more of you will be), the nine months earnings per share will also interest you. Through September 30 the Company earned \$1.31 versus \$0.83 in 1968. In all of last year Memorex earned \$1.35 per share.

The Profit Sharing Trust made good gains too! Under the management of our New York investment advisors, the Trust increased in value to \$2,847,023. Its performance during the quarter was quite satisfactory, especially when matched against other managed funds and indicators like the Dow Jones Industrial Average.

We were benefited primarily by investments in some dynamic companies including Memorex. Although there is no guarantee that the Trust can score similar gains quarter after quarter, we feel the investments are good ones and should prove highly rewarding over the long term. This is consistent with the purpose of the Profit Sharing Plan—to provide a source of income in our retirement years.



INPUT/OUTPUT is an anonymous channel for employee questions, comments, complaints, or suggestions. INPUT/OUTPUT forms and locked boxes in which to put them are located throughout Memorex. Forms are collected by Employee Relations Supervisor Bill Ramsay, who then forwards the forms to top management for answers. Bill is the only person who ever sees the names of employees who submit INPUT/OUTPUTs and this is only so he can send the answers to their homes. INPUT/OUTPUTs of general interest are selected for publication, unless the author requests otherwise.

WHY DOESN'T MEMOREX HAVE SOME TYPE OF DENTAL PLAN?

We have considered and are continuing to consider dental insurance as a possible fringe benefit. Surveys, however, have shown that dental insurance is very expensive relative to benefits received. Also, dental insurance programs now available have not been fully tested or proven successful as yet. We believe the money we now are able to spend for fringe benefits is better used to provide the coverages we now have than if we were to include dental insurance in one of the forms presently available.

CAN'T SOMETHING BE DONE ABOUT THE DUST PROBLEM ON THE ACCESS ROAD TO MARTIN?

This road was cut through to permit uninterrupted access to the Disc Pack parking lot while Shulman Avenue road work was in progress. It is not intended to be permanent and will no longer be required now that normal access on Shulman is again possible.

To improve the general access to Memorex facilities, the city has agreed in principle to extending Shulman Avenue along our north???? property line near the Disc Pack parking lot, providing a paved road to Richard and Martin Avenues. The latest estimate from the City Engineers indicates that this should be completed by early next year.

Divoteers Champions

Howard Earhart won the Divoteers Tournament of Champions, shooting a net 67, but Harry Krall finished second with a 70 and became the top MAG golfer of 1969. Third went to Willie Oyama.

Harry accumulated more points at Divoteers tournaments this year than any other MAG golfer. Most Improved Golfer was Bill Krum, who lowered his handicap by 7 strokes.

Sign-Ups in Progress For Savings Plan

Savings and Investment

Plan sign-up forms were due to your manager Monday, November 17. If you have not turned in your form, please do so immediately.



BOB WALZBERG marks the tape as he puts it on his slitter so he can tell its overall length within inches.

ART BURT concentrates on his machine as it adds more miles to the thousands he's slit in the last five years.



The Slitting Department

Precision's the Word

Art Burt has probably slit as much precision magnetic tape as any man in the world since he became a slitter operator in 1964—more than enough to circle the globe. Together, our Slitting Department has cut enough tape to wind around our planet several times.

Slitting is the fourth main step in the actual production of our precision tapes. First comes the mixing of the magnetic coating. Second is the application of the coating to the polyester film which forms the base of the tape. Third, the coated tape goes to Surface Treating, where microscopic peaks and ridges are smoothed to perfection.

Slitting is the process by which large rolls (or jumbos) of magnetic tape are cut into $\frac{1}{2}$ ", $\frac{3}{4}$ ", 1", and 2" widths. Slitting is actually much more than

just slicing a wide roll of tape into narrower rolls; it's such an exacting business that the precision of the slit is measured to within two-thousandths of an inch.

It's also so precise that if the blades in each slitter are not microscopically checked, the edges of the tape will deteriorate and/or be stretched, making the tape useless.

As the tape is slit it is wound onto hubs. These pancakes of tape, after release by Manufacturing Test and Inspection, are sent to the certification area. There they are run through machines which further check the quality of the tape and wind it onto finish reels.

Memorex makes two main types of precision tapes, computer and video.

GENE HOLTHouser places reflective markers on newly slit "pancakes" of tape. Markers control the stopping and starting of computers, so they must be placed in exactly the right spot on the tape.



and within those two categories each variation must meet rigid specifications. This means the slitting operation is very critical for each of the different products.

"Running the slitters requires a mechanical aptitude and a unique ability to know when the high Memorex standards are being maintained. This is what we look for in our slitter operators," says Maury Gohmann, supervisor of Slitting.

The men who actually run the slitters are "A" operators. "B" operators assist them by handling the unslit jumbos, keeping the machines clean, and performing a number of other important jobs that keep the slitters running at full capacity.

Training for A and B operators is done on the job, because our slitters were designed at Memorex and they are more advanced than those that are commercially available.

The department foremen, Vince Mastropietro, Walter Kramer and Mike Munson, are mainly responsible for training new men, but "old-timers" like Bob Mullins, Lee Sears and Gary Fire have provided indispensable assistance.

Slitting, like any other production department, also depends on the help of support groups for its success. For instance, John Whitehead's Maintenance Department supplies routine maintenance assistance, in addition to emergency aid when a machine is not running correctly. Stan Robinson and Syd Smith are two of the men from John's group who have made major contributions to Slitting.



A Thanks for Exceptional Service

Mr. Donald D. Smith is the operations manager of the Computing Center at the University of Colorado in Boulder. In a recent letter to Larry Spitters, president of Memorex, he took the time to express his gratitude for the exceptional service rendered by our sales and technical people.

Dear Mr. Spitters:

I would like to take this opportunity to express my deepest appreciation for the assistance rendered by your organization several nights ago.

As you may know our center was flooded to some extent by water from the floor above us on that night. We were very concerned by the fact that a large number of our tapes got quite wet. Inasmuch as we were faced with a new problem that we did not know how to handle best, I took the liberty

of calling the local Memorex representative, Mr. Albert F. Krall. Despite the lateness of the hour (midnight) the response was outstanding. Within a very short time, I received a call from Mr. Stan Meyer of Memorex who discussed the problem at length and advised us how to best handle the problem. This was followed by another call early Friday from Mr. Don Prather to discuss the problem further, accompanied by an offer to send a representative from Memorex to Boulder to work with us on the problem. During this period Mr. Krall followed through on the action taken even to the extent of coming to our center to see what else he could do to assist us. We are very grateful for the help of Memorex in general and the above employees in particular.

This center has long been aware of the high quality product that Memorex markets. If the support rendered to us by the above persons is typical of the quality of Memorex employees then the future of Memorex should continue to be bright.

Many thanks.

Sincerely,
Donald D. Smith
Operations Manager



BOB HENDERSON completes and marks a run of tape.

LEE SEARS makes a final quality check before removing tape from his slitter.

INTERCOM

NEWSLETTER FOR MEMOREX EMPLOYEES

EDITOR: Gary Williams

STAFF: Judy Bonino (Columnist)
Peter Wilson (Artist)

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BASIC
Bay Area Society
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Communicators

ICIE
International
Council
of Industrial
Editors

LITHO IN U.S.A.

IN MEMORIAM

Bill Dammig, supervisor of Contract Administration in the Supplies Division, was killed October 30 in an auto accident on the newly opened section of Interstate 280 in Menlo Park.

Bill had just joined Memorex in August. He was the husband of Mrs. Martha Dammig; father of Cathy and Christy Dammig; and son of Francis Dammig of Wisconsin.

MEMOREX INTERCOM
Memorex Corporation
Santa Clara, Calif. 95050

RETURN REQUESTED



Christmas Dance Is Just Around the Corner

Christmas is just around the corner (sorry we had to be the ones who reminded you) and the annual MAG Christmas dance will again be a big part of the holiday festivities.

The dinner-dance will be at the San Francisco Hilton, Saturday, December 20. A cocktail hour is planned from 7 p.m. to 8 p.m., and the buffet dinner will be served from 8 to 10 p.m.

Walt Tolleson's Orchestra and the Chain of Friends rock group will alternate numbers, providing a wide variety of dance music.

Attendance is limited to MAG members and their spouses or dates. The MAG board reminds those planning to attend that badges and tickets will be required to enter the dance.

For those wanting to spend the night in the City, the Hilton has agreed to give special rates to MAG members. Watch the bulletin boards, or call Don Mumm (extension 269) for further information.

PAC Plans December 27 Holiday Dance

Peripheral Activity Club announces that its annual Holiday Dinner-Dance will be at Alpine Lodge in San Jose, Saturday, December 27.

The Johnny Vaughn Orchestra will be on hand for the second year, and the dancing will begin at 8 p.m. Dinner will be served buffet style.

Posters will go up around the Equipment Group in the near future, or you can obtain further information by calling Jackie Hilton at 246-6200, extension 44.

EDITOR'S NOTE: Reflecting the continuous growth of Memorex, MAG, SCAG, and PAC officers are currently drafting a revised constitution to adjust the guidelines for the Memorex Employee Activity Group. One improvement will be a single name for this company-wide activity. During the interim, separate announcements will appear under the headings of MAG, SCAG, and PAC.

FIRST CLASS MAIL