

MEMOREX INTERCOM

AUGUST, 1966

Volume 3 No. 8

MEMOREX OFFERS DEBENTURES



"Whitie" Henderson



Bill Beavers

NEW SALESMEN

Two men were recently added to the growing list of Memorex field sales engineers. They are, S.P. "Whitie" Henderson and Bill Beavers.

"Whitie" works out of the Western Regional Office in Los Angeles, traveling in Southern California and Arizona.

He attended Santa Monica City College and resides in Pacific Palisades, California, with his wife Kathleen, son Dana, and daughter Heidi.

Bill Beavers is a sales engineer serving customers out of a new Memorex office in Birmingham, Alabama.

A graduate of West Virginia University in Mechanical Engineering, Bill was most recently employed by Consolidated Electrodynamics Corporation. He was a district sales and service manager of CEC data processing equipment and later a product sales manager.

COMPUTER TAPE INTRODUCED

A new ultra-durable computer tape is being introduced this month to the data processing community, through the combined efforts of many hundreds of Memorex employees.

Designated MRX-III, a third generation computer tape, this Memorex product has undergone extensive testing within the plant and in the field. The results show MRX-III to be three to five times as durable as the leading competitive tape.

It is expected that MRX-III premium tape will appeal foremost to the critical users--those who require extra long life and a tougher tape for more punishing applications.

In the Memorex Development and Engineering Laboratories, as well as Product Evaluation Labs, thousands of machine hours proved MRX-III durability (wearability) using all types of tape transports. Also, more than 50 major users put MRX-III to the test, often in the most adverse conditions, only to verify our findings. (Continued on page 5)

Memorex Corporation has offered \$12,000,000 of 5% Convertible Subordinated Debentures to the public, along with a secondary offering of 95,150 shares of Common Stock (\$1 par value).

Blyth and Co., Inc. and Smith, Barney and Co., Inc. are co-managers of the offering. The Debentures will be due August 1, 1986, and are convertible into the Company's Common Stock at the rate of 13.8889 shares for each \$1,000 of Debentures.

Convertible Debentures are bonds, which may be converted into Common Stock at the option of the holder any time between the date of purchase and the maturity date.

The Debentures were issued as a means of financing company expansion. As the size of the Company increases, it needs more working capital. The building program now in progress, and expected to be completed by the end of this year, will enable Memorex to double its installed manufacturing capacity of mid-1965.

The total cost of these additions will be approximately \$8 million, of which more than \$3 million has already been spent. Approximately \$6 million of the net proceeds from the sale of Debentures will be applied to the repayment of bank loans obtained to finance the expansion program. The balance of the proceeds will be used to complete the rest of the expansion program.

The 95,150 shares of Common Stock were offered by several Memorex stockholders. None of the proceeds from the sale of stock went to the Company.

ESSAY EXPLORES SIGNIFICANCE OF LABOR DAY HOLIDAY

Labor Days come and go so routinely. Not much thought, if any, is given to their true significance. Our lives would be meaningless and our labor, sweat and tears would be reduced to mere drudgery should our lifetime of work lose its meaning.

Such a waste is almost inconceivable.

For many, labor has a strong materialistic flavor attached to it. It gives us the means to squeeze a little pleasure out of life.

While not denying the legitimacy and hence the right to enjoy life, we should draw our attention to the obverse side of the coin and elevate ourselves to a greater intellectual, philosophical level. We constantly search for something to make life bearable and give us the dignity we require.

This is precisely the keyword for which we are searching--DIGNITY. Well, this dignity is within easy grasp.

In this vast universe of ours, we are perforced to recognize an All-Intelligent, All-Powerful Being directing this mighty work. Yet man, insignificant, were it not for his intelligence, can take part in this Grand Operation in an active way and find dignity in life by co-operating with this Author of Nature.

This is almost too much to say; it is almost unbelievable. Because of Him, who has provided the raw materials, we can innovate things, repair them, clean them, or manipulate them for the benefit of man.

We can plan or formulate, cut down and raise, shape and form thoughts and things into patterns of ever increasing complexity, usefulness and beauty.

Thus, we co-operate and complement the work of this creation. Herein lies the dignity of the labor of man - this very intimate relationship between Author and man.

On another plane, to complement the material aspects of labor, our work should extend to include a quality of mercy and tenderness for all living things--in a solicitous, personal way.

This intellectual participation will raise the position of dignity clearly above that of material fulfillment. As a result, this will lead to the creation of a new joy, which is the fruit of labor.

When properly nurtured, this joy allows the family to stay together, knitted in love, understanding and tenderness, both for parents and children, whose education and labors in turn, prepare them to savor and perpetuate this joy for the generations to come.

By Sal LoGatto

CROWDED ROADS CAUSE ACCIDENTS

When you take to the highways this Labor Day weekend please remember to drive carefully. Remember that many of the nearly 50,000 Americans who lost their lives in traffic accidents last year died during the holiday.

Seat belts do save lives, so don't forget to buckle up. INTERCOM and your fellow Memorex employees would like to see you return to work in one piece.

PRECISION SELLS MEMOREX TAPES FOR BIG JOBS

All of the boxes that leave Memorex containing our products are distinguished by the words which appear on the side of each one--"Memorex Precision Magnetic Tape."

The Memorex tapes within the boxes are distinguished from other tapes by the care that goes into making them and by the jobs they are made to perform.

Memorex tapes are used in all types of situations where precision performance is a must. When Surveyor successfully landed on the moon's surface and began sending its famous closeup pictures they were recorded on Memorex Instrumentation Tapes. More than 10,000 photographs were received at JPL's Goldstone tracking station.

BETTER THAN FILM

Nearly 90% of the video and instrumentation tapes used in the Surveyor Program came from Memorex. These tapes will form a permanent record for study of the moon. Memorex tapes are used because they give better results than film. Also, pictures can be electronically enhanced when instrumentation tapes are used.

Memorex tapes are also used on the Gemini Space Program, to record telemetering data and for data processing, and on the Apollo Moon Probe Program.

Cape Kennedy, where many of the United States space shots and rocket testing programs originate, is one of the principle Memorex customers.

RECORDS PROGRAMS

The United States Information Agency has a different type of application. It uses video tapes to record programs which are distributed throughout the world.

These are just a few of the many important roles Memorex tapes play throughout the nation. The tapes we make are used because our customers know that Memorex employees can be depended upon to produce "Precision" products.

MEMOREX INTERCOM

Gary Williams
EDITOR

STAFF:
Sara Millar
Nima Luttrell
Roger Cook
Georgene Gottlieb
Barbara Jones



Ed Wildanger (left) discusses the video tape market with George Wright, using a chart to make his point.

ERDMAN APPOINTED TO NEW POST

Ed Seaman, Memorex vice president, recently announced the appointment of Bob Erdman to the newly created post of product manager.

He will assume several duties formally carried out by Seaman, who will be freed to handle other of his increasing responsibilities.



Erdman was peripheral equipment product manager for three years at Control Data Corp. in Minneapolis before coming to Memorex.

He was also employed for six years at the Sperry Rand Corp. Univac Division, as a design engineer and product planner.

Erdman has made his family home at 1062 Valley Forge Dr. in Sunnyvale.

FOCUS on the MARKETING DEPARTMENT

Possibly the busiest part of the Marketing Department is the Marketing Services. This section is responsible for sales and distribution of our product, pricing and quotations, special requests of customers, plus many other activities. Aiding George Wright with all of these jobs is the Contract Administration section, which is headed by Ward Nolan, supervisor. His "crew" consists of Steve Walsh, Al Carman, and Don Brissenden plus their hard working secretaries Ella Lee, Eileen Rutledge, Pam Carlson and Carol Catron.

The Marketing Department is headed by Ed Seaman, Vice President of Marketing. Assisting him are the following managers; Instrumentation Video, Ed Wildanger; Computer, Robert Erdman; Sales Planning, Gerry Miller; and Marketing Services, George Wright. Helping them to "keep the ball rolling" are their respective secretaries Lynn Glick, Edna Markham, Esther Gorman and Linda Mancini. A new addition to the department is John Neal as a pricing specialist.

From a 10 reel order to \$20 million in sales a year is the success story of Memorex Corporation. Much of this progress can be credited to the hard work of the Marketing Department.

When the Marketing Department received its first order in 1962, it was for 10 reels of tape and there were no order forms on which to write it! However, a form was typed, run off on the ditto, and the shipment was made.

The entire department then had 3 members; Edward Seaman, George Wright and their secretary. Now the department has grown to 18 people in Santa Clara, plus five regional sales managers, 20 salesmen and 1 sales representative.



Company Vice President Ed Seaman gives dictation to Lynn Glick, his secretary.



Ward Nolan watches as (from left) Pam Carlson, Carol Catron and Eileen Rutledge finish daily report.

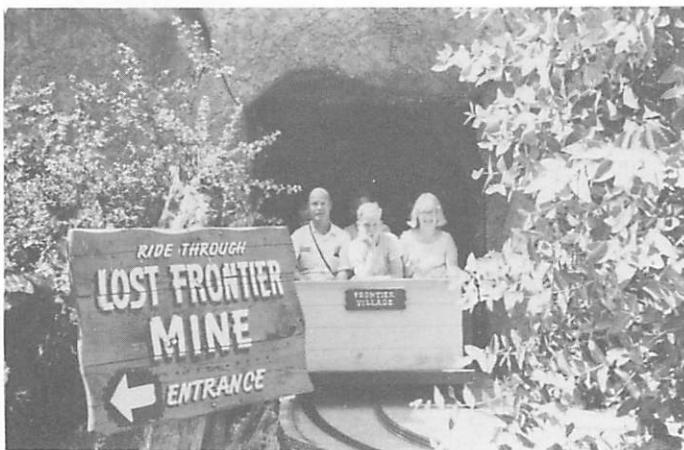


Gerry Miller shows Linda Mancini (left) and Ester Gorman some of the areas in which Memorex sells tapes.



Would you believe that Ella Lee is talking to Bob Erdman? We hope so, because she really is.

MAG PICNIC SUCCESS STORY



Don Bench and family emerge from Lost Frontier Mine in time to be greeted by INTERCOM'S candid camera.



More than 1700 MAG members and their families and friends entered these gates at the August 6th picnic.



It didn't take MAG members and guests long to gobble up \$6,500 worth of steaks, hamburgers, beer and pop. Slow lines gave employees chance to get acquainted.



Greg Woolworth, nephew of Richard Bradish, helps Marshal Clyde load gunfight victim on wagon, after a comic street fight.



Tina Leech, neice of Larry Leech, shows obvious disapproval over having to sit still for her portrait in an amusement park--of all places.



The airline strike has caused many vacationing Memorex employees to look for new means of travel. This group is heading up Frontier Village River.

Help On Way To Solve Phone Problems

Sorry about those snarled telephone lines.

Memorex Switchboard Operator Marlene (Leas) Tiberio, has been receiving numerous complaints from employees and persons who have had trouble reaching the company by phone.

Please don't blame Marlene. The telephone problems are not her fault.

Help is on the way, in the form of two new switchboards now being installed in the main lobby.

The one now in use has six in-coming lines and 10 going out, but there are 200 telephone extensions within Memorex, more than enough to tie up the 16 phone lines.

Two new lines were added the week of August 15, but they weren't enough to help Marlene.

By the first part of September the new switchboards should be in operation. They will approximately double the capacity of the present phone system.

During peak hours two operators will handle the calls. The new operator will be Barbara Jones, who is presently working in Reproduction.

The new phone system will give Memorex better and faster service. It will also be easier to enlarge as the company grows. The present system is operating at its full capacity.

NEW MRX TAPE

(Continued from page 1)

Compatible with all computers and tape handlers, MRX-III, packaged in a reel using color coded hub rings, is offered in bit-per-inch densities of 556,800, full-width 800 and 1600 (3200 fci).

In addition to its important durability feature, tests showed MRX-III to be extremely free from drop-outs and superior to all tapes in shuttle tests to permanent failure.



This is the 1966 United Fund Poster Girl. She symbolizes the many humans, both young and old, who receive help and hope for the future from one of the 72 United Fund supported agencies. The United Fund campaign will begin soon at Memorex. You can help the young and old of Santa Clara County find happier lives by supporting United Fund.

BOWLING RESULTS

The following are results of the Wednesday, August 17, Bowling finals at Moonlight lanes in Santa Clara:

First Place--Poor Losers, Bill Pratt Karen Pratt, Alt Case, Russ Rousseau.

Second Place--Four J's, Marion Jones, JoAnne Smetka, Rosey Jones, Jim Banks

High Scratch Game--Norma Itrace (202), Bob Potter (246).

High Handicap Series--Mardell Carman (617), Rosey Jones (684).

High Handicap Game--JoAnne Smetka (235), Ed Horn (266).

Most Improved Bowler--JoAnne Smetka (13 pins), Ed Horn (18 pins).

Century Award (100 over average)-- Don Horn (268 game, with 168 aver.).

225 Pin and Lighter--Marion Jones (237).

250 Pin and Lighter--Don Horn (268).

200 Pin--Norma Itrace (202).

225 Pin--Russ Rousseau (226, 233, 230), Bob Potter (246), Ed Horn (234), Bob Wallin (236), Keith Gerry (236).

High Scratch Series--Marion Jones (554), Bill Pratt (630).

MEMOREX EMPLOYEE POPULATION GROWS

Memorex's employee population continues to grow at a fast rate. The 94 people hired in June and July raised the number of employees at Memorex to approximately 700. Here are the names of your new fellow workers:

Billy Cochran, Orville Griffins, Andrew DeMaria, Richard Grossman, Anita Janke, Ray Kodres, Karl Schiavo, Edward Kao.

Marshall Tolin, John Neal, Maryelle McCaffrey, Angelina Montoya, Cathy Cable, Eugene McGarvin, James Oliver, Roland Jang, John Lowe.

AND GROWS

Donald Haynes, Josephine Ramirez, Barbara Jones, Richard Garcia, Ella Lee, Eddie Jung, Gene Lim, Roy French, William Goforth, Rose Sickmiller, David Jensen, and Marino Gaetano.

Jean Ashford, Barbara Smith, George Dias, John Becker, Marjorie Bettis, Mary Jerde, Evelyn Tousignant, Betty Terry, Nora Bucks, Yves Faroudja, Betty Davis, Arthur Ellis.

Margaret Schlesinger, William Endsley Endsley, Shirley Morse, Isabel Dussart, Dorothy Ferreira, Edith Costa, Marian McBride.

Gary Meredith, Dolores Villela, Jerry Imamura, Sharlet Truehill, George Parker, Gloria Berard, Trinidad Arballo, Shirley Hartgraves, Robert Nicholas, Helsa Servis, Willard Pearson.

STILL MORE

Barbara Berger, Rose Vasques, Henry Youngstrom, Lillian Enos, Robert O'Brien, Beatha Egan, Grace Abate, Walter Spencer, Valea Turpin, Won Choe, Henry Zebrowski, Andrew Miller, Sharon Katsinis, Sandra Selleck, Joan Somerville, Bonnie Kusta, Raymond Davis, Fannie Monson.

ALL FOR NOW

Frank Buller, Bessie Nicosia, Joseph Nussbaum, Betty Faranda, Constance Haynes, Mamie Placencia, Irwin Gomberg, Karen Callaway, Ralph Mares, John Helms, Carmel Wilton, Ward Nolan, Harold Hall, Dorothy Dalgleish, Gary Williams.



PROFIT SHARING POINTS

PROFIT SHARING
\$260,000
FIRST
SIX MONTHS

Profits and Profit Sharing go hand in hand. The 131% increase in Profit Sharing over the first six months of last year was the direct result of 131% increase in profits. Net profits after taxes were \$1,216,000 for the six month period ended June 30, 1966, compared to \$527,000 for the first half of 1965. These profits were produced by sales of \$10,582,000 and resulted in earnings per share of \$1.21 compared with \$0.54 in the 1965 First Half.

Memorex's reserve for the 1966 Profit Sharing contribution was \$260,500 for the six months ended June 30, 1966. This figure compares with \$113,119 for the first six months of 1965 and \$280,185 for all of last year.

Since a Profit Sharing reserve of over \$260,000 for the first six months is about as much as all of last year's contribution, the future looks bright for Memorex Profit Sharers. Profit Sharing is inextricably tied to profits, and the total Profit Sharing contribution for 1966 will depend on the profits we earn during the remainder of the year.

Just as Profit Sharing is tied to profits, Memorex's profits are the direct result of every employee's job performance and cost savings efforts. Our performance and efforts directly affect our and our fellow employees share in profits. Let's make the remainder of 1966 as successful as the beginning. Memorex's future - and our share in it - will be just as bright as we make it.

TOASTMASTERS RECEIVE CHARTER

The Memorex Toastmasters Club, which was started four short months ago, has gone international.

The club was presented its charter from Toastmasters International, August 8, at a dinner meeting at the Red Fox Den in San Jose.



"So then I said who needs your profit sharing?"

New Ad Agency Now Conducting "Situation Survey"

Hoefer, Deiterick and Brown, San Francisco advertising agency, will be handling Memorex's advertising program beginning the first of November.

The agency is presently doing a three-month "situation survey" to study the company's advertising program and its present and potential markets.

Results of the study will help the agency determine the company's advertising program for 1967 and future years.

Hal Marquis will be supervisor for the Memorex account. Paul Fillinger will be the account executive.

Hoefer, Deiterick and Brown handles other accounts such as Varian Associates, Lenkurt Electric, United Technology, Harrah's Club, Foremost Dairies and Mother's Cookies.

DID YOU KNOW?

The name "Memorex" is a combination of the words "memory" and "excellence".

QUARTERLY STATEMENTS MAILED TO ALL 1965 PROFIT SHARERS

Quarterly Participation Statements for the period ending June 30, 1966 were mailed recently to members of the Profit Sharing Plan.

Several questions have been asked about the Statements. First, new members of the Plan wanted to know why they did not receive Statements. Statements were mailed only to employees who were members of the Plan in 1965 and participated in the 1965 contribution. These members already have shares allocated to their accounts. New members of the Plan will participate in the 1966 Profit Sharing contribution. However, the allocations of their shares cannot be made until the profits for the entire year are known, and they will not receive Participation Statements until next year.

Old members who received Statements have asked if the amount shown as "INCREASE OR DECREASE IN VALUE OF FUND" is their share of the 1966 Profit Sharing contribution to date. The answer is No. Old members, as well as new members, will not receive their share in the 1966 contribution until the end of the year. The amount shown as "INCREASE OR DECREASE IN VALUE OF FUND" is their share of the income from the Profit Sharing Trust Investments for the quarter ended June 30, 1966.