

# INTERCOM

NEWSLETTER FOR MEMOREX EMPLOYEES

VOLUME 5, NUMBER 4

APRIL, 1968





## Open House Visitors To Tour S.C. Plants

The INTERCOM staff welcomes employees, their families and friends to the third Memorex Open House, this Saturday, April 27.

We hope all of our guests will have an enjoyable and informative visit. We realize that this is the first time many of you will see the entire Santa Clara Tape Plant and Disc Pack facilities, so we've planned our tours to show as much of the two plants as possible.

Guided tours will be leaving from the Disc Pack lobby at 3-5 minute intervals, between 10 a.m. and 5 p.m., following the route shown on page three. Tours will take about 1½ hours.

A few areas that have been visited on previous tours will not be on this year's route, because Memorex is so much bigger than before. Since the last open house, in October 1966, our employment has increased from about 800, to nearly 1300 and we have made numerous changes in our facilities.

The two most obvious additions to Memorex in Santa Clara are the 40,000 square foot Disc Pack and Plant Maintenance buildings, and 30,000 square foot J Building (formerly Associated Machine).

Some of the other changes in the company since the last open house include the following:

- Los Angeles Disc Pack became a wholly owned subsidiary in February, 1967.
- In April Memorex took delivery on the largest electron microscope on the West Coast, a Siemens Elmiskop 1A-125—the fourth of its kind in the nation. The Siemens has a direct magnification of 160,000 times and it can magnify up to 1 million times, if a photo enlarger is used.
- The first and only in-plant industrial clean room laundry in the world began operating in the tape plant in June.

## Board Asks For N.Y. Stock Exchange Listing

Memorex Directors are applying to have our Common Stock listed on the New York Stock Exchange, announces Company President Laurence Spitters.

The Company Board of Directors is seeking to have us listed on the New York Stock Exchange because of the increase in the number of shareholders (now more than 10,000), weekly trading volume which is estimated at more than 20,000 shares and because institutional interest in our company's Common Stock makes up over 10% of the shares outstanding.

## PRESIDENT WELCOMES GUESTS



To the Families and Friends of Memorex Employees:

We welcome you to our Company. Please enjoy your visit to the fullest, ask questions of your guides, and look about freely.

All of us who work together at Memorex have immense pride in

our business, so we appreciate the opportunity to make you better acquainted with the work we do, the products we produce, the facilities and surroundings we enjoy.

The leadership position of Memorex in the magnetic recording media and equipment markets today results from the contributions of every Memorex employee—production worker, maintenance man, technician, engineer, accountant, salesman, secretary, clerk, and manager. Our pride in our business is simply our pride in these contributions of our co-workers.

Because of your visit, we know that you, our families and friends, will understand this pride and share it with us.

Sincerely,

*Laurence L. Spitters*

LAURENCE L. SPITTERS  
President

## MEMOREX TO RECEIVE "E" AWARD FOR OVERSEAS MARKETING SUCCESS

United States Secretary of Commerce C. R. Smith has designated Memorex to receive President Johnson's "E" Award for success in promoting sales of U.S. products in international markets.

Phil Davis, International Marketing manager, says the award is especially significant because "it took us only

three years to qualify." Phil explains that companies can only apply to the Department of Commerce for the "E" Award after three years of export sales.

Normally, it is five or more years before a company is even considered for the honor, because of the requirement to demonstrate exceptional sales growth as well as unique marketing techniques.

Although Memorex was founded in 1961, we didn't start to develop our international markets until 1964. Now, overseas sales account for more than a quarter of our total sales.

One of the unique qualities that earned Memorex the award is our company's creation of an international organization to direct our efforts in overseas markets, and the recruitment of an international sales force from the individual markets, in order to achieve effective communications with buyers in all areas.

Our European sales operation was established by Jim Guzy, now a vice president at Peripheral Systems, together with Phil Davis, who set up the Santa Clara based staff.

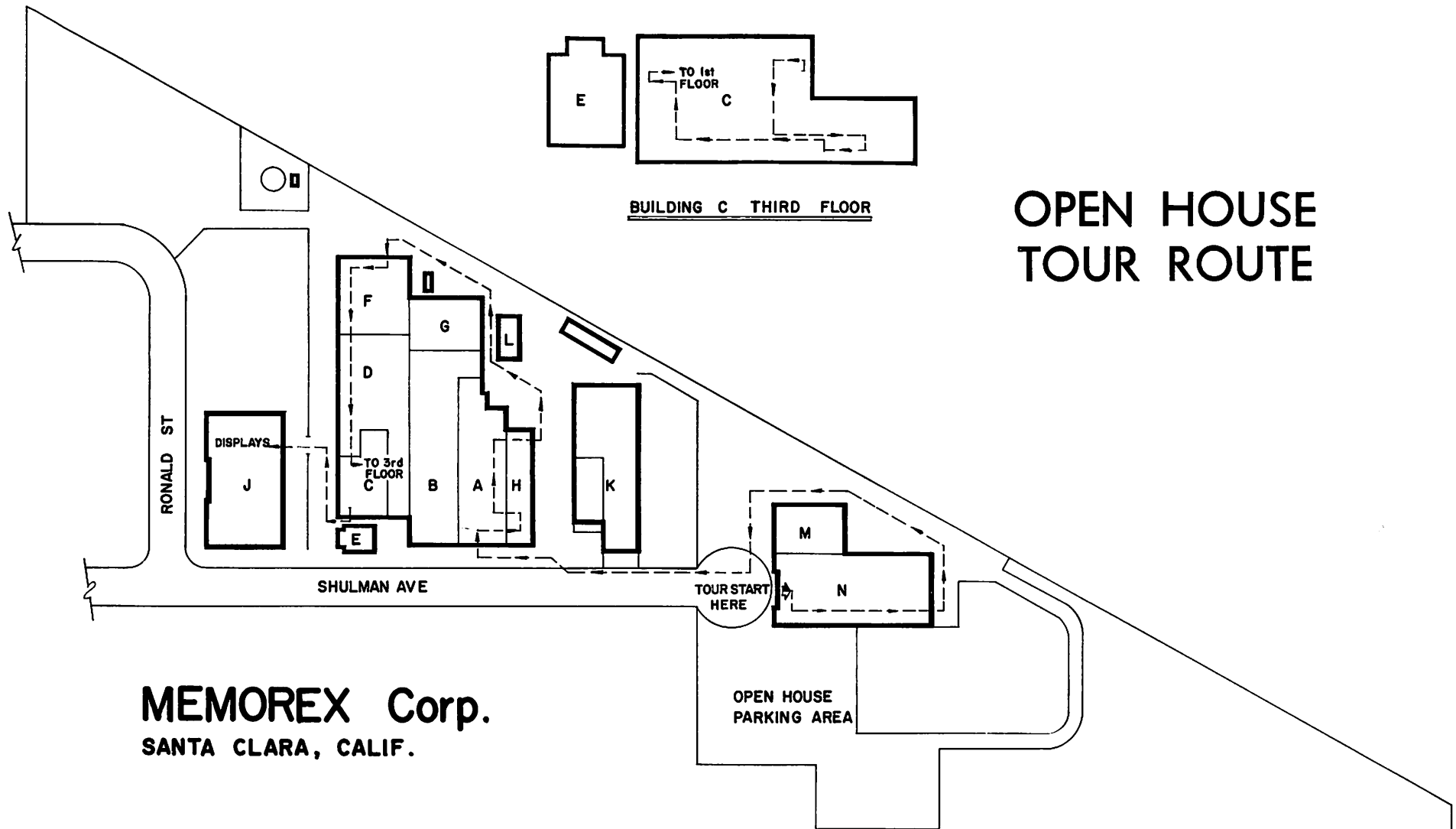
Presentation of the award is planned for May and details will appear in the next INTERCOM.

- A new family of video tapes, designed specifically for all helical scan recorders, went into production in July. Called the Memorex 79 Series, the tapes feature a new binder formulation which provides extra durability, fewer dropouts and longer still frame life.

Memorex's 3,623,826 shares of Common Stock are held by 6,148 registered shareholders and approximately 4,000 additional beneficial shareholders whose stock is carried in the names of brokers and nominees.

Listing on the New York Stock Exchange, according to Mr. Spitters, will provide Memorex and our shareholders with daily publication of trading volume and price range, monthly short-interest figures and a more orderly trading market.

Page 1 picture compliments of Micrographic Lab, photo by Don Stellman.



#### BUILDING

- N — Disc Pack, tour starts here.
- M — Plant Maintenance.
- A — Tape Plant lobby, this is original building on Shulman Ave.
- H — Research labs, including Micrographics (electron microscope) and Coating Research Lab.

- A — Clean Room Laundry. Material Input and Mylar Bath.
- B, G — Chemical Development Labs.
- F — Warehouse, Shipping.
- D — Packaging and windows to Clean Room Certification Area.
- C — Up to third floor Computer Room, Video Test Labs and color tape demonstration.

- C — Back to first floor, Personnel and Marketing.

- A, B — Clean Room observation windows.
- A — Production offices.
- B — Executive offices.
- C — Marketing offices.
- J — Displays, company movie, Peripheral Systems Display. Tour Ends.

**NOTE: Please don't forget your children in the Disc Pack baby sitting area.**

# ON THE MOVE

By JUDY BONINO

Ben Kimura has received a promotion to Technician in the Quality Control Test Lab. He was previously with the Technical Service Center group.

David Sutherland has taken a position with Disc Pack, Santa Clara, as a Sr. Utility Operator. He worked in the Computer Department before his move.

Dick Penny, who was with Disc Pack, Los Angeles, has now joined the Marketing Department in Santa Clara, as an Applications Engineer.

Financial Public Relations - Profit Sharing has a new secretary. Evelyn Auldridge, previously with Production, has been promoted to the position.

Mauricio Flores received a promotion from his job in Production. He is now a Technician in Electronic Maintenance.

Electronic Fabrication has three new Technicians. They are Ron Wilcox, John Desmond, and Leslie Bruntz, who were all previously with Electronic Maintenance.

Ann Bassford, who is with In-Process Inspection, has been promoted from an In-Process Inspector to a Mechanical Inspector.

Director of New Product Development Ken Taylor announces the promotions of Mike Martin, Finn Jorgensen and Jerry Youngstrom.

Mike takes the new position of manager, Video Product Development. Finn is now manager of Instrumentation Product Development. Jerry becomes manager, Computer Tape Product Development.

## PERIPHERAL NAMES NEW NATIONAL SALES MANAGER

William Collins, a former national account representative for IBM, is the new national sales manager of Peripheral Systems, according to Jim Guzy, marketing vice president at Peripheral.

Prior to employment with IBM, he was associated with the Discfile Division of Data Products Corp., Culver City, as national sales manager. The sale of Peripheral's magnetic disc recording equipment in North America is Bill's new responsibility.

Bill has a B.A. in geology from Carlton College, Minnesota. He also attended the University of North Carolina graduate school, studying geophysics.

## Stockholders Meeting Held in Santa Clara

The 1968 Annual Shareholders meeting was held Friday, April 26, in the Associated Machine building, corner of Shulman Avenue and Ronald Street, Santa Clara.

## Supervisors Club Plans Tour of TV Station

The Supervisors Club will tour Channel 11 KTTV facilities this month, the second tour of its kind since the club began, according to Roger Cook, executive board member. The group visited Eastman Kodak, Palo Alto, December 19.

"This should be especially interesting," says Roger, "since KTTV is one of our Video Tape customers. We'll have a chance to see one of our products in use."

In addition to occasional tours, club members gather once every two months for an evening dinner meeting at the San Jose Hyatt House. During the dinner Discussion Leaders guide table talk toward the topic of the evening's featured speaker.

The Supervisors Club was formed less than a year ago and has about 60 members. Foremen and supervisors involved in actual plant operation and production make up the membership.

## Sales Managers Meet To Discuss 1968 Plans

Regional Sales Managers met at Oak Brook, Illinois, for the National Regional Sales Managers Conference, April 3-4.

National Sales Manager Bill Gaskins chaired the quarterly meeting that outlined 1968 sales plans and programs. At the top of the agenda, according to Gerald Miller, marketing planning manager, was Disc Pack sales.

Other annual plans and programs discussed included product sales, sales support and training.

## MAG DISCOUNTS

MAG discounts have become a reality!! A number of local merchants are now offering discounts to MAG members. Interested members should check for information that will be posted on the bulletin boards. Call Ron Cavender, Ext. 226, if you have further questions.

At the top of the agenda was the election of Corporate Directors for the coming year. Results were not available at press time, but these men had been nominated to the Board of Directors: Alger Chaney, W. Noel Eldred, Prentis C. Hale, W. L. Noon, T. Robert Sandberg, Laurence L. Spitters, Fred M. van Eck, Dr. Theodore Vermeulen and Dr. Alejandro Zaffaroni. All were members of the Company Board prior to the casting of ballots.

Action was also taken on a proposal to amend the Articles of Incorporation. The amendment provided for a restatement of the authorized stock of Memorex to 1 million shares of Preferred Stock, at \$100 par value, and 10 million shares of Common Stock, \$1 par value.

## Products Displayed At NABC Trade Show

Memorex met the nation's television broadcasters on their own grounds, March 31 through April 3, at the National Association of Broadcasters Conference (NABC) in Chicago's Conrad Hilton Hotel. It is the biggest trade show of the year for video tape products.

The Memorex booth, according to Assistant Manager of Advertising-Promotion Neal Dempsey, featured our 78V High Band Video Tape. Pre-recorded program material from ABC and CBS Television Networks (Winter Olympics, Hollywood Palace, Lawrence Welk), as well as live video recordings from the show's G.E. and Norelco booths, highlighted the display.

## INTERCOM

NEWSLETTER FOR MEMOREX EMPLOYEES

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An official publication for employees of Memorex Corporation. Published monthly by the Industrial Relations Division, 1180 Shulman Ave., Santa Clara, Calif. 95050.

Member of:

**BASIC**  
Bay Area Society  
of Industrial  
Communicators

**ICIE**  
International  
Council  
of Industrial  
Editors

# FIRST SAVINGS BOND CAMPAIGN COMING TO MEMOREX

Today, whether we like it or not, we are living in a changing and unsettled time—a time when young and old, alike, voice concern about a myriad of problems, from inflationary pressures which threaten our economy, to crime and violence in our cities. Yet the majority of us never get much farther than just talking about what should be done.

Next month we are going to give Memorex employees a chance to change that, by offering an opportunity to take constructive action on a matter of national importance—a simple, but highly effective plan to strengthen the American economy.

May 20 will mark the beginning of the first United States Saving Bond Drive at Memorex. Buying U. S. Bonds is a sound investment that millions of Americans have used for years to further themselves and, at the same time, help our country.

The Savings Bonds Program is a key element in the sound management of the public debt. The U. S. Treasury Department states that the program “provides a non-inflationary anchor of stability in protecting the values of the dollar. It is essential that we help spread the debt more widely into the hands of individuals through a safe and proven form of public financing to combat rising costs and inflationary pressures.”

Savings Bonds can also be a key element in your private life. You can buy them through the Payroll Savings Plan, probably the safest, easiest and most painless method of saving you will ever find. The plan is automatic. You merely determine how much you want to put away each payday and the money is automatically deducted from your check. When enough money has accumulated, you will receive a Series E Savings Bond.

This is the same method of saving that has helped make dreams come true for millions of families through the years—financing new homes, college educations, retirement and other important needs. Signing the Payroll Savings application card next month makes those dreams begin to happen.

Following are some of the important features of Series E Bonds: They are indestructible. (1) If lost, stolen, mutilated or destroyed the Treasury Department will replace them. (2) Every \$3 invested in Series E Bonds returns \$4 at maturity, now in just seven years. The average annual interest rate of 4.15%, when held to maturity, is guaranteed and both principal and interest are backed by the full faith and credit of the U. S. (3) E Bonds may be redeemed for full purchase price, plus accumulated interest, any time after the first two months. (4) Savings

Bonds are exempt from state and local income taxes, and federal tax on E Bond interest may be deferred until the Bonds are redeemed.

There is also another type of U. S. Savings Note, called a Freedom Share, that is sold only as a companion to Series E Savings Bonds (on approximately a one-for-one basis) and is available at Memorex, but only through Payroll Savings.

Freedom Shares pay 4.74% interest when held to maturity (4½ years) and may be redeemed after one year. Like E Bonds, they are available with face values in four denominations: \$25, \$50, \$75, \$100.

Freedom Shares and Savings Bonds are sold as a package. One allotment buys both. To give an example, a \$25 Bond and a \$25 Share (combined purchase price of \$39) may be purchased in six paydays with a single allotment of \$6.50 per payday.

You can sign up for E Bonds alone, or for the combination. But you can't sign up just for Freedom Shares.

We all need some kind of savings program, be it for a new home, junior's college education, additional retirement funds, or just for emergencies. Help yourself while you help our nation. When the canvasser approaches you the week of May 20, sign up for Payroll Savings. You'll be glad you did.

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## New Investment Council For Profit Sharing

By JOHN MORSE

The Profit Sharing Executive Committee unanimously selected the firm of Brokaw, Schaenen, Clancy & Company to act as investment manager of the Profit Sharing funds starting April 1, 1968.

The Executive Committee, after the analysis and review of more than one dozen professional investment managers, selected Brokaw, Schaenen, Clancy & Company (BSC) because of their excellent record as investment managers of pension, profit sharing and other funds. BSC, located in New York City, manages accounts totaling several hundred million dollars and has achieved performance records for the funds under their management of capital appreciation substantially above the Dow Jones Industrial Averages and that of most other investment managers.

The Memorex Profit Sharing funds will still be held by the Bank of America, as Trustee of the Plan. However, BSC will now take over the responsibility of recommending how these funds are to be invested.

The Executive Committee, in consultation with BSC, has adopted the following investment policy as a guideline for the investment of funds in the Memorex Profit Sharing Plan:

The principal investment objective for the Profit Sharing Trust is long-term growth of the Fund through investment in common stocks. A reasonable limitation upon risk and upon the volatility of the market value of investments will also be an important factor in investment decisions. The exact proportion of the portfolio in common stocks and fixed income

securities will be left to the discretion of the investment counsel. The factors of liquidity and income will be considerations only in planning for normal operating expenses and termination distributions.

The investment of the funds in the Profit Sharing Plan is a major responsibility of the Executive Committee and its designated investment counsel. All Profit Sharers participate in the investment income and capital appreciation of the Profit Sharing investments. If the funds are invested wisely, this income and appreciation will materially increase the value of each member's account. For example, each member's share of the Company's annual contributions will double in value in about 7½ years if the investments appreciate in value at the rate of 10% per year.

## MEMOREX INTERCOM

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RETURN REQUESTED

### MAG MEMBERS OFFERED "SWINGING" GOOD TIME

It'll be a "swinging" good time for all MAG members attending the annual Spring Fling, May 11, in Palo Alto's Cabana Hotel.

### Past MAG Presidents Form Advisory Group

Interest in the planning of MAG activities doesn't die at the end of a term in office, it continues to grow. At least that's the general feeling currently generated by a group of MAG past presidents, says Jeri (Johnson) Deckard, MAG president.

The former presidents are interested in utilizing their experience in an advisory fashion to benefit MAG.

Initial interest in the group was stirred by Bud Oliver, who contacted each of the former presidents. He suggested that they band together in a small advisory group and offer their "experiences" and ideas to MAG.

Members of the MAG past presidents advisory group include Bud, Roger Cook, Jim Ellis, Don Horn and Russ Johnston.

### L.A. Employees Group Off To Fast Start

An employees activities group was formed at our three Los Angeles subsidiaries in late March and already it is growing like one of L.A.'s famous brush fires.

Del Deffenbaugh, the group's president, reports that more than 50% of the employees at Disc Pack, Substrate, and Comdata had become members by press time.

Del expects more than 90% of the employees to sign up by May 1, only five weeks after the group officially began recruiting members.

After seeing the activities the new group is planning, it's easy to see why it has caused so much excitement. The first planned activity is a contest to choose a name for the group. It will

The entire Circus Maximus Room of the hotel, 8,900 square feet of hip-swinging space, will be the center of MAG activity, from 9 p.m. to 1 a.m., for the casual dress affair.

Walt Tolleson, well known for his "Golden Sounds by the Golden Gate," and his ten-piece Musical Organization will provide music for the occasion. Featured female vocalist Marianne Kent will highlight the evening's musical entertainment.

To give the Fling a Western flair, Santa Clara Valley's Jubilaires, exhibition square dancing group, will perform during the orchestra breaks. MAG members are invited to join in the fun and try their feet at the Western style dance steps.

Hors d'oeuvres will be served throughout the evening and saloon facilities will be provided. The Circus Maximus Room has a direct entrance to parking areas, eliminating a walk through the hotel lobby.

Free tickets are now available to all MAG members from Receptionist Pat Kostelnik, in the Personnel Lobby.



**FEATURED VOCALIST**—Marianne Kent is just one of the entertainers who will be featured at the May 11 Spring Fling.