

# INTERCOM

NEWSLETTER FOR MEMOREX EMPLOYEES

VOLUME 5, NUMBER 9

SEPTEMBER, 1968

## United Fund's '68 Campaign Is Underway

United Fund's 1968 campaign, which started this month, is of special significance, since it marks the end of the first decade of UF fund-raising in Santa Clara County.

Proceeds of this 10th anniversary campaign will benefit 81 charitable agencies, including the following which were recently admitted to the "fold:" Peninsula Children's Center; Bay Area Health Facilities Planning Assn.; California Council on Crime and Delinquency; National Urban League; Buddy Program Project (Volunteer Bureau); Police Athletic League-PAL.

The highest-ever goal of \$3,181,401, sets UF volunteers a formidable task, since it means they must raise 10 per cent more than the amount collected last year.

The Santa Clara plants will be aiming for an employee contribution of \$39,000 when the company campaign opens October 14, according to Memorex UF Chairman John Morrison.

Reasons for the goal hike are because the rising population in our county makes United Fund agency services even more in demand than ever before. One of every four men, women, and children in Santa Clara County will use the services of a UF agency

in the coming year. This means that agencies must expand their programs if they are to meet the need.

John is confident that our employees will rise to the challenge. He notes that a greater percentage have contributed to UF each year since the company began seven years ago and more than 51 per cent of our employees gave in 1967.

When you give to United Fund this year, you can be sure your money will help someone who really needs assistance. The Santa Clara County United Fund has the lowest campaign costs reported by any fund-raising organization of comparable size on the West Coast. Out of every dollar you contribute, almost 93 cents goes to help UF member agencies.

United Fund agencies fall into four categories: Youth and Group Work (like Boy Scouts of America, YMCA and YWCA); Family and Counseling (such as Family Service Association, or the Adult and Child Guidance Clinic); Health and Child Care (Visiting Nurse Association, Palo Alto Medical Research Foundation); and Supporting and Other Community Services (National Travelers' Aid, Mexican-American Community Services).

## Communications Plan Off to Flying Start

The INPUT/OUTPUT program has been in operation since mid-August and already nearly 40 questions and comments have been received. INPUT/OUTPUT is offered as an anonymous channel for employee questions or complaints.

Each question or comment is answered by a member of top management, but the name of the individual asking for a reply is known by only one person, Employee Relations Specialist Bill Ramsay.

Response to the new program has been so good that Bill and the INPUT/OUTPUT Committee have been swamped. If you have submitted a question and have not yet received an answer, please be patient. Replies are being mailed as quickly as possible.

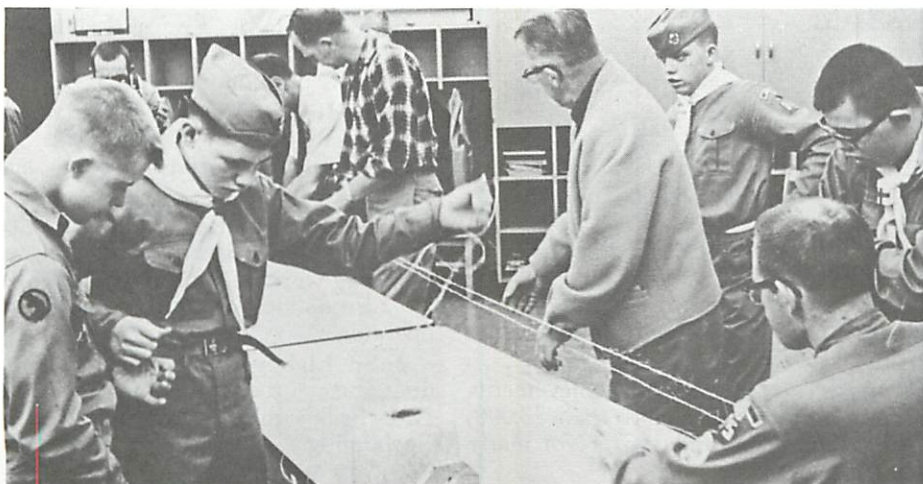
INPUT/OUTPUT forms are available in the tape plant and Santa Clara Disc Pack cafeterias. Forms will also be available at other Memorex locations. Bill will be glad to answer any questions about the program if you call him at extension 520.

## BLOODMOBILE VISITS SANTA CLARA OCT. 7

The Red Cross Bloodmobile will be at the Santa Clara plant between 1 p.m. and 4:30 p.m., Monday, October 7. Sign-up sheets are being circulated for all those who want to give blood.

Giving blood has a number of advantages, the most important being that you and your immediate family would not have to pay for blood should transfusions ever be needed.

Company Nurse Carmel Wilton notes that the registration process for donors will be improved so they won't have to take off as much time from their jobs as they did previously.



**THIS BOY SCOUT TROOP**, comprised of mentally retarded youngsters, is aided by the Santa Clara County United Fund. Your dollars will help this special troop.





## PROFIT SHARING POINTERS

By JOHN MORSE



### PARTICIPATION IN MEMOREX'S ACHIEVEMENTS

The Profit Sharing Plan was first announced in December, 1964, in the MAG FLAG, forerunner of the INTERCOM. In this announcement, Larry Spitters, President of Memorex, said, "we believe the adoption of the Plan is a significant milestone in our Company's existence—we believe it will be the foundation for effective employee participation in the Company's operation and its achievements."

After three years, we can now look at the Plan and see if it is meeting its goals. Are we participating in the Company's operations and achievements?

We are certainly participating in Memorex's operations. This participation has created a Company whose sales and earnings last quarter were greater than the sales and earnings for the entire year in which the Plan was first announced (1964).

We are also participating in these achievements. To show what this participation meant, look at the Profit Sharing record of one Memorex employee who was a member of the Plan from its beginning on January 1, 1965.

This is an actual case of a utility operator whose monthly wage in 1965 was approximately \$500. He had worked for Memorex all of 1964 and became a member of the Plan on January 1, 1965. We will call him Mr. Profit Sharer.

#### ACCOUNT OF MR. PROFIT SHARER

Date	Item	Amount	Total Present Value	Vested Interest
3-31-66	Share of 1965 Profits	\$683.45	\$ 683.45	30%
6-30-66	Second Quarter Increase in Value of Investments	\$ 8.12	\$ 691.57	35%
9-30-66	Third Quarter Decrease in Value of Investments	(\$ 31.54)	\$ 660.03	40%
12-31-66	Fourth Quarter Increase	\$ 67.52	\$ 727.55	
	Share of 1966 Forfeitures	\$ 86.34	\$ 813.89	45%
3-31-67	Share of 1966 Profits	\$927.85	\$1,741.74	
	First Quarter Increase	\$107.72	\$1,849.46	50%
6-30-67	Second Quarter Increase	\$ 46.53	\$1,895.99	55%
9-30-67	Third Quarter Increase	\$220.53	\$2,116.52	60%
12-31-67	Fourth Quarter Decrease	(\$ 33.59)	\$2,082.93	
	Share of 1967 Forefeitures	\$201.26	\$2,284.19	65%
3-31-68	Share of 1967 Profits	\$739.82	\$3,024.01	
	First Quarter Decrease	(\$164.22)	\$2,859.79	70%
6-30-68	Second Quarter Increase	\$203.17	\$3,062.96	75%

During the first three years of the Plan, Mr. Profit Sharer's share of the profits was \$2,351.12. He also received \$287.60 from forfeitures and \$424.24 from income and appreciation of our investments.

The total value of his Profit Sharing account is \$3,062.96, and his vested interest in the account has increased to 75%.

Thus, the participation of our profit sharer in Memorex's achievements amounted to a savings and investment program accumulating more than \$3,000, approximately 16% of his total wages during 1965, 1966 and 1967. Not many of us independently save 16% of our annual income.

What will our participation in Memorex's 1968 and future achievements be? It will be directly proportional to our participation in its operations. Memorex's future profits depend on every employee, and Profit Sharing is directly proportional to those profits.

## EMPLOYEES ON THE MOVE

By JUDY BONINO

The sales force has two new district managers, **Jack Becker** and **Lary Lindsey**. Lary, the company's first sales trainee to go into the field (in 1965), will be Minneapolis district manager. He will be responsible for sales in eight states. He first came to the company in December, 1963, as an employee of Manpower, Inc.

Jack Becker has been with the company since 1966. He holds an MBA from Hofstra University. He is now responsible for sales in New Jersey.

National Sales Manager **Bill Gaskins** announces the promotion of **Dick Crain** to manager of OEM and Private Label Accounts. Dick has spent two of his three years with the company in Denver, and a year in Los Angeles. He will work out of Santa Clara.

**Ted Bernas** has accepted the position of manager, EDP Operations in the Information Services Division. Ted came to Memorex as a system analyst/programmer. He worked for California Cannery and Growers where he was manager of EDP Operations.

**David Weeks** joined the surface treaters last month, after his promotion from Contamination Control, where he was a heavy duty cleaner.

The Reclaiming area has a new foreman, **Billy Joe Artery**. Bill was a mechanical inspector for In-Process Inspection.

**Richard Cassidy** also became a foreman last month. He moved from a technician's job with Santa Clara Disc Pack to his foreman's position in the Substrate area in the same plant.

**Ron Arima** is now a design specialist in Drafting. He was a designer before his promotion.

**Bob Howland** was promoted to associate engineer in Engineering. He was technical associate in the same area.

The Maintenance Department has promoted **Ben Gonzales** to technician. Ben was working in Santa Clara Disc Pack Production as a production set-up operator.

**John Fisher** was promoted to production set-up operator in Santa Clara Disc Pack. John was a packager in Reclaiming.

**Linda Workman** is the new secretary for Instrumentation and Reclaiming. Linda is also holding down her former job as secretary for Electronic Maintenance.

# EDUCATORS, BUSINESSMEN AWED BY AMERICAN CONSUMERS

By GARY HUBBARD  
*San Jose Post-Record*

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**EDITOR'S NOTE:** This the first of two articles on Institute '68, the first annual consumer credit conference sponsored by the University of San Francisco.

Educators and businessmen looked with awe Friday on the American man's insatiable, immediate and unrealistic desire to consume.

Fulfilling this desire has caused total U.S. consumer outstanding credit to grow from \$6 billion in 1946 to at least \$100 billion today, according to reports from the Federal Reserve Bank.

Financial counsellor Morris Rabinowitch spoke at the first annual conference on consumer credit given at the University of San Francisco. He is founder and president of Financial Counsellors, a consumer credit-counselling firm with 15 offices and 3,000 clients throughout the state.

"Continued over-extended credit actually makes me fear for the future of this country," Rabinowitch declared. "Costs of this credit are mounting. An American Association of Collectors survey shows that one person out of five on credit is referred to a collection agency."

## CREDIT BUNGLING

Personal credit bungling happens at all income levels, Rabinowitch revealed.

In a San Jose office, one couple with a combined annual income of \$94,000 has received counselling to help them consolidate and pay debts. Another couple had mounted up \$5,000 in department store credit card bills. At an effective rate of 18 percent per year in revolving credit charges, their debt had become cumbersome if not unmanageable.

Credit counsellors seek to wipe out clients' debts by taking the responsibility for paying them off. Typically, they will handle a client's paycheck first, paying bills and meting out an allowance to him.

After consolidating and paying debts, counsellors attempt to make their clients aware of hidden credit charges and unwise, though tempting, methods of debt consolidation.

Many remain uncured. They continue to be lured by easy credit. They continue to want fruits of their labor before they have begun to labor.

Rabinowitch's average clients are families of four with incomes ranging between \$6 thousand-\$7 thousand per year. They owe an average of \$3,700 to some 14 creditors. In the San Joaquin Valley, some of Financial Counsellors' clients have had as many as 80 creditors!

Virtually none of those families counselled have compiled debts due to medical or other emergency causes, simple over consumption is the culprit.

## FEEDS INFLATION

Everyone loses according to Rabinowitch. Defaulted payments cost the individual, his employer, the merchant and the welfare-supporting taxpayer.

Continued growth of credit feeds inflation. The "feeding" goes on also via outstanding debts of \$900 billion in business, \$300 billion in federal government and \$125 billion in state and local government.

This all will become very serious if real depression threatens, because a higher percentage of personal income will then have to be devoted towards retirement of these debts. Fortunately, modern money and credit controls give us fairly predictable means to combat such depressions.

Of course borrowing money to make money is an axiom of American capitalism. Rabinowitch and others, however, worry about those who borrow to spend, not to use.

## GARNISHMENTS COSTLY

Self-sufficiency seems to be the atypical norm these days, noted Sherman Lubotsky, a financial counsellor and instructor for the University of Wisconsin. There is a growing assurance among people that the government will care for them.

"So the average person in debt, who spends one quarter to one half his next year's income this year, has little fear of adverse consequences."

A personnel manager for a Bay Area firm said debtors cost private industry money too. Employees who are harassed by creditors are often worried to the point of missing work frequently.

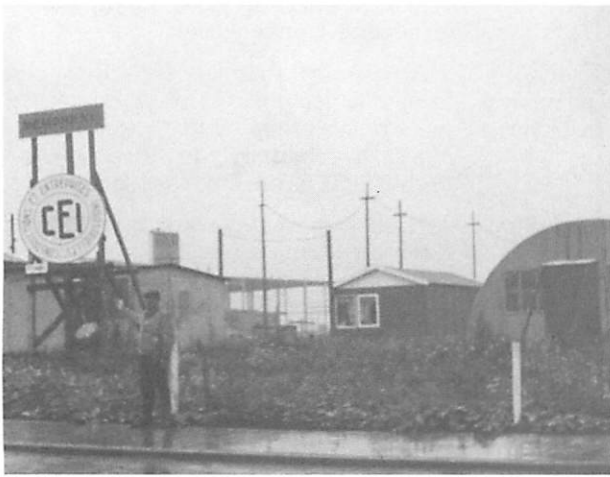
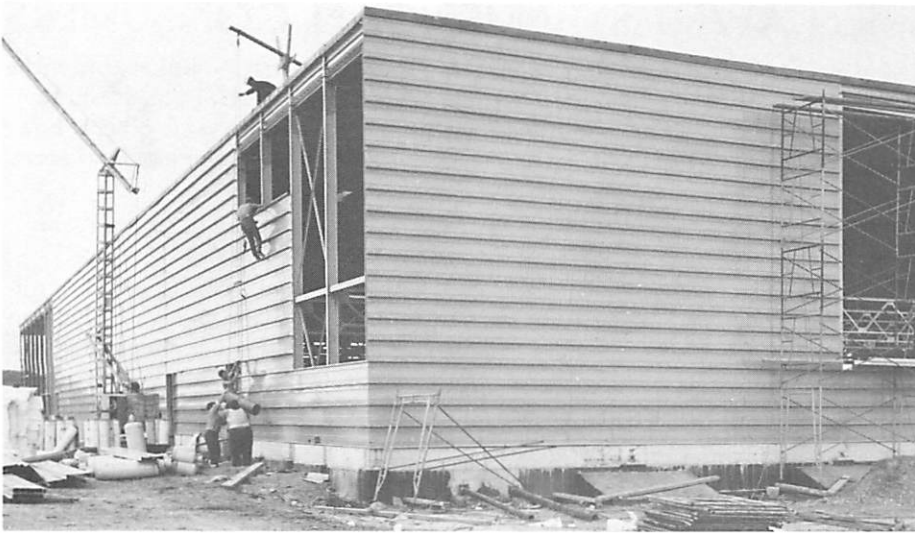
If their paychecks are garnished it costs the firm an average of \$26 to make the clerical changes. Unless a real hardship exists, continued garnishment will result in costly termination of the worker. In addition, each replacement costs the firm an average of \$101 in recruitment and placement expenses.

If the worker begins to receive unemployment checks the company—and the public—pay that expense also.



ABOVE—International Vice President Gene Rogers welcomes our Belgian plant supervisors and their wives to Santa Clara, at a dinner meeting Sept. 4. Mr. Rogers also introduced the other corporate officers who were there to meet the Belgians. They were Manufacturing Vice President Dick Boucher, Treasurer Gordon Sheppard, Finance Vice President Gordon Pilcher, and Technical Staff Vice President Stan Meyer. Company President Laurence Spitters (standing in photo above right) and Executive Vice President John Del Favero (right) were main speakers at the dinner.





## BELGIANS IN SANTA CLARA

**THE BELGIANS ARE HERE.** Eight supervisors and the purchasing agent for our Liege, Belgium, tape plant arrived in Santa Clara for training the first week of September. The nine will be in Santa Clara for three months. When they return to Belgium, their new plant will be about a month away from completion. These pictures, taken in July and August, are the most recent we have from the plant site. On the left is a photo taken by Site Engineer Jan Jansen, showing workmen putting siding on the building. The lower left picture shows Rex Harvey, an electronic technician from Santa Clara who went on leave to visit Europe, pointing out construction sheds in front of the partially completed plant. The lower right photo was taken by Rex and is a view of the plant, from the highway.

## GIFTS FROM MEMOREX SPREAD ACROSS THE NATION

This could be a dark world for the blind, but the Library Association of Portland, Oregon, has added a ray of sunshine to the lives of more than 2,500 Oregon-Idaho residents with its Books For The Blind Library.

Mrs. Edna L. Williams, librarian of Books For The Blind, appealed to Memorex for tape assistance. After careful consideration the Memorex Foundation replied with 50 reels of tape.

Books For The Blind serves young and old alike, especially those who cannot afford their own tapes. An average book requires 10-12 tapes for recording, says Mrs. Williams. In a small but important way Memorex has been able to assist in expanding the Library's 1,000 braille volumes and recorded books.

Closer to home, the Mount Zion Neurological Institute is using two instrumentation recorders and Memorex tape for research. "Your tape has made it possible," says Dr. W. Watson Alberts, "for us to take full advantage of

the opportunities we have for gathering physiological information on the sensory and motor systems in man."

A Midwestern hospital nursing program has been augmented with Memorex magnetic tape. Saint Ann's Hospital For Women, Columbus, Ohio, now records important medical lectures for play-back to nursing students.

Shortly after receiving a donation of tape, Sister M. Thomasine wrote: "This Saturday I begin a two-week course in coronary care. The lectures are being given by specialists in the field of cardiology and I know it will be an excellent workshop." She adds that the recordings will help further nursing education at the hospital.

The Foundation, incorporated November 1966 and federally approved the following February, donated nearly \$340,000 in tape and monetary gifts in 1967, says Carl Anderson, Foundation president.

From the Medical Institute of Technology, Cambridge, Mass., to Good Samaritan Hospital in San Jose, hope-

ful recipients have appealed to Memorex and received donations. The wealth of Memorex is spread across the nation.

Though donation inquiries come from nearly every source imaginable, only certain types of organizations are considered due to limitations placed on the Foundation by its charter.

The Foundation is a non-profit corporation, separate from Memorex Corporation. Memorex contributions to the Foundation come from profits, before distribution of Profit Sharing. The Foundation can spend the money when it is received or invest it for later use.

All requests for donations are sent to Carl Anderson, who routes them to Jack Shannahan, Foundation vice president, and Dick Boucher, a Foundation director. The three then give their approval or disapproval and suggest the type and size of donation to be made. Foundation Secretary-Treasurer Joe Cerny arranges for the gifts to be distributed and maintains the records of all donations.



## Busy Engineer Finds Time For Writing

His job as an applications engineer keeps him on the run during, and frequently past, the regular working hours, but Keith Reynolds still finds time to do some writing on the side.

His most recent effort has been published by Memorex as "Timelytopics #3: Testing Methods for Broadcast Video Tapes." It has also been printed in the July issue of Broadcast Engineering, a widely read magazine for those in the recording industry.

Keith has written two other "Timelytopics": "Stretching the Dollar Value of Your Helical Scan Video Tape" and "Causes of Failure in Broadcast Video Tape." All of these informational pieces are distributed to our customers, potential customers, and others who request them.

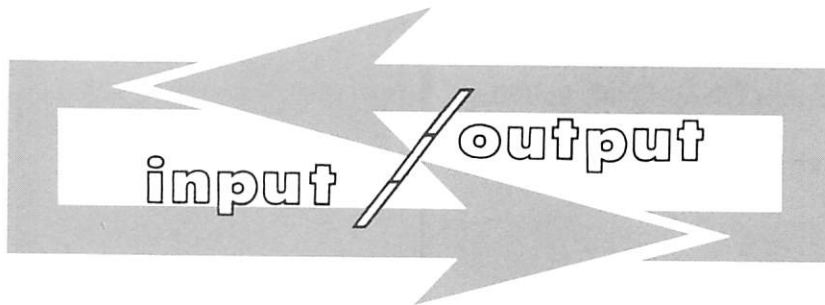
Keith's extra work has not gone unrewarded to him or the company. He has received letters from all over the world, praising him and the company for taking time to distribute much needed information on magnetic tapes and their usage.

## WE CALL SOME GREAT

The men we call great are so because they had to struggle with something, says W. G. Montgomery in *Unity*. By struggling with one or many obstacles, such as poverty, lack of opportunity, or for some great cause, a divine strength came into their lives that lifted them above their fellow creatures. We call them great because they carried their loads.



The established pattern of monetary injustice promulgated by an inequitable weekly allowance must immediately be remedied by a progressive profit sharing program or . . . or . . . we lay off all vegetables!



### WHY MUST GRAVEYARD WORK THREE HOURS AND TEN MINUTES BEFORE FIRST BREAK, AND WHY IS THE WAREHOUSE NOT ALLOWED TO HAVE RADIOS?

Personnel on Graveyard come to work at varying times. Some at 10:50 and some at 12:05. Personnel on this shift have been allowed to select their break due to the different starting hours. At times, these breaks are at 2:00 and other times at 1:30. With sufficient agreement by personnel on the shift, there is no reason why break times cannot be adjusted to eliminate working the three hours and ten minutes.

It is the Manufacturing Division policy that radios are not normally allowed within the Plant during working hours. There are many pros and cons regarding this subject; but, in general, radios tend to be a distraction and are considered to be an indication of a non-professional atmosphere. On special occasions these rules are relaxed to permit radios for special events or occurrences.

As a result of your inquiry, the company has decided to further study the situation so that a corporate-wide policy can be developed.

### WHY DO HOURLY PAID PERSONNEL RECEIVE COST OF LIVING RAISES AND NON-EXEMPT SALARIED PERSONNEL DO NOT?

I am not sure of your reference to "cost of living" salary and hourly increases, but assume it is the hourly adjustment Memorex has made each July 1 for the past few years.

Both the hourly "step structure" and the non-exempt salary ranges have been adjusted periodically in order to reflect the worth of each job both within the company and within the industrial community. In adjusting the hourly rates and the non-exempt salary ranges, cost of living is only one of many factors reflected when reviewing special job skills, labor supply, physical work and special requirements of each job group.

Hourly rate adjustments reflecting the review of the above factors have been made each July 1 because the hourly step structure is based on a set amount of money at each step and each step is based on time in the job. Non-exempt salary rates ranges are also adjusted from time to time as appropriate with the most recent adjustment being September 1, 1968. However, in the case of the non-exempt salaried employees, changes in base salary are made on an individual basis at regular individual pay review times as established by the non-exempt employee salary review policy.

### IS THERE SOME WAY MEMOREX CAN GET A LIGHT INSTALLED ON THE CORNER OF SHULMAN AND LAFAYETTE OR MAKE A ROAD BEHIND THE PARKING LOT (NEXT TO DISC PACK) TO MARTIN STREET?

The intersection of Lafayette Street and Shulman Avenue has been a problem area which has concerned Management for many months. This intersection is a serious point of congestion and a safety hazard to Memorex employees.

Memorex has brought this to the attention of the City of Santa Clara and the City has responded by agreeing to install traffic signals, which as of this date are installed and which should be in operation by the end of September.

At present there are no plans to construct a road from Disc Pack parking lot to Martin Avenue. However, as Memorex continues to grow, the addition of a roadway from the Disc Pack Building to Martin Avenue would seem inevitable.

A "FAIR SHARE" UNITED FUND GIFT EQUALS ONE HOUR'S PAY PER MONTH. YOUR "FAIR SHARE" CONTRIBUTION WILL SUPPORT 81 U. F. AGENCIES.

RETURN REQUESTED

## Horn Scores Hole-In-One At Pajaro

A hole-in-one so inspired Don Horn that he won this month's Divoteers tournament at Pajaro Valley Country Club; then played an extra 18 holes for fun and shot a lifetime best of 77.

Don used his nine iron on the short, but tricky seventh hole, when he scored his ace. He finished the tournament with a gross 84, net 67, topping the first flight.

Mits Okamoto finished two strokes behind Don, with a 69, and Larry Nelson was third with a 70. Alt Case had a low gross 80.

Keith Gerry won the second flight with a net 71, followed by King Anderson, Gary Stevens and Tom Chapman, with 72's.

Larry Nelson shot a net 68 to lead the first flight during the Divoteers golf tournament at Aptos Beach Country Club, August 24. Larry also had a low gross of 90.

John Morrison was second with a net 78, and Ted Reinke and John Lowe were third with 79's.

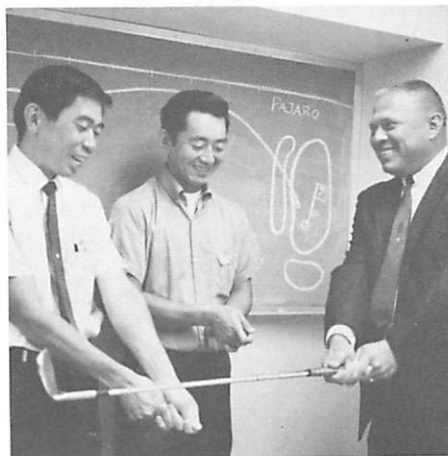
Bruce Bush topped the second flight with a net 73. Paul Ward was close behind with a 76 and Gary Stevens followed with a 77. Gary took low gross honors in the second flight with a 102.

## Mabel Ward Pinned

What's so unusual about the pretty gold filled award pin Mabel Ward has been wearing? Not much, except that she just received it from the Naval Facilities Engineering Command in Thailand and she has not worked there since November of 1966.

The Wards lived in Thailand for four years while Mabel's husband, Wally, worked there for the Stanford Research Institute.

A letter accompanying the pin said it was awarded because Mabel helped "fulfill critical emergency manpower (womanpower?) requirements in support of our Southeast Asia construction program." It was a nice thought, even if it did come a bit late.



DON HORN (right) demonstrates the grip he used to score his ace on the seventh hole at Pajaro Sept. 15. His two pupils, Ben Kimura (left) and Mits Okamoto, were standing on the green when Don's shot dropped into the cup.

## Is MAG Sponsoring The Activities You Want?

Is MAG sponsoring the kind of activities you want it to sponsor? Do you have any suggestions or ideas on how MAG can better represent the wishes of you and your fellow employees? Are you willing to help MAG sponsor more and varied types of activities?

If you have any comments to make about these questions, talk to one of your MAG board members. They

## Bell Wins \$25 Bond For Naming PSC Club

Peripheral Systems' activities group, recently formed after a friendly separation from MAG, has a new name, Peripheral Activity Club (PAC).

A contest to name the club was held among members at PSC and the winner was Ray Bell. Ray, a manufacturing engineer, won a \$25 United States Savings Bond.

PAC members are now busy making plans for the group's first event, a Christmas dinner-dance.

## EGG-THROWING CONTEST HIGHLIGHTS PICNIC

Del Deffenbaugh, president of the Southern California Activities Group, reports that the organization's first picnic was "a tremendous success." It was held at Elnido Park in Torrance.

Contests organized by Kelly Smith and his wife highlighted the day for the picnickers. Prizes were awarded to winners of each contest.

Contests included a wheelbarrow race for the tots and a raw egg throwing contest for husband and wife teams. Many comments were overheard during the latter contest, the most frequent being "oops, sorry dear," and usually followed by a guilty chuckle.

were elected to represent you, but they can not do an effective job if you don't give them any help.

Board of Directors members are Mike Hopkins, Mel McPherson, Pat Kostelnik, Joe Richards, Kit Weaver, Ron Cavender, and Don Caselas, MAG president.

## INTERCOM

NEWSLETTER FOR MEMOREX EMPLOYEES

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