

# Measure

For the men and women of Hewlett-Packard/March 1971



□ Hardly a daily newspaper goes by without some comment or critique on the role of women in modern life. The question of equal rights, in fact, has become one of the hard-currency controversies of the age: Where does equality between the sexes begin and end?

At the industrial and professional level, the question becomes essentially one of equal opportunities. Commenting on this, Ray Wilbur, vice president (Personnel), noted that: "In my tenure at HP I've seen a number of significant steps forward in the opportunities made available to women in both our highly technical fields as well as in general management. Obviously, though, much still can and will be accomplished.

"It is rather typical of our company that we do what is right in this regard, not in dramatic steps with fanfare, but in steady progress to assure better utilization of the skills many women have to offer us.

"In our industry we do face the problem of a very limited number of potential females in the technologies

we pursue. Nationwide, about one percent of the engineering graduates are women. In 1969-1970 recruiting period, for example, HP representatives visited scores of campuses to discuss employment possibilities with engineering and science graduates. Of the several thousand young people who requested interviews, no more than half a dozen were women, and of these, two girls eventually were hired.

"By 1980 it has been predicted that the number of women available for the work market will increase 23 percent. This fact, plus the spirit of non-discrimination, should see us make further efforts to assure equal employment and advancement opportunities.

"But, we should think of women not in terms of statistics or stereotypes, but rather as human beings and as individuals. It is the individual and her or his interests, abilities, and performance that should determine each one's success."

The following interviews—with HP women who have succeeded in fields generally considered "traditional" to men—bear this out:

# HP career women

## in the SP TLIGHT

### COVER:

**Barbara Johnson, IC test programmer, Santa Clara Division;  
1970 math graduate, Stanford University:**

"At school I never experienced any discrimination toward women who aim for professional careers. There were eleven women in the math class I graduated from last year. A lot of them felt they could handle both a home life and a career, perhaps with some interruption for sake of a family, but never completely abandoning their other goals.

"I was treated very fairly when I came to HP—no salary discrimination or anything like that. Still, I feel there should be more women working in the professional fields. Actually, I guess I feel somewhat isolated by the fact that there are so few of us here. You know, we can be highly motivated in our work, just as much as men."





**Dixie Smith**



**Daphne Dorney**

**Dixie Smith, personnel manager, Mountain View area:**

"For a woman to advance today, she must be as devoted to her career as most men are. That means accepting the usual sacrifices such as less time for your family, your friends and yourself. The fact is, there are very few women willing to make those sacrifices. And, if a woman isn't willing, she's taking herself out of the competition. It's not a matter of sexual discrimination. As for me, I've always been career-oriented and do have an understanding husband, so I've had no real problems at home or on the job.

"I'm in a rather unusual position, being a woman division personnel manager. I've found that I have to be especially careful not to discriminate against women, and often I have to bend over backwards to show I'm not discriminating, that I am basing my selection on who's best suited for the job. I'll never forget one of my first job selection situations after coming to Mountain View. A man was chosen for the job over a woman applicant, and I almost ended up with a discrimination complaint on the basis of sex. Everything turned out all right, but I remember thinking how terrible it was to be a woman personnel manager accused of discriminating against a woman!

"Today, HP is looking increasingly at its women employees in terms of providing them with greater opportunity for advancement. We're keeping track of women to make certain they're not being held back. It's not a change in policy, simply a change in emphasis."

**Daphne Dorney, senior staff engineer, Intercontinental Sales Region:**

"Even with the many changes that have come in the last few years, I do think there's sometimes a great waste of feminine talent at HP. I know there are some young girls with college degrees working as clerks. Their degrees aren't in engineering, but I'm sure their talents could be used to better advantage elsewhere in the company. It's true of other companies, too, of course.

"However, I do think girls just getting out of college today have a much better opportunity for good jobs than I had. My first job was with another company in Scotland, and the pay was absolutely terrible. Men doing the same job were paid more, and I was given the same old excuses about women not staying long and so on. I never questioned the situation; that was the way it was. But I'm certain things have changed in Scotland since then, especially since HP came there.

"I was in one of our sales offices recently when a few of the young secretaries found out I was an engineer. They all were sure I was underpaid and discriminated against. They even wanted to go out and fight for my cause, until I assured them that this was unnecessary, at least in my case. Even so, I suspect it wouldn't be very possible for a woman to step into high-level management here right now. I think she would have to be more qualified than would a man—simply because she is a woman."

*(continued)*



## in the spotlight



**Myrl Guerra**



**Mary Werlinich**

**Mary Sweitzer**

**Mary Sweitzer, production supervisor, voltmeters and amplifiers, Loveland Division:**

"Coming to this job I proceeded very cautiously. I wanted to do a good job, but I certainly didn't want to barge in and demand acceptance right off.

"I've heard of only one other woman production supervisor in the company. All the men supervisors I know have had a technical background—which I don't have. But I found this is more of a planning and organizing job, and I had plenty of that experience here and in the Scotland plant as a housemother.

"I don't think there ever was any problem of resentment or non-acceptance. I was the one who had to gain confidence.

"I remember—soon after I took the job—asking a test leader, who was also new, if he thought he could work for a woman. He thought it over briefly, then said he thought it would be OK. And it has been."

**Myrl Guerra, service engineer, Neely Sales Region, Fullerton, Calif.:**

"I can understand how some girls feel about discrimination. I was turned down—for what I believe was a false reason—for the first job I applied for after getting out of the Navy.

"But when I applied at HP in 1966, they answered: 'Come on out.' I suppose they were wondering how I would work out, whether my Navy training as an electronics technician would hold up.

"But Tom Yarnell and the other fellows in the service department accepted me. I've been given complete responsibility. When an instrument comes in the door for maintenance or repair—usually a Santa Clara instrument—it's my job to figure out what has to be done and then to do the fixing.

"I don't think I had to prove myself any more than a man would. They gave me every opportunity, and it's been a very enjoyable experience."

**Mary Werlinich, personnel administrator, San Diego Division:**

"It was extremely difficult for a woman to advance when I began with Hewlett-Packard. In fact, most companies simply didn't give women the opportunity for advancement that men were given. There seemed to be a taboo on putting a woman in charge.

"In my case, I had what would be called supervisory duties and responsibilities most of my HP career. But it was only last September that I actually was given a real supervisory role. The difference simply was that I now had people to help me with the workload.

"I'm really not sure why the change was made, but I suppose it was because of today's general awareness of the woman's role in business. It came a bit too late for me, so naturally I have been somewhat disappointed. Yet, things have been changing. I'm glad to see the company so much more aware of the women's role today, and I sincerely believe HP will open the doors for even greater opportunity for women in the years to come."





**Margaret Marsden**



**Linda Sunseri**



**Virginia Thornton**

**Margaret Marsden, research engineer, HP Laboratories:**

"I feel that a person's ideas about his or her place in life are mostly a result of upbringing rather than physical makeup. Most girls are trained to be dainty, and to be future wives. Boys are urged to be strong, to be dominant, to be the hard workers.

"But my background is different from most women. I had the opportunity to live in many countries, with my father as I grew up, and then with my husband. The poverty and pitiful condition of so many people I saw gave me a strong wish to contribute in any helpful way I could. As it turned out, my abilities were in math and analysis. Combined with my husband's encouragement to use whatever abilities I had to the fullest, this led me into bio-medical research and to HP last September.

"My husband has been the greatest motivating force in my life. Yet in our marriage, which is now in its seventh year, we haven't any set duties as husband and wife. We share equally the mundane tasks as well as the more pleasurable ones.

"The key to our attitude, I think, is awareness—awareness of each other and others as individuals, and awareness of the world we live in. That's why we plan to have no children, and also why I ride a bicycle to work, so as not to add to the congestion and the pollution already around us."

**Linda Sunseri, systems programmer, Microwave Division:**

"I really don't consider it a man's world; I prefer calling it a man-oriented environment. And when a woman is in

it, her attitude is the important thing. She can't be defensive. She has to laugh at herself, expect some teasing, and learn to give it right back. She has to realize that most men are laughing with her, not at her.

"My only frustration—it's a small one—has been that men occasionally don't listen to me. In school lab projects, for example, I was given the secretarial tasks rather than important things like circuit design. That's when I learned I had to bash down a few walls and jump right in with a 'Wait a minute! Listen to my idea! I was the only woman among 70 men in most EE classes at the University of Santa Clara, and it was awkward for the men to relate to me.

"Of course, the very fact that I was one of 70 is significant, too. There just aren't enough women trained for technical jobs. Women used to have very few career choices—teacher, nurse, secretary, and so on. But today, even though there's not the social stigma attached to a woman's trying to compete with men, few women are trying. I suppose it's simply that women don't want to go through the required schooling and training. If they did, I think many companies would hire them; at least HP would."

**Virginia Thornton, order processing manager, eastern portion of Southern Sales Region, Atlanta:**

"I've worked all my married life, so I know how easy it would be for a working wife and mother to neglect her family. That's why I've always made a point to spend as much time as possible with my family. We've always vacationed together, and evenings and weekends for the most

*(continued)*



## in the spotlight



**Maryanne Schreiber**



**Margaret Brizzie**

part have been family times. I never missed a ball game in which my two sons were playing, either. I don't consider it a sacrifice, but—if there's been one—it's been lack of free time for myself.

"My husband knows I wouldn't have been happy staying home. I love to work, and I feel that any woman who prefers to work should be allowed to do so—and on an equal basis with men, provided she can handle the job. In my case, HP has been more than fair. There's been a constant challenge here, and the fact that I'm a woman never has affected my job. Management always has just handed me the ball and told me to run with it. It's been just great.

"As for women's lib, those women who want to be 'liberated' will have to realize that they'll have to give up some of the usual courtesies afforded women. I'm old-fashioned, I suppose, but I like to have gentlemen open doors for me and treat me like a lady."

**Maryanne Schreiber, marketing consultant for the Medical Electronics Division, Waltham, Mass.:**

"A lot of people—women as well as men—seem to find it hard to accept women in a technical or scientific role. For example, we recently had a visit by a group of high school science winners. In discussing arrangements for them, it was clear that our engineers really expected all the winners would be boys. But it turned out that half of them were girls!

"And why not? Yet, when I first thought about going into nursing, it never occurred to me or to anyone else that it might be possible to have a career in medicine as a doctor.

Nursing was for girls, doctoring was for boys. That was the attitude. Now it's much more open.

"One of the problems has been men's attitude toward the emotionalism of women. They go out of their minds when they see a girl cry. What they don't seem to realize is that when we cry it's generally over some small, frustrating detail. Whereas, in major crises, or under long-term pressures, women often fare better than men.

"This is not making any judgment one way or the other. All I'm saying is that a woman's concern for detail and her practicality shouldn't be overlooked in business and could be quite valuable at the decision-making levels."

**Margaret Brizzie, scheduler-buyer, Avondale Division:**

"Buying for our lines of analytical products is not simple. The specifications are very rigid and technical. So some vendors who come in are quite surprised to find the woman who greets them is not the secretary but really the buyer. It can be a bit of a shock. But they get over it.

"I more or less grew into this job: started in 1960 as a clerk-typist; became a purchasing assistant one year later. Then this job became vacant, so I applied for it and was accepted.

"Combining the scheduling and buying functions is an HP innovation. At least I don't think it's done elsewhere. But it makes a lot of sense this way, because the buyer has to know what the scheduler needs, and the scheduler needs to know how the buyer is doing.

"My job may be rare, but I believe women are now





**Fran Miller**



**Jane Evans**

being accepted in many more kinds of jobs that formerly we felt were reserved for men. I think we need to be more open minded about our possibilities, and not automatically exclude ourselves because we are women. The top jobs are probably remote right now, but even these may happen—will happen some day!”

**Fran Miller, drill press operator, Manufacturing Division:**

“I began at HP as a secretary, but I needed more money and wanted a greater challenge, so I applied for work in the shops. The men took me right in, and they’ve always treated me like a lady.

“A supervisor once told me that having a woman in the area helped the men’s morale, that the men came to work better groomed and kept work areas neater. He said he even used me to advantage by telling new men, ‘What’s your problem? Frannie didn’t have any trouble working that machine!’ or ‘Better clean up! Frannie’s coming!’ I’m sure those men really loved that!

“When I began working for HP it was pure necessity. Now I work to maintain a standard of living. Quitting would mean too many financial sacrifices.

“Whether or not a woman should work really depends upon her home situation. If she enjoys working as I do, if the husband doesn’t object to her helping bring home the bacon, and if the children are grown—as mine are—there’s no reason why she shouldn’t get a job. But, if she has responsibilities at home, then home is where she belongs. In my case, if my husband told me we didn’t need my paycheck and that

he wanted me home, I’d stop working. I’d keep busy, though; there’s so much stimulating volunteer work to be done.”

**Jane Evans, product manager, Automatic Measurement Division:**

“Won’t it be great when people finally discard their prejudices about sex right along with those about skin color? Job opportunity, good wages or salary . . . they’re for people. And it’s a real joy to be with a company that wants to broaden opportunity for all people.

“Work is life to many women, and they blossom when given opportunities and rewards. They respond to goals and incentive just as men do. While I have found it necessary at times to go out of my way to project myself as reality—that I am an engineer as well as a woman—I’ve had great satisfaction in my work here at HP. I find excitement and new challenges every day.

“There has been some great progress for women over the years. I remember not being made a full member of a national honorary society in college because I was a woman, even though I more than met the qualifications in other respects. Yet, just recently, a woman was elected president of her local chapter of this same honorary society. That’s beautiful progress.

“All in all, I’m pulling for today’s young people, their co-ed dormitories and other ideas to promote an atmosphere of men and women working together. I think they’re on the right track. Men and women were meant to work together—and I think they enjoy it!” □





# How Wall Street looks at HP...

Not since 1929 have businessmen and investors had their financial news served up so often on the front page—and with so little relish. Certainly, the frequent stories of troubles and turbulence in the stock market have left many investors uneasy and wondering.

One effect has been an increase in the number of HP people inquiring about the company's attitude toward the price of its stock on the New York Stock Exchange.

What influence, if any, does the company attempt to exert on the market for its shares?

Why isn't it more aggressive in promoting the stock, using, for example, corporate-image advertising in the big consumer publications?

The facts are, of course, that HP is far from being indifferent to the value placed on its shares. Indeed, Bill Hewlett and others in management have said publicly that a reasonably high "multiple"—or stock price-to-earnings ratio—is a good thing for the company and its people, particularly its many shareowning employees.

But high-flying promotional programs? Not only is that not HP's style, it's not necessary. The company's story gets told adequately in other ways. These include the various Securities and Exchange Commission requirements for full and timely disclosure of newsworthy developments to shareowners and the financial community. Financial reports, shareowners' meetings, and news releases are among the principal means used here.

But one activity that many company people are unaware of, and one that is extremely important to the company's relations with the investment public, is that of HP's exposure to professional security analysts.

In the course of a year, more than 400 of these financial professionals come calling on Ed van Bronkhorst and Fred Andersen in their offices in the Corporate Finance department. The analysts represent all of the big banks, insurance companies, investment bankers and other institutional investors and brokerage firms in the U.S., as well as many parts of the rest of the free world. The institutions that these visitors advise are either large shareholders or potential shareholders in any publicly traded corporation. As such, they also represent extremely large amounts of money. In an effort to learn how these tough-minded money managers look at Hewlett-Packard, three visiting analysts were selected at random from among the many who have been following HP for some years, and asked to comment.



"My activity as an institutional securities analyst," said Bob Gutenstein of New York's Kalb, Voorhis & Co., "is to provide fundamental information to our investment clients—pension funds, profit-sharing retirement funds, mutual funds and the like.

"In appraising a stock, what I really evaluate is a company and its people. Stock values can move in short-term swings due to the particular influences and styles of the stock market itself. But to an analyst such as myself, the basic long-term character of a company—its management, how it operates, what its employees, neighbors and customers think of it—is critical to me.

"In getting institutional investors involved in a stock it's generally possible to get them to buy fast enough. But getting them to sell is another story. So before I recommend a stock I want to be sure the company is not going to embarrass me and my clients during the next year or so by coming apart at the seams.

"We've all seen that happen lately—big companies and little companies on the skids. Their past records won't help you here. To me the past is just a point of departure.

"The facts of life are that people change and managements change. And these changes can have a very profound effect on a company, although this won't show for a while. My best profits have come through watching such shifts—both their positive and negative implications.

"HP has shown a strong staff and a well-organized operation. Likewise, I'm sure your image has been far enhanced when you decided not to lay off people last year. You took your lumps for the most part by having some 'payless Fridays.' But your people were not out on the street looking for a job.

"In researching a company there are some specifics I look for. First, I'm a great believer in planned business—the methods and conditions of work flow are absolutely critical in my appraisal. I try to be aware through trade shows and trade literature of the trends and breakthroughs that might affect a company. I also find visits with management very valuable, and I spend perhaps 40 percent of my time visiting companies and meeting their people as well as their competitors and customers.

"It's necessary to do that because this industry, which I've followed for 15 years now, is so dynamic. Its products change so rapidly—and there are so many phony-baloneys in the business!

"So you can't do too much research—even though the requirements of investment and those of research are often very different. For example, some people I meet say 'Look at the way that stock ran up. That must have been a good deal!' Well, I've been through a lot of those—having to tell people to sell even while the price is still going up. It takes time to prove that out. But the rise in a stock should not blind people to the fact that a particular company is not a success.

"The reason HP sells at a higher price-earnings multiple than other instrument companies, and the reason why my clients are favorably disposed to HP stock is because the company has the record of delivering what it promises, of living up to its word.

"If things are not going well, your people will say so. A lot of other people won't do that. Credibility is everything, and HP has that—to the point where the funds are willing to buy this stock when the outlook for your markets looks good. It comes because of confidence."



*"The company has a record of delivering what it promises, of living up to its word."*

**Bob Gutenstein**

*(continued)*



## a look at HP

*"Dave Packard led off by discussing the HP balance sheet. This was unheard of . . ."*

**Otis Bradley**



"HP stock has always been heavily owned by institutional investment funds," said Otis Bradley, vice president of Spencer Trask & Co. of New York. "It's never been that much of a 'retail' stock.

"In keeping up with HP, or any company for that matter, I would start by looking back over five or so years of financial reports. This tells me how consistently the company has performed, the kind of information it makes available, whether it reports as fully in difficult times as in other periods, or whether it tends to be overly optimistic, and so on.

"Then it's very important to be exposed to a cross section of people in the company from time to time. The Electronics Analysts group to which I belong comes out West once a year, and Hewlett-Packard has always made a considerable effort to have numerous management people available at these meetings.

"One thing about HP—I don't remember having ever met an unimpressive person in the company. That's very unusual, and it's one of the things you always try to keep in mind. Management is not an easy factor to incorporate in an analysis, with opinion changing often due to external conditions and recent short-term profit-and-loss records.

"So usually I hesitate to put too precise a rating on management, but HP is one I go on record as rating very high.

"I'll never forget that at one of our group's meetings, about six years ago in Palo Alto, Dave Packard led off by discussing the HP balance sheet. This was unheard of for an electronics company at the time. All companies usually wanted to talk about was the profit-and-loss statement. Over the last year or so, balance sheets became very important

again as many electronics (and other) companies had severe financial problems. HP, of course, has always had an extremely strong financial position.

"What are the other things we analyze? More or less in order, I'd say we next look at the product line. That has to rank high or near the top of its industry. Second and third raters are unappealing: whenever that industry has problems they're going to have even more. In product quality HP is obviously at the top of the list.

"Then we'll look at markets. Hopefully, products serve growth markets where you can be creative and not restricted. Long-term growth and profitability are perhaps the simplest measure of a company—and among the most important. HP's record for the past 10 years has been very good, and I expect the present rough period will smooth out reasonably soon.

"Marketing strength is also critical. Investors prefer companies with solid marketing and service requirements, as your business has, that provide a stronger bond to the customer than the product itself. Otherwise, a company is more or less a commodity company and very vulnerable to price competition.

"I also think HP's size favors it for maintaining a good growth rate, compared to the giant companies which it seems to me must run out of room some day.

"Beyond these and other basic fundamentals, you would have to relate to short-term factors in the stock market. However, generally speaking, I have always thought I could put as high a P/E (price-earnings ratio) on HP stock as any company, except perhaps those with strong exclusive patent positions."



"We're not the kind of firm that sends out short one-sentence summaries of a company," said Pete Morley, partner in H. C. Wainwright & Co., New York. "When we come back from our research visits, we provide a rather long and comprehensive report to our clients. We give the facts and the picture as we see them—not a recommendation. It's a research tool for them to use in coming up with a judgment on a stock, although we are not fearful of giving an opinion.

"The key to our approach to HP, for example, is coming to Palo Alto and having in-depth conversations with Ed van Bronkhorst, and with marketing people and others. Prior to that we do a lot of homework with trade associations, in Washington to get a fix on government spending, and studying market reports prepared by consultants in the various related fields of interest.

"Our clients are several hundred banks, insurance companies, investment funds and other institutions around the world who compensate us for our service by directing a certain amount of brokerage business through us. We don't for all practical purposes underwrite, manage money, inventory stocks, or provide corporate finance services, and thus are quite objective in making our analysis and judgment about a stock.

"Even though we deal with numbers constantly, this is really a kind of 'people' business. The things that really count in evaluating a company are the people, the policies they follow, their plans and their performances.

"But having said that, I think you would have to agree that the whole external environment for the electronics industry is going to be a lot different in the future. The factors

that helped shape the industry in the past are no longer going to be so evident. If we look back into the 'sixties and the industry's great growth, well—so was the economy growing fast, so was technology, and so was marketing overseas. The U.S. was in a technological crisis, a crash program brought about by Sputnik and Vietnam. These factors made the electronics industry different. It stood out, and often it bucked the trends.

"But while I'm still an optimist, I don't want to lead anyone to believe that it can continue to act and thrive outside the province of what's going on in the general economy. 1970 showed that to be true, and it was the exceptional electronics company that made any progress that year.

"So, I think we will see the future of electronics much more closely tied to the broad economy than in the past. This, of course, provides the opportunity to separate the men from the boys. Our job as analysts is to find out who are the men and who are the boys, from an investment viewpoint.

"The short-term factors in the market are very difficult to measure. Only the exceptional person possessing both intelligence and courage is able to determine with confidence what is going to happen in the market in the immediate future. In retrospect, it would have been nice last year to have said: 'Hewlett-Packard is a sound company, but the market price is high in relation to current earnings and so the stock may go as low as 19.'

"No one I know of said that. But nor did I hear anyone say when it got down to 19 that in five months it would go up to over 33 by the end of January."



*"we will see the future of electronics much more closely tied to the broad economy than in the past."*

**Pete Morley**





# Now Mr. Smith is more



Conversion of customer mailing lists into a computerized, centralized corporate "data bank" of multi-purpose marketing information is now well under way in Palo Alto's Building 17. Here, Lee Denning checks recent changes that keep the 200,000-plus name file up-to-date.

□ Until recently, Mr. Dennis Smith of Route 2, Cave City, Kentucky, was just one name among some 200,000 on HP's customer mailing lists. All that anyone outside the nearest HP sales office could tell about Mr. Smith was that he received the HP JOURNAL or one of the other marketing publications. His name might just as well have been Mr. Resident.

Not any more. Today, any of our marketing organizations in the divisions or regions can quickly find out what kind of company Mr. Smith works for, what his function in that company is, and what HP products are of interest to him.

All of this information was volunteered by Mr. Smith when the company recently sent him a questionnaire. The cards he and 100,000 others have sent back are now encoded into a computerized central file in Palo Alto for use by marketing departments throughout the company. These customers were willing to do this because—as indicated by the high level of responsiveness of the returns—they clearly want to be kept informed of the HP products that interest them.

### Zeroing in on a market:

For the company marketing man it means the ability to zero in, say, on communications equipment purchasing agents in the Midwest who are interested in network analysis. Or Los Angeles-area petroleum products quality control people who have expressed an interest in analytical products. Push the button and there it is.

As anyone with marketing experience will realize, this kind of capability is at least as good as a gold mine. The Corporate Marketing Communications people, who put the project together, prefer to call it a "data bank" of customer information.

As any good bank should, it can provide a lot of services. Should a division want to announce a new product, for example, it can design a direct-mail campaign to go to specific persons having designated job functions in particular markets.



# than a name

Field sales offices can use the profiled names that come from their area as a means of building and maintaining "prospect" books.

Many kinds of market-research studies can be made with the data: What kind of job functions dominate a certain market function? Is there evidence of changing product interests in a target industry? How responsive to direct mail are the people representing a certain product interest? A great many such questions can be readily answered now.

## Synergistic system

The original (and still basic) purpose of the data bank was to centralize and computerize the various mailing lists used for the HP JOURNAL, MEASUREMENT NEWS, MEASURING FOR MEDICINE, DELCON DETECTOR, BENCH BRIEFS, and ANALYTICAL ADVANCES. Each of these HP customer publications had previously compiled its own list on addressograph plates. Then, about a year and a half ago, a Corporate Marketing Communications study of this activity concluded that a master data bank of names would not only be more efficient from the point of view of producing mailing labels but also would pay other dividends in demographic and market information.

Today, with about 50 percent of names categorized so far, the central data-bank list is in very good working order for all its intended uses. The cost to users will be reduced next month when the computer-handling operations will be transferred to the company's Bay Area EDP center from an outside center.

In time, it is expected that virtually all of the customer/prospect names in the HP "universe" will become available with the complementary marketing information. To help achieve this, all persons whose names have been submitted for addition to a publication mailing list are now requested to fill out a data-bank questionnaire.

You might say it's a measure of their interest rate. □



Basis for the data bank is the information customers furnish by filling in reply cards. The information makes possible many marketing studies and programs in addition to basic purpose as mailing list for HP publications. Above, Sharon Bardin uses Dura machine to enter data.



# News in brief

**Palo Alto**—Slightly lower sales and a 12 percent decline in earnings were reported for the first quarter of the company's fiscal year.

Sales for the quarter ended January 31 totaled \$81,150,000, compared with \$82,370,000 for the first quarter of fiscal 1970. Net earnings amounted to \$4,903,000, equal to 19 cents a share on 25,779,799 shares of common stock outstanding. This compares with earnings of \$5,556,000, equal to 22 cents a share on 25,355,360 shares, during the corresponding period last year.

The 1970 figures relating to number of shares and per-share earnings have been restated to reflect the company's two-for-one stock split that

occurred February 25, 1970.

President Bill Hewlett said incoming orders for the first quarter totaled \$87,458,000, up slightly from orders of \$87,181,000 booked in the corresponding period last year.

"Our pattern of incoming orders continues to reflect the marked contrast between our domestic and international business," he said. "Largely because of a persistent weakness in the U.S. market for electronic test instruments, our domestic orders during the first quarter amounted to \$48,730,000, down 11 percent from a year ago. On the other hand, our international orders rose 20 percent to a total of \$38,728,000. Over the past year our international business,

as a percentage of the company's total business, has risen from 37 to 44 percent."

**Colorado Springs**—Bob MacVeety has been named marketing manager of the Colorado Springs Division, it was announced by Hal Edmondson, division general manager.

MacVeety, formerly general manager of the company's Eastern Sales Region, succeeds Edmondson. Rick Weaver has been appointed to succeed MacVeety as regional sales manager. In turn, Paul Guercio, formerly area manager at the Rockville office, takes over Weaver's position as Electronic sales manager of ESR.

## People on the move

### *Corporate*

**Customer Service Center** — Bud Cady, to graphic art and design, from same position, marketing, AMD; Bill Kruse, to accounting supervisor, finance, from accountant, finance, AMD; Jack Piper, to service engineer, repair, from same position, marketing, Cupertino.

**Delcon** — Dick Lee, to production engineer, manufacturing engineering, from member technical staff, Microwave R&D.

**Medical Electronics** — Don Benders, to sales support manager, from regional sales engineer; Fred Blacquier, to technical writing supervisor, from senior technical writer; George Breed to product line marketing manager, from sales support manager; Bob Burnett, to operations manager, from product planning and control supervisor; Jaime Cadena, to sales support engineer, from marketing trainee; Gerry Carpenter, to assembly, wire and test manager, from production engineer; Joe Cerniglia, to production engineer, from project engineer; Andy Clotz, to tool designer, from night fabrication supervisor; Bill Craven, to marketing product manager, from engineering section manager; Serge Daniel, to marketing product manager, from product support engineer; George Fales, Jr., to purchasing support leader, from buyer/analyst; John Fanton, to engineering project leader, from project engineer; Dana Finlayson, to production engineer, from project engineer; Ron Hey-

mann, to sales support engineer, from staff engineer; Tom Horth, to marketing product manager, from engineering group leader; Chi-ning Liu, to project leader, from project engineer; Jim Miller, to production engineer, from project engineer; Dick O'Brien to senior materials engineer, from materials engineer; John Post, to marketing support manager, from marketing product manager; Walt Winchenbach, to inventory control and purchasing supervisor, from senior materials engineer.

### *Electronic Products Group*

**Microwave** — Dick Chang, to member technical staff, microelectronics R&D, from same position, HPL/Solid State Lab.

**Santa Clara** — John Barrett, to section leader, from same position, HPL/Solid State Lab; Henry Hoffman, to associate engineer, from same position, HPL/Solid State Lab.

### *Data Products Group*

**Cupertino** — Dave Blecki, to sales engineer supervisor, from same position, HP Milan, Italy.

**Mountain View** — Earle Ellis, to member technical staff, R&D, from same position, Microwave R&D; Jack George, to magnetic head manager, from manufacturing engineering manager, Manufacturing; Jerry Reaugh, to

production control supervisor, materials staff, from systems programmer, Manufacturing; Jim Sebring, to service engineering supervisor, marketing services, from service engineer, marketing, Cupertino; Ted Tazeau, to technical writer, marketing publications, from same position, marketing, Microwave.

### *International*

**Intercontinental** — Les Oliver, to business manager, HP Canada, Montreal, from commercial manager, International. John Cottsworth, to sales engineer, Components/Intercontinental, from sales engineer, HPA; Cliff Edginton, to import specialist, from staff engineer, import marketing; Mark Gumucio, to marketing planning manager, from marketing manager, Data Products; Mike McElheny, to staff engineer, from staff engineer, import marketing; Alfonso Pereyra to data products sales manager, HP Venezuela, from senior staff engineer, HPIA; Alfred Thein, to company manager, HP Mexico, from staff engineer, HPIA; Don Wolf, to electronic product manager, from import marketing manager, International.

### *Sales Regions*

**Southern** — Mike Andre, to electronic senior field engineer, from electronic field engineer, Houston; Richard Jones, to electronic senior field engineer, from electronic field engineer, Richmond.



## From the president's desk

We completed our first quarter of the new fiscal year at the end of January. I expect you have seen the news story on our results, but I would like to add some further comment.

The most salient and important point is that on almost the same amount of shipments our earnings were down by about 12% from those of the first quarter last year. Actually, this came as no surprise. In fact, our profit was very close to the targeted amount if we make some necessary technical adjustments (such as those relating to U.S. taxes paid on inter-company profits resulting from shipments to overseas subsidiaries).

Speaking of targets, it might be of interest to note how close to target we were in various categories. In orders we were 1% under target; in shipments we were 3% under target; and in profit before technical adjustments we were about 8% better than target. The encouraging fact is that we are doing a much better job of forecasting our performance.

Now a word about the factors that led us to anticipate a decline in earnings. First and foremost, I have to say that we simply let our expenses get seriously out of line during the middle of 1970 and have not as yet been able to get them completely back in proper shape.

Secondly, the last quarter of our 1969 fiscal year represented the best earnings record in our history. It was the final quarter in a long growth cycle, and much of this momentum spilled over into the first quarter of 1970. This makes it a tough quarter with which to compare.

Thirdly, we have made some very basic changes in our marketing organization. This increased costs in that area, but in the long run will allow more effective marketing of our products in a number of fields. As our new markets grow, this transition will pay off handsomely.

Finally, the flywheel effect of growth has a way of catching up with you. As an example, planning for plant construction programs must start two to three years ahead of the predicted time of need—that is, we have to anticipate growth. By the time a business recession becomes apparent, it may be too late to cancel or halt construction. As a result, we find ourselves with factory floor space that is non-productive, but still adding to our costs through taxes, insurance, and depreciation. The result of this can clearly be seen by comparing depreciation costs at the end of 1969 and the end of 1970. We find that the figure increased by \$2.5 million, or about \$628,000 per quarter, during that period of time.

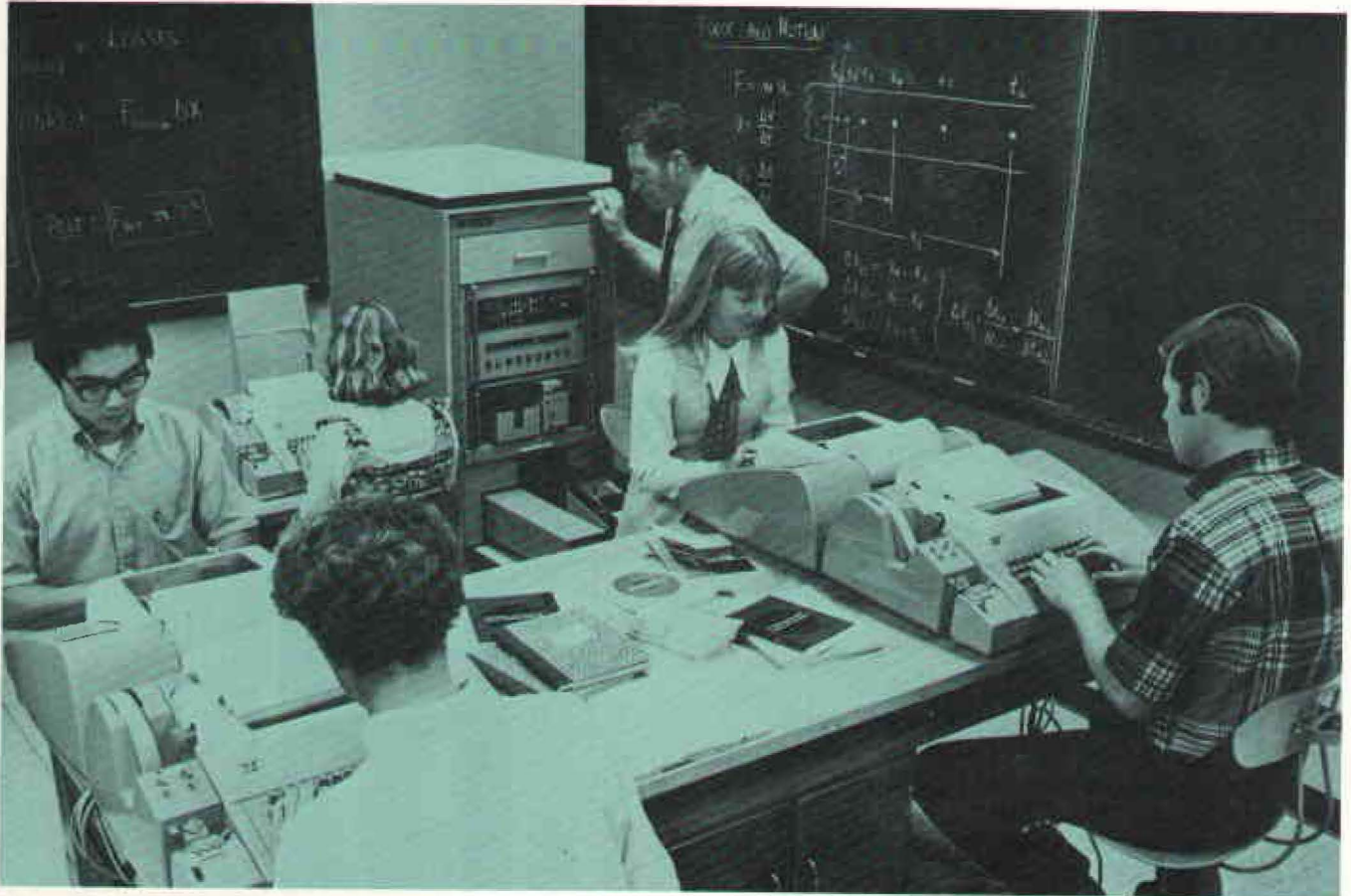
Now, a word about the rest of the year. I cannot honestly say that I foresee any appreciable growth before 1972. There is a cooling down of many of the foreign economies and I would not anticipate a repetition of the remarkable growth we had internationally last year, although I do expect we will see increased sales abroad. At home, we are faced with an impending steel strike that has cast its shadow on the domestic economy.

Despite all of these negative factors, we are a far more healthy company going into 1971 than we were going into 1970. Despite the disappointing showing of our first quarter, I would expect that even if there were no growth in sales for the year, there could be a reasonable improvement in profit.



*Bill Hewlett*





## Timesharing made easy

A lot of owners of stand-alone HP computers are going to be made aware very soon of a nifty bonus situation: by spending as little as \$10 for software, and by leasing extra teletype terminals at about \$50 a month each, they've got themselves a mini-timesharing system. Up to eight terminals can be operated simultaneously.

Most likely beneficiaries will be high schools, colleges and universities who have limited funds but a growing need to serve more students. Classes in math and beginning computer programming will find the mini-timesharing particularly useful.

Actually, two new software packages are available. One, developed by programmers at Montana State University, accommodates up to four terminals. The other, from Pacific Union College at Angwin, California, will go to eight terminals.

Compared with full-scale timeshare computer installations, prices for complete versions of each mini-timeshare system are about five times less.

That should make good reading down at the local school board.

## Measure

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