

- First-line supervisors (pages 2-6)
- How HP selects new sites (pages 7-9)
- Supermail (pages 10-11)
- Minorities look us over (pages 12-13)

They make it happen





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511 e corp. ee sales te open- enefits & id train- mm. Call e division Foods. wn home is, novel- giant cat- n. Snow 3054 INSIDE ig, some -7652. NS hent Co.	WANTED: 2,000 first-line superviseors You will supervise from 4 to 16 people be an expert in their work help set their goals and evaluate their progress. You will understand Corporate Objectives relevant government regulations personnel guidelines and procedures work standards. You will be skilled at listening and communicating selecting and training new people fostering teamwork anticipating problems working out solutions. You will be concerned with meeting day-to-day targets planning for future growth encouraging personal development generating new ideas improving productivity. You will experience frustration sometimes, reward and satisfaction often, challenge always.		
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A new style and spirit of professionalism has been brought to the first-level management role at Hewlett-Packard...

In the course of the next four to five years, Hewlett-Packard will need to add from 2,000 to 2,500 people who meet the description outlined at left. That's double the estimated present worldwide total of more than 2,000 first-line HP supervisors. In other words, a development effort equal to that accumulated over the past 40 years will have to be compressed into the next five years.

That's a big order, especially when the job itself is widely regarded as one of the most challenging in management. As the description suggests (perhaps a bit too idealistically), the first-line supervisor is the person who ultimately makes things happen—or not happen—in all of the functional areas of the company's plants and sales offices. How can we be sure that we'll be able to find enough of these make-it-happen people? And that we're giving them the right opportunities to do the job?

Those were among the concerns that led to the formation of a manufacturing task force several years ago. Its studies brought out a number of problems arising from an increasingly fuzzy distinction between first-line supervisors and "lead" persons. Typically, as a work area grew, the supervisor naturally tended to appoint more people to lead positions. In addition to providing work-team leadership, they took on various administrative and performance-evaluation tasks. In time, the supervisor became more and more detached from direct contact with people. And lead people were being asked to accept responsibilities for which they mostly weren't fully trained-or compensated. The overall problem was identified as one of "span of control" and was rightly regarded as a very serious concern for the company.



Fewer people to supervise has meant stronger personal contact for Mickey Leta of New Jersey Division. Here, at left, he spends time with Virginia Carlson and Jim Coates.

The task force recommended some significant changes: the span-of-control of any one first-line supervisor should be no more than 16 people. The position of lead should be eliminated. Former leads should become either "skill specialists" or first-line supervisors if able to fill that role. Training should be stepped up at all levels to equip all those new and future supervisors with essential background.

The recommendations subsequently were approved, and have been in effect as guidelines for over a year. MEASURE recently talked to people in a number of organizations to find out how the program was working and how they view the role of first-line supervisor: Four first-line supervisors at New Jersey Division were interviewed about their jobs. The division had just changed over to the new guidelines:

Mickey Leta said that "For me, the change has meant getting back to firsthand contact with people. I like that! When I supervised 55 people I was doing it all through leads—and losing touch. It became a situation where I was reluctant to get too involved because the leads might see that as a threat to their role. Now I feel the emphasis is on what I know and can do effectively—the basics of my profession—rather than playing a numbers game of seeing how big a department I can handle."

(continued)

Jean Kozłowski felt "What a relief it has been to my shoulders. It means I don't have to take paperwork home or get up at 4 a.m. to do it. And it's going to give more opportunities to people. Initially, there have been some problems in selecting new supervisors but that'll work itself out."

Ronnie Woods had several reactions: "When I had 22 people reporting to me that was too many, even though I had the help of an official lead person. Then, if I interpret the skill specialist role as having only technical responsibilities, the next generation of supervisors may suffer. They may not get the same prior experience the leads got. But overall, I feel I'm in a better position to do a good job of evaluating new equipment and methods, and keeping in touch with people. As I see it, the supervisor's primary responsibility is to satisfy the customers. To do that consistently delivering the right parts or services on time—takes a smooth-running team."

Fred Ahlers commented on the satisfaction of making things happen through people. The idea is to help people motivate themselves. Help point them in the direction of new ideas which they can develop. "The change is going to give us much more ability to work directly with people and to handle the many problems that come up."

Goal: Put the supervisor back in touch with people...



Ron Woods believes the key task of the supervisor is to satisfy customers—in this case the other departments served by the machine shop at New Jersey Division.

First-line supervisors are the primary representatives of their departments in negotiating changes and communicating targets. Here New Jersey's Fred Ahlers at right discusses production program with Andy Pisarcik, production supervisor at left, and Sał Massulli, product-line manager in foreground.

Santa Rosa Division was among the first to put the new guidelines into effect early in 1978. A number of managers in the manufacturing areas were asked to comment on that experience:

Doug Scribner, manufacturing manager of network measurement products and an original member of the manufacturing task force, declared that the change had come "just in time. If we were still under the old guidelines we would have a lot more problems on our hands today." The nature of those troubles, Doug indicated, would have been mainly related to the proper supervision people during a period of strong growth in Santa Rosa. The old guidelines weren't bad—just outmoded. The new guidelines clearly define the responsibilities of the first-line supervisor and provide the option of having a non-supervisory skill specialist. In the initial changeover, some leads chose to emphasize the technical parts of their jobs and became skill specialists. We are still finding out which areas and processes benefit the most from having a skill specialist. "But overall," Doug added, "we've got a solid platform for our growth for at least the next five years."

Dan Condron, printed-circuit production manager, feels the change has paid off in a higher level of professionalism among first-line supervisors. "As one example," he said, "when we post first-line supervisor job openings, we now get applications from people outside the department. That didn't happen before. The new status and recognition given supervisors attracts them."

Duane Hartley cited personal experience for his views on the supervisory role. Duane joined HP 17 years ago as an assembler, moved on as test technician, lead, first-line supervisor, section manager and recently as manufacturing manager of spectrum analyzer products. "It's very important for first-line supervisors to be involved in all the key decisions relating to their area, such as budgeting and capital expenditures. It's also essential that they be able to anticipate the effects of company decisions on people. They have to look both ways-supporting their people and interpreting the company. By upgrading the position we've recognized them as professionals. The good ones always were."





Ch'ng Siew Gaik feels that the role of the supervisor at HP Malaysia has gained in effectiveness as a result of the new guidelines.

Goal: Reduce the number of management levels...

Bill Keilig, section manager for RF spectrum analyzers, recalled his first concern when the change was announced: "I wondered how much extra time a new exempt supervisor would be prepared to put in after being used to overtime pay as a lead. We worked that out by using flexible hours for evening overtime, and substituting supervisors to cover Saturday work in overtime situations."

Dennis Paul, materials manager, remembered some anxious moments as people made career decisions: "If we thought a lead had a 50-50 chance of becoming a successful supervisor we gave them that opportunity. Of course, we also told them we would give them all (continued)

> The development of HP supervisors really starts in the course of learning on the job and through the general employee training programs. Key among the programs is the new "Working at HP" which covers basic HP management style, philosophy and practices. It's designed to be given to all employees six or more months after their hire. Shown here is a class of future "Working at HP" trainers with its developer, Linda Schefter-Scott of Corporate Training and Development.

How to survive as a new HP supervisor...

That first day on the job as supervisor may be a proud moment—but it won't be exactly a piece of cake. Suddenly you're not one of the folk any more. You're a manager, on your own, and people are asking all kinds of questions. Where do you find your answers?

How do you go about learning what to do and how to do them---today?

More and more HP resources are being devoted to answering those questions through training. Currently, many divisions, regions and country organizations have been putting increased emphasis on supervisory training.

Basic to the new supervisor's first days in the job is the Supervisory Orientation Program. In its present format it can be self taught and serve as a survival kit, or it can be presented in group sessions. What it does is cover such fundamental topics as company philosophy (the "HP way"), corporate objectives, management-by-objective, performance evaluation, salary administration (the merit system), communications, employee development, and personnel policies and guidelines.

The Management Development Program is a series of workshops which covers a broad range of skills for managing at Hewlett-Packard. "Managing at HP" is the core workshop of this series and is designed to be taken about six months after appointment as supervisor. This three-day workshop provides an overview of HP activities and intensive coverage of management-by-objective, planning and delegation. Thereafter, a number of individual workshops are available: performance evaluation and development; salary administration; selection and interviewing (hiring); affirmative action; communications, motivation and behavior; personal growth; leadership. Additional courses in basic law and basic finance also are available.

Just as important are programs which help all employees get off to a good start in their early months with the company. Newest of these is "Working at HP," a wide-ranging program designed to replace the veteran "Employee Development Program." The goal of "Working at HP" is to give all non-managerial employees of six months or more service an understanding of the company's philosophy and working environment, and how these relate to their performance. skills, pay, and development. It's also an opportunity to examine the role of the supervisor-the person who more than anyone else is responsible for putting the HP philosophy into action. \square



Goal: Every employee has a right to good supervision...

the help we could—and enough time to make it.

"Training made a big difference in their ability to handle responsibilities professionally."

Bob Scebold, personnel manager for Neely Western Sales Region, reported a very positive reaction to the new guidelines in the region's administration and custodian areas. "People seem very pleased with the change because it has clarified their job responsibilities and reporting relationships," he reported. Loss of the lead position as a training ground for future supervisors probably will make little difference, Bob feels. Identifying talent is a basic job for every supervisor. This can be done through observation, training, and on-the-job experience in handling a variety of tasks. **Ralph Lee**, executive vice president who joined HP in 1945, has long had a special interest in the role of HP supervisors. The video-taped introduction to the Supervisory Orientation Program contains several of his key observations:

"In those early days the company was pretty informal and things were a lot simpler. The only thing I ever worried about was making sure that the designs were right, the drawings were right, and the work orders got out on time. About the only rules I knew were that women couldn't lift over 25 pounds, they had to have two coffee breaks a day, and they couldn't work overtime. Look at what goes on *today!*

"The job of a supervisor is really to make the rest of the people look good, to help them do their best job. If they are successful, then you are successful. But if you think that all of a sudden you are a supervisor, and you're IT, then you are in trouble!"



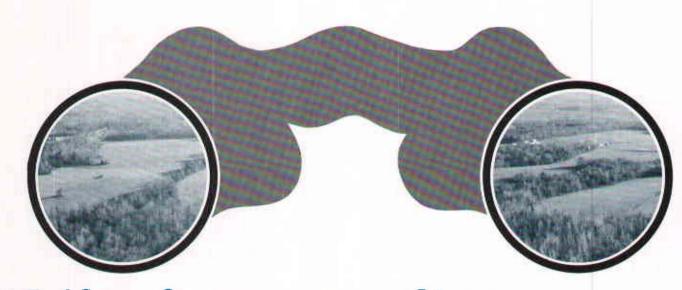
Today's supervisors need to be informed about a wide variety of subjects that now affect the work place. Some divisions hold regular supervisory clinics that include role playing in handling new and complex situations. Here, Abbey Lev, a Corporate attorney, offers Santa Clara supervisors an overview of some legal responsibilities.

Identifying and coaching potential supervisors is one of the first-line supervisor's most interesting and challenging tasks. New Jersey's Jean Kozlowski, shown talking with Assembler Jean Kruger, feels that under the new guidelines she will have more opportunity to work directly with people, thereby improving her ability to evaluate them. Two supervisors at Corvallis Division talked to MEASURE about the objectives of the guidelines even before they went into effect at that division. Despite widely different HP backgrounds, both talked of the importance of "knowing your people." One is Jack Carlozzi, who joined HP in 1956 and became a supervisor in 1962. The other is Kathy Miller, who was about to start her very first day as a supervisor after 1½ years with the company.

"I've supervised as many as 90 persons at one time," said Jack. "I had five leads, and there simply was no way I could get to know all my people well. That disturbed me because I feel my number one responsibility is to know my people. I spend about 30 percent of my time wandering around talking with them about their lives. Occasionally, someone will want to talk about a problem—and sometimes we can solve it right there."

Open communication is important to Kathy, too. "I've always taken full advantage of the 'open door' policy, and that's what I want to establish right off as a supervisor. I'm going to work very hard at developing my communications skills. I want my people to come to me with any problem that inhibits their working ability or enjoyment of the job. I know the production work, so I'll be concentrating on learning to work with people."





Sighting in on new sites

One of the most commonly asked questions at new-employee orientations begins something like this: "Why doesn't HP have a plant in....?" It might be Houston or Cut Bank or Sioux City or Buffalo that is dear to the heart of the questioner, and it may seem just as good a location as many places where HP *does* have facilities.

Often there's no pat answer except that, given HP's projected growth, anybody's favorite city or home town might someday be considered for a plant site. Why, in fact, is HP planning a facility in Roseville, California? Why Spokane, Washington? And who decides?

The ultimate responsibility for locating or relocating a division rests with those who will manage it. And until a couple of years ago, those same managers would also have gathered the data, visited numerous cities, and searched for a suitable piece of land.

As the company grew larger, however, that approach began to cause some problems. First, there were so many different HP entities looking for new sites that officials in some cities began to feel like the proverbial bridesmaid who was never destined to be a bride. A few communities had been visited by HP people so many times that their chambers of commerce began to ask, "Are you serious this time?"

Another problem was the fact that growing environmental regulations,

land-use restrictions and local government red tape were lengthening the lead time required to get a new plant started. By the time the need was clearly identified and the search begun, it was already impossible to meet the targeted start-up date in the new location.

As a result, the procedure has been changed somewhat. The criteria for making site selection judgements are essentially the same, but written guidelines have now been drawn up by a site selection committee made up of corporate and product group managers. The committee members—whose responsibilities include manufacturing, personnel, site engineering, public and government relations also pre-screen and visit many communities well in advance of a particular need for a new plant.

The two committee members most actively involved in site selection are John Brown, site planning manager for Corporate Services, and Skip Law, a member of the Corporate Construction staff responsible for land and facility development.

The process is actually one of elimination more than selection, and it begins with a little homework. Through a listing of Standard Metropolitan Statistical Areas, or SMSAs, demographic statistics can be obtained easily for any U.S. metropolitan area of more than 50,000 people. Smaller communities would not have a large enough labor force, so it's a good place to start. Most of those can be eliminated by applying three other criteria, according to John Brown. One is accessibility by air—it's desirable that the site be located within 60 minutes of an airport having commercial service to San Francisco. Next, those where the climate and general livability are unacceptable get eliminated. And finally, some will be places where HP already has plant sites. "That only leaves about 35 potential locations," John explains.

Other information needed for the preliminary screening can usually be obtained from chambers of commerce and government agencies. The committee looks for a balanced political environment and good cooperation among government agencies. It considers the proximity of colleges and universities, preferring to have at least one community college and either a major university nearby or good "off campus" instructional programs, particularly in engineering and business. It's considered essential that HP employees be able to continue their education.

Tax rates are considered, not in search of the lowest taxes but to assure that they're reasonable and "appropriate to the services provided," as stated in the writ-(continued)

new sites

ten criteria. The crime rate and justice system are also scrutinized, as well as the cost and availability of energy.

The final screening requires as many of the eight committee members as possible to visit the community, while trying not to generate premature publicity or raise false expectations. Their presence, if not kept confidential by local contacts, can result in newspaper headlines promising "thousands of new jobs" before any decisions have been made. Such things have happened. (Some major corporations require their representatives to use assumed names when visiting a potential site. In one town visited by HP, they still laugh about the executive of another company who had to abandon a suit left at the cleaners because he couldn't remember what name he gave them.)

This final screening includes an attempt to assess community attitudes. What's the impression of HP, if any? Do



The time we almost got burned!

Stan Selby, the first HP manager to be involved in selecting plant sites (and still a member of the site selection committee) tells how HP's initial investment in Colorado could have proven disastrous.

It was 1959. Loveland hadn't been considered yet, and the Boulder area was a strong possibility. Stan had located a beautiful hilltop site overlooking the town, and was ready to recommend it as HP's first U.S. location outside of Palo Alto. (The company's German operation in Boeblingen was established that same year.)

"I went back to California," Stan said, "and I happened to be talking to my uncle who was from that area, and he asked me if that hill were still burning. I said 'What?' Well, it turned out that there was an old coal mine under that hill that had burned for at least 25 years, to his knowledge, since about 1900. So I checked and found out that, sure enough, it was still smouldering." Another potential site in that area was on cooler but considerably lower ground—so low that Stan asked about flooding. He was assured that there was no such danger. But, following his own instincts, he rejected the site—which was inundated in a flash flood about three years later.

Not far from Boulder was Loveland. It was a town of 12,000 at that time, and it had suffered economically when construction was completed on a large water-diversion project. A grass-roots development effort had emerged, and the townspeople had contributed to a sizable fund for use in attracting industry. According to Stan, Loveland not only had a suitable site, but was so anxious to have HP in the community that the land was offered free of charge. HP declined the offer, preferring to pay its own way by purchasing the site.

A plant was established there that same year, and Stan became the general

manager. At first it was strictly a manufacturing operation, but after about a year, he wrote a long memo describing the difficulties and delays caused by doing all the engineering in Palo Alto. "I had always thought there was too big a chasm between engineering and manufacturing anyway," Stan explained. "Engineering had been too much in an ivory tower, with too little input from manufacturing and marketing. So I suggested we put them all together in Loveland and call it something like a division."

In fact, the HP practice of dividing the organization into small divisions had already begun with the Microwave Division. Over the next five years, HP decentralized geographically as well as in the management of its operations, and the process of site selection took on greater importance in managing the company's growth. Bruce Wholey (left), vice president of Corporate Services, takes a close look at a topographical map of a new HP site with Skip Law (center) and John Brown, who share the major responsibility for finding suitable plant locations.

most people want new business and economic growth, or to preserve the status quo? Only if HP feels welcome in the community will it consider building a plant there.

Housing, shopping, schools, hospitals, churches and recreation facilities are examined to determine the overall livability of the area. And the committee ascertains that at least two suitable parcels of land, 100 to 200 acres, are available—the more potential sites the better.

In this methodical way, the HP site selection committee "pre-qualifies" as many locations as possible. (At this writing, four have been deemed acceptable.) Then, still another review of all the facts and figures is made by the HP Executive Committee, which has the final word.

In some cases the company has bought land even before it's been determined who will occupy it. "Time is a problem," Skip Law explains. "It normally takes from 12 to 18 months before we can even start on a building. Although it's good to have the division management involved in the selection, it's not always possible."

Getting specific commitments from local officials on zoning, water and sewer service consumes much of that time. Rezoning is almost always required, according to Skip, because areas already designated for industrial use are usually unacceptable to HP.

Although the need for manufacturing space is not as great outside the U.S., Skip is sometimes required to search for sites in other countries. After tramping around in the steamy grasslands of Campinas, Brazil, where one of HP's newest international plants is located, he now carries a snake-bite kit wherever he travels.

And where are he and John and the committee going next? That's kept confidential, and future sites are announced only after HP has taken an option on the property. But maybe they're giving your favorite city the once-over. \Box



It's small but mighty... It flies through the air with ease... It packs a lot of clout in the fight against rising costs...

In the Atlanta mail room, Southern Sales Region facility manager Jack Melton (right) helps Sandy McCoy fill a Trans-sac with mail bound for an HP location. Jack pioneered the company's use of the money-saving pouches which now cycle between all HP locations in the U.S.





Corporate mail room supervisor Tim Reddick makes a one-handed toss of a filled Trans-sac to Armando Hernandez in the Corporate mail room at 1501 Page Mill Road, a collection point for interoffice mail from Santa Clara County facilities. Last step (right) is to bundle up the airmail bags filled with Trans-sacs and individual pieces of mail.



It's ...

SUPERMAIL!

Known less romantically as consolidated mail, *SUPERMAIL* has come to the rescue to hold down costs for HP's internal mail between U.S. locations.

The secret lies in the Trans-sac, a reusable mail pouch that holds up to 15 pounds of loose mail, thus saving on the cost of individual outer envelopes. Skinny and tough, the Trans-sac looks like—well, a flat zippered envelope with an outside pocket for a replaceable address card. It comes in green, blue or gaudy gold colors, depending on the size. But it's made of heroic stuff, with the durability to last for some 500 mail trips if it isn't nipped by a conveyor belt somewhere on its travels.

First person at HP to recognize SUPER-MAIL in the deceptively modest form of the Trans-sac was Jack Melton, Southern Sales Region facilities manager. Five years ago he bought a supply of small Trans-sacs from the U.S. Post Office to handle mail between Atlanta and Corporate headquarters in Palo Alto.

"We figured our original Trans-sacs paid for themselves in just a few weeks by saving on envelopes," says Jack, "and a few of them are still making the rounds."

The consolidated mail program was expanded to all the company's U.S. facilities in the fall of 1977.

SUPERMAIL came just in the nick of time to save HP from the cost of a rising flood of internal mail, says Corporate mail room supervisor Tim Reddick, who oversees the nationwide consolidated mail program.

"We've seen about a 30 percent increase in mail here during the past four or five months," says Tim, whose mail room consolidates interoffice mail from 21 mail rooms throughout Santa Clara County. The Corporate mail room at 1501 Page Mill Road handles about three tons of outgoing mail each month, with 200 Transsacs passing through on a typical Friday afternoon. The nylon envelopes in turn go into large collector mail sacks that can hold up to 70 pounds of mail. The Post Office, which thought up the notion of the Trans-sac, appreciates sorting one item instead of hundreds of individual envelopes and therefore gives consolidated mail extra-prompt service.

(Faster still, although more expensive than regular consolidated mail, is the Express Mail Service which guarantees overnight delivery within the U.S. It is used four days a week for Corporate mail to Atlanta, Boise, Rolling Meadows and San Diego, less frequently for other HP destinations, and once a week to Brazil.)

At the Corporate mail room, which now meters \$20,000 of mail monthly, Trans-sacs last year saved about \$41,000 in postage costs and \$6,000 in envelopes, which can cost as much as 25¢ apiece. Total savings nationwide can only be guessed at, but the books show HP facilities in the U.S. spent \$1,786,000 in postage alone last year. Since a goodly amount of that mail went interoffice in economical Trans-sacs, the mighty strength of SUPERMAIL undoubtedly gets credit for holding 1978 U.S. mail costs under the whopping sum of two million dollars.

Give SUPERMAIL a hand

Here's how you can help the mail room save mailing costs between HP locations with the use of Trans-sacs:

- Keep your interoffice mail bare. Envelopes, white or manila, cost a surprising amount of money to buy and add to the weight of mail. Use outer envelopes for confidential items only.
- Be stingy with paper. Use both sides of a sheet when photocopying.



To accommodate growing student interest, HP doubled the size of the minority event this year to include 750 students. Here one group of the high schoolers is briefed on career opportunities by James Flood of HP Labs.

Presenting one group an overview of the company was executive vice president Dean Morton.

High scho 'hands-on

During one recent week, more than twenty California high schools sent groups of minority and female students to several HP plants to learn about careers in engineering and business. The event, called "Minority Students' Week," gave about 750 high school sophomores, juniors and seniors in the Bay Area and San Diego a chance to play with some expensive "toys" such as computers, plotters and signal generators—and to hear from HP employees about career opportunities and how to prepare for them. Eleven divisions



blers get a look at HP

helped sponsor the event, hosting one-day visits to plants in Palo Alto, Cupertino, San Jose, Santa Clara and San Diego.

The event has grown from a small-scale program started in 1974 by black employees of HP's Data Systems Division in Cupertino. The program became an annual event, and was expanded by Computer Systems Group to include other minorities. This is the first year it's being conducted in the five HP communities, and participation is more than double that of last year.



New technology in fiber optics was explained by Bob Lombaerde of Optoelectronics Division.



George Brandle of Stanford Park explained in lay terms what some of those sophisticated instruments and systems do for HP customers.



Tim Metcalf (standing) attended the first "Black Students' Day" at Data Systems Division in 1974. Inspired by that program and encouraged by Ken Coleman (now personnel manager at General Systems Division), Tim went on to earn an engineering degree from the University of Santa Clara. He graduated last June and accepted a job at DSD, where he's shown helping other minority students get acquainted with HP's computation products.

HP News

Roseville site progress

ROSE VILLE, Calif.—At the March 22 meeting of the Roseville Planning Commission, Hewlett-Packard was granted a use permit for the first-phase development of a 500-acre site on which the company took an option last October.

Necessary approval was also obtained for an Environmental Impact Report dealing with development of 125 acres of the site.

Planning and design of the first permanent buildings will start shortly, with actual completion of the first building expected by late 1980. It will be occupied by a portion of the Data Systems Division.

HP is currently negotiating for interim building facilities in the Roseville area to house operations while the permanent site is under construction.

GSD completes first move

CUPERTINO, Calif.—General Systems Division has completed moving into the first of two new buildings on this site.

Now located in building 48 are GSD general manager Ed McCracken, the Business Systems Program, and the Personnel department.

The address for building 48 and building 47 (now being outfitted for occupancy by GSD during April) is 19447 Pruneridge Avenue, Cupertino, CA 94014. Data Systems and Data Terminals divisions which share the site will retain their present addresses.

A newly constructed second cafeteria opened April 9.

A new telephone system is being installed in phases in the new

buildings as they are occupied; the outside number is (408) 725-8111. HP locations on the tie-line will use a temporary tie-line access code of 189 for GSD through midsummer.

IEEE honors Liechti

NEW YORK CITY, N.Y.—Charles Liechti of HP Labs has been elected a fellow of the Institute of Electrical and Electronics Engineers. Liechti, who heads the devicephysics department in the Solid State Lab of Technology Research Center, was honored for his "contributions to the development of gallium-arsenide field-effect transistors, microwave amplifiers, and gallium-arsenide digital integrated circuits." The awards to the new IEEE fellows are due to be made in New York City on April 23.

Kampe heads MSD Marl

SAN JOSE, Calif.—Bill Kampe has been named marketing manager for Microwave Semiconductor Division. Formerly service engineering manager at Santa Clara Division, he replaces Jim Girand who has left the company.

New YHP Desktop team

HACHIOJI, Japan—Creation of a new Yokogawa-Hewlett-Packard organization combining marketing and manufacturing responsibilities for Desktop Computers has been announced by YHP president Ken Sasaoka. The move reflects the growing importance of this business in Japan.

Heading the new Desktop Computer Operation as manager will be Yasuo Karakizawa, who has served as Desktop Computer regional sales manager for the past four years.

The new operation parallels a Computer Systems Operation established by YHP in 1977. In addition, the joint venture firm has an Instrument Division (which includes an R & D function along with marketing and manufacturing) and a separate sales division.

Instrument Group vice president Bill Terry of HP and Instrument Division manager Mitsutoshi Mori of YHP were appointed to the YHP board of directors at the February shareholders meeting.

Investment expert named

PALO ALTO, Calif.—Robert E. Greeley has joined the Treasurer's department to direct the investment management program for Hewlett-Packard's retirement funds.

Greeley, who was vice president of Merrill Lynch Asset Management, Inc., is serving in a staff position to Vice President and Treasurer Ed van Bronkhorst.

In his new role he will initially monitor the performance of outside fund managers responsible for the investment of \$170 million in HP's retirement funds, and have responsibility for the company's compliance with the Employee Retirement Income Security Act of 1974 (ERISA).

Greeley's extensive investment experience includes six years as manager of the General Electric Pension Trust Fund. He has also been an officer in several other New York City investment firms.



From the president's desk

I just recently returned from Europe where a number of us from Palo Alto attended the annual HP European management meeting. The meeting was held in London this year, and it was a busy and productive three-day working session with more than 100 key HP managers from the European area participating.

As you know, the European market now represents over one-third of our business. Orders were particularly strong in the quarter just ended, reflecting the strengthened economies of the United Kingdom, the German Federal Republic, and France, as well as the increased competitiveness of imported HP products brought about by the recent decline of the dollar. As a result of this fine performance in Europe, our international business accounted for 51 percent of total orders in the first quarter.

For the most part, the subjects discussed in London were a continuation of those covered by the general managers at their meeting in January (reported in the last issue of MEASURE). However, we tended to focus more on specifics so that participants could leave the meeting with action plans for those areas needing some performance improvement.

One subject we are paying particular attention to is asset management, and for good reason. With shipments up 27 percent in 1978, and up 37 percent in the first quarter of 1979, we are operating at levels that stretch our ability to self-finance the growth. Inventory and accounts receivable levels are particularly important since they represent about two-thirds of our assets under operational control. Since nearly all of us have some influence on one or both of these items, we are asking everyone—not only in Europe, but throughout the company—to give special attention to these two critical areas, and make sure our goals for the year are met or exceeded. There were many excellent reports and discussions at the London meeting that helped provide fresh insights on receivables collection, and the inventory pipeline between the U.S. and Europe. After the London meeting, we also had follow-up discussions on these topics during visits to our U.K. sales headquarters in Winnersh, the Frankfurt, West Germany, office, and our manufacturing center in Boeblingen, West Germany. It was apparent to me that they have identified a number of key areas to work on while at the same time meeting the day-to-day challenges of our 30 percent per year growth rate.

Another aspect of our trip, an HP first for Europe, was a series of meetings with people from the European investment community. Our company's stock is highly respected for inclusion in many major investment portfolios and because it is, HP is among the top five high-quality technology companies that security analysts and investment managers regularly evaluate. To help meet this interest, we hold two meetings a year in the U.S. (California and New York) to update analysts and investment managers on company progress.

Because we now have a substantial number of stockholders in Europe, particularly in the major investment centers of London, and Zurich and Geneva, Switzerland, we felt it would be appropriate to hold a series of similar meetings for European analysts and investment managers. Therefore, we arranged luncheons in these three centers so that these people could meet members of our management team, get an overview of the company, and hear reports about our activities and progress in the areas of measurement and computation.

We had an excellent turnout in each location. There is a very broad knowledge of and interest in our company, and this led to some very active question-and-answer sessions. I think it was clear to all of us who attended these luncheons that sustained product contribution and financial performance over many years has earned HP a very well-known position in the international investment marketplace.

Nagging problem solved...



MEASURE received the following communication from Neil Fenwick of HP's advertising department in the United Kingdom: "When I returned to HP-Winnersh after a period spent in Germany I was a little surprised when I passed a cluster of our Instrument sales engineers in the car park. The centre of their attention was a horsebox (trailer) hitched to one of our company cars. OK, we all know about fun-loving salesmen, but they don't normally bring their surf and turf activities to the office quite so openly.

"So when I looked inside the trailer to admire the Arab stallion or whatever was there, you can imagine my surprise —a two-bay computerized measurement system!

"After years of experimenting with custom-built trucks and other methods of delivering heavy computer systems to customer sites, someone here finally realized that a horsebox could provide a ready-made solution. It even had a dropdown tailgate and horizontal rails to strap the beast in a firm position. The only extra seems to be a lightweight manual winch for winding the system up the ramp."

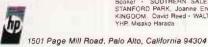
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