

Measure

For the men and women of Hewlett-Packard/MAY 1979

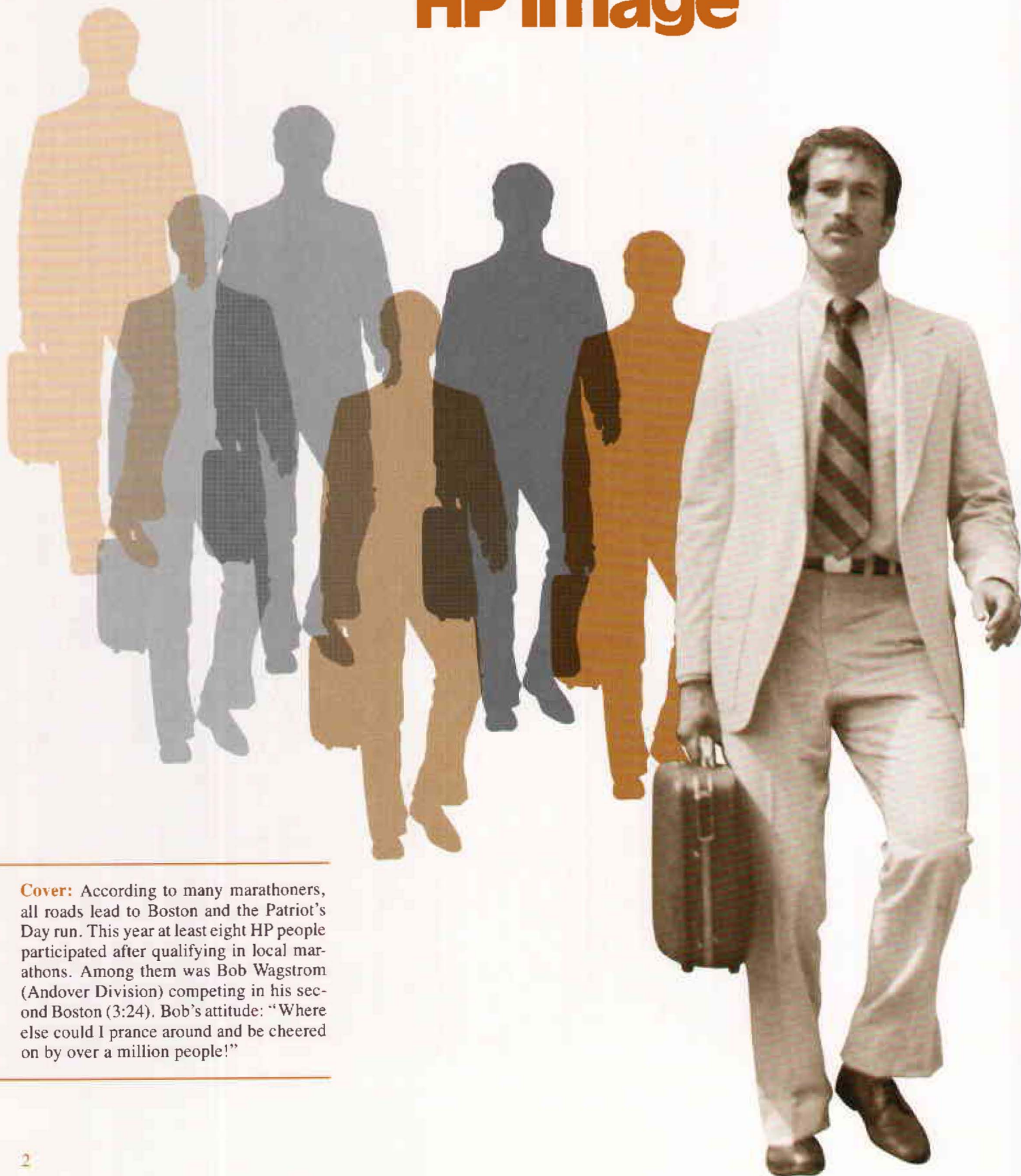
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HP marathoners



Behind the HP image



Cover: According to many marathoners, all roads lead to Boston and the Patriot's Day run. This year at least eight HP people participated after qualifying in local marathons. Among them was Bob Wagstrom (Andover Division) competing in his second Boston (3:24). Bob's attitude: "Where else could I prance around and be cheered on by over a million people!"

**“HP customers must feel that they are dealing with one
company with common policies and services...”
statement of Corporate Objectives**

How the company organizes its field forces to sell our ever-growing list of highly technical products has always been a complex and critical question—but never more so than today.

On the one hand are factors that would seem to set us up for further and further separation in the field. Product proliferation is one of the factors you could name—more than 5,000 catalog items in the total HP product offering! Another is the increasing diversification of product lines within that offering. Finally, each of the six major product groups has developed a selling strategy that is highly individualized to the needs of its particular market.

Why, then, doesn't the whole field organization fly apart? Each product group going its own way? Go where its particular action is?

Al Oliverio, vice president of Marketing, has several answers for those questions. One deals with customers: “Many of our customers, especially the major accounts, need products and service from two, three or more product lines. So there has to be a lot of interaction between the sales people in serving these customers. They have to work together as a team, using common sense as to who should lead the team.

“Related to this is the fact that computation and control activities performed by our products are in demand almost everywhere. For example, many customers in the data processing field who employ our computational products also purchase other HP products as the eyes or fingers of their data management systems (all tied together most likely by the HP Interface Bus). Likewise our customers in the instrument, medical, or analytical fields also need our support in computer systems, calculators and components.

“Moreover, in spite of the different strategies needed by the various product lines, they all operate from the same corporate objectives. Among other things, these spell out the requirement of dealing with our customers as one company. Being seen as one company is a real asset—very synergistic—even though it is not simple to manage.”

What does that mean in the field? Specifically, as HP field people go about the business of selling to their particular markets, what does the “one company” image mean to them?

Salute to the single office

The people at the Paramus, New Jersey, office probably cover as broad a spectrum of customers—from big national accounts headquartered in New York City and industrial giants in New Jersey, to a myriad of smaller firms throughout the sales area—as any HP office. MEASURE stopped by with the “one company” question in mind:

Area manager **Bill Olson** believes that the single HP sales office embracing all product groups offers the best selling environment—at least for the foreseeable future.

“Being able to share facilities, services and support activities represents a big ‘plus’ for us,” said Bill. “The people in the disciplines derive a lot of mutual support because of it. They are able to concentrate on the job of selling and servicing their customers.

“The smaller groups gain the advantage of working in a sales environment they couldn't possibly afford on their own. And all of them gain some degree of entrée to customers they otherwise would find difficult or impossible to reach.”

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the HP image



***In spite of very different product strategies,
HP field sales teams have much***

Bob Bridgens, as a consumer (hand-held) calculator sales representative, calls mostly on customers who can best be described collectively as “distributors.” They may be department stores, college book stores, and—increasingly—office-equipment suppliers. In the course of working with their buyers and managers—setting up promotional campaigns and obtaining technical support—Bob learns quite a bit about their customers and what their needs are. Often enough, those needs involve other kinds of HP instruments—plotters, printers, or desktop computers. He’ll pass the information along to the appropriate people in Paramus.

Sometimes Bob and the desktop people find themselves in a position of competing for an order. “We’ll step back and consult with each other and try to come up with the best solution at the lowest cost to the customer.”

In turn, Bob receives a lot of tips from other HP sales groups about customers who have business problems that calculators might solve.

“We support each other however we can,” he added, “and while a sale may not show on my book, it shows up in profit sharing. That’s how I look at it.”

Rosemary Cornell, Analytical sales representative, describes her basic activity as “selling across the board to all kinds of companies and organizations—to laboratories large and small. I’ll even do some ‘smoke-stack chasing’ if I happen to see a new place that looks like it might handle chemicals.

“But we are moving rapidly into a new era of computer-based instruments and systems. This is bringing our non-chemical technology much closer to that of the other HP lines. This is changing our way of thinking, of selling.”

Ida Kilcullen, Order Processing manager at Paramus, tries to give her people exposure to the various groups by rotating them about once a year.

“There are differences in the way divisions work,” she said, “differences in the way they will accept an order. It’s important that we understand those differences and know the various factory organizations. That helps us in communicating with the sales people and their customers.”

Instrument field engineer **Dick Schulte** of Paramus sees the HP sales role as that of consultant—“in which we present HP instruments as a solution. More and more, those solutions involve products of more than one group.

“If a customer needs to interface instruments with computers,” says Dick, “it’s to his advantage to go with HP. That way he has only one place to go for a solution that otherwise could be complex and more costly. I’ve seen more and more of that ever since we got both the HP Interface Bus and desktop computer products off the ground more or less together.

“Most of my work with the other disciplines is done informally—simply exchanging information about customers. But sometimes we will make calls together.”

Ralph Mele, area manager for Computer Systems at Paramus, said team selling is a basic approach in his group—in more ways than one.

First is the Computer Systems field organization itself. One such team might be made up of a sales representative as leader, systems engineers supporting the



to share

customer's system design, and customer engineers providing on-site service.

The other team effort is across discipline lines. "We've been very close to the Instrument Group sales people," said Ralph, "particularly on the larger accounts in the fields of manufacturing and electronics. They've been 'there' a lot longer than we have, so it has been very useful for us to team up with them. Basically, what we do is identify appropriate accounts and the Instrument sales people involved, then bring them together with our people. We've also gotten together successfully on sales presentations, seminars and road shows.

"I can't say that we've done as well with the other disciplines. For example, I'd like to see us work more closely with the Analytical people in calling on the chemicals industry. There have been some technical problems that have made that coupling not as tight as it could be. But I believe that's going to change, too."

Does it work "out there"?

MEASURE reached to almost opposite ends of the earth to ask two sales people about the importance of a one-company image in international selling.

Wayne Squires in Wellington is the office-responsible district manager for New Zealand. He also serves as a kind of "Mr. HP" in simultaneously representing a variety of product lines:

"Looking at the various markets we serve, the main differences—aside from the products themselves—lie with the customers themselves who can range from the engineer who buys purely on technical grounds to the physician who bases his decision on a financial analysis. Each of these requires a sales person who can relate to their problems, hence the need for different selling and distribution methods.

"Yet, all HP disciplines benefit from the fact that these customers are looking for value for their money, and buy HP products because we provide this. HP products are the 'state-of-the-art' when introduced, allowing our sales people to go to the head of the line. Meanwhile, consistent and modern marketing policies within the company help in providing similar conditions for all sales people, giving customers a one-company view irrespective of who is contacted.

"Without their common approach, the disciplines would soon be isolated, and HP would become a group of small fragmented companies. Multi-discipline sales people could not possibly function in such an environment, and management would face an impossible task. The common approach has helped HP get where it is today."

Vagn Pieler, Medical field engineer and sales supervisor in Denmark, sees his job as both easier and harder than when he came to HP Scandinavia from a distributor organization in 1967. In those times he had only to make the sale once and it was done; today he first must sell the hospital department head, then the staff electronic engineer, and finally the administration. On the other hand, HP is much better known today. And those increased requirements have been matched by higher levels of support in terms of training, technical assistance, documentation and communication. The result is that Vagn is now able to spend 80 percent of his time in the field versus 50 percent years ago.

In his view, the most practical reward for the "one-company" image arises from the goodwill that a satisfied customer affords a reliable vendor of equipment and services. Whenever possible, Vagn attempts to transfer that goodwill to his HP associates in the other disciplines. In the final analysis, he says, that assistance benefits him by benefitting the company. □

A marathon of marathoners

the most testing race attracts a hardy band of HP runners



Ulrich Kaempf of HP Labs is one of several notable "master" (age 40-50) marathoners in HP. In the last two years, however, Ulrich, at age 47, has been particularly noteworthy. Last month, for example, he successfully defended his 1978 Pacific Area AAU masters championship with a 2:43 run in the Clear Lake Marathon. Last July he ran to victory in the San Francisco Marathon with a time of 2:35 which, said an article in the *NorCal Running Review*, "surely makes him one of the world's finest marathoners in his age group."

They run and they run. And then they run some more. They run against each other, against the clock, through heat, cold, thirst and pain. They do it for all kinds of reasons: for competition, for the so-called "runner's high," for comradeship, for health, for release of stress, or —because it's there. "It," in this case, is a run of 26 miles, 385 yards (42+ kilometers)—the classic marathon.

The pattern was first set in 490 B.C. by Pheidippides who raced more than 25 miles from the Plains of Marathon to Athens with news of a great victory over the invading Persian forces. After deliver-

Positive thinking learned in some HP training classes contributed to the success of Mary Jo Blankenship's quest to become a marathoner. A lease receivable specialist in the Corporate sales financing department, Mary Jo flashed mental images of herself crossing finishing lines in good times and with energy to spare.

Of course, she also trained rigorously—8 to 10 miles a day, with 15 miles on Saturdays.

Last July she completed the San Francisco Marathon, and now plans to attempt the 1979 Honolulu run—positively.



ing his message, Pheidippides collapsed and died—of “joy bursting his heart” according to legend, but more likely of heat stroke according to modern opinion.

This year the legend will be celebrated at hundreds of locations around the world, including more than 200 marathon races in the U.S. alone. Hundreds of thousands of runners—perhaps millions—may be seen staggering across finishing lines near virtually every metropolis of note.

HP will be well represented. At press time, MEASURE correspondents had identified more than 30 experienced marathoners in the company ranks, and others were said to be training in earnest for their first big test.

Of course, thousands of other employees and their families regularly run shorter distances, including quarter and

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Four years ago at age 25, Bob Cummings, now a Computer Service Division board-repair specialist, felt he needed to get out of a rut. Moving to California from New York, he met physically active people, gave up cigarettes, started running and losing weight. Last month he ran his sixth marathon—at Boston with his family cheering his finish (3:00:47). For Bob that's a test of spirit: "Having the willpower to finish is very uplifting. It makes up for all the pain!"



Probably HP's fastest marathoner is Hank Lawson, a systems programmer in General Systems Division. Hank placed third in the 1979 Paul Masson race with a time of 2 hours, 26 minutes. Last month he ran at Boston, hoping to qualify for the Olympic Trials, but found his time (2:34) fell short due in part to the crowded start. Hank has been running competitively for ten years, and was a member of the San Diego State cross-country team before joining HP a year ago.

For John Rigger, general manager at Colorado Springs Division, the long road to Boston began ten years ago with a short run to help control weight. A year ago he ran his first marathon—"because it's there," because it's good therapy for stress-prone jobs, and because his wife, Rosemary, also planned to run. The goal of Boston entailed many frosty-morning training runs, a husband-and-wife run in the Pike's Peak Marathon (Rosemary 3:50), and a qualifying race for John at Lake Tahoe (3:24). At Boston, running as a master, John ran the classic in 3:17, his best ever.



marathoners

half-marathons. And for most purposes these are sufficient—because the full marathon is a grueling event that goes well beyond the body's need for exercise. Still, for those people who want to know their limits and to test them, the long course beckons. For many it is having perhaps one or two marathon finishes to their credit or, better yet, qualifying and participating in one of the "biggies" such as The Boston.

Last month, in fact, some of HP's dedicated marathoners gathered in Boston for the Patriots' Day running. The force included a number of local runners such

as Bob Wagstrom and Dave Barkman of Andover Division, Don Barth of Waltham Division, and Cindy Finlayson, wife of Waltham's Don Finlayson. Joining them were Mason Byles of Avondale Division, John Rikken of Colorado Springs, plus John Hawkes and Hank Lawson of General Systems Division. It was planned that they should all get together at Wagstrom's home the evening before the race for what they call some "high carbohydrate loading." And more to follow, afterward. That, folks, is a fancy name for a party. It may help explain what really drives these marathoners! □

Their first marathon proved to be a real challenge for three Corvallis Division supervisors—Roger Evans (repair service), Chuck Humphrey (production), and Mario Briseno (shipping). At the Seaside Marathon held near Astoria, Oregon, in February, they ran the first wind-aided half easily. The return leg found them fighting an icy gale. Soaked, shivering, exhausted and aching, they all reached their only goal—the finish line.



"If they can do it, I can do it." That's what Stanford Park's Walt Bassinger said after watching a marathon race some years ago. It took him a long time to reach a point where a five-mile run was easy, but now that's a light workout. Walt has run in nine marathons, two of them in under three minutes. Here he is seen finishing the 1977 Honolulu race.





Everyone in the Neely San Diego office was cheering for systems engineer Jim Metts last Patriot's Day. He was in Boston having qualified for that race in 2:59—one minute under the 3:00 requirement. To get there he ran 60 to 70 miles per week. For Jim the rewards are the comradeship of fellow runners, some mild competition, fitness, a sense of accomplishment—and that cheering in the background.



In just a year Mason Byles, general manager at Avondale Division, reached his goal: qualifying for Boston where last month he ran a 3:19 race. He was inspired to do this by watching Avondale's Lou Mikkelsen run a half marathon which he saw as a good experience. "It's a physical challenge. But I do think there is a positive mental aspect to it. During a run it seems possible to step back from problems and see them in a new perspective."

While waiting for the birth of her first child early last year, Nancy Justice was a spectator at the Paul Masson Champagne marathon. This year she ran it, while husband Rick, a Neely field engineer, and son David cheered her on. Nancy, in General Systems order processing department, has set a goal of qualifying this year for next year's Boston run. Pictured to Nancy's right at the recent Champagne Marathon is John Hawkes of General Systems, who ran in his second Boston race last month.

HP aviation

Is this any way to run an airline?

They don't serve gourmet meals, and there are no flight attendants to offer the passenger a magazine, a drink, or a stereo headset.

On the other hand, there's no time wasted checking in, walking down some endless concourse, waiting for luggage, standing in line at a car-rental desk, or driving to the plant from a distant city. Best of all, HP's aviation department offers something almost no airline can match: an unblemished record for safety.

For comfort, too, it's hard to beat a ride in one of HP's corporate jets, which fly above the weather at speeds in excess of 500 miles per hour and carry up to eight persons in pressurized, air-conditioned luxury. Passengers who are uneasy about flying in what they consider "a small plane" are pleasantly surprised to find that a business jet has the "feel" of a larger commercial airliner.

The aviation department has been carrying HP travelers since 1973. The

company assumed the lease on a hangar at San Jose Municipal Airport from a firm that was moving out of the area, and took delivery on a sleek Sabreliner jet to be put into immediate service between California and Colorado. At about the same time, local flights were initiated using a small twin-engine Cessna, carrying passengers to and from the Sonoma County Airport near the fledgling Santa Rosa Division. Added to the fleet a short time later was a Piper Navajo which took over the Santa Rosa run, and a second Sabreliner has since rounded out the fleet to four airplanes.

In acquiring the hangar and maintenance facilities, HP also "acquired" some veteran aviators, including chief pilot and department manager John Kendall and maintenance supervisor George Johnson. The department now numbers four jet captains, four other



Visitors to the HP hangar, including the San Jose Airport Commissioners shown here on a recent tour, are generally amazed to see how clean everything is kept. The spotless floor even helped alert mechanics to a problem once, when spots from an oil leak appeared under the Navajo (left). On the right is one of HP's two Sabreliner jets.

flyers with dual roles as jet co-pilots and as captains in the so-called "light twins" (the propellor-driven Navajo and Skymaster), a maintenance chief, three licensed aircraft mechanics, two maintenance helpers and an accountant.

In size and sophistication, the operation is not at all unusual for a major corporation. What *is* unusual, as John Kendall points out, is that all HP business travelers can take advantage of it. "Most companies," he explains, "have aviation departments that are tools for its top executives only. But our job here is to transport any HP employee who needs the service."

In doing so, the department operates much like an airline, with a published schedule of flights and a first-come-first-served reservation system maintained by the corporate travel desk. It includes regular service to and from the Loveland-Fort Collins area, Colorado Springs, Santa Rosa, Corvallis, Oregon, and Boise, Idaho. The cost per passenger mile is higher than on airline flights, but because HP aircraft land at small airports close to the company's plants, savings are realized in the form of fewer car rentals and many more person-hours of productive work by HP people. "They can fly for two hours, get direct transportation to Loveland or Fort Collins, spend three-quarters of the day there and still come home at a reasonable hour," John explains. He adds that many out-of-town passengers don't realize they can even leave their rental cars at the HP hangar to turn them in at San Jose.

Flights to other destinations are logged as needed, carrying passengers to management meetings, for instance, or to new sites such as Spokane, Washington, and Roseville, California. After business hours there's always a pilot on call, ready to airlift a customer engineer, perhaps, who's responding to an urgent need for on-site service.

All HP pilots hold airline transport pilot certificates and have a minimum of 3,000 hours in the cockpit, according to John. His own experience includes service as a flight engineer on a B-17 in World War II, and five years in a maintenance job after the war. He became a co-pilot and mechanic for another company in 1951, so he had been flying business aircraft for more than 20 years when he



Maintenance chief George Johnson (left) and mechanic Ken Peartree inspect avionics equipment—radios, radars and electronic navigation equipment—located in the nose of an HP jet. Two years ago, Ken and another HP mechanic, Gary Johnson, were credited with saving the life of a pilot whose helicopter flipped and caught fire nearby. Ken and Gary extinguished the blaze and helped pull the unconscious pilot from the wreckage.

joined HP. He was recently honored by the National Business Aircraft Association for over 3 million perfectly safe miles of business flying.

John attributes HP's flight safety record to a combination of skilled, professional pilots and an expert maintenance crew headed by George Johnson. John and George have worked together for 28 years, and they both know the importance of good maintenance, about 90 percent of which is done in-house by HP's own mechanics. The two Sabreliners are on a computerized maintenance program, and the airplanes are being worked on almost anytime they're on the ground. "Some procedures are mandatory at a certain number of hours," John explains, "and others are required on a calendar basis. There's a lot of routine lubrication and visual inspection."

Systems that are critical to the aircraft's performance have redundancy, which means that a second system takes over if the first fails. Some maintenance checks require that a system be deliberately made to fail, in order to find out if the redundant one performs properly. In all his years of business flying, John recalls only one incident in which a flight was diverted because of an equipment failure.

Pilot training is also done in-house, partly through a self-paced learning program and a series of "pop quizzes" that are sprung on the unsuspecting students by Floyd Matthews, assistant chief pilot in charge of training.

Crew scheduling is something John handles personally, and the eight HP pilots log plenty of time in the cockpit. Last year alone, the two HP jets flew a total of 385,812 miles—or 1,821,955 *passenger* miles—without incident. Since the aviation department was formed in 1973, HP aircraft have flown almost 4 million accident-free miles.

Small wonder that after his long career in aviation, John honestly feels safer in the air than when he's travelling on the ground. He and his co-pilot were discussing that very subject once after landing in an eastern city. They got into a taxi, still discussing the relative safety of the two modes of travel, when a car suddenly backed into the cab on John's side. Nobody was hurt, but his point was illustrated rather dramatically.

As John tells it, the driver of the car turned out to be the local mortician—who more than likely wouldn't be caught dead in one of those "small planes." □

How does "Measure" measure up?

We asked several thousand employees what they think...

When the first issue of HP's all-company publication MEASURE came out in July 1963, the company had 6,000 employees. The corporation was growing larger and more scattered all the time—more than 400 of those employees were located in Europe and Canada, and manufacturing operations were about to begin at a joint-venture company in Japan. The goal of the new MEASURE was to serve as a regular effective medium of communication among all HP people, Dave Packard explained in an introductory message. The magazine, unlike the local publications issued by various divisions, was intended to be broad in scope "to keep everyone informed of corporate plans and policies and important developments throughout the world." At the same time, hopefully, it would be "as dynamic, as varied, and as interesting as the worldwide activities of the HP corporate family."

How is the publication doing?

From time to time, MEASURE has taken stock to see how well readers feel it is fulfilling its charter. The last full-scale sampling of opinion was conducted 11 years ago followed by several small-scale studies. Last fall, as MEASURE began its fifteenth year, one out of every ten U.S. employees was asked to answer a questionnaire on how well the publication is doing its job.

Why do a survey now?

Today MEASURE operates under an ever-widening umbrella of readership. At last count, HP had more than 45,000 employees in manufacturing and sales

activities in 72 countries throughout the world. One-third of those employees were new to HP last year, and still unfamiliar with many of the company's philosophies and activities. Communications efforts have flourished at the local level; some 37 division, region and sales company publications that are now published throughout the company show an increasing level of professionalism. We wanted to check how readers position MEASURE in the flow of news throughout HP, and how well they like to read the magazine when it arrives.

How was the survey set up?

This particular survey was limited to U.S. locations. To get a representative sampling of opinion, we gave each of 38 U.S. personnel departments enough questionnaires to cover one-tenth of the people in the local organization. Each division or region chose a mix of new and veteran employees, men and women, exempt and non-exempt employees to receive the questionnaire. The rate of response was high: 2,135 survey forms were returned from 3,096 sent out (a 69% return), with 737 respondents adding their own comments and suggestions.

What did the survey cover?

We asked readers to tell us if they read MEASURE and, if so, how much of the publication they read, and whether they pass it along to other people. We wanted to know their interest in particular topics, and how well MEASURE reflects HP as they see it. We asked for their opinion on the appearance and general readability of MEASURE.

And what did the readers say?

In general, MEASURE received a good report card from readers, along with a number of suggestions for improving the



Like movie director Alfred Hitchcock, editor Gordon Brown has appeared as a fleeting presence over the years in MEASURE as an anonymous photo prop—the back of his head, a hand, or perhaps one more body in a crowd scene. Now he has been dragged into full view, complaining mildly about the publicity, to pose with stacks of MEASURE survey questionnaires.

publication. Readership is high: 12% read all the articles in each issue, 46% read most articles, 30% read some articles, 10% read a few articles occasionally and 2% never read the magazine. More than half of the respondents pass MEASURE along to families and friends.

In rating types of articles that they like to read, people showed the greatest interest in new corporate policies and the regular feature "From the President's Desk." They also particularly want articles on new types of products and customers, new sites for expanding operations, and personnel programs and benefits. (Since MEASURE goes worldwide, the publication does not try to cover details of U.S. benefits, leaving that responsibility to local newsletters.)

Measuring how well MEASURE fulfills its purpose of reflecting the HP organization was more complex. We offered readers a number of specific statements about the company, such as "HP is interesting to work for" and "HP is open and honest," and asked them to rate MEASURE on how well the publication reflects these statements. Admittedly, if a reader disagreed to some degree with the statement it was difficult to tell whether the objection was to the accuracy of the statement about HP itself or the adequacy of MEASURE's portrayal. It came through clearly that MEASURE indeed shows HP as people-oriented, interesting to work for, and a good corporate citizen. In their side remarks, however, several dozen readers took us to task for looking only at the bright side of company matters—too "Pollyanna-ish" and "P.R."

In another section, readers had a chance to rate the importance of various objectives for MEASURE and told us clearly that the key assignment was to report and interpret major developments within the company.

When it got down to specifics, readers offered some constructive criticism. Now

Do some of these MEASURE readers speak for you?

- "Articles tend to center too much on Bay Area facilities. Would like to see stronger coverage of *all* divisions and offices."
- "Have you thought of six issues yearly?"
- "More colorful covers."
- "Change the format to provide four or five shorter articles rather than two or three long ones."
- "Keep up the good work."
- "Sometimes it becomes too technical for the average person."
- "Very informative about the total HP picture. One tends to see their particular division as a world apart and MEASURE brings it back into perspective as part of a much larger organization."
- "Too many human interest articles."
- "More human interest."
- "More about our products and the uses our customers put them to."
- "A Question-and-Answer column."
- "Information on where HP is going from here. As a new employee I don't even know where HP *really* is right now (what do they make, what do these products do?). I'm sure non-technical articles once a month would interest a large number of employees."
- "Features about interdivisional cooperation on R&D, fabrication, etc., particularly internationally."
- "Occasionally I feel that MEASURE gives too perfect a picture of HP."
- "Most of the 'company news' reported in MEASURE is old news. I generally have seen it elsewhere by the time I see it in MEASURE."
- "It would be difficult to please everyone, even if the reader group was smaller. Perhaps there should be more contacts per division, or at least more encouragement for additional contributors. The results of this survey could make an interesting article."

that you've asked us, they told MEASURE, we think that the appearance of the publication could be brightened and we would like to see more variety of material. (Some people suggested more articles of shorter length, while others voted for a larger publication.) The writing style was generally approved as clear and readable, although a dozen or so readers asked wistfully for occasional humor.

Perhaps the strongest single message was wider representation of all segments of the company and more attention to coverage of the sales regions. And while a few readers suggested that human interest features should be eliminated in favor of increased business coverage, most requests were for more human interest stories along with more articles about non-exempt employees, and more close-up reports on individual divisions—their products, markets, and community lifestyle.

And how will MEASURE respond to the survey?

"As we read the survey results, readers are telling us that we're not presenting enough coverage, enough variety," says editor Gordon Brown. "We need to compress material more, and make certain that we pay attention to the interests of readers who do not have a background of information about HP. Our highest ratings were from the readers who know the company best—we don't want to sacrifice that approval, but we do want to pay attention to the wishes of newer employees as well.

"We expect to continue to place emphasis on interpreting the changes in our complex organization, but we may do it somewhat differently. Readers have told us that they want more variety, shorter articles, more dramatic presentation. You can expect to see some changes in MEASURE in the months ahead." □

HP News

North Carolina site optioned

RALEIGH, North Carolina—Hewlett-Packard has obtained a six-month option to purchase about 230 acres of land about 10 miles north of Raleigh, N.C., as a site for a future electronics plant.

According to Bruce Wholey, vice president—Corporate Services, the property if purchased will initially be used to accommodate expansion of the Analytical Group.

Site development plans are now being prepared but building will not begin for several months after the purchase is completed. The site will be developed gradually over a period of years.

Fort Collins Division merged

FORT COLLINS, Colo.—Organizational changes affecting the Fort Collins Division as well as General Systems Division and Desktop Computer Division have been announced.

Continuing a reorganization begun last year to consolidate the development of small-business systems, responsibility for FCD's HP 250 program will be assumed by General Systems. GSD will maintain the current 250 program at Fort Collins under Rex James, but will shift the development of future generations to Cupertino.

Peripheral-product activities of the former Fort Collins Division will be consolidated with those of the Desktop Computer Division under Tom Kelley as part of DCD.

All integrated-circuit process operations at DCD together with all maintenance functions in the Fort Collins facility will be consolidated under Jack Anderson, reporting to Don Schulz, general manager of the Desktop Computer Division.

Moving ahead on Roseville

ROSEVILLE, Calif.—Hewlett-Packard's plans for the Roseville area are moving ahead rapidly:

- HP has been granted a use permit for the first-phase development of a 500-acre site on which the company obtained an option last October. An Environmental Impact Report dealing with development of 125 acres has also been approved by the local planning commission. Planning and design of the first permanent buildings will start shortly, with actual completion of the first building expected by late 1980.

- While construction is underway, a nearby building has been leased to house start-up operations by a portion of the Data Systems Division.

Two key Intercon posts

PALO ALTO, Calif.—David Booker, currently HP South Africa country manager, has been named by Intercon Regional Marketing Manager George Cobbe to fill a new general marketing manager position at HP Australasia.

Booker will be responsible for the complete sales and service program, reporting to Australasian Area Manager John Warmington.

Replacing Booker as HP South Africa country manager will be Chuck Bonza, now North American sales manager for the Loveland Instrument Division.

Bonza, a 12-year HP employee, spent two years in South Africa as Instrument sales manager before returning to the United States in 1976 to serve as international sales manager for LID until recently.

New Intercon personnel manager

PALO ALTO, Calif.—Tom Lowden has been named Intercon's new personnel manager. He replaces George Trichel who is leaving HP.

Tom joined HP in 1972 as senior personnel administrator in the Manufacturing Division, and three months later became personnel manager. In 1974, he moved to the Instrument group as personnel manager, and later assumed additional responsibility for Computer Systems and Components group personnel programs.

Changes at HP Denmark

BIRKEROD, Denmark—With the appointment of Tony Vossen to the newly created position of HP European Contract Administration manager based in Geneva, Steen Harreschou has been named his successor as country manager for Denmark.

Harraschou, who joined HP Denmark in 1969, has served as Instrument sales manager for the subsidiary for eight years.

New Hong Kong subsidiary

KOWLOON, Hong Kong—Intercontinental Region's new Hong Kong sales subsidiary officially began business on May 1.

Initially the new office will handle only Computer Systems products and desktop computers, adding Instrument products and handheld calculators in November.

Medical and Analytical products will continue to be handled by Schmidt and Company, HP's Hong Kong distributor for the past 15 years.



From the president's desk

Over the past two months I have visited our sales companies in the United Kingdom, Germany and Canada, and the Neely Sales Region here in the U.S. for a thorough review of their operations. I've had a chance to see firsthand the activities and attitudes that go into making the one company image (described in this issue of MEASURE) real in the eyes of our customers. It is important for us to preserve this image, but it is increasingly complex to achieve because of the changing nature of our products and the "systems" characteristics associated with many of them.

I have commented in past letters about the dramatic change in HP's product composition over the past ten years. In the late 1960s, HP was almost totally an electronic test and measuring instrument company. We were just getting started with our first computers (both desktop and mini), and our medical and analytical businesses were in the early stages of development. This year, despite growing by a factor of three since the late 1960s, instruments (including components) will represent a little over 40 percent of HP's business. Computers and our other data products, starting from zero in 1966, also will account for about 40 percent. Medical and analytical provide the remainder. The shift toward system-type business is inherent in our computer activity. Increasingly, our new products in the instrument, medical and analytical fields are complex systems as well, most often using the HP Interface Bus and one of our controllers.

The "system trend" has caused many changes in our company, such as how we're organized and how product development projects are coordinated. But nowhere has the impact been felt so strongly as in our field selling activities. We have had to develop beyond the narrowly defined sales function to provide the broad range of support services our customers require to obtain full value from our products. Some personnel comparisons will make the point clear. Our instrument field sales people essentially operate on their own with support from bench repair and the backup of new sales engineers in training (staff engineers). Each computer field engineer, on the other hand, has an average of one-half a systems engineer to provide pre- and post-sale software support and training, and two customer engineers at the customer location to keep the hardware in top operating condition.

These direct customer contact people look to office staff personnel in order processing, service administration, sales finance, accounts receivable and other such functions for a broad range of services that are essential to the development of satisfactory long-term customer relations.

New forms of organization have evolved to help us deliver these support services. The systems engineers, for example, are part of the Systems Engineering Organization (SEO). These SEOs operate within the field structure as full profit and loss centers. Customer engineering and bench repair also have similar profit and loss responsibilities. So that these business entities can be operated as efficiently as possible, we have extended our information systems to provide them with cost accounting and complex inventory control programs much like those found in the manufacturing divisions.

It is a credit to the strength of our field personnel at all levels that we have been able to grow, not only in size and breadth of product line, but also in building this depth of services offered. I think you can see that keeping all of these field organization activities coordinated so that our customers feel they are dealing with one company is a complex and demanding task that requires everyone's attention starting with the telephone receptionist, on up to the Region or Country manager.

HP historically has set the standard for excellence in field sales and service of electronic instruments. We are striving for that same recognition in our other areas, even though we are competing with some of the largest and best managed technical companies in the world. We are making progress. I base this observation, in part, on a survey conducted recently by the Customer Satisfaction Research Institute. The purpose of the survey was to determine the degree of satisfaction which exists among users who operate small business system computers on their own premises. Suppliers, including HP, were rated in seven categories, several of which related to sales and service. The survey showed that HP was leading the competition in customer overall satisfaction (all seven categories combined). Further, in analyzing each supplier to each category, the survey concluded that HP appeared to be doing an outstanding job of satisfying its users represented in the survey sample.

One of the most important competitive factors we have to excel in to assure our long-run success is satisfying our customers' needs. As our growth continues, we will have a great many things to work on in the field to meet these customer expectations. While not without future challenges, we can be proud of what we already have accomplished.

Caught in the draft

You might think you had stumbled onto the pro draft of college football players. Selection teams at eleven Instrument Group divisions linked by a telephone network took turns naming their choices from among 65 college seniors interested in HP employment. Three days later another round of drafting would take place—and so on, round after round, until all candidates sought by more than one division have been assigned primary and contingent divisions. Computers keep the whole process up to date.

According to reports, it turns out to be a very fair process. Divisions with the most openings get the most selections, but the sequence of selection is random. Just as important, it's fast. Following their draft, candidates get a clear and timely call so we don't lose them through delay. No less than for professional football teams, the talents of our college recruits will significantly affect HP's future. □



San Diego Division team reflects the tension of the HP college-recruiting draft: Chris Nagel, production engineering manager at left, and Dale Davis, product-development section leader at right, keep tabs on candidate selections while Flora Cunningham, personnel administrator, monitors the telephone network.

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