

INTERCOM

Newsmagazine for Memorex Employees Worldwide
Volume No. 12 / September, 1975



**Helping Others Help Themselves...
Through the UNITED WAY**



United Way Campaign Underway With 300 Campaign Workers Seeking the Support of Fellow Employees

The United Way Campaign is now underway at Memorex with more than 300 volunteer campaign workers seeking the support of their fellow employees. The canvassers will be asking employees to contribute to the United Way between Sept. 15 and Oct. 17, the close of the Company's UW drive.

This year's employee pledge goal at Memorex is \$54,000, a 20 per cent increase over 1974's total of \$45,000. Additionally, the corporate gift is being increased from \$2,000 to \$5,000.

The United Way (formerly the United Fund in Santa Clara County) is a non-profit organization which raises money for agencies providing a broad-based program of human care services. Agencies funded by the UW fall into four main categories: counseling and child care, health and rehabilitation, youth guidance, and multiple community services.

The United Way has selected Memorex as a "pacesetter firm," with a few other companies, to set the trend for hundreds of other local businesses which will hold their campaigns after ours.

Memorex contributions last year helped support 69 agencies and additional services to people in 13 local communities including Campbell, Cupertino, Gilroy, Los Altos-Los Altos Hills, Los Gatos, Monte Sereno, Milpitas, Cupertino-Monta Vista, Palo Alto-Stanford, San Jose, Santa Clara, Saratoga, and Sunnyvale. One out of four people in these communities receive services from United Way programs. Employees working in other parts of the U.S. who contribute to their local UW campaign help people in their own communities.

Why give to the United Way rather than to individual agencies of your choice?

According to **Roger Stabile**, Memorex UW Campaign Chairman, giving to the United Way enables individuals to contribute only once to numerous services, avoiding duplication of effort and the

annoyance of many fund raising programs. Additionally, the UW campaign is conducted at a very low cost with about 92 cents of every dollar raised allocated toward helping people compared to 15 to 50 cents of every dollar for separate fund-raising campaigns.

(Continued on page 4.)

Memorex Open House to Feature Product Displays, Demonstrations and Employee Craft Fair

Employees and their families will have the opportunity to tour the Company's Santa Clara facilities at an Open House on Saturday, Sept. 20, from 1 p.m. to 4 p.m. The last Open House was held more than four years ago, when the San Tomas complex dedication ceremony took place.

"Memorex Experience '75," the theme of the three-hour event, will feature tours, product displays and demonstrations of some of the production processes. Visitors will be able to see most of the product lines in various stages of completion throughout the production areas at the San Tomas and Memorex Drive facilities.

Also planned is an Employee Craft Fair sponsored by the Memorex Activity Group (MAG). The Fair will be held in the San Tomas Cafeteria where hand-crafted items, such as leather goods, ceramics and other art works will be displayed and sold by employees. Awards will be presented for the "best of show."

Free soft drinks, coffee and cookies will be served at both the Memorex Drive and San Tomas Cafeterias. In

addition, free balloons will be given away, and a number of specialty items, such as Memorex T-shirts, Frisbees and bike flags, will be sold at cost.

In addition to product displays, a few of the Company's newer products will be shown and explained by video tape on closed circuit TV at the Tape Plant and Disc Pack Lobbies on Memorex Drive.

Although the tours will be self-guided through roped-off areas of the plants, there will be employee volunteers on hand to explain, and in some cases demonstrate, various manufacturing processes. Tour guide maps will be made available at the information booths in all lobbies.

Production areas open to visitors and employees include the Tape Plant, Disc Pack and Consumer Products facilities on Memorex Drive, and Building 10 on San Tomas. However, the research and development facility and the flexible disc plant (Building 23) will be closed.

Memorex President **Robert C. Wilson** is extending an Open House invitation to the Santa Clara Chamber of Commerce and city government officials.

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On the Cover:

These people have the opportunity to help themselves lead more productive lives through the United Way fund-raising campaign. The Memorex UW campaign is now underway, with more than 300 volunteers seeking the support of fellow employees.

Agreement Favorable to Both Companies

Exclusive OEM Agreement Between Memorex and CCI Approved by Board of Directors and Senior Lenders

An exclusive OEM agreement between the Company and Computer Communications, Inc., is now finalized and approved by Memorex's Board of Directors and senior lenders. CCI is a Torrance, California, based company specializing in communications equipment and processing.

The agreement calls for Memorex to incorporate CCI telecommunications equipment into its own product line and market and service it under the Memorex name on a worldwide basis.

Memorex also acquired 300,000 shares of CCI common stock at \$1.50 per share, making it the largest single shareholder of CCI with an ownership of about 11 per cent, and has the rights to existing and future product enhancements.

The Company agreed to purchase a minimum of \$2.5 million of CCI's CC-80 programmable communications processors, and related equipment over the next three years, but the actual purchase is expected to exceed \$15 million.

Initial deliveries to Memorex of the new communications processor are expected to begin next month, and if all goes according to schedule, the first units will be installed at customer locations in Chicago and San Francisco in November and December.

Lowell Sando, Director for Software Development, worked with key executives of Memorex and CCI in formalizing the agreement.

"The agreement is favorable for both companies," states Sando. "We'll provide one of the most sophisticated communication controllers available in the marketplace and shipments will start nine months sooner than we had planned with our own controller. The arrangement gives Memorex an opportunity to invest in a company with a product line which complements its own. In addition, CCI's production volume and revenues will substantially increase."

Sando said the primary function of the controller is to provide an electrical



Lowell Sando, Director of Software Development, worked with key executives at Memorex and CCI in formalizing the exclusive OEM agreement.

interface with the communication lines of a computer system. Since the CC-80 programmable controller is actually a small computer, it allows many additional functions to be performed that

What Makes The IBM 3705 So Slow?



The Memorex 1380 Communications Processor—our intelligent entry into the communications front end marketplace. The 1380 provides throughput up to eight times that of the IBM 3705. It outperforms the

3704/3705 in network control for the same reason our 1270 is a step ahead of 2701/2/3. Memorex uses more advanced hardware and software.

The 1380's aggregate data rate is the highest available in any communications processor—consistent with the demands of today's high speed terminals. We also support a wider variety of terminals, including non-IBM.

Your freedom to control system growth is greater, too, since Memorex preserves functional compatibility with IBM 2702/3 transmission control units. You don't have to rewrite software to move into network control. Our programming includes EP-NCS (a more powerful NCP) and NCS-PEP, which interfaces to unmodified IBM communications software.

Furthermore, the 1380 has a flexible disc for program loading (independent of the CPU) and off-line testing. Our diagnostics start interrupt processing.

Network management functions include dynamic line control, line statistics reporting, line monitoring and down line diagnostics via the operator CRT console. Try that on your 3705!

From memory to interfaces, more than a score of modular options are available. The memory expands from 32K bytes to 512K in 64K increments. Channel adapters for both System 360 and System 370 permit attachment to eight CPUs.

A Memorex representative can show why the 1270 and 1380 Communications Controller family is faster, more flexible and more economical.

For details, call your nearest Memorex sales office, located in major cities. Memorex Equipment Products Group, Santa Clara, California 95052 (408) 987-1000



This ad, introducing the new 1380 Programmable Controller, ran this month in "Computerworld Magazine."

are not possible with hard-wired controllers.

"More importantly, it provides lower costs to users by reducing the number of controllers needed to interface several host computers."

To many employees who are aware of the Memorex 1370 development program (a programmable controller similar to IBM's 3705) the initial OEM announcement came as a surprise. But Sando explained that virtually all 1370 features will be incorporated into the CCI machine, such as its terminal interface components and packaging design.

Sando said the packaging modifications will be evolutionary since the agreement calls for both companies to participate in mutual development.

"The new controller is an exceptional performer with proven reliability," said Sando. "Its throughput is up to eight times as fast as IBM's largest controller, and it's also more flexible and economical."

As for reliability, Sando said the CC-80 contains the basic electronic architecture built into CCI's earlier controller called the CC-70. He added that the CC-70 has been on the market for five years and it has an excellent reputation among users.



The exclusive OEM agreement in principle between Memorex and Computer Communications, Inc., is signed by **George L. Bragg**, Vice President for Memorex Corporate Development and **Raymond E. High**, President of CCI.

Visit Goodwill and Hope Workshop

Employees Get First-Hand Look at How United Way Contributions Are Used to Help the Handicapped

To the casual observer, the machine shop looks similar to the one at Memorex—drills, lathes and grinding machines—but the work is done solely by handicapped people.

This special shop is located at a vocational center operated by Goodwill Industries. The center was recently visited by 14 Memorex employees who got a first-hand look at how the money they contribute to the United Way is spent.

Goodwill Industries provides rehabilitation programs for vocationally handicapped and disadvantaged persons, and is one of 69 human care agencies funded by the United Way.

Although the group's tour trip was made on a cold, overcast morning, once inside, "you couldn't help notice the human warmth and happiness of people helping people," said **Jackie Getek**, who works in the Company's OEM Division. "The work and training done here is performed in a very positive way, and I like that."

The first stop on the tour was the evaluation area where handicapped individuals (clients) referred to Goodwill take a series of tests to check their work skills and habits, physical tolerance, and reaction to supervision.

UW Fund Drive

(Continued from page 2.)

"Giving the United Way is the most cost effective way I know to help people who want to be helped," states Stabile. "Approximately 300,000 people in our country are being helped in one way or another through UW services . . . and I'm proud to be working on such a worthwhile campaign."

Stabile said the campaign workers will ask employees to make a Fair Share Pledge, which amounts to about one hour of an employee's earnings each month. "Although any contribution will be acceptable, a contribution by payroll deduction is preferred so that the gift can be spread over the entire year (1976)."

Tour guide Charlotte Edwards told the group that the aptitude tests help newcomers decide what type of training each would like to pursue. The tests also give counselors a clear picture of each person's abilities.

Mrs. Edwards explained that the clients Goodwill works with are usually referred to the agency by the State Dept. of Rehabilitation, the Welfare Dept. and the Veterans Administration. She said if the client is accepted, one of these agencies will help finance the individual by providing annual contributions to Goodwill.

"Some of the people who knock on our doors have suffered nervous breakdowns, some have slight mental retardation; others have been afflicted with partial paralysis, usually as the result of an accident; or they might be recovering from the effects of drug addiction," remarked Mrs. Edwards. "Our agency tries to give everyone vocational help, but unfortunately we have to turn hundreds of people away each year because we don't have enough room or money."

Next stop was the agency's cafeteria where clients receive food service training and at the same time busily prepare daily lunches for about 150 people. Other training sections visited were the Electronic Assembly section, where participants learn component identification, printed circuit board

loading and soldering, and also the laundry room, where donated clothes are repaired, cleaned and pressed, and later priced for sale at special retail outlets.

At the machine shop, the group listened to training supervisor and counselor, Joe Szurcsik, air his feelings about the work of the agency.

"Motivating physically, mentally and emotionally handicapped people is a big undertaking," he said. "But together as a team (agency counselors) we try hard to help our clients think positively and act independently—and in my opinion, the best way to do that is through vocational training."

Joe puts a lot of effort into training his clients. He's got to. Most of his students have never touched a drill press before. In fact, some have never seen one before.

Jim McDonald, for example, has been blind since birth yet, miraculously, he has learned to operate the machinery by using braille dials designed by one of the agency counselors. Although McDonald hasn't found work yet, agency officials say that about 85 per cent of their clients find jobs. And if for some reason they can't find work, or are unable to hold a job, they are given additional training by the agency.

Goodwill's files are filled with hundreds of success stories. Tom Gillian, for



Memorex employees tour the Electronic Assembly area of Goodwill Industries.

instance, was involved in a head-on auto accident which severely damaged his motor nerve reflexes. He was given bookkeeping training, and today has a full-time accounting job.

Another accident victim is Alex Mendoza. A heavy equipment operator for several years, Mendoza wasn't about to sit home doing nothing. He entered Goodwill's electronics assembly program and 18 weeks later found work at a local electronics company.

Another successful but tragic story is that of Betty Moore, local and state-wide Goodwill Worker of the Year. Betty's doctors diagnosed that she had



Alex Mendoza, a heavy equipment operator, became paralyzed as the result of an auto accident. He entered the electronics program at Goodwill Industries, and later found work at a local electronics firm.

a cancerous brain tumor which needed immediate removal. Although the tumor was benign, the operation left her completely paralyzed on the right side. However, through the Goodwill Industries, she has learned to walk, talk and experience life once again. She now works for Goodwill as a secretary and speaks to various community groups throughout California.

Memorex and Other Companies Award Contracts to UW Funded Agency for Retarded Children and Adults

Memorex and several companies in the Bay Area award contracts totalling \$500,000 each year to a vendor whose profits are measured in terms of human development.

The unique vendor is Hope Workshop of Santa Clara County, a part of Hope for Retarded Children and Adults, Inc. Hope Workshop is a United Way funded agency which works to rehabilitate mentally retarded children and adults so they can lead more productive lives in society.

Eight Memorex employees recently visited two of the agency's centers to see the good work they do for handicapped and see the good work they do for companies such as Memorex.

According to Agency Representative Jimmie Benson, Hope Workshop of Santa Clara County was organized about 25 years ago by several parents of mentally retarded children to instill human qualities of self-worth, pride and confidence. Today, the agency promotes these same qualities by providing constructive work for about 750 people daily.

The agency tries to provide an industrial working environment for clients that will allow them to develop to their full capacities and allow them to adjust to the outside world, according to Robert Nelson, Assistant Contracts Consultant.

Hope's objective is to allow its clients to gain self-assurance doing a wide variety of work skills which may eventually lead them to job placement in local industries, according to Mike

Hancock, Job Placement Counselor. "Each year about 90 per cent of those in the Workshop program who are recommended for employment find jobs with local firms," said Hancock.

Memorex employees on the tour found a wide variety of work being performed by Hope clients. Some assemble car ski carriers and bicentennial information booths, while others are involved in re-weaving chairs and sorting integrated circuits. The clients are paid according to Federal and State wage and hour regulations, earning money for the work they perform.

The contract work performed for Memorex involves the annual assembly of about one million computer tape wrap-arounds which fit on the outside diameter of the tape reel. The wrap-around, a protective cover device, allows the customer to hook the reel onto a storage rack, and code it for identification.

Dave Berry, Quality Engineer for Media Products, said the device, consisting of a belt, latch and a hook, arrive separately at Memorex and are checked by Receiving and Inspection. Once they pass inspection they are shipped to Hope where the components are attached. "The quality of the assembly is excellent," he said.

Berry mentioned that Hope also re-works defective materials that we reject from vendors. "With our vendors' approval, Hope corrects the mistake or salvages the components."

Due in part to contracts with companies such as Memorex, Hope Workshop was able to pay about 20 per cent of its expenses last year, according to Mrs. Benson. "Although we are partially supported by the United Way, we're glad to be able to earn a good part of our funds as well."



An employee of Hope Workshop assembles wrap-arounds which fit on the outside diameter of Memorex computer tape reels, while (l) Robert DeVincenzi, and Jackie Getek of the OEM Division check one of the devices, and Maintenance Technician Sam Mathis, Jr. looks on.

Employee Finds His Life 'Meaningful' With Fatherless Boy

This summer was the first time 15-year-old David Lederer had seen his dad since he was two years old—but thanks to Big Brothers of Santa Clara County (a United Way Agency) he has had the opportunity to develop a meaningful “big brother” relationship with someone who cares.

Big Brothers Inc. is a non-profit organization which offers fatherless boys the opportunity for further growth and development through long-term friendships with mature men they can admire and confide in. The nationwide organization began in 1900 to help delinquent boys. Now it operates under a different philosophy; prevention.

David, whose parents are divorced, was 9 years old when he and “Big Brother” Gary Emanuel, a 32-year-old bachelor, found each other through the local Santa Clara County Chapter.

David, an avid sports enthusiast, became involved in the organization as a result of his mother's concern that he needed the type of relationship that can only be generated by another male. And Gary, a project manager who came to Memorex last year, joined Big Brothers after learning about the program from a co-worker while employed at Lockheed.

“I wanted to do something more worthwhile with my life than party all the time like my friends,” recalled Gary. “I needed something more meaningful and I found it with David.”

There are currently 180 boys in the Santa Clara County waiting for “big brothers,” but Big Brothers Inc. is nearly out of volunteers. If you'd like to become a “Big Brother,” write or call Kathleen Barnhardt, 260 Meridian Ave. #203, San Jose, Calif., Telephone 287-1505.

Gary is a staunch supporter of Big Brothers. He serves on the Board of Directors, he's organized several fund-raising picnics and has also given speeches to community groups in an effort to raise more funds for the local chapter.

What do David and Gary like to do best? Well, the congenial pair go back packing, bowling and water skiing. But Gary said they don't have to plan anything special to enjoy each other's company.

“We enjoy spur-of-the-moment things, such as taking a walk or just talking over a game of chess,” explains Gary. “David really lets me know how he feels and that's an important element of any relationship if it's going to be a good and long-lasting one.”

What does David think of his “Big Brother?”

David and Gary pal around on the basketball court in 1969. Below, the pair play a serious game of chess.

“He's neat. We're the best of friends. It's great to have someone I can really talk to,” says David. “When I get older I'm going to be a big brother.” Why? “Because someone was nice enough to do it for me when I needed it.”



Your Monthly Gift to the United Way Can Provide These Services Annually

\$2.50. . . . 15 hours of subsidized Home-maker Service for people who, because of age, or illness, are unable to manage their own homes.

\$4.00. . . . immediate aid and emotional support for a rape victim through a YWCA-trained volunteer.

\$5.00. . . . training for 5¼ days in community living skills for the retarded, taught by professional staff.

\$6.50. . . . one underprivileged boy the opportunity to participate in Boys City Boys' Club five days a week for one year.

\$8.00. . . . complete diagnostic evaluation and psychological testing services for a child or adult at Peninsula Center for the blind and visually impaired.

\$10.00. . . . four weeks training at a Goodwill electronics training station for a handicapped person learning hand soldering.

\$15.00. . . . one week camping experience for 10 highly emotionally disturbed children.

\$20.00. . . . four months of crisis intervention phone service.

INFORMATION SYSTEMS GROUP DEFINES STANDARDS REQUIRED TO DESIGN, INSTALL AND MAINTAIN COMPUTERIZED BUSINESS INFORMATION SYSTEMS.

A company's success depends on good management decisions made on a timely basis. But, before business decisions can be made, concise, accurate, up-to-date information must be readily available.

The group responsible for providing computer-generated information for decision making at Memorex is the Information Systems Department (ISD); and for the past five months, a few members of the group have been working on a project to define the standards for developing effective business information systems.

"We've developed a new systematic approach to planning, defining, developing and implementing effective business information systems, commonly referred to as the system development process (SDP)," said **Jitendra Shah**, ISD Project Management Analyst who managed the program.

"This new approach, one of the most effective techniques ever designed, is described in three manuals which cover the development process, documentation standards and project planning and control. A synopsis of the SDP is available in a 24-page booklet to all system users and management."

Shah explained that the procedures identify a standard sequence of tasks needed to design, install and maintain a business information system. He said the easy-to-follow steps contained in the booklet should help users participate in the design and development of information systems and should also help ISD personnel identify exactly what's required for system documentation.

The development of an info system is like developing a new product, explained Shah. First, clear specifications for the product are established; a plan is developed for doing the work and the resources are allocated; and finally, the plan is carried out under a system of program measurement. Shah went on to explain that ISD is like an Engineering or Product Development

group in that they carry out a series of unique projects, each resulting in a product that has never existed before. Each product developed by ISD is designed to serve people in various organizations.

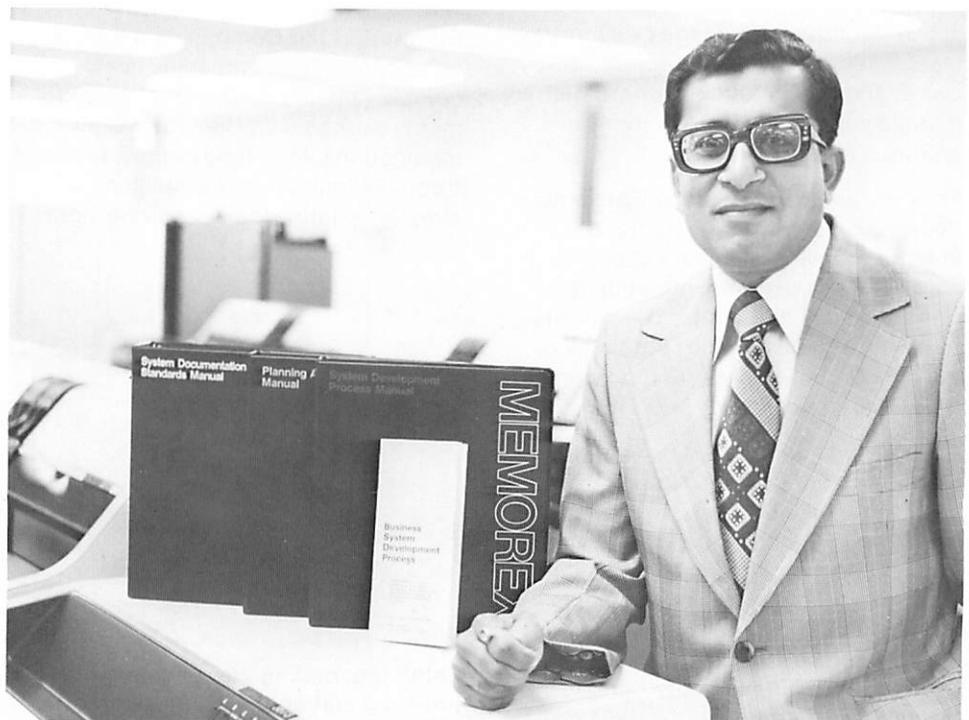
There are more than 200 automatic info systems currently in use at Memorex, from the processing of vendor checks for Finance, to the tracking of field assets for Marketing. Basically, these systems are in a form of computerized programs. When they are executed, the user input is processed by various computations, resulting in the storage of key information on tape or disc for future retrieval and analysis.

An example of a typical info system is the one designed to facilitate the paying of vendors. First, the Accounts Payable Department provides ISD a list of vendor names and addresses, terms of payment, and the amount due for each vendor invoice. This data is processed and recorded on disc or

tape in the form of a record for each invoice payment. Periodically, through a series of computer directed tasks, invoices due for payment are selected, discounts, if any, are subtracted from the amount due, and the checks are printed and recorded as "paid in full." Finally, the checks are mailed out by Accounts Payable.

From this simple check processing procedure, the Accounts Payable system identifies cash requirements for the current week and forecasts the amount of cash needed for future payments. It automatically matches issued checks against cleared checks from the bank and produces an "outstanding" check list, and posts all expense entries to the General Ledger.

The system also produces a vendor current and year-to-date payment history. This particular vendor data can be used to achieve better bargaining positions in obtaining volume discounts and favorable terms of payment from suppliers.



Jitendra Shah, Project Management Analyst, displays the new Systems Development Manuals in the data processing center. The manuals were recently prepared to define standards for developing effective business information systems.

The Ins and Outs of the Legal Department

**Small, Active Group
Handles Legal
Complexities in Stride**

This is the 13th Article on the Company's organizations and their contributions to the Memorex "team effort." This month's feature looks at the Legal Organization.

Should the Company register to do business in Wisconsin? What legal action should we take against a business which cancelled our leasing contract? Have we met all registration requirements with the Securities and Exchange Commission? These questions, and others like them, daily confront the Memorex Legal Department, a relatively new organization.

Headed by **Robert L. Erickson**, Vice President and Secretary, this small, active department manages day-to-day legal matters, corporate secretarial duties and the litigation support staff, a group working on the Company's anti-trust suit against IBM.

Prior to June 1974, only the Corporate Secretarial function was handled in-house, leaving all legal support to outside counsel. In that situation it was extremely difficult for the lawyers representing Memorex to obtain all of the information they needed or to get a "feel for the company."

As Erickson candidly put it, "Had the Company established an in-house legal department earlier, rather than relying totally on outside legal support, we probably wouldn't be experiencing some of our current legal problems." But he quickly added, "It's not inside counsel versus outside counsel, because both functions are complementary."

Internal or corporate counsel is responsible for the management of the general legal affairs of the Company

on a day-to-day basis, guiding and relying upon outside counsel for support in specific problem areas, explained the North Dakota-born lawyer. The talents of lawyers knowledgeable of specific areas of the law can thus be combined with those of lawyers knowledgeable regarding the client and its business to generate solutions uniquely compatible with the best interest of Memorex.

The best way to prevent problems is to handle legal questions professionally from the start, says Erickson. "This avoids tying up management's time in solving the problems of the past. Their time is better spent building for the future."



Vice President John R. Eastling, director of the litigation support staff, speaks at a Computer Dealer Association Seminar held earlier this year.

The Legal Complexities

Structuring the Company's relationships with other companies is a complex business. The OEM arrangement reached with Computer Communications, Inc., for example, involved three distinct areas: establishing a supplier relationship, acquiring rights

to technology, and acquiring an ownership interest in CCI.

"Corporate development activities such as the CCI arrangement, represent interesting challenges to a corporate lawyer," said Erickson. "Each of these agreements tends to be new and different and usually requires that good working relationships be established with new associates, that all important factors must be covered and that many contingencies, other than the principal objective, be provided for and protected against.

"To meet these challenges, the department operates on the basis that it must assist management with legal matters by quickly completing assignments and with as little fanfare as possible," remarked Erickson. "Although we function in an advisory role, we don't hesitate to tell someone pretty directly what we think they should do," he said. "However, I like the traditional way of handling the legal questions: state the problem; present the facts; list the alternatives, and make the best decision possible. I find the best business decision is usually also the best legal decision."

In order to operate the activity effectively, Erickson and **Daniel E. Leckrone**, Counsel and Assistant Secretary, state that it is important to get involved in a problem from the very beginning. "We've got to know all the facts," they emphasized.

Erickson, who joined Memorex from Collins Radio Company, reflected on the typical TV attorney stereotype who suddenly learns of some disquieting facts about his client from the prosecuting attorney, and nearly loses the case. "We don't want to be caught



Obtaining, coding and exchanging documents with IBM in preparation of the anti-trust suit against IBM is the work of the litigation support staff. A few members (left to right) are: Susan Hassani-Azad, Sandra Goins, Barbara Bardwil, Lynn Nelson, Linda Lowell, Bob Hungerford, Suzan Perez, Cindy Pulliam, Rochelle Alhadeff, Allison Wells, Marty Brennan, Lisa Hoefler, Deby Burns, Roberta Kuguenko, John Eastling, Sue Law, and Nancy Dwyer.

in a similar situation with our client . . . Memorex," he said.

International Scope

Since Memorex is an international Company with business entities in 22 countries around the world, the legal staff has to be aware of legal problems in each country. But Erickson admits it's a difficult task, and in most cases the manager must seek the service of a local law firm overseas. However, he mentioned that more attention is being given to international legal affairs.

On the domestic scene, Leckrone, who joined Memorex last November and works closely with all operations managers, insures that contracts between Memorex and other companies, including suppliers and distributors, accurately reflect the needs and performance abilities of both parties and comply with the law.

Corporate Secretarial Duties

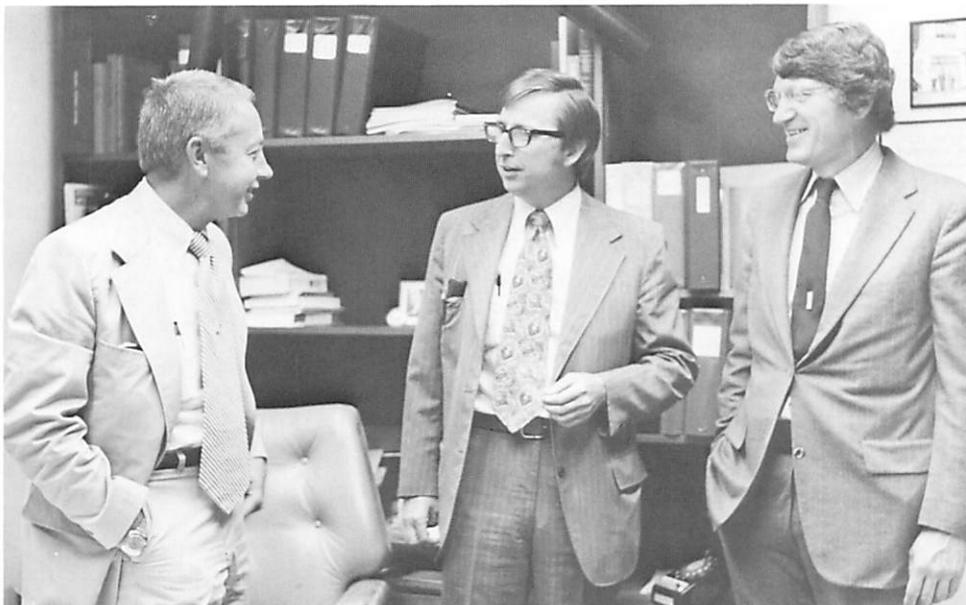
Meeting legal registration requirements is the basic work of the Corporate Secretary. **Carl A. Anderson** held the position of Corporate Secretary for 10 years. However, in 1974 he semi-retired and now works with Erickson and Leckrone as an Assistant Secretary on a part-time basis.

Anderson assists the department in preparing the corporate records of the domestic subsidiaries, in fulfilling registration requirements with the Securities and Exchange Commission, and in maintaining the employee stock option plan.

Joining the Company as Controller in 1961, Anderson has the most complete set of documents in the Company.



Carl A. Anderson, Assistant Secretary



Robert L. Erickson (l), Vice President and Secretary, Daniell E. Leckrone (center), Counsel and Assistant Secretary, and Karl A. Limbach, Outside Patent Counsel.

Through his vast knowledge of these records, Anderson is providing key assistance to the litigation support staff which is working on the Company's anti-trust suit against IBM.

Since the anti-trust suit is one of the most demanding activities of the Company, a separate legal support staff, directed by Vice President **John R. Eastling**, has been established.

The staff includes more than 50 people working in-house providing assistance to both internal and external counsel. Much of the work involves obtaining, coding and exchanging documents with IBM.

Memorex estimates damages from the illegal and predatory actions of IBM to be \$1 billion, and seeks to recover treble damages of \$3.1 billion under the Clayton Act. This is in addition to all costs and attorneys' fees necessary to support the suit.

The Company's complaints against IBM were filed on behalf of Memorex Corporation, its domestic leasing subsidiary (ILC Peripherals Leasing Corporation), and its foreign subsidiaries.

Eastling says Memorex will be prepared to go to trial in September of next year, although the judge has tentatively pushed the trial back to March of 1977.

The ruling was made as a result of an IBM brief informing the court that it could not be prepared for the September trial due to the complexity of Memorex's foreign subsidiaries claim. Now, other plaintiffs filing suits against IBM are tentatively scheduled to start their proceedings ahead of Memorex.

"Consequently, we will be filing our own brief this month stating that Memorex is better prepared for an early trial date than the other plaintiffs," stated Eastling. He said Memorex has nine times as many people recovering documents at IBM than any of the other plaintiffs. This has resulted in a review to date of approximately three million pages of material, about 600,000 of which will be used in preparation of the case.

Eastling said the good performance of the litigation staff, which includes the work of current and former Memorex management people, the work of the legal strategy committee, the development of a sophisticated index retrieval system, and other related activities have resulted in the Company's professional readiness for an early trial date.

Three Greatest Challenges

"The greatest challenge confronting the legal department is the IBM suit," says Erickson. "IBM controls the computer industry, and they've tried to drive companies, such as Memorex, out of it. IBM's theory of doing business is not in accord with the philosophy of healthy competition, and we're going to do something to change that situation.

"Our second greatest challenge," continued the vice president, "is to help management develop an understanding of legal concepts and statutes so that they, in effect, become their own lawyers. And thirdly, we want everyone at Memorex, as well as the business community, to understand that this Company is devoted to integrity in every aspect of its business."

News in Brief

Facilities, Purchasing & Traffic Group Established

A Corporate Facilities, Purchasing and Traffic Organization has been established which brings together the non-production purchasing activities in the Equipment Products, Computer Media and Consumer and Business Media Groups, the facilities function for all activities in Santa Clara and the domestic and international traffic activities, excluding domestic Equipment Products Traffic. The objective of the new organizational structure is to make all functions more efficient and bring greater cost effective focus on the group's activities.



The new organization is managed by **Arthur W. Fonda**, who also has responsibility for purchasing, facilities, traffic, and warehousing management for the Computer Media and Consumer and Business Media Groups. He reports to **James Dobbie**, Vice President and General Manager for the Computer Media Group.

Mundy Appointed Manager, Word Processing Marketing

C. Patrick Mundy has been appointed Marketing Manager for the Word Processing Division. He will have primary responsibility for the development, promotion and merchandising of word processing supplies. He reports to **Warren King**, Division General Manager.

Mundy was previously Vice President for Action Marketing, a division of Kettering Industries, Inc., New Jersey, a position he held since 1970. There,

he specialized in consumer marketing, promotion and merchandising consulting for the Safety Razor and Paper Mate Divisions of Gillette Company, and the Toiletries Division of Hoffmann-La Roche Company.



Prior to that, he was employed by Glendinning Associates, Connecticut, as marketing consultant for TWA, Speidel, Carter Products, and Memorex. For Memorex he conducted a business analysis for the Company's entry into the consumer audio blank tape market.

Mundy earned a degree in psychology from Yale University and attended the University of Maryland Law School for three years.

Lippincott Named Manager, Computer Tape Marketing

Richard H. Lippincott, Jr., has been appointed Manager of Marketing for the Computer Tape Division, announced **Guy "Dusty" Rhodes**, General Manager for that division.

Lippincott will be responsible for the development of marketing strategies and objectives for flexible computer media on a worldwide basis, together with domestic OEM indirect sales and sales administration functions. He reports to Rhodes.



Previously, Lippincott was Director of Marketing Development for Unicom, a Division of Rockwell International. There, he was responsible for product management, market planning, market research, evaluation of potential acquisitions, and the development of a

distribution network for Unicom's electronic products.

From 1964 to 1971, he worked for the Friden Division of the Singer Company where he held a number of sales and marketing positions in the Systems Office Products and the Order Processing departments.

Lippincott graduated from Tulane University, New Orleans, in 1959, where he earned his Bachelor of Business Administration Degree in Marketing.

Meyer Named Manager for Worldwide Internal Audit

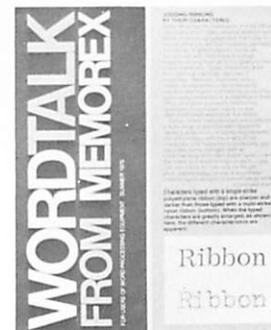
Harold "Hal" Meyer has been named Manager for Internal Audit and will have worldwide internal audit responsibility, announced **Edward J. Phillippe**, Vice President and Controller. Meyer



was formerly audit manager with Haskins & Sells in San Jose. He holds a Bachelor of Science Degree in Accounting from the University of Illinois and is a certified public accountant.

New Newsletter Published for Word Processing Group

A new quarterly newsletter named "WORDTALK" is being published by the Word Processing Division to provide information on how users can get the most from word processing products. The newsletter is available through Memorex Word Processing distributors and suppliers.



Employees Celebrate Anniversaries



Three employees recently celebrated their 10-year anniversaries with Memorex. On hand to congratulate them and present each with an engraved clock are *Dick Hale* (left), Area Manager for Computer Finishing, and *James Dobbie* (center), Vice President for Computer Media. The honored employees are, left to right, *Marilyn D. Balke*, Computer Tape Certifier, *William L. Hiegel*, Manager, Purchasing, and *Reginald S. Simpson*, Manager, Facilities Operations.

The following employees are celebrating their fifth anniversary with Memorex and will receive five-year awards in recognition of their contributions to the Company.

Morton Ashcraft	Arnold Levin
Elver Back, Jr.	Louise Lopez
Wendel Balc	Richard Lindner
Carrol Barber	Shirley Murray
Patrick Bell	Paul Nappe
James Berry	Henry Nasiatka
Anne Bidwell	Dennis Palmerston
George Bjork	Vicki Parks
Vernic Branshaw	James Pelkey
Gloria Consani	Gregory Plahn
Patrick Davis	Mihail Popovici
Cindy Deem	Kenneth Price
Ralph Delange	Robert Quiring
William Doell	Ronald Singleton
Cedric Elg	Ronald Skiles
Anthony Falbo	Freddi Smith
Robert Farrand	Donald Snider
Coleth Gordon	Stanley Stegemeyer
Keith Hanlon	R. Lynn Swidersky
Mark Hill	Vincent Tarpey
John Humphreys	Rita Veitch
Reed Johnson	Michael Veter
Dennis Kaufmann	William Yee
Stephen King	George White, Jr.
Stanley Kulinski	Regina Widgeon
	Gordon Worthington

Promotions

Rochelle Alhadeff to Document Coding Coordinator
John Battaglia to International FOB Manager
Alan Burgess to Supervisor—Maintenance
Ralph Casale to Branch Sales Manager—Massachusetts
Willard Curlet to Technical Instructor
George De Voe to Territory Supervisor—New Jersey
Geraldine Doucette to Finishing Material Handler
James Dulgar to Regional Sales Manager Consumer Products Division—North West
Ronald Engelhaupt to Maintenance Technician I
Daryl Ferreiro to Electronic Mechanical Maintenance Technician
Gail Francis to Group Leader
Michael Gatz to Zone Manager Consumer Products Division—Milwaukee, Wisconsin

Marvin Gleiser to Regional Sales Manager Consumer Products Division—East-Central
David Guercio to Product Marketing Administration
Dorothy Hatcher to Order Correspondent B
Dan Haupt to Maintenance Technician I
Melton Holden to Associate Programmer
Robert Hungerford to Document Coding Coordinator
Thomas Lindsey to Regional Sales Manager Consumer Products Division—Southwest
Francis Martinez to Export Traffic Coordinator
Leslie McClane to Engineering II—Quality Control
Shawn McWaide to Document Screening Coordinator
Wayne Millies to Manager Build Schedule
Thomas Mitchko to Regional Sales Manager Consumer Products Division—North East
Don Moore to Inventory Analyst
William Morones, Jr., to Fabrication Group Leader

Howard Moser to Buyer
Larry Nelson to Supervisor Reproduction and Mail Services
Phillip Ostrom to Sales Development Manager
Kathleen Perry to Senior Order Administrator
Jacob Pizzo to Supervisor—Materials & Schedules
Cynthia Pulliam to Document Screening Coordinator
Timothy Rutherford to Associate Field Support Representative—Virginia
Christina Sisco to Assistant Media Order Administrator
John Tani to Regional Sales Manager Consumer Products Division—Southeast
Linda Torres to Slitter Operator B
George Travers to Regional Sales Manager Consumer Products Division—West-Central
June Turturici to Document Screening Coordinator
Joyce Wallace to Product Tester
Charlene White to Accounting Specialist A
Manerva Williams to Document Coder/ Screener



About 360 Comdata employees enjoyed various sports activities, music and a Polynesian Luau at their annual MAG Picnic last month. This year's event was held at the Hale Crest Park in Costa Mesa, California. Here's a few scenes.



SOC IT TO 'EM—Henry Montgomery, Vice President, Finance (Left photo, center light jersey) and Adnan Kandah, Test Engineer (Right photo, far right foreground) make some key plays during the Santa Clara Industrial Soccer League Tournament playoff game. The tournament is sponsored by the Santa Clara Parks and Recreational Department and the San Jose Earthquake Professional Soccer Team. A newly-formed team beat Intel Corporation 7 to 3 the first game of the season held earlier this month.



Movin' On—James Dobbie, Vice President for the Computer Media Group, shakes the hand of truck driver Carl Childs minutes before the truck headed to Memorex's new Distribution Center in Philadelphia, one of three scheduled to open this year. The new warehouse will incorporate warehouse, spare parts and branch office operations under one roof. Pictured right is the task force which has been working on the project for more than seven months. Members left to right are: John West, Manager, Distribution & Traffic Services; Suresh Mehta, Director; Art Fonda, Director, Materials, Facilities, & Distribution; George Korienek, Information Systems Analyst; Joe Zingale, Director, Real Estate & Insurance; Wendel Balc, Director, Field Administration; John Gilleland, Manager, Distribution & Traffic Services—Media; Nikki Hershey, Field Inventory; Steve Dunn, Director—Corporate Facilities; and Ping Tom, Project Manager for Facilities Planning and Reporting.