

Management Seals Memorex Merchant Business Buyout From Unisys

DETROIT - Unisys Corp, last week completed the divestiture of the merchant portion of its Memorex subsidiary to a group of managers from its international operations for approximately \$550 million.

Unisys, as reported (EN, Nov. 10), is retaining manufacturing and engineering of high-capacity storage systems, which it intends to use as a captive source for IBM 3380-type DASDs.

The spun-off company, which retains the Memorex name and is being headquarter in London, England, would include sales and service for all IBM plug-compatible high-capacity storage devices; the Communications division, which supplies terminals, controllers and printers compatible with IBM 3270 and System/3X processors; and the computer media organization, which supplies flexible disks and tape cartridges.

Unisys, in turn, will supply the new Memorex with high-capacity storage systems, keeping all manufacturing and engineering of the high-end drives, as well as the entire R&D organization. It retains three former Memorex facilities: the Santa Clara campus, Memorex' current headquarters where the 3380-compatibles are made; a circuit board factory in Tuscon, Ariz.; and a plant in Winnipeg, Canada, which manufactures medium-capacity disk drives solely for Burroughs. All other plants go over to the new Memorex.

Leveraging out the plug-compatible business are a group of six executives from Memorex international operations headed by Giorgio Ronchi, former vice-president of Latin America and Southern Europe, along with New York investor Eli Jacobs.

Joining Mr. Ronchi, who is now chief executive of Memorex, as principals in the buyout are Jean Claude Zanolli, former manager of Memorex France; Richard Clarke, former director of legal operations, international; Bill Mazza, former vice-president of international operations support; Sergio Mazza, former area manager for Latin America; and Carlo Papini, former manager of Memorex Italy

Among the Memorex executives staying with the spun-off company are Jack Scott, vice-president of North American operations; William Etheridge, vice-president of sales and marketing, John Douglas, vice-president and general manager of the Communications group; Edward Blechschmidt, president of the Computer Supplies division; T Yamada, president of Memorex Japan Ltd.; and Michael Kitching, acting president of the International Operations group

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T. Gardner April 2006