

# MEMOREX

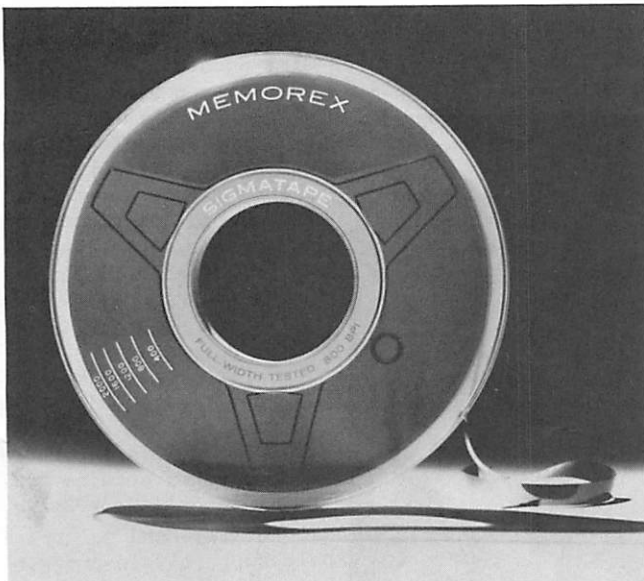
NEWSLETTER FOR EMPLOYEES

# INTERCOM

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## SIGMATAPE — Breakthrough in Computer Tape



The efforts of three and one half years of intensive research and development culminated early this month with the release of our newest and most dramatically advanced product, Sigmatape.

Heretofore, the limiting factor in the performance of computer tape transports has frequently been the tape itself; the new Sigmatape will enable the most advanced types of computer transports to achieve their design performance parameters.

Each of the many factors which ultimately influence the reliability of magnetic tape is significantly upgraded over previous standards. Durability is increased by a factor of three, headwear reduced by 80%, dynamic skew decreased by a two-to-one improvement in width tolerance, and operational cleanliness is better by between two-to-one and twenty-to-one compared with other computer tapes.

The result, as proved during an extensive program of comparative testing, is that Memorex tapes are more consistently error-free, as received, than any other computer tape.

## 14 Regional Sales Engineers Meet



Memorex sales engineers ----- and their wives met here from all parts of the United States last month to familiarize themselves with the new Memorex Sigmatape. Conducted by Ed Seaman, vice-president in charge of sales, the sessions briefed the group on product development, specifications, and performance data. They also discussed pricing and promotion strategy, the current competitive situation, government sales and international operations. The meeting, which lasted an entire week, ended Friday with a tour of the Memorex plant for the wives.



## PROFIT SHARING, FIRST SIX MONTHS - \$113,000

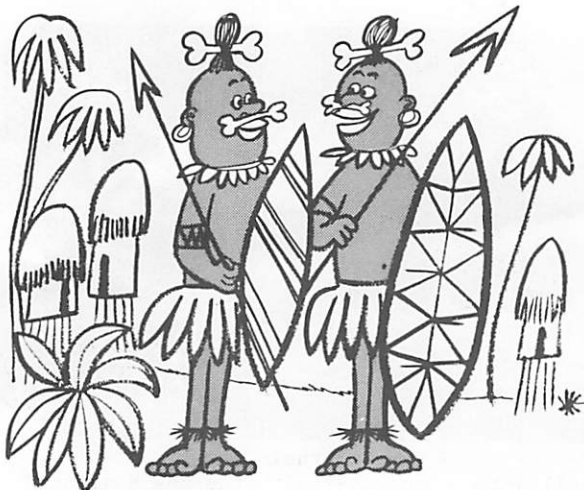
On July 30, Memorex announced its profits for the first six months of 1965. Net Income was \$527,000 and Earnings were 53 cents per share. Possibly of more interest to most of us were profits before taxes and profit sharing, which were \$1,132,000. Of this amount, 10% or \$113,000 will be contributed to our Profit Sharing Plan at the end of the year.

This is a significant start for our Profit Sharing Plan. However, several facts should keep us from becoming too complacent about this start. First, our profits for the last three months were slightly less than for the first three months of the year. In the first three months, sales were \$2,788,000 and profits before taxes and profit sharing were \$574,000 (profit sharing allowance \$57,000). In the second three months sales were \$3,028,000 and profits before taxes and profit sharing were \$558,000 (profit sharing allowance \$56,000). Thus, while sales went up in the second quarter, profits dropped slightly.

Part of this drop in profits was due to spending which should result in greater sales later this year and next year. Another part of the drop might well have been prevented by us. As Memorex grows larger, we may become a little less cost conscious. Getting a job done at the lowest cost possible may seem slightly less critical, and an extra few minutes at coffee break, nicer working conditions or working with a larger staff may seem more important than it actually is.

We all want Memorex to be a first class company; and the heart of a first class company is its profits and its people who extract the maximum profits possible from each sales dollar.

In the months ahead, each one of us should be a little more aware of what is really important to Memorex and to us---Profits. Ten per cent of these profits will be ours, and the balance will help to build a greater company; one with better and more secure jobs for us. Each of us can help to increase these profits and our share in them by accomplishing each task assigned to us at the lowest possible cost.



Since the tribe adopted profit sharing, everybody's gotten a head.

## United Fund - Your Chance to do a Small Part

The Santa Clara County United Fund Drive will soon get underway here at Memorex.

Paralleling the ever-increasing population in Santa Clara County is the demand for services performed by agencies affiliated with the United Fund.

With this in mind, volunteer UF leaders have set the '65 goal at \$2,046,116, an increase of 8% over the '64 goal.

Varying degrees of social, financial or natural crises often create temporary or more lasting needs that may be out of reach for you and your family. Born out of these individual necessities and popular concern, the various communities in this county have provided voluntary agencies to help out in emergency situations with specific services.

Disaster relief, social rehabilitation, adoption centers and community services are but a few of the pressing needs your United Fund dollars support. At the same time, many of our youngsters are enjoying character building youth programs administered by United Fund agencies such as Girl Scouts, Boy Scouts, Camp Fire Girls, and YMCA.

Another agency supported by the United Fund is the Children's Home Society. This agency takes homeless infants within three days after birth and places them in temporary homes until they find suitable parents for the young ones.

Pictured at left, Mr. & Mrs. Harry Heggie who are caring for a homeless baby until he is adopted. The Heggies have taken care of over 300 infants in their many years of service to the Children's Home Society.

United Fund dollars help support this project and many other equally worthwhile community services.



## Construction Commences



### WHERE IS MY PARKING SPACE?

Construction began last Monday on our new appendage. The three-story Building is scheduled to be in use by this time next year. It will be 120' wide and approximately 350' long.