



# INTERCOM

NEWSLETTER FOR MEMOREX EMPLOYEES

VOLUME 5, NUMBER 5

MAY, 1968

## Savings Bonds Payroll Deduction Program Offered

The week of May 20 marks the first time in our company's history that the United States Savings Bonds Payroll Deductions Plan will be offered at Memorex.

Savings Bonds offer a number of advantages—both to those who buy bonds and to our government.

The Payroll Savings Plan is an effective way to save for the future. It's an easy, systematic type of thrift which allows you to build your savings into substantial reserves, automatically and almost painlessly. These reserves will guarantee your family more security and can be a foundation for personal financial planning.

Buying bonds is also a way of reaffirming your faith in our country. When you purchase bonds you become a shareholder in America's future.

Henry Fowler, United States Secretary of Treasury says the Savings Bonds program is a key element in the sound management of the public debt. He explains it is essential that we help spread the national debt more widely into the hands of individuals through a safe and proven form of public financing, if we are to combat rising costs and inflationary pressures.

Series E and H Bonds offer an important tax advantage. Interest they earn is exempt from state and local income taxes. Payment of federal income tax on bond interest may be deferred until the bonds are redeemed. Economy and safety is another reason for buying bonds. There is no charge to buy or redeem U.S. Savings Bonds. E and H Bonds are registered in the owner's name and are replaceable at no charge if they are lost, stolen, or destroyed. They may be issued in the owner's name, or with a co-owner, or in the name of a beneficiary.

Still another feature is the ready cash they offer. You can redeem E Bonds for their purchase price plus ac-

cumulated interest any time after two months from the date of issue and Savings Bonds are not affected by fluctuations of the market.

An important bonus is also available to those who buy Series E Bonds—they become eligible to purchase a new type of U.S. Savings Note, called a Freedom Share.

Freedom Shares can only be bought in conjunction with Series E Bonds. The new notes pay 4.74% interest when held to maturity (4½ years) and they can be redeemed after one year. The chart on page five tells you more about how you can buy Freedom Shares.

Canvassers will contact each employee at the Santa Clara Tape and Disc Pack plants. Payroll deductions will also be made available to employees at our subsidiaries and sales offices in the U.S.

Contact the INTERCOM Editor for further information.



AMERICA NEEDS  
YOUR HELP

### Memorial Day Holiday

Coincident with the present announcement of an official change in work week, Jack Shanahan, director of Industrial Relations, announces that most Memorex employees will receive a four-day Memorial Day weekend.

As Saturday is now the first day of the Memorex official work week, we will be able to work Saturday, May 25, as a straight time day in trade for having Friday, May 31, as a day off.



## PROFIT SHARING POINTERS

By JOHN MORSE



### PROFIT IMPROVEMENT AND PROFIT SHARING

For the three months ended March 31, Memorex reported record sales of \$11,106,000 and profits of \$793,000.

The amount set aside during the First Quarter for the 1968 Profit Sharing Contribution was \$166,000, an 8% increase over last year's First Quarter profit sharing figure of \$154,000.

Although profit sharing showed a year to year increase, both net profit and profit sharing were substantially below target for the First Quarter.

We are now embarked on a program to curtail operating expenses consistent with the objectives to increase our profits and to continue to develop our business. All profit sharers are involved in this program to improve profits—and many have already made suggestions and implemented ideas which have substantially increased profits. (One profit sharer even suggested dispensing with the Profit Sharing Giants' Baseball Schedule cards as an unnecessary expense!) We will report on other of these profit sharing improvement ideas in later Intercom articles.

Some employees have questioned what they can do, individually, to improve profits and profit sharing. Let's examine the effect of a small increase in individual effort upon our operating results.

Last quarter, the cost of sales and operating and research and development expenses was \$9,393,000. If all profit sharers had, by a small increase in cost savings effort, reduced our costs by only 1%, Memorex's pre-tax profits would have increased by \$93,930; and the quarterly profit sharing contribution would have been 5½% greater.

A small increase in individual effort can mean a substantial increase in profit sharing. What is your profit sharing idea for May?

## Award Presented At S.F. Luncheon

Memorex was officially presented with President Johnson's "E Award" for success in promoting sales of U.S. products in international markets, at a luncheon in San Francisco's Fairmont Hotel Tuesday, May 21.

San Francisco Mayor Joseph Alioto was keynote speaker at the event, which was sponsored by the World Trade Association, in honor of the 41st annual Golden Gate World Trade and Travel Week.

Deputy Director Lawrence Fox, Bureau of International Commerce, in Washington, presented the award to a delegation from Memorex. Mr. Fox was representing President Johnson and Secretary of Commerce C. R. Smith.

The group from Memorex included President Laurence Spitters, International Vice President Gene Rogers, Peripheral Systems Vice President Jim Guzy, International Marketing Manager Phil Davis and Advertising/Promotion Manager Jerry Kelly.

### DID YOU KNOW?

Major Medical Insurance pays for 80% of the cost for prescribed medications, after your individual medical costs have reached \$100 per year. (Max. \$300 per family per year.)

## MEMOREX EMPLOYEES ON THE MOVE

By JUDY BONINO

Paul Hodge, who came to Memorex in early 1967, has a new job title. He moves from manager, to director of Information Services. Paul is responsible for developing and implementing the company management information system. He reports to Finance Vice President Gordon Pilcher.

In Contract Administration, Don Anderson, previously a Sr. Customer and Sales Specialist, was promoted to Contract Administrator. Don reports to Ward Nolan, who continues as Contract Administration supervisor. Gerry Colligan, also a Sr. Customer and Sales Specialist, was moved up to supervisor, Marketing Office Services. A third promotion went to Joe DeCristofaro, who moves from contract administrator to supervisor, Sales Service.

In the Sales area of Marketing there have also been a few promotions. Jim Armstrong and Gerry Heitel, both Sales Engineers, have been promoted to District Sales Managers.

Dick Truitt, previously a Sr. Pro-

grammer in Information Services, is the new Manager of Programming in the same department.

Paul Chavez was promoted from a job in Production to a Technician's job with Quality Control.

Electronic Fabrication has a new Technician in the person of Al Miyatake. Al was in the Maintenance Department before his move.

Ella Fite has been promoted to Finishing Operator, Computer Production. She was previously with Contamination Control as a Light Duty Cleaner.

The Disc Pack Launch Project has two new Associate Engineers, Ron Higgins and Ron Laws. Both gentlemen were formerly in with Drafting Department.

Production Department has had two other promotions. Robert Lee is now a Technician in Maintenance, and Juan Chacon is a Mix Operator.

The Production Department also has a new Foreman in the person of Russ

Rousseau. Russ worked in the Maintenance area before his promotion.

David Jensen was made Foreman in the Maintenance Department. He was promoted from a Technician's job.

The Quality Control Department has had two promotions in its area. One was Jack Monahan who was elevated to Recording Specialist. The other was Keith Reynolds who was promoted to Applications Engineer, in Marketing.

Roy Hurtig has moved from the Advanced Projects group in Engineering, to Mechanical Engineering. He will be a project leader, reporting to Dusty Rhodes.

Bill Jacobs and Larry Olsen have also been promoted to Engineering Project Leader, in Mechanical Engineering. Dusty, the department manager, says the new job of project leader will satisfy the need for small group leadership to coordinate and integrate the output of a number of project engineers, designers and draftsmen.



## TWO BUSY DAYS

The Memorex Stockholder's Meeting and the company Open House on Friday and Saturday, April 26 and 27, caused lots of feverish activity for those involved, but both came off very well.

Nearly 400 people turned out Friday for the Stockholder's Meeting, to see product displays, reelect Board of Directors members, hear a report on the company, and tour Santa Clara facilities.

Saturday about 3,000 employees and their guests were welcomed to our third Memorex Open House. Visitors toured the new Santa Clara Disc Pack Building and the tape plant.

Thanks to the tremendous cooperation of all who were asked to help, both days went smoothly. John Morse, Financial Public Relations, and Gary Williams, Industrial Relations, expressed their gratitude for the assistance they received.



Open House Photos by Bob Mendonca

## NEW HIRES, JOB CHANGES

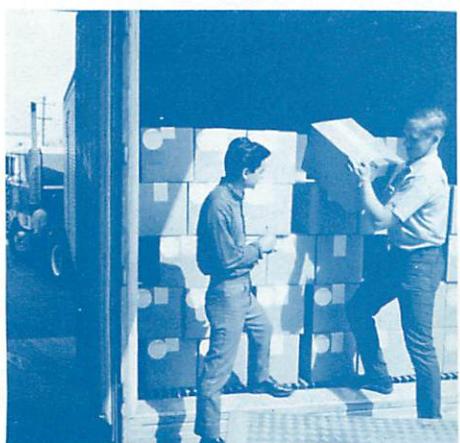
Andre Marion was hired in April as a manufacturing process engineer in the Mechanical Engineering Department. However, just this month Andre has been assigned to the Advanced Projects group in Engineering, reporting to Bernie Benz. Bernie is now in charge of a team handling the European plant equipment buildup program.

Bob Wallin, Slitting and Surface Treating supervisor, announces that Harold Hearn has been hired as Production Foreman in Slitting and Surface Treating.

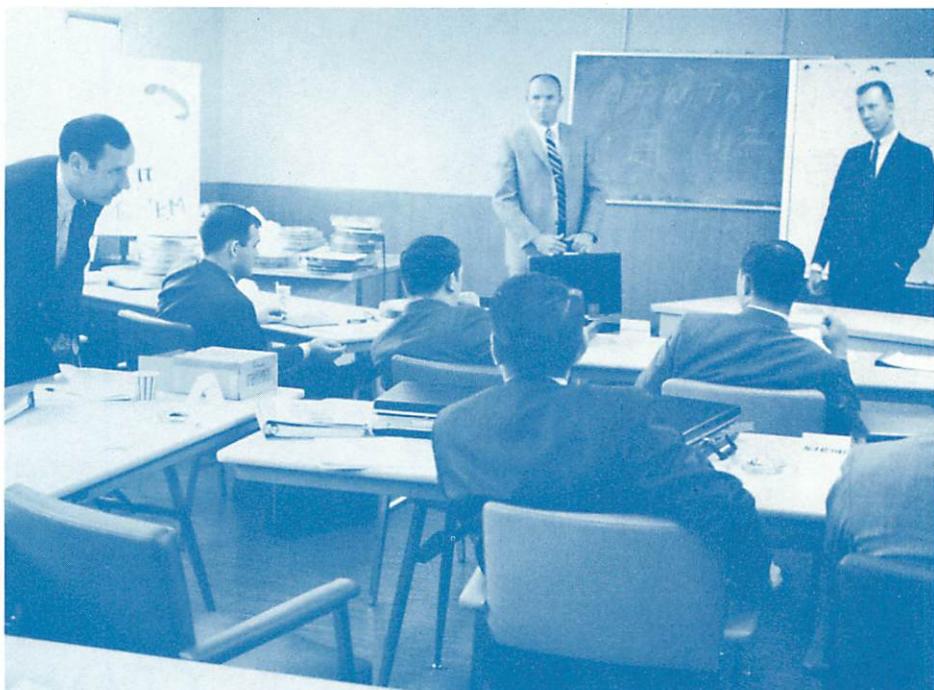
A number of new Sales Engineers have joined our rapidly expanding sales force in recent months. Included are the following men and their regional sales areas:

Fred Koehler, Northeast; Bill Koenig, Central Atlantic; Don Giauque, Northwest; Bob Williams, Northeast; Sanford Duncan, Northeast; Bob Mallins, Southeast; Jim Ringwood, Jr., Northeast; Jack Baker, Northwest; Bob Hazlett, South Central; Bernard Reeder, Northeast; Bob Sidell, South Central; Bill Meissner, Central Atlantic; and Ron Carboy, Northeast.

Bill Butler, director of Product Management, says that organization of the Product Management group has been completed. Bill Borman has taken over the duties of product manager/Disc Pack. Bob Funk is now responsible for Instrumentation, in addition to Video. Bob Erdman will continue to be responsible for Computer Products.



A RARE SIGHT—Roland Gallegos, left, and Frank Buller add the last of 35,000 pounds of tapes bound for Maryland by truck. This April shipment was only the fifth Memorex has ever shipped out of state by truck. We use air freight almost exclusively.



SALES TRAINING CLASS—Ron Carboy, left, stands to comment on a sales simulation presentation Dave Whitney, standing center, has just given to Ray Cook, standing right. Thirteen sales trainees recently attended the two week class in Santa Clara, which is coordinated by Carl Jordan. The program concentrated on how to sell Disc Packs.

## Savings Vital To You And Your Country

It's natural to think of your savings and your investments in terms of what they mean to you and your personal welfare. They are very important to your own future and also to the nation's economic growth.

They are a source of the capital for the plants and tools necessary to our expanding economy in the Bay Area, California and the nation. They provide the jobs we have or aspire to. They make possible the High Standard of living we enjoy — 190 million of us living here in the United States. They are the vitality of our free government.

Your savings and mine, combined with invested business profits, have a big job to do in the years ahead. They must provide a million or more new jobs annually — each job requires an average of \$19,000 in new capital investment. They must provide \$50 billion a year to maintain plants and machines to sustain these jobs.

These are only two sources of investment money. Your savings is one. The retained earnings of corporations after taxes—that is, profits—is the other.

Perhaps you haven't thought of yourself as an investor in America, but you and your family are if you have a savings account or own stocks, have insurance, own your own business, are buying a home or have an interest in a

pension fund. You are also an important investor if you buy U. S. Savings Bonds.

The combined capital these represent is the lifeblood of our economy. Your savings, thus wisely invested, bring you a return and thus are vital to your own as well as to the nation's economic future.

Money at work means men at work. It also means a strong, growing nation which provides you with the opportunity to work, to save, to invest and thus to benefit personally as our country continues to grow and prosper.

## INTERCOM

NEWSLETTER FOR MEMOREX EMPLOYEES

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## Health Insurance Claims Explained

Reoccurring Medical Care Insurance problems have caused delays in benefit returns to company employees, according to Personnel Clerk Pat Phillips. She says the problems generally have developed for the following reasons:

1. The Physician's delay in filling out the claim form and forwarding it to the Santa Clara Foundation for Medical Care, of which Memorex is a member.

2. Incomplete employee information on the claim form.

3. Complications due to duplicate coverage by employers of both the husband and wife.

4. A misunderstanding by the employee of policy coverage and benefits.

Anyone having difficulty with benefit returns or wanting an explanation of the Medical Care Insurance program, should call the Personnel Office, Ext. 209.



**WHO ME?** — Personnel Assistant John Robbins began an unexpected two year leave of absence this month. "My draft board socked it to me," explains John.

## EMPLOYMENT OPENINGS

The Employment Department in Santa Clara is looking for qualified men and women production workers for our tape and disc production areas.

If you know any person who is 18 years or older who is looking for a permanent full time position and is available to work swing or grave shift, please have that person come into the Personnel lobby between 8 a.m. and 4:30 p.m., Monday thru Friday, to complete an application for employment. We are an equal opportunity employer.

## Facts About Freedom Shares

Freedom Shares are a new kind of Treasury note, offered only as a valuable bonus to regular buyers of Series E Savings Bonds on either payroll deduction savings plans or on the Bond-A-Month Plan at banks.

The new notes mature in 4½ years as opposed to 7 years for Series E Bonds, and bear interest at the rate of 4.74%, compounded semi-annually when held to maturity. They may not be redeemed until held for one full year.

They are offered on a limited basis: i.e. one Freedom Share may be purchased for each Series E Bond purchased with a limit of \$1,350 (face value) each calendar year.

Freedom Shares may be bought in four denominations, comparing roughly with the four lowest denominations of Series E Bonds. These values and comparative figures are given below.

	Series E Bond	Freedom Share	Combination
Cost	\$ 18.75	\$ 20.25	\$ 39.00
*Maturity	25.00	25.00	50.00
Cost	37.50	40.50	78.00
*Maturity	50.00	50.00	100.00
Cost	56.25	60.75	117.00
*Maturity	75.00	75.00	150.00
Cost	75.00	81.00	156.00
*Maturity	100.00	100.00	200.00

\*4½ years for Freedom Shares — 7 years for Series E Savings Bonds.

As an example, the \$39 purchase price of the basic package can be broken down into the following payroll deductions, (other combinations can be broken down in a similar fashion.)

There is one limit — deductions cannot be accepted for less than 75¢ per week.

\$3.90 per payday for 10 paydays  
6.50 per payday for 6 paydays  
9.75 per payday for 4 paydays  
13.00 per payday for 3 paydays  
19.50 per payday for 2 paydays

Employees have the option of buying Series E Bonds alone or the Savings Bond-Freedom Share combination.

## PRODUCT ADVERTISING PLAN HELPS ESTABLISH COMPANY'S LEADERSHIP

(EDITOR'S NOTE: This is the first of a series explaining the 1968 advertising and promotion concepts and programs for Memorex. Part two will cover the International market.)

Memorex computer products advertising last year (The "Two Great" concept) helped place our company on a level with IBM as one of the two leading suppliers of quality computer tape.

With the advent of disc packs at Memorex, it became a natural evolution to feature Memorex alongside IBM as the world's leading producers of the two major computer supplies—tapes and disc packs. A new series of four-color ads ("Greatness Is Often Binary") is featured in four major computer magazines.

A more aggressive, "hard-sell," campaign has been prepared in conjunction with the above program for the

promotion of our disc packs. The advantages of our packs, truly demonstrable, are featured in a separate campaign.

The error-free Memorex disc packs should give us a definite sales advantage once the concept becomes accepted in the data processing field.

A series of disc pack ads will be complemented with a consistent direct mail program to selected lists which, when combined, number 22,000 names. Additional brochures are being prepared and disc packs will be featured at the Data Processing Managers Association Conference in Washington, D. C.

Memorex has established a name for producing the highest quality products. Advertising and promotion helps reconfirm the quality image in the fast-growing computer industry.

## MEMOREX INTERCOM

Memorex Corporation  
Santa Clara, Calif. 95050

RETURN REQUESTED

### DisComSubs

The new employees activities group in Southern California may be called SubDisCom, DisCoState, or SCAG—but it won't be called MAG.

Group members at all three subsidiaries voted this month on the latter three names; however, results were not available at press time. The group will be affiliated with MAG, through it will have its own name and its own funds.

Jim Boothe, from Disc Pack, reports that the membership drive, which started in late March, has nearly reached its goal of 100% employee participation at Comdata, Disc Pack and Substrate.

Jim also reports that the bus trip to the June 1 Giants-Dodgers game is sold out, and the Southern California Discount Buying Program is shaping up very well.



**NORTH, SOUTH MEET**—L. A. activities group President Del Deffenbaugh (read from left), MAG President Jeri Johnson, Jim Boothe and Bill Ramsey meet to help set up the new group in L. A.

### MEN'S SOFTBALL

The men's fast and slow-pitch softball teams are undefeated in Santa Clara league play.

Rosey Jones, Kit Weaver, John Morrison, John Woodmansee, and a number of others have led the fast-pitch team to victories over Camper Haven, Hank's Pharmacy and Galloway.

The slow-pitch squad has won all three of its games, the last by a 14-2 margin over S.A.E. Leading batters include Bob Mathews, Len Mozingo, Jim Banks and John Raczynski.

### MAG REMINDERS

The MAG Board of Directors has chosen Frontier Village as the site of the 1968 summer picnic for Santa Clara area MAG members.

The Board also reminds Santa Clara employees that they have until May 31 to make nominations for the positions of four directors whose terms of office expire in June. Nomination forms are available in the cafeteria.

Elections will begin next month to fill the positions of Jeri (Johnson) Deckard, Manufacturing; Hazel Hinman, Manufacturing; Sue Sheely, General, Administrative and Finance; and Jerry Colligan, Marketing.

### L. A. ACTIVITIES GROUP

If the Southern California activities group has door prizes at its Christmas Party, it'll probably be because of the DisComSubs.

DisComSubs is a group of ladies from the three subsidiaries who have formed a bowling league for recreation and to earn money for prizes.

Mmes. Del Deffenbaugh, Robert Reif, Rodolfo Mata, Gerald Smith, and a number of other ladies organized the league on their own, without activities group funds. Each bowler donates an extra 50 cents a week, which goes into a fund that will be used to buy the door prizes. The ladies are also considering holding a fashion show to raise additional money.

### DIVOTEERS TOURNIES

**GOLFERS**—The Divoteers welcome men and women employees who would like to play in their next tournament Saturday, June 15, at Pasatiempo Golf Course, near Santa Cruz. Starting time is 8:30 a.m.

Results were not available from the last tourney at Fairway Glen, May 18, but Howard Earhart shot a net 67 in winning the first flight at Oakridge Golf Course, April 20. Second at Oakridge was Mits Okamoto, with a net 68. Low gross went to Kit Weaver and Bob Bailey, with 83's.

Low gross and low net honors in the second flight went to Russ Rousseau, who shot a net 63, gross 87. Dean Smoot and Dom Ventimiglia tied for second with net 64's.



**SPRING FLING SWINGS**—As promised on all the posters the MAG Spring Fling was a great success. In the foreground, Phil Castrogiovanni and his wife Ann dance to the music of Walt Tolleson. The event was held at the Cabana Hotel in Palo Alto, Saturday, May 11.

### MAGNETICS BOWLING

John Morrison, president of the Memorex Magnetics Bowling League, and Vice President Jim Keenan handed out trophies to top bowlers at an awards banquet, May 3.

Seven-Ups team members were honored for finishing the season at the top of league standings. Team members are Aurora Alba, Bonnie Anthony, Glen Heavside, Don Best and King Anderson.

Second in the standings, a game behind Seven-Ups, was The Losers, who are Hope Maycumber, Betty Potts, Jim Keenan, Wayne Saylor and Ray Kordes.

Individual trophy winners were Willard Pearson (628) and Ann Bassford (565), High Scratch Series; Bob Faltnyski (256) and Marge Allen (208), High Scratch Game; Ron Peck (699) and Marlyn Milliren (603), High Scratch Series; Fred Siau (266) and Gwen Hefner (237), High Handicap Game; Gary Suechting and Colette Stewart, Most Improved Bowlers.