

F.C.

I N T E R O F F I C E M E M O R A N D U M
C O R M T S A L L - I N - 1 S Y S T E M

Date: 17-May-1989 09:13am EDT
From: Ken Olsen
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Dept: Administration
Tel No: 223-2301

TO: See Below

Subject: USE OF COMPUTERS IN OUR OFFICES

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When Marty joined the Company, he was surprised and disappointed to find out how little we use computers in our offices. Forms have to be filled out with a pen or pencil and all of the red tape is done manually. This is one of the reasons why it takes so many overhead people to run our operations.

I believe this probably should go under Strategic Resources or Finance, but I have asked Marty to make believe that it is part of Legal and to set about to automate all of our forms and all of our office functions that are dumb and a pain in the neck.

I think it is safe to assume that everyone has access to a terminal, P.C., or a workstation where they can fill out forms using a keyboard and that the computer will take care of all of the standard information that has to be repeated for every form.

KO:3018
(DICTATED 5/17/89 BUT NOT READ)

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TO: Jim Osterhoff (OSTERHOFF.JIM)
TO: Martin Hoffmann @CORE (HOFFMANN.MARTIN)

CC: Win Hindle (HINDLE.WIN)
CC: Jack Smith (SMITH.JACK)
CC: Jack Shields (SHIELDS.JACK)
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be mailed out in the same way. Cost is irrelevant. The only cost to worry about is the trouble people have in getting prices, making up bids and taking orders.

With lap top computers at the customer site, at home or at their office, sales people should have access to the master price file so that they can quickly and accurately make up orders.

II. ON-LINE

From the sales persons point of view, for the last two years, On-Line has degenerated. It used to be the source of good, technical information, delivery information and pricing. Now it has become salesy and relatively useless and the prices and the data are not accurate. I want Jack Smith to take over On-Line and have it be the current, accurate source of technical information for every sales person.

If the newspapers can print an edition each day, we can produce an On-Line each week that covers all of the technical information that people want and it can be accurate. Jack should set up a staff to accomplish this and it should start immediately.

III. ORDER INFORMATION

Right now, sales people spend a great amount of effort trying to find out the status of an order. If they are not old timers who know someone in every manufacturing site who can trace down all the components for an order, the customer ends up with no useful information as a result of his inquiry.

We should immediately develop a database that shows the status of all orders. The sales person should be able to interrogate this database and get answers. If information is needed by word of mouth, there should be someone in Manufacturing with the responsibility to answer these questions immediately without delay and with accuracy.

This database should automatically tell the sales person and the customer when there is a delay in delivery, and it should not be up to the sales person to look for the information.

Apparently, the attitude of Manufacturing is not to serve the sales person and the customer. This has to change.

IV. DECISION MAKING, DISCOUNTS, AND ALLOWANCES

There is enormous red tape and rules in making decisions. Almost no responsibility is left with the Unit Manager and

it is all passed up in a complicated set of decision making algorithms. The Unit Manager should be given a lot of freedom to make decisions. Decisions should be made as part of an overall plan and strategy, and the Unit Manager should be held responsible for the results. When there are decisions that should be passed above, they should be sent to the product people who are involved, and they should be committed to give instant answers.

If instant answers are not readily available, there should be a place in Engineering that will give them.

V. SUMMER SCHOOL

There is a fear that our Summer School is going to be a rah-rah, jazzy, marketing event. The group I talked with wants hard technical data and prices. They would be willing to spend two and a half days getting all the technical information they can, and the last thing they want is rah-rah, jazz. They are be willing to stay up all night if the technical content is good. They don't want to be told how to sell, they don't want to hear about the inspiration of space projects, or war stories. They just want facts on the products.

VI. DEMOS

We have been so economical with the helps we give the sales people, probably because we have to pay for all of the overhead and sales programs. They not only cannot get printers so that they can do their work, but they cannot get their hands on a workstation to play with so that they can tell the customer about windows. The product people should strive to have products at every office so that sales people can have a chance to learn them.

At each office, we should also have a kit for making up ThinWire cables and hooking up networks so that sales people can wire up an office-type network, right there, by cutting the cable and putting connections on it so that they have a feel for just how easy it is to use.

VII. AUTOMATION

The sales people want printers, but they need much more than that. They should all have a lap top computer and databases that they can access to get information. They all should have a cellular telephone.

Each Unit Manager should include these things in his budget if he can justify the returns. I'd also give them a small hand held dictating machine so they can make notes after the sales call, and then there should be secretaries to type the notes.

Orders should be printed and entered automatically by the sales people themselves. The system should be so automated that they do not need a secretary. However, they should have a secretary for letters, notes, and memos.

VII. SOFTWARE UPDATES

There is a lot of unhappiness with our software update system. It does not happen automatically, they have to argue in order to get software for customers who have bought the services, but do not get the software updates.

We should have the software updates run and managed by the software product people.

VIII. RESPONSES TO FAILURES

Today, if there is a failure that the customer and the sales person would like to be fixed right away, there is a sequence of approvals necessary, that seems to take forever. That frustrates the customer and the sales people to no end.

If something should be fixed, the sales person should have the authority to have it fixed instantly, even if it means replacing the equipment. We can argue about it afterwards. If there is any question, it should go to the product people to make the decision, not the hierarchy in the Sales Department.

The goal should be happy customers. If the unit fails, fix it regardless of what it takes to get it fixed.

IX. DECATHLON

I hear complaints that the DECathlon is too big an investment and that it takes too much time and energy.

I think there is a feeling that DECathlon should include more people because more people are involved in any sales success, but it should be a lot less expensive in time, money, and energy.

I propose that we change the rules for 1990 and say that DECathlon will be given to every sales office that grows 20 percent a year. We will give it to the whole office and it will be something in which everyone takes part in.

I think all of these things are the responsibility of Jack Smith and his operation. He should organize to do this immediately if we are going to succeed and increase sales. He should make sure

that there is someone assigned who will budget, schedule, and get all of this done quickly and then be held responsible to make sure it gets better and better and the efficiency of the field is 100%.

KO:3020
(DICTATED 5/17/89 BUT NOT READ)

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