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I N T E R O F F I C E M E M O R A N D U M

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Date: 07-Aug-1992 04:24pm EDT
From: BOB PALMER
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Dept: Manufacturing & Logistics
Tel No: 223-6600

TO: See Below

Subject: RE: RESPONSIBILITY FOR MODULAR COMPUTING/FLEXIBLE MANUFACTURING

Ken, I appreciate your cooperative nature during this period of transition and I have listened carefully to your messages, both verbal and written. It has been, and remains, my intention to support modular computing and flexible manufacturing. I have stated on numerous occasions in public forums that the modular computing vision that you have championed is exactly the way we should go, in order to reduce the plethora of unique, frequently redundant, hardware solutions we have introduced in recent years.

The process that was run with respect to the Tower products was open and took into account all inputs, including Barry Goldstein's. The decision as to the appropriate CPU module for the Alpha version was unanimous. The question of other products (e.g., VAX, Intel, Mips) in the Tower enclosures remains open. I am concerned by your comment that you believe the data that was presented was false. I have confidence in the process and the integrity of the presentors. While it is possible that some error was made, I am assured that this was not the case in this instance. I, therefore, elected not to reconsider the decision. I am always happy to reconsider a decision if new data is available; but we do not have the time to make and remake decisions simply because not everyone is satisfied or disagrees with them. As a matter of fact, I believe that you have stated this exact position in several of your memos over the years.

It is possible that you and I have a difference of opinion concerning the appropriate time to announce and introduce new products. My experience has persuaded me that we should not announce products until we have thoroughly characterized the hardware and software we propose to introduce. We should always have a complete Business Plan, including product migration, pricing, manufacturing details, etc. I have asked Barry Goldstein to prepare such a plan for his Tower products for consideration by the Product Strategy Committee and I am eagerly awaiting his plan for our review. I can assure you that the process for this review will be open, will have integrity and that Barry will get every opportunity to express his opinions and recommendations to the Management Team. I am optimistic that we will

have a successful introduction of our Tower products if we stick with this process. I have been wanting to discuss this with you personally and look forward to doing so when your calendar permits.

One final note, you have expressed to me, both verbally and in writing, that you are concerned about the careers of several of our Change Agents who were supporting a new way of looking at things and implementing them with your direction. I have assured you, and I am doing so again, that I will not tolerate an environment of personal vendetta and persecution. What we are seeking is an environment where teamwork, mutual respect and open debate of different points of view will be the norm. Decisions will be made in this environment on the basis of the data and the merits of the proposals and not on the personalities of the individuals involved.

Regards,

Bob Palmer

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