



The spirit of

"I will honor Christmas in my heart, and try to keep it all the year."
... EBENEZER SCROOGE IN A Christmas Carol BY CHARLES DICKENS

☐ Did you ever notice how busy people are the ones who most often can find the time to serve a worthy cause? How do they do it?, we may wonder. Surely they don't have more hours in a day than anyone else.

With such thoughts in mind, it seemed to the staff of MEASURE that Christmas would be an appropriate time to delve into some of the year-round charitable activities of Hewlett-Packard employees. One thing soon became apparent: a great number of HP people in all divisions give generously of their talents, time, and money for the benefit of others.

Characteristically though, as a group they are not particularly anxious to publicize their good deeds. Ask them why this is so and you get answers like: "I do so little and feel I should do so much more," or "Other people wouldn't be interested in these things."

☐ Johanne Arnold (shown on the cover and above) is a case in point. A little dismayed at being asked about her activities as a Red Cross Volunteer Nurse's Aide, she did admit that friends often say to her: "How can you stand to spend all that time after work with sick people?" Miss Arnold doubles at the Boonton Division plant in Rockaway, N.J., as a packer for the Eastern Service Center and as a first aid specialist and assistant to the company physician.

But as busy as her days are, she still looks forward to spending four hours a night a couple of times a week at Riverside Hospital in Boonton. "I forget that I'm tired after work when I go to the hospital and begin my duties there," she says. "I like people and I like to take care of people. I have made many friends this way."

She receives no pay for her work at Riverside and buys her own uniforms. Since completing a 6-month Red Cross training program at another hospital in 1954, she estimates she has served well over 10,000 hours as a Nurse's Aide "doing just about everything that a registered nurse can do except giving shots."

☐ The other people shown on the following three pages devote their energies in other ways, to serve other needs. They are a small group representing a large body of HP employees. Why do they spend so much time helping others? Perhaps the Yewell Division's Winifred Lavery summed it up for all of them when she said: "I've been fortunate in my life. These are things that have to be done for someone."

Maybe this is what Christmas is all about.

□ Working through the AMVETS, Ruth Arone of the Sanborn Division devotes many hours to preparing gift packages for retarded children, handicapped adults, and hospitalized veterans. The same fine dexterity she brings to her job as a wirer at the Waltham, Mass., plant is applied to her knitting, crocheting, and sewing for these people. She also collects clothing, toys, and games and makes frequent visits to patients in hospitals. At least once a year she knits an afghan for some good cause. Even though she is a fast knitter, this can take a good portion of her evening hours for as much as a month. The yarn alone may cost her \$25. In spite of all her activities, Mrs. Arone has still found time to be a good homemaker to her husband and two daughters, the older of whom is a registered nurse.



rictmas is giving



"There has been tremendous progress in help for retarded children," says Brent Helland of the Neely Division in Denver. Brent is intimately acquainted with the subject since he is an active member of the Denver Association of Retarded Children and is himself the father of a retarded child. As membership director for the Association, he often spends as many as 16 hours a week programming drives, arranging publicity, handling mailings, and distributing leaflets. He is shown visiting a family to present a new membership card. Helland, a service technician, lives in Denver with his wife Marcia and their two small children. He says that the Association gave them guidance when they first came to Denver five years ago—"Now I have the chance to help others with the same problem."

"It isn't really work," says Pauline Howatt when she talks about her volunteer activities at Queen Elizabeth Hospital in Montreal. For the past two years she has spent two hours every Tuesday evening at the hospital where she serves refreshments to patients, helps arrange and tend the many bouquets that have arrived during the day, and just generally uses her charm and pleasant appearance to make a patient's stay a little more agreeable. Says Pauline: "It's nice to think that for two hours at least, you can help others and not think about yourself." A secretary at HP's Canadian sales headquarters office, she and a girl friend decided to start the volunteer work because they "wanted to do something." Now she looks forward to Tuesday night—and so do the patients.



The spirit of Christmas is giving



Giving time to people in need provides "the greatest satisfaction" to Ursula Bothner, who for the past seven years has volunteered her services to the Red Cross in the Boeblingen, Germany, area. Early on Sunday mornings she makes her way to a large hospital where she puts in a full day making beds, feeding and washing as many as 35 newborn babies, and "showing them off" to their proud fathers and grand-parents. In case things quiet down in the maternity ward, Ursula helps out at the blood bank by handling registrations and performing donor observation duties. On other days she assists the home-nurses by making cheer-up visits to patients and preparing meals for them when necessary. She has been with Hewlett-Packard GmbH since 1960 and now works in the personnel department.

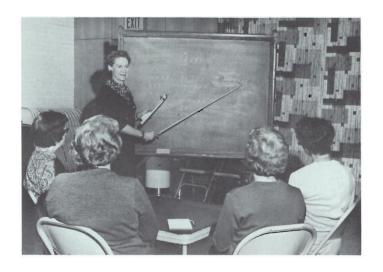
□ A promising career in show business ended for Johnny Holmes in a bomber over Germany in World War II, but a desire to bring happiness to others lived on. On his 31st mission as a radio operator and gunner, Holmes received severe shrapnel wounds in a hand and a leg. He was hospitalized nearly three years, recovering with only partial disability. However, he could not return to Hollywood as a professional pianist and singer where he had worked with such notables as Peggy Lee, Nat Cole, Victor Borge, and Bob Hope. Today, Holmes is a buyer in the Loveland Division and a popular entertainer before civic and church organizations, rest homes (as seen here), children's groups, and meetings of HP employees. He specializes in a novelty tune routine and "just loves to entertain people."





□ John Bush (shown at right in photo) is involved in a community project of unusual proportions. A five-year-old girl in Avondale, Pa., is in need of special physical therapy, and one-third of the town's 300 population have volunteered to participate. Once a week Bush and his wife Lonnie (center) go to the child's home and join a team to exercise her limbs in patterns simulating basic movements such as crawling and walking. The exercises last five minutes and are carried out four times a day with different teams rotating throughout the week. The patterned movements, developed by prominent physicians, are believed to "train" the brain. The child is showing progress. Bush, with the maintenance department at F&M Scientific Division in Avondale, says, "they needed people, so my wife and I volunteered."

□ Three years ago, Winifred Lavery of the Yewell Sales Division's Middletown office volunteered to work with mentally ill patients at Connecticut Valley Hospital. After completion of an indoctrination course, she started as a Friendly Visitor. During the first year or so she worked with three patients—visiting them regularly, taking them out if they were allowed, and in general being a friend. Early this year, hospital officials asked Miss Lavery if she would teach contract bridge to groups of patients, and this has been a highly successful venture. Meeting for two hours every Thursday evening, she instructs four tables and has an additional audience of interested spectators. After completing a course of eight lessons to this group, she plans to start another group after the holidays.





□ Bob and Marilyn McAll work at being good parents. "Children help us complete our lives" says Bob, a staff assistant in the New York City office of the Eastern Sales Region. With two children of their own, they decided some months ago to take other children into their home. So now there are four. The young man on the right lives with them under the extended care program of the Foster Care Plan. He is 18, and an engineering student at a state university. The happy infant on Mrs. McAll's lap has been with them since he was two weeks old, and he's enjoyed every minute of it. He is being cared for under the adoptive grooming program designed to assure a good home for a baby until legal and adoptive procedures are completed. Then he will return to the welfare agency for placement in his permanent home.

☐ Tom Christiansen has watched the Junior Achievement movement grow in Santa Clara County (Calif.) from three companies six years ago to more than a dozen today. A major challenge he and other members of the County JA Board face is finding meeting places for the increasing number of JA'ers. As a director he volunteers his time to guide JA activities, solicit funds from industry, and search out additional working space for new companies. Christiansen, planning manager for International Marketing in Palo Alto, got his first taste of JA as an advisor working directly with the youngsters. "I've never lost faith in this practical method of teaching the young what business is all about," he says. He is shown presenting a JA charter to the president of a recently organized HP-sponsored company.



Hewlett-Packard







JANUARY

Datamec, Mountain View, California, manufacturer of magnetic tape units and equipment for data acquisition and processing, signed agreement to join HP by mid-year . . . HP's annual report was published, revealing record sales and earnings for 1964 . . . Annual management meeting was held at Monterey . . . Barney Oliver, research VP, took office as national president of IEEE.

MAY

Plans were revealed for new 116,000-square-foot building at Loveland, virtually doubling size of facilities there . . First annual medical sales seminar was held in Palo Alto with about 50 medical salesmen and managers attending from around the country . . In a steadily improving profit situation, HP announced that earnings for the first six months of the fiscal year were up 44%.

SEPTEMBER

New DATEL equipment installed at Palo Alto, Boonton, and Bedford, England, made wire communications between HP locations faster and more economical than by conventionally used systems . . . Program to restructure sales organization along regional lines had progressed to the point where Western and Central regions were nearly formed, Eastern was well along, leaving Southern yet to take shape.

FEBRUARY

Land for big new plant in Scotland was located at South Queensferry near Firth of Forth . . . Lahana Sales, headquartered in Denver, was consolidated with Neely Sales, providing unified coverage of Western U.S. . . . F&T Division engineers began a 35-day, 35,000-mile journey with two new cesium beam clocks to compare time-of-day standards at 17 world time-keeping centers.

JUNE

Sanborn's oft-awarded "500" ECG machine captured more design prizes, this time from Alcoa and Product Engineering magazine... Grow was broken at South Que ferry, Scotland, for 80,000-square-foot plant to house United Kingdom operations now at Bedford, England... Late figures showed growth International Operations was continuing, with sales accounting for 23% of corporate business.

OCTOBER

To put further emphasis on advanced research, decision was made to expand and centralize the corporate advanced R&D group, and research at HP Associates, under one corporate department . . . A contract for more than a half million dollars was awarded to Colorado Springs Division by Western Electric for new television waveform oscilloscopes . . . HP's new "towering" booth at ISA show in Los Angeles drew wattention.

Highlights of 1965

MARCH

HP announced that F&M Scientific Corp., leading producer of gas chromatographs, would become a division later in year . . . First quarter figures showed sales up 11%, earnings up 31% . . . Plans were announced for new Eastern Sales Region to encompass territories served by RMC, Syracuse, Robinson, Horman . . . IEEE show in NY attracted nearly 60,000 visitors d HP was much in evidence with a number of new products.

JULY

New Long Term Disability Inance Program for all U.S.
caployees was announced . . .
The 350,000,000-mile journey
Mariner IV to Mars was comed and HP equipment at
JPL in Pasadena played major
role in recording this historic
event . . . Crossley Sales Division moved to new quarters in
kokie, Ill., from old Chicago
address . . . Datamec officially
became an HP division.

NOVEMBER

Announcement was made that Mechrolab Division, producer of chemical and physical analysis equipment, would join F&M Scientific Division and move from Mountain View to Avondale, Pa. . . . Results from a MEASURE readership survey, begun in August, showed that employees want most to know about HP's future and about news that affects the company's writy and progress.

APRIL

Extension of employee profit sharing plan to all domestic divisions was announced . . . Construction began on new Palo Alto building to house printed circuit and Paeco transformer manufacturing . . . In the college funds matching program, HP gave nearly \$15,000 to schools to match employee donations . . . Details were announced on East Coast International Operations Office to be located at Boonton plant.

AUGUST

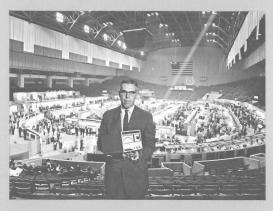
At WESCON, HP introduced a passel of products, not the least of which was Loveland's new 414A solid state volt/ohmmeter which served as a model example for a MEASURE cover story on how "a product goes to market" . . . Financial figures were released showing HP's best nine-month period ever: sales advanced 19%, earnings 40% . . . The F&M Scientific acquisition became a matter of record.

DECEMBER

Traditional lines of HP products continue to lead the way toward increased profits and serve as the backbone of the company, but diversification into new product lines and markets (such as chemical and medical) shows promise for further growth... Construction is at a peak with over a half-million square feet of new space now abuilding . . 1966 target figures point to a banner year.

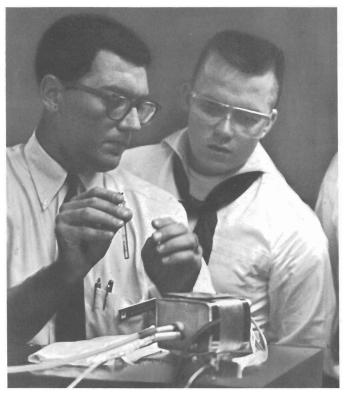








Hands across the Delaware River . . .



John Wisniewski, senior applications technician, demonstrates gas chromatograph sampling method to Sea Scout Wally Martine.

A seaworthy crew of Sea Scouts has launched a worthy cause with the help of the F&M Scientific Division at Avondale, Pa.—a scientific study of pollution in the nearby Delaware River.

It began when Ship No. 66 out of Wilmington sought to put its 21 Sea Scouts and their refurbished cruiser, *Catnip*, to some useful community work that would also involve seamanship.

So during the recent summer and fall weekends, the *Catnip* could be seen cruising to ten charted locations where water samples were drawn.

In November, the scientific phase of the project began. All of the samples were taken to the F&M plant where the crew was briefed on the technique of gas chromatography. F&M's John Schmit, Orville Hinsvark, and John Wisniewski all worked with the boys.

First they were shown how the precision F&M equipment worked, and then they were given the opportunity of running water samples through a gas chromatograph for analysis. These first tests indicated definite traces of known chemical impurities in the samples.

Testing of the accumulated samples will not continue through the winter months, during which time the Sea Scouts will be busy giving the *Catnip* a complete overhaul.

According to Robert Stewart, Ship 66 leader, the full results of the analysis will be prepared as a report which will be made available to any agency interested in water purification and conservation studies in the Delaware Valley.

New group insurance benefits now in effect

December 1 saw the start of several important new benefits in the coverage of the group hospital and medical insurance program for many HP employees.

The broader coverage includes improved financial protection, particularly in such areas as costs of hospital beds, surgery, convalescent home care, dependent maternity, and major medical needs.

Dependent coverage also was improved as a result of the recent review.

The new benefits are now in effect for those locations where employees are covered under the previous Connecticut General program.

In addition to the group insurance programs, other new policies also went into effect.

At those locations where a ninth paid holiday is not now in effect, employees will start receiving an additional day in 1966. The new paid holiday for these employees will be Washington's birthday, February 22.

Starting January 1, employees assigned to grave-yard shifts will receive a 15% premium, instead of the current 10%.

The Educational Assistance Program for 1966 will be boosted significantly—from 50% to 100% reimbursement of tuition, books, and fees for approved courses of study taken outside working hours. For courses taken during working hours, reimbursement will continue at the present 50%. Courses of study undertaken under the Educational Assistance Program must have a clear relationship to an employee's job—or to future assignments to which he or she can reasonably aspire.

AROUND THE CIRCUIT

ITH 1965 RAPIDLY COMING TO A CLOSE, this might be a good time to summarize some statistical information about HP people. After all, it is our HP people who made the year the outstanding one that it was and it is HP people who will continue to be responsible for further growth and company progress.

☐ From an employment standpoint, a year ago we had 7500 people throughout the HP corporation. Today, we have just over 9000 at 62 U.S. locations and 25 locations outside the U.S.

Breaking it down by geographical areas we find California with 46% of the total employment, Colorado with 17%, International with 14%, Massachusetts with 10%, the Middle Eastern Seaboard with 9%, and other states 4%.

In actual figures it looks something like this:



Ray Wilbur, Vice President, Personnel

A climate for individual initiative, achievement

	California		Colorado	
6	All Palo Alto	3582	Loveland	874
7	Moseley	360	Colo. Springs	635
	Neely	170	Neely	11
		4112		1520
ì	International		Massachusetts	
	Europe and Canada	916	Sanborn	873
	Japan	389	Yewell	56
		1305		929
	NY - NJ - Pa I	OC		
	Boonton	223		
	Harrison	121		
	F&M Scientific	313		
	Sales	193	Other U.S. states	317
		850		

There are now three times as many HP people as there were in 1960, and 12 times as many as were with HP in 1955. About 35% of our current employment came into the company through acquisitions.

Such rapid growth presents many interesting problems, but growth also brings a feeling of satisfaction and expansion of opportunity within HP for an increasing number of people.

It is one of our most important goals at HP to treat people as individuals rather than groups. Every effort is made to bring the best available people into the company and then make sure that they have a proper working environment and an opportunity to grow with the company.

This becomes more difficult as we get larger, but through divisionalization and development of our supervisory and management teams, we endeavor to maintain the informal climate that fosters individual initiative and recognizes individual achievement.

One area that we continually review is the total benefit program for HP employees. This past year has seen significant changes or additions, such as Long Term Disability insurance, revised and broader group insurance coverage, an additional holiday starting in 1966 for those locations where a ninth paid holiday is not now in effect, increased graveyard shift premium, and increased tuition reimbursement for off-work-hours courses.

☐ The cost of our benefit program at HP is substantial. For example for fiscal 1964, in Palo Alto benefit costs ran about 30% of payroll cost. In other words, for every dollar of pay, the company added 30 cents in benefit pay. At that time 4.1 cents of this was required by law for social security, workmen's compensation, etc. The remaining 25.9 cents broke down like this:

Retirement	4.8 cents
Group insurance	1.5
Coffee and donuts	6
Premium and lunch pay	1.4
Vacation	3.6
Ho <u>li</u> days	3.1
Sick and other paid leave	1.9
Profit sharing	6.2
Stock purchase plan	1.2
Education, recreation and other	1.6

When totaled up, these Palo Alto figures averaged out to be \$2500 in benefits per year, per person.

1965 has been a most gratifying year, and one that HP employees can look back upon with pride. The year just ahead can also be one of accomplishment and progress, and the personnel staff will make its contribution toward these ends by being ever alert to the personnel requirements of each individual employee as well as those of the group of which he or she is a part.

HP PALO ALTO

Connie Henderson, manager of engineering pool, Manufacturing engineering—to same position, Personnel department.

Al Napolitano, Palo Alto Accounting staff — to corporate Finance staff.

SANBORN

Dick Mobilio, product training, corporate Marketing—to Marketing staff, Sanborn Division.

Jim Shimer, product training, corporate Marketing—to Marketing staff, Sanborn Division.

INTERNATIONAL

Edward R. King, corporate Manufacturing quality assurance—to HP Ltd. (training new manufacturing personnel for Scotland facility).

LOVELAND

Roger Lee, corporate Industrial Design staff—to industrial design staff, Loveland Division.

Bob Wind, logistic support data, corporate Marketing staff—to contract administration, Loveland Division.

MICROWAVE

Leroy Baisley, inventory control/purchasing — to materials engineering.

Ed Duzowski, materials engineering—to mechanical standards.

Harry Lewenstein, manager, advertising and sales promotion, corporate Marketing—to marketing services manager, Microwave Division.

Rodger Swan, materials management—to Microwave production control.

Jeffrey Thomas, Microwave R&D — to environmental test.

FREQUENCY & TIME

Mike Gallagher, materials management—to F&T production control.

WESTERN SERVICE CENTER

Jerry Carlson, corporate Finance—to manager, Western Service Center.

EASTERN SALES REGION

Wally Carman, Mechrolab staff—to chemical instrumentation group, Englewood office.

Eliane Dick, executive secretary, HPSA-Geneva—to executive secretary, Eastern Sales Region.

Bob MacVeety, Syracuse area manager—to sales manager, Eastern Sales Region.

Herb Rauch, office-accounting manager, RMC Sales—to financial manager, Eastern Sales Region.

Dave Stauble, regional sales manager, F&M Scientific Division—to manager, chemical instrumentation, Eastern Sales Region.

From Sanborn medical sales (New York City) to Eastern Sales Region, New York City (medical instrumentation group):

Norm Levine, district manager Don Coburn, sales representative Ed Majkiewicz, sales representative Joe Farello, sales representative

Stanley Wittenberg, sales representative

Don Smith, sales representative (Englewood)

Ed Baro and Tom Reynolds, F&M Scientific representatives, Avondale, Pa.—to chemical sales representatives, Englewood, N.J. office.

0 0

SOUTHWEST SALES

Gene Marcum, marketing staff, Microwave Division—to junior engineer, Dallas office, Southwest Sales.

Social Security benefits improved; tax rates will increase in January

Amendments to the Social Security Act which were passed by Congress last summer are the most extensive since the law was first enacted in 1935. But since it still applies that you don't get something for nothing, the cost of supporting this program increases accordingly for both you as an employee and for HP as an employer.

Formerly, the tax rate applicable to you for Social Security was 3.625% on the first \$4800 of your earnings each year. Starting in January the rate will increase to 4.2% of the first \$6600 in wages. This raises the maximum tax that will be withheld from paychecks from \$174 to \$277.26—an increase of \$103.20. The company pays the other half of Social Security taxes for each employee.

The law also calls for further tax increases in future years to support the growing costs of the program. In 1967 it will jump again to 4.4% for individuals and the same for companies. Then by degrees it will grow to 5.65% in 1937. For those who are too young to remember, the Social Security tax rate on individual wages in 1937 was 1% of the first \$3000 in wages. This rate prevailed until 1950.



CHRISTMAS THIS YEAR brings us much to be thankful for. It has been a good year for the company and the outlook for the future remains bright. Through your individual efforts, we have added considerable strength and capability during 1965 and are in an excellent position to take advantage of the opportunities which will be coming our way during the months ahead.

Looking at the national scene, it is difficult to recall a period of greater growth and prosperity. The economy is strong, the stores are filled with everything anyone could wish to have; we have every reason to give special thanks during this holiday season.

But as we celebrate Christmas with our families and friends, it is important that we not forget the thousands of men and women who are fighting in Vietnam for us. They are undergoing severe hardships to assure that the blessings which come from a free society—the kind of blessings all of us are enjoying this Christmas—will endure for us and for future generations.

And so, while this is a joyful season for us, it is also a season when we offer our thanks and prayers to a group of dedicated Americans whose immense sacrifices assure that we may live in peace and freedom. For that is the real spirit of Christmas.

Nave and Bill



