

After the flood – A report from Loveland



RAY	CASE# 565	MISSING - CONFIRMED	FOUND
SEPH F JR	CASE# 663	MISSING - CONFIRMED	FOUND
Y	CASE# 671	MISSING	PERSON
ROGER	CASE# 576	MISSING - CONFIRMED	FOUND
RY	CASE# 650	MISSING - CONFIRMED	FOUND
FAITH	CASE# 728	MISSING - CONFIRMED	DEAD
FAREN	CASE# 531	MISSING	PERSON
MAX	CASE# 548	MISSING	PERSON
ERT	CASE# 735	MISSING - CONFIRMED	FOUND
ARA	CASE# 609	MISSING - CONFIRMED	FOUND
ERINE	CASE# 636	MISSING - CONFIRMED	FOUND
	CASE# 727	MISSING	PERSON
MARIE	CASE# 643	MISSING - CONFIRMED	FOUND
N	CASE# 649	MISSING - CONFIRMED	FOUND
STINA	CASE# 644	MISSING - CONFIRMED	FOUND
ARD	CASE# 641	MISSING - CONFIRMED	FOUND
	CASE# 752	MISSING - CONFIRMED	FOUND
	CASE# 592	MISSING	PERSON
	CASE# 760	MISSING - CONFIRMED	FOUND
JOY	CASE# 564	MISSING - CONFIRMED	FOUND
TH DEMARS	CASE# 638	MISSING	PERSON
	CASE# 734	MISSING - CONFIRMED	FOUND
EL	CASE# 685	MISSING - CONFIRMED	FOUND
RDO	CASE# 678	MISSING - CONFIRMED	FOUND
BETH	CASE# 665	MISSING - CONFIRMED	FOUND
DLH	CASE# 689	MISSING - CONFIRMED	FOUND
RY	CASE# 526	MISSING - CONFIRMED	FOUND
	CASE# 759	MISSING - CONFIRMED	FOUND
IE	CASE# 544	MISSING - CONFIRMED	FOUND
OSTY	CASE# 661	MISSING - CONFIRMED	FOUND
ED	CASE# 627	MISSING	PERSON
	CASE# 655	MISSING - CONFIRMED	FOUND
LEY	CASE# 601	MISSING - CONFIRMED	FOUND
E MARIE	CASE# 656	MISSING - CONFIRMED	FOUND
D	CASE# 586	MISSING - CONFIRMED	FOUND
RY	CASE# 608	MISSING - CONFIRMED	FOUND
BRIAN	CASE# 516	MISSING	PERSON
RELL	CASE# 714	MISSING	PERSON
WALD	CASE# 715	MISSING	PERSON
LYN	CASE# 561	MISSING	PERSON
	CASE# 610	MISSING - CONFIRMED	FOUND
LIAM	CASE# 582	MISSING	PERSON



Measure

For the men and women of Hewlett-Packard AUGUST/SEPTEMBER 1976



The night of the murderous

□ Nobody knew why Loveland facility's first picnic of the season, at the company's Hermit Park recreation area, had broken up so early. Some said that in past summers they had stayed a couple of hours longer. But on that Saturday, July 31, most of the three or four thousand picnickers were on their way home by four o'clock. And for the next hour, about every other car winding its way down Colorado's beautiful Big Thompson Canyon was occupied by HP people.



Photo courtesy of Loveland Daily Reporter-Herald

For days, military and private helicopters evacuated flood victims to the relief center and the new hospital in Loveland. "I saw Roger Story from HP working at one of the heliports," Gene Meismer told us, "and I suppose other employees were too." Besides helping with the search, Gene and other volunteer firemen manned the pumper trucks that stood by for the helicopter refueling operations.

When Colorado's Big Thompson River vented its wrath, it took entire houses in some areas and left hardly a trace. Lee Kline, HP components stock supervisor in Loveland, surveyed the littered landscape in the town of Drake and couldn't believe his eyes. Lee is an outdoorsman who knows the mountains and canyon like the back of his hand, and he showed our MEASURE reporter almost every stricken area that still had a passable road.

HP's Earl Freeman (center) helped operate an amateur radio station at the evacuation center at Loveland High School. In a 48-hour period, the hams answered some 1500 inquiries about the welfare of people in the flooded areas. The radio amateurs used their own professional-quality equipment to set up several stations for emergency communication.



Photo courtesy of Loveland Daily Reporter-Herald

rain

It wasn't that the weather had given any sign of what was to happen. "It was hot up there," Connie Granath told us. "I even got sunburned, it was so hot. We didn't think anything about the weather."

Connie and her friend left about five. It had been hours since they had each polished off a barbecued steak. Hungry again, they stopped for pizza in Estes Park, a picturesque little town nestled beneath the snow-capped peaks of Rocky Mountain National Park.

So, by the time Connie headed her car down the 25-mile-long canyon, most of the other picnickers were safe at home in the Loveland-Fort Collins area. That's when the rain started. Still, it did not por-

tend the nightmare that would follow. "It was sprinkling, like any other day," Connie said. "We thought it was just another rainstorm."

The sprinkle became a blinding down-pour, and driving became nearly impossible. "I couldn't see anymore, so I stopped the car once to see if it would let up. But it didn't, so we kept going slowly. Then we saw this big tree come crashing down the side of a mountain, along with some rocks and boulders. We got out of the car to see if we could get by, but we couldn't. Some other people were stopped there with us, and we talked about going back to Estes, but when we looked back, the road was washed out behind us."

Connie, her friend, and the others climbed a mountain. With lightning occasionally illuminating the darkness, they watched as, one by one, their four cars slipped into the rising waters of the Big

Thompson River and were carried away.

On a radar screen a hundred miles away, a profile of the storm showed that it rose to 62,000 feet and contained massive amounts of water. At least ten inches of rain fell in just a few hours. Some estimates put it at fifteen or more — almost as much rain as the area receives in a normal year.

At the flood's crest, a nineteen-foot wall of water roared through the canyon, destroying houses, cars and anything in its path. The toll of dead and missing was in the hundreds, and property damage was estimated in the millions. What Connie and her friend had escaped turned out to be the Big Thompson's most disastrous rampage in history.

There were at least thirty HP people who were in the canyon that night and lived to tell about it. A few apparently didn't — three employees and a retiree are

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After the flood

Engineers survey part of U.S. Highway 34 that follows the Big Thompson River from Estes Park to Loveland — much of it now totally destroyed.

According to an HP observer, the force of the flood waters left one forty-foot section of asphalt plastered to the canyon wall high above the river.



Photo courtesy of Loveland Daily Reporter-Herald



The search for fatalities involved many different groups — the National Guard in this case — combing the canyon from one end to the other. HP's Charlie Potter, who has been a member of a mountain rescue team for seven years and has been involved in recovering bodies from plane crashes, says he's never gotten used to it. "But you just have to take a deep breath and do it. For the time being, you try to forget that these were actually living people. If you do any philosophizing about it, it's after it's all over."

Photo courtesy of Loveland Daily Reporter-Herald



With hundreds of people still listed as missing, it seems likely that many flood victims are entombed under tons of silt and debris, and their bodies may never be found.

Two HP 9830 desktop calculator systems were used to manage the lists of missing persons and to help in identifying fatalities. More than a dozen HP people helped with the programming and operation of the systems, according to Chuck McAfee, including (left to right) Irene Bever, Joe Armstrong and Bill Kemper.



on the missing list. Some employees lost loved ones. You might say the company was fortunate, considering the number of HP people who were in the canyon earlier in the day — but that didn't lessen the grief of the victims' families.

"HP was prepared to help . . ."

Some HP people were called into action that night. A number of employees are volunteer firemen, and five out of ten members of Loveland's reserve police force are HP people. Most were working along the river west of Loveland, warning and evacuating people in the low-lying areas.

John Flynn, a computer maintenance technician and reserve police captain, had been out since ten o'clock. At about three in the morning, he discovered a seventeen-year-old boy who had been clinging desperately to the branches of a tree for several hours. The young man and his father had been trying to save their livestock when the wall of water struck, and his father had been swept away. "We were able to get a rescue team from the sheriff's department into the area," John recounted later. "We also got a helicopter to light up the ground so we could search for the father. We couldn't rescue the boy with the chopper — there was no way to get a sling to him because of his location in the tree."

By stretching a rope across the swollen river, John and the others were able to get the boy safely out of the tree. The next day the father's body was found miles downstream.

Clyde Glass, a ham radio operator, is another HP man who was called into service that night. Clyde appears on Loveland's disaster alerting list because he's a veteran communicator with three other floods under his belt — including the famous 1955 Allentown flood that devastated eastern Pennsylvania, and the more recent one in Rapid City, Iowa.

"What I deemed most necessary was to provide backup communications for the officials," Clyde explained with an air of calm professionalism. "The officials that needed it most were the sheriff and his deputies — between the sheriff's office and the command post west of town. So that's the link we established first. Jack Walden from the labs went out and set that up. Once that was working it was expanded to include the two heliports and the medi-

cal center." The radio amateurs Clyde called on for help — including a number of HP people — used their own VHF-FM equipment.

"The second priority was to link this 'command network' to the outside world— primarily to Denver, Estes Park, Fort Collins and Greeley. We did this by adding stations that were already in those locations to our network. They provided access to telephone lines, tie-lines and WATS lines as well as the Denver Weather Bureau.

"The third priority was to link the relief center that was set up in the high school with the Denver Red Cross office. And the fourth was to handle what we call 'health and welfare' traffic to and from Loveland and the rest of the country. This is the part that will always be done in a disaster. Hams will come out of the woodwork to do this — to handle inquiries and information about people's health and welfare."

Strict radio discipline was needed on the command network to make it useful to the authorities, so the net was always controlled by one operator — most of the time by Clyde himself. As a result, Colorado State Patrol Captain Bill Thomas called the system "an invaluable tool," and said that the ham radio operators were "the most professional and disciplined people I've ever worked with."

On Sunday morning, Don Schulz, general manager of HP's Loveland facility, put in calls to city officials. Ironic as it may seem, the flood had left the town of Loveland with a severe water shortage by breaking a large line from the filtration plant. Don agreed to close the HP facility on Monday, and to shut down water-using systems such as air conditioning and diffusion furnaces. He also offered to provide any assistance that might be needed in the relief operations.

"Sometimes, in a disaster like this, handling all the voluntary help is like trying to drink from a firehose," explained Pete Peterson, personnel manager for the new Fort Collins Division, who had also rushed to his Loveland office that Sunday. "HP was prepared to help in any way possible. But we didn't want to jump in and create a lot of inefficiency, or overlap with what agencies such as the Red Cross were doing. So our initial action was to make sure the proper people knew that HP was available to help, in whatever way they felt was logical."

With the help of Jody Matzdorff, Pete also began generating a list of HP people who might possibly have been in the canyon during the flood — those who had homes or cabins in the stricken areas, or relatives living there, or who may have had reason to stop in the canyon after leaving the picnic. They also took calls from people all over the country inquiring about friends or relatives who were HP employees.

Painstakingly, Pete and Jody tracked down the people they had listed as "possibly missing," trying to reach them or verify that they had been seen since the flood.

"It was like a bad dream . . ."

One of the names on that list was Larry Weber, an HP electrician. Larry and his wife had been at the picnic and had stopped to attend a housewarming party at the home of some friends on the Big Thompson's north fork. The young couple's terrifying experience began when they tried to make it home in the thunderstorm. "The first thing we ran into was a mudslide," Larry told us. "We turned around and started back up the canyon. We went around a corner and hit about a forty-inch wall of water that started taking us backwards. I was in four-wheel-drive, and I shifted down into low range and drove submerged for about fifteen yards. The water was up over the hood, hitting the windshield."

Larry's Jeep was pushed back against the mountainside and ended up on a small piece of roadway that — miraculously — was not washed away. "If we had been twenty yards from there in either direction, it would have been all over for us."

All night long, Larry and his wife sat there, wet and numb, with water swirling around them. "It was about wheel depth then. It's funny, though, I don't remember there being water on the floorboard, but it ended up covered with silt."

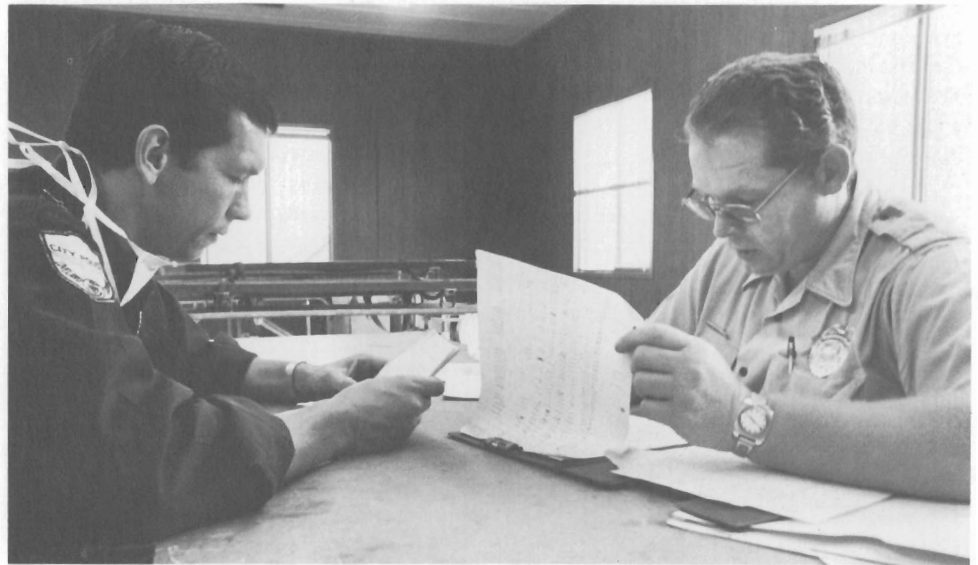
Larry turned on the headlights once in a while to see what was hurtling toward them in the darkness. "We were hit twice by good-sized trees that pulled us along a little ways and then went on down the river. More than anything, we were afraid of being crushed by the cars, propane tanks, trees — even parts of cabins — coming down the river."

With all their senses, the Webers experienced the horror of that night. They'll

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After the flood

These two HP reserve policemen, Lew Niemczyk (left) and Don Wilberg, were still working full-time on the morgue detail when this photo was taken ten days after the disaster. There was time to catch up on paperwork then, but bodies were still being found in the debris as clean-up operations accelerated.



Automobiles were tossed around like toys in the flood waters of the Big Thompson, and the canyon is still littered with their mangled carcasses. Some survivors said they were surprised at how easily a car can be floated away.



Photo courtesy of Loveland Daily Reporter-Herald



Anxious relatives of missing persons haunted the lobby of the temporary morgue, desperate for any bit of new information that Helen Schmidt (right) and other volunteers might be able to give them. Messages and updated lists were posted on the bulletin board behind.

ATTENTION
FAMILY OF
MISSING PERSONS!
IF YOU ARE LEAVING
TOWN, PLEASE
LEAVE YOUR
DESTINATION
PHONE NUMBER
WITH I.D. STAFF.

never forget the sight of one-ton boulders being rolled along in the powerful current. Or the smell of LP gas that filled the air. The sounds of people screaming, and propane tanks hissing. The dialogue on the citizens-band radio as other life-and-death dramas unfolded. "It was like a bad dream we couldn't wake up from," Larry said.

Even when the long night was over, the Webers' ordeal wasn't. They had no food or water, and the only way out was back across the still-swollen river. On Sunday morning, however, another HP man noticed their plight. Walt Skowron, a publications and promotion manager in Loveland, had spent the night with family and friends in his cabin on the opposite shore. "I could see that Larry's wife had just about had all she could take. After her experience in the storm the night before, she was determined to cross that stream."

Walt's friend ("Jerry's a plumber, and a lot more muscular than I am.") managed to throw a heavy rope to Larry, who secured it to a tree on the other side. Holding onto the rope, Jerry made his way through the churning waters. ("At that time there was still a lot of debris coming down.") He felled a tree that was tall enough to span the river, and helped the Webers across. "Larry didn't recognize me then," Walt recalls. "He remembered who I was a couple of days later, after the shock wore off."

Walt, his family and guests hadn't slept much that night, either. Although they were on high enough ground to survive the flood, the raging river had taken a new course and was flowing on both sides of the cabin. During the night the propane tanks could be heard sizzling past, and the air was heavy with the gas. "I was concerned about it because of the fireplace, but that was our only light and heat," Walt said.

The next day, while trying to make it up the hill to a National Guard helicopter, Walt's mother suffered a heart seizure that will have a lasting effect on her health and her lifestyle. But the Skowrons still count themselves among the lucky ones. "I could cry when I see what the flood did to my property," Walt said. "But we still have our cabin and we still have our lives."

Don Cullen and his family also consider themselves fortunate. The Cullens have lived on the river since Don was transferred from Palo Alto sixteen years ago. They remember the last major flood

on the Big Thompson in 1965, when they nearly lost a son who was bitten by one of the many rattlesnakes left in its wake. "I guess we have reason to be wary of floods, so when we were told to evacuate, we got out. But we also had plenty of warning. When I found out about it, we still had an hour and a half before the big wave hit. The further up the canyon people were, the less warning they had."

Don lost some trees, a footbridge and most of his patio, but the family was able to return to the house and spend the night after the flood had crested. The debris left on his property told the story of the havoc it had wreaked elsewhere: bridge timbers, propane tanks, automobiles, guard rails, the roof of a cabin, a Phillips 66 sign, and two battered human bodies.

"There were hundreds missing . . ."

Search and rescue efforts, hampered in part by a drizzling rain that persisted on Sunday, picked up speed the following day. Gene Meisner and other HP volunteer firemen worked at the helicopter pads and participated in various other ways.

Charlie Potter, a member of a mountain rescue team, slogged through the mud to make a house-to-house search on the north fork, marking bodies and helping survivors. Most were all right, he reported, but some people had drunk contaminated water and needed medical care.

Denny Colard, a sheriff's deputy, spent three days in Drake, where flood waters converging from both forks of the river had caused severe damage. There was a great fear of looting in Drake, according to Denny, and "those people were armed to the teeth."

In the days following the devastating flood, a few specific requests were made for assistance from Hewlett-Packard — mostly in the form of equipment such as vehicles, generators and two-way radios.

But far more important were the individual contributions of HP people, acting on their own wherever they saw a need — and knowing they could make use of the company's resources as well as their own. Mike Elijah, HP security officer and a former Sheriff's Department investigator, stayed on the company payroll but went back to his old job for as long as he was needed. Nurse Helen Holdeman gathered up some HP medical supplies and took them to the new Loveland Hospital, where she also serves as a board member.

Helen Schmidt and other HP people who were working at the refugee center in the high school needed cardboard boxes to handle donated food and clothing. A call to the HP plant brought 400 of them.

When Chuck McAfee and Fred Bode of Calculator Products Division began looking for ways to volunteer their services, they found a chaotic situation developing at the high school. The Big Thompson Canyon was a popular camping and recreation area for tourists, and people were calling in from everywhere to ask about friends or relatives who were vacationing in Colorado. At the same time, the helicopters were delivering evacuees and recovered bodies, and the old hospital that had been recently vacated was set up as a temporary morgue.

"There were hundreds reported missing," Chuck told us, "and a lot of people reported found. I spent most of Sunday in a frustrated state because I couldn't find any way to make myself useful. But I saw all those volunteers answering phones and taking down information on little scraps of paper. There must have been five or six hundred names of people reported missing, and it just seemed like an impossible situation. So I started thinking there must be some way to help consolidate those huge lists."

Fred had been thinking along the same lines, according to Chuck, and they decided to see what they could do with an HP desktop programmable calculator. "We drove to the plant about 8:30 Sunday night and picked up two 9830 systems with mass memories. We called two people we thought could program them pretty fast, and we took the whole kit and kaboodle over to the high school. The two programmers and Fred and I spent all Sunday night there. By Monday morning we had a system that was pretty good in terms of putting in data such as people's names and their status, alphabetizing them, and reporting whether they were still missing or had been found in one of several ways."

Further compounding the problem of reducing the missing list was the fact that bodies being brought into the old hospital were battered beyond recognition, and yielded few clues as to their identities. One of the 9830 calculator systems was moved to that temporary morgue, and HP personnel worked with pathologists to devise a standard form for taking descriptions of

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After the flood

bodies and missing persons. "The system was eventually refined to the point where we could enter detailed descriptions of bodies and of missing persons and keep a much better data base," Chuck explained. "We were able to easily change a person's category from missing to found, and put out good lists for both categories. And more importantly, we could take body descriptions and missing persons descriptions and give the coroner a list of possible matches."

"Someone has to do it."

The coroner, Doctor Patrick Allan, had nothing but praise for the calculator system (or computer, as almost everyone there called it) and for the HP programmers who worked tirelessly to set it up and operate it. "The computer has been great," he said, "and the only problems we've had were because of faulty data collection. A relative may tell us her missing aunt had brown hair, for instance, and forget to mention that it was *dyed* brown and she hasn't seen her for six months."

Doctor Allan had his hands full, and so did an army of volunteers assisting him with the necessary examinations and the laborious job of identifying bodies. Some HP men and women were working full-time in the morgue long after the disaster. Helen Schmidt told us she had been asked to stay there for a second week for the sake of continuity, but wasn't sure she could be away from her job that long. "I called my line leader and she said 'Don't worry. We'll see you next week.' I think HP has been wonderful about letting the people who were needed take time off."

Members of the reserve police force, including HP's Darrell Viegut, shared the unenviable job of handling the broken, disfigured bodies. "It's unbelievable what that water can do," Darrell said, showing signs of strain as he described a typical twelve-to-eighteen-hour workday at the morgue — the routine of photographing corpses, recording physical descriptions, securing personal effects while watching for initials or other helpful clues. "Someone has to do it," he said.

In the next room HP's Pat Linson

sifted through calculator print-outs, dental charts, and graduation pictures that bore little resemblance to the grisly morgue photos. Between telephone conversations she explained that much of the calling was simply to get more information — to locate dental records, perhaps to request fingerprints from state agencies, or find out if a missing person has turned up somewhere. "I get involved when I talk to a person more than once or twice, and I have to keep following up to find out if there's anything new."

"Pat just doesn't quit," another HP volunteer, Jane McCormick, told us. "She's on that phone all the time."

Jane had been working at the morgue only in the evening, but during the day she found it hard to keep her mind on her purchasing job at HP. "At the end of the day I have a pad full of notes to remind myself to re-check a body against a certain set of fingerprints, for instance, or to see if the age bracket might be wrong. Or maybe in the back of my mind I know I've seen something else about this type of scar. We really have to be detectives. And sometimes it scares me that I've become so callous about it."

Emotional highs and lows are also part of the job, according to Helen Schmidt. One night she couldn't eat her dinner because a missing child had just been positively linked with one of the lifeless bodies resting in a refrigerated van. The next night she was excited and happy because a family had found loved ones alive and well.

Pat Linson recalled reading a news account that quoted a local mortician. "Someone asked him if it bothered him to handle the bodies in the condition they were in. He said, 'No, I'm doing this for the living, not for the dead.' That sort of stuck with me, because that's the way I feel."

Along the Big Thompson, people are still shaking their heads in disbelief. "It's incredible," they say. "How could it happen?" According to experts, it probably never will again in our lifetime. It may even have been a once-in-a-thousand-year freak of nature.

Bulldozers are everywhere in the canyon now, clearing away debris and restoring the roadbeds. It may take years, but the once-beautiful Big Thompson Canyon will be beautiful again. □



A siphon tube, nine feet in diameter, caught the full force of the huge wall of water and collapsed, slamming into this house. The scene is near the steep-walled area of the canyon known as the Narrows, a few miles west of Loveland.

Photo courtesy of Loveland Daily Reporter-Herald



Security: It's everyone's job

□ At HP Labs in Palo Alto, the morning of March 5 was not like most Friday mornings. Before dawn, when only the security personnel and a handful of maintenance men were working in the ultra-modern laboratory on Deer Creek Road, a woman telephoned a bomb threat to one of our security lieutenants. The building was evacuated.

It was not a hoax. The explosion ripped open a wall in the rear of the building and destroyed a shop area where two maintenance men had been working only minutes before. It also ruptured a liquid oxygen tank and broke windows on both stories of the building.

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Security



By Monday, much of the damage was repaired and the lab was back to business as usual. A rambling letter from a group of self-styled “guerillas” — consisting largely of misinformation about HP — surfaced through the media a few days later. It only made the destruction seem all the more senseless and irrational.

Still, it could have been tragic as well. President Bill Hewlett wrote a candid message to employees about the incident and the “ever more violent world” we live in. “As the company grows larger,” he wrote, “it is a more attractive target for sabotage, theft and violence.” He concluded that HP would have to take steps to improve security and create a safer working environment for HP people.

Some of those steps have already been taken and others are in the planning stages, according to HP’s corporate security director, Dick Coulter. “It’s not a crash program, but we’re moving ahead in developing good, permanent security systems,” he explained.

For the most part, it means providing better control of the access to HP facilities all over the world. New security fences are going up in some locations. Guards have been stationed at a number of building entrances that are open for employees’ use. Other doors are now secured, to serve only as emergency exits. And all HP people have been asked to be more diligent about displaying their name badges.

In a company accustomed to openness and freedom of movement, none of this has come naturally. Questions still remain. How tight a system is necessary, or even tolerable? How much should HP people be inconvenienced for the sake of their own safety? Obviously there were, and are, trade-offs to be made.

At the Stanford plant, for example, more than fifty doors across the lower side of the seven buildings provide employees easy access from the parking lots. Those doors can’t all be guarded, and they can’t simply be locked without causing many people to do a lot of extra walking. Checking HP identification at the parking

At night, every HP manufacturing facility has at least two security guards. One provides services such as telephone coverage and evening access for employees. The other patrols the property and reports anything out of the ordinary — an equipment malfunction, for instance, or an emergency situation. His presence is also a deterrent to criminals or other trespassers. Here, Ernie Fierro of California Plant Protection, a contractor that supplies security personnel in the Bay Area, secures an employee entrance at the end of the work day. HP was an industry leader in the move to replace police-type uniforms with these attractive blazers, and HP guards carry no weapons.



lot entrances didn't seem very practical, either.

According to Dick Coulter, all the possible solutions were carefully considered before it was decided that an additional fence would afford the greatest protection with the least possible disruption of people's normal routines. "There will be four guarded entrances through the interior security fence," Dick explained. "Employees can still use any of the fifty-two doors, and there'll be a minimum of inconvenience in getting to the ones they've always used."

The fence will separate the building from the parking area and will enclose two existing lawn-patio areas. Jack Reynolds, facilities engineering manager for the Stanford complex, estimates the project will cost \$75,000 or more.

Jack also told of an encounter that convinced him of the need. "It was right after the Deer Creek incident, when we were all suddenly very security conscious. This fellow came in through a rear door, carrying a briefcase. I asked if he needed help, and it turned out he had been coming in the same door for the past eight years to service a copy machine. He didn't even have a contractor's badge."

Occasionally, persistent salespeople also manage to bypass the visitor lobbies. Such intruders don't usually pose a threat to HP people or property, but their presence at inopportune times can be annoying and time-consuming for busy supervisors. And the fact that they're able to do it illustrates the inherent risks in maintaining a more-or-less "open" environment.

Not that anyone wants to create a Fort Knox atmosphere at HP. On the contrary. "I don't think it will ever be necessary at HP to have such tight controls that we really inconvenience our own people,"

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Dick Coulter, corporate security director, views his role as an advisory one, and emphasizes that HP security is everyone's responsibility.

"I'm questioned frequently by people in other companies that have thirty or forty people on the security staff. They ask me why a company the size of HP has only one full-time security professional. My answer, of course, is that the people of HP are the security system. I'm here to give recommendations and assistance where needed."

Security

Coulter commented. "In a sense, the people of HP *are* the security system. No matter what we do, it's going to require their cooperation and participation to make it work.

"It's unfortunate that our security devices look the same as everyone else's," he lamented, "because at HP the fences and the various controls are for the safety of our people. They were never intended to test their integrity or control them in any way."

One of the company's most basic philosophies is that its employees deserve to be trusted. As the only full-time security professional at HP, Dick has observed that HP people measure up to that trust.

Take the almost universal problem of internal theft, for instance: "It's minimal at HP compared to other companies. I would say it's because we do things by an honor system, and HP people feel that this is their company. They don't *fight* the security system the way people do in some companies. Employees very freely call on us and give us the opportunity to control a situation before it becomes a major problem. It's through their cooperation that we're able to control any internal problems with a minimum security staff."

Dick cites an example. An employee in a Bay Area division took advantage of the system and committed a series of petty thefts. His co-workers cooperated with security people in the investigation, and the man admitted his guilt. "There was no convincing needed to get these people involved. They acted as a part of a team—recognizing the problem, wanting to do

their part, and believing it was in everyone's best interest."

The internal security program can be summed up in five words: *individual responsibility based on trust*. In most divisions, HP people who borrow tools or equipment are asked to fill out property passes and leave them with security personnel. The pass is a protection for the employee — not a "permission slip" or a judgment as to whether the person has a right to remove the property. As Coulter explained, it serves as a record, indicating that the item hasn't mysteriously disappeared but is in the hands of a responsible HP employee.

What else can we do to help make HP a safe, secure place to work? Simply be alert. If you see someone without HP identification, challenge him or her by asking politely: "May I help you?" If the person has not signed in and received a



Security fences are being built where necessary to protect HP manufacturing plants and research labs. In the future, according to Bruce Wholey, vice president-corporate services, the building and landscaping designs of all new facilities will incorporate such protective measures. For mostly esthetic reasons, nobody really likes fences — particularly in localities where wide-open spaces are practically sacred, as in Colorado. But no one questions the need for this particular fence being completed in Palo Alto — it surrounds the Deer Creek Laboratory where a bomb was exploded last March.

visitor's badge, escort him or her to the lobby or notify security personnel.

Mac McGrath, production manager at Stanford Park Division, feels that many employees are reluctant to challenge strangers in their work areas because they don't want to be embarrassed. "They're afraid it'll turn out to be another employee who's just not wearing his badge."

Which brings us to the most important thing all of us are asked to do — wear name badges! Prominently! At all times when we're in any HP facility. The only way to keep the unauthorized out is to identify the authorized.

Corporate receptionist Peggy Burrus observes that too many employees not only don't wear their name badges when they enter through her lobby, but they also resent being asked to show them. She feels — and rightly so — that security is as much a part of their jobs as it is a part of hers.

How do some HP people view added security?

*Muriel Pflieger,
Bay Area temps pool:*

"Being in the temps pool, I get around to a lot of different HP buildings. I was at Corporate once when there was a bomb scare and we had to evacuate, but I've never felt unsafe at HP. I've noticed that more of the doors are locked now, and I think it's a good idea. People seem to have accepted it without any complaints."

*Sandy Smith, lead, microcircuit area,
Stanford Park Division:*

"I think it's kind of sad that we have to resort to some of these things. I've been here eight years and I've always liked the openness of HP, but now it's starting to look just like a lot of other companies. On the other hand, I know we have to protect ourselves as well as HP property, so I'm glad we're taking more protective measures."

*Tom Babb, service engineer,
Santa Rosa Division:*

"We have a unique situation because we're in an isolated area with one road leading to the plant. There are two gates — both guarded — and we have to show our name badges from the car to get onto the property. It's a very minor inconvenience,

and I definitely think the tight security is needed."

*Bob Ames, supervisor, fabrication area,
Santa Clara Division:*

"It doesn't bother me one bit to have someone stop me or ask for my ID. But it seems to me we really need a better badge system than these little name tags."

*John Davis, information systems
coordinator, McMinville Division:*

"I'm pleased to see it. The Corvallis Division is located here temporarily, so we see new faces almost every day. We're insisting that people wear their name tags. The guard coverage is being adjusted, new signs are being put up on the doors, and so on. I'm not bothered by any of this, and I'm certainly aware of the need for it."

*Diane Herrera, ROPS coordinator,
Instrument Service Center,
Mountain View:*

"The parking lot is sort of empty on the side of our building because the side doors are now locked. But I don't feel hassled, and I haven't heard any complaints. People are a lot better about wearing their name tags now."



*Lew Cantwell, manufacturing manager,
HP Singapore:*

"We haven't seen any changes, but I think our security is already better than in most HP plants. We're in multi-story buildings we share with other companies, so our situation is a little different. There are HP guards on each of our floors day and night, and we have to be fairly strict about name badges and so on. But it's a more disciplined society where people are used to seeing more of that sort of thing." □

HP NEWS

Third quarter results

PALO ALTO — Hewlett-Packard has reported a 13 percent increase in sales and a 9 percent decrease in earnings for the third quarter of the company's fiscal year, compared to the same period a year ago.

Sales for the third quarter ended July 31 totaled \$277,477,000, compared with \$245,880,000 for the corresponding quarter of fiscal 1975. Net earnings amounted to \$18,472,000, equal to 65 cents per share on 27,899,098 shares of common stock outstanding. This compares with earnings of \$20,286,000, equal to 73 cents per share on 27,565,278 shares during last year's third quarter.

President Bill Hewlett said the company's incoming orders for the quarter amounted to \$291,092,000, a gain of 11 percent over orders of \$261,938,000 booked in the corresponding period of 1975. For the nine month period, orders totaled \$841,830,000, up 12 percent from a year ago when orders were \$753,248,000.

"Third quarter results have been disappointing," Hewlett said. "Our domestic business exhibited continued strength, but not enough to offset weakness in our international orders, which were substantially below target."

For the nine months, domestic

orders totaled \$428,080,000, up 15 percent from \$371,710,000 a year ago. International orders for the period were \$413,750,000, up 8 percent from \$381,538,000.

Total sales for the nine months amounted to \$792,880,000, a 12 percent increase over sales of \$706,256,000 for the corresponding period last year. Net earnings declined 9 percent to \$57,319,000, equal to \$2.05 per share. This compares with earnings of \$62,651,000, equal to \$2.27 a share, during the first nine months last year.

Doyle named vice president; Schroeder heads corporate development

PALO ALTO — John Doyle was elected a vice president of HP at the meeting of the board of directors on July 22.

John is director of personnel for the company. He will continue in this capacity, with responsibility for personnel policy, employee compensation programs, professional staffing and employee training and management development. Until recently, he was director of corporate development.

Fred Schroeder has been appointed director of corporate development, replacing Doyle. Fred formerly was responsible for HP's sales activities in Western and Eastern Europe, headquartered in Geneva.

In his new position, Schroeder will be responsible for long-range planning, economic forecasting and corporate market research.

HP products on Mars

PALO ALTO — The two Viking spacecraft now on Mars were equipped with electronic components manufactured by HP's Microwave Semiconductor Division.

Dick Soshea, general manager of the division, said HP impatt diodes are at the heart of the radar that determined the distance of the Viking craft from the planet's surface and their speed of descent. The diodes were made in Palo Alto and tested by the division's high-

reliability testing group. In other vital circuits aboard the spacecraft are HP mesh Schottky diodes, pin diodes and 35822E transistors.

Newman, Watson to new posts

PALO ALTO — George Newman has been elected assistant treasurer and an officer of the company.

Formerly general manager of Calculator Products Group, George will have broad, world-wide financial management responsibilities. He will report to Ed van Bronkhorst, vice president-treasurer and chief financial officer.

Bob Watson, formerly general manager of Loveland Calculator Division, has been named to replace Newman. Bob joined HP in 1961 as a product development engineer in Loveland. He was named engineering manager of the Loveland Calculator Division in 1969, and became general manager of the division in 1975.

Bagley heads I Group engineering, Negrete joins Computer Systems

PALO ALTO — Al Bagley, formerly general manager of HP's Santa Clara Division, has been named engineering manager of the Instrument Group. He replaces Marco Negrete, who recently became the new Computer Systems Group engineering manager.

In his new position, Al is responsible for the research and development planning and engineering strategy for the eleven divisions of the group. He joined HP in 1949, and was named general manager of the Santa Clara Division (formerly Frequency & Time Division) in 1961.

John Blokker, formerly general manager of New Jersey Division, replaces Al at Santa Clara. John joined HP in 1957 as a project engineer and held a series of engineering and management posts before becoming general manager of the New Jersey Division in 1971. Art Darbie has been named to succeed Blokker at New Jersey.



From the president's desk

I guess the announcement of our third quarter operating results was a shocker for us all. Unfortunately, practical considerations require that we publicly report our earnings as quickly as possible — even before we have had an opportunity to completely analyze the results and define the probable causes of departure from forecast.

We now have a somewhat better picture of last quarter. In commenting on our performance I don't want to sound as though I am making excuses, because I am not. I am only reporting the facts as we now have them.

It is pretty apparent that the Advanced Products Division was a major source of the problem. Two primary factors have contributed to APD's problems. One has been the apparent saturation and price erosion in the domestic market, and the second has been the more intense competition in the international market (coupled with a general weakness of international orders for almost all of our product lines). There were also two additional factors that certainly were of no help. One, the fact that we were late in introducing our new calculator models, and second, the move of Advanced Products Division to Corvallis, which at the very least was most unsettling.

What makes the softness in the international market so costly was the fact that much of this market is served by our calculator manufacturing operations in Singapore. As you know, we have a "pioneer status" with the Singapore government which means that the income from that location is substantially tax free for several years. Thus, dollars earned in Singapore are worth about twice as much as dollars earned in a fully taxed area. It was necessary, therefore, to charge an additional seven cents of earnings per share in taxes in the third quarter so that we will come out with the correct value at the end of the year.

These problems at APD, however, should be viewed in

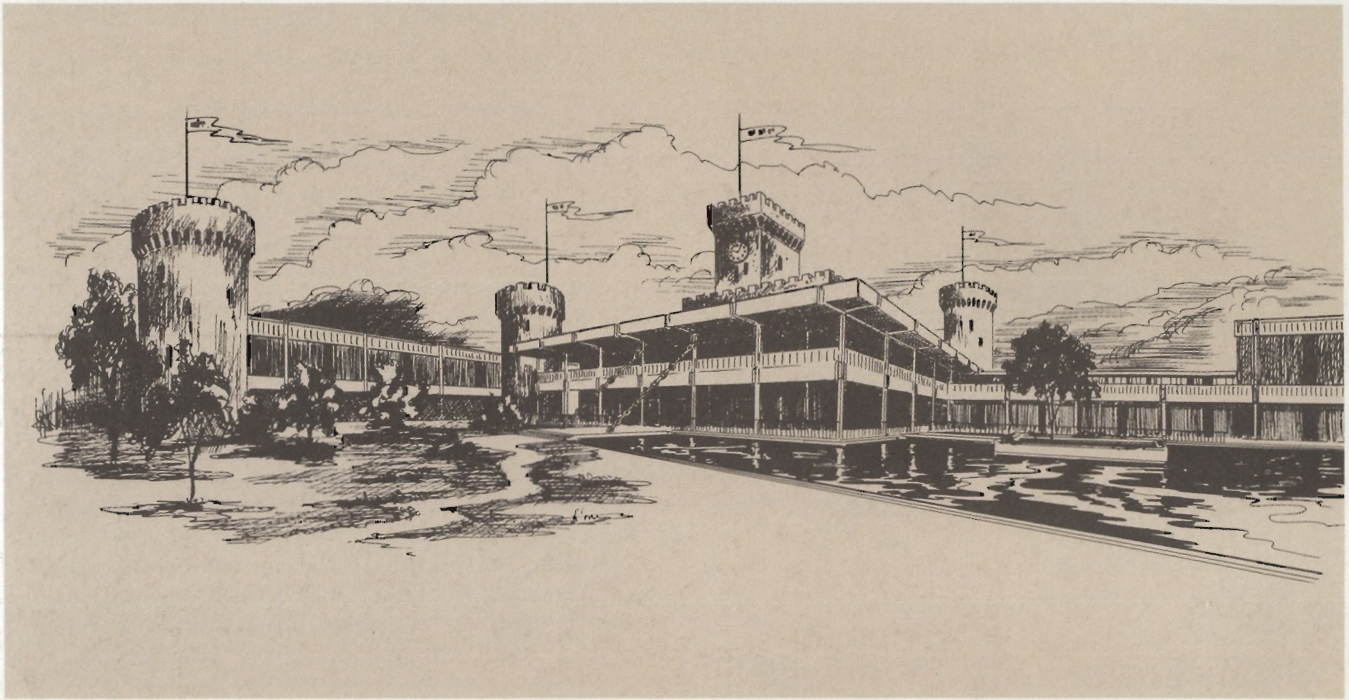
perspective. APD, over the past few years, has been a major contributor to HP earnings. At times when other groups were experiencing some difficulties, APD performance has helped carry us through. The competitive pressures that have impacted APD have taught us much, and in a sense forced us to put our feet back on the ground. I consider the problems at APD to be of a temporary nature, however, and am convinced that by next year they will be solved and that APD will be operating once again in the black.

Let me talk about the positive side of the picture. If one excludes APD, then it turns out that the corporation exceeded its dollar profit target even though shipments were slightly under target. This was achieved by very tight controls on expenses and close attention to production cost. It is a very encouraging sign and represents a highly creditable performance — one for which everyone involved should be highly commended.

Looking at what we may do for the year as a whole, one can only conclude that if we are to exceed last year's earnings figure, we will need a truly remarkable fourth quarter to make up the ground lost in the first three quarters. But such results are not out of the question, as we have much going for us. All the groups are doing very well, and are charging ahead. Ultimately, our performance will depend on the order level both domestic and abroad, on the timely introduction and acceptance of our new products, and on whether the order trends will hold for the two new APD products — the HP 67 programmable calculator, and its briefcase counterpart, the HP 97.

The third quarter earnings report was a blow to our shareowners — as witness the decline in our stock price — but the strength of the company has not been impaired. We will enter 1977 with many new products successfully launched, with a strong financial position, and with perhaps a better balance among our product lines — a balance that will have a smaller percent of our earnings depending on a single, highly volatile product line.

Bill Hewlett



Welcome to Hertz Castle

No, that's not a mis-spelling, nor a rental residence for royalty. Neither is it the address of HP's Transylvanian sales office. Those familiar with HP architecture will recognize the drawing as a likeness of that Camelot of Counters, the Santa Clara Division. It was dubbed Hertz Castle recently by a group of brainstorming Santa Clara marketeers. They were searching for a motif to enliven communications and meetings with HP field sales people. The Hertzian theme seems very appropriate in view of the fact that Heinrich Rudolph Hertz (1857-94) was

the father of frequency measurement, a specialty of the division.

Hertz Castle has some colorful characters in residence. Count Hertz heads the family tree. Other key personages represent the five major product lines: Sir Mega Hertz for counters and printers, Merlin the Magician for precision frequency sources, Sir Michelson for laser interferometers, J. B. Fourier for Fourier analyzers, and Sir Boole for logic test.

As a theme, Hertz Castle sure beats the previously suggested one based on the old prune orchard that once occupied the Santa Clara plant site. Can you imagine Prune Castle? Or Count Regula?

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