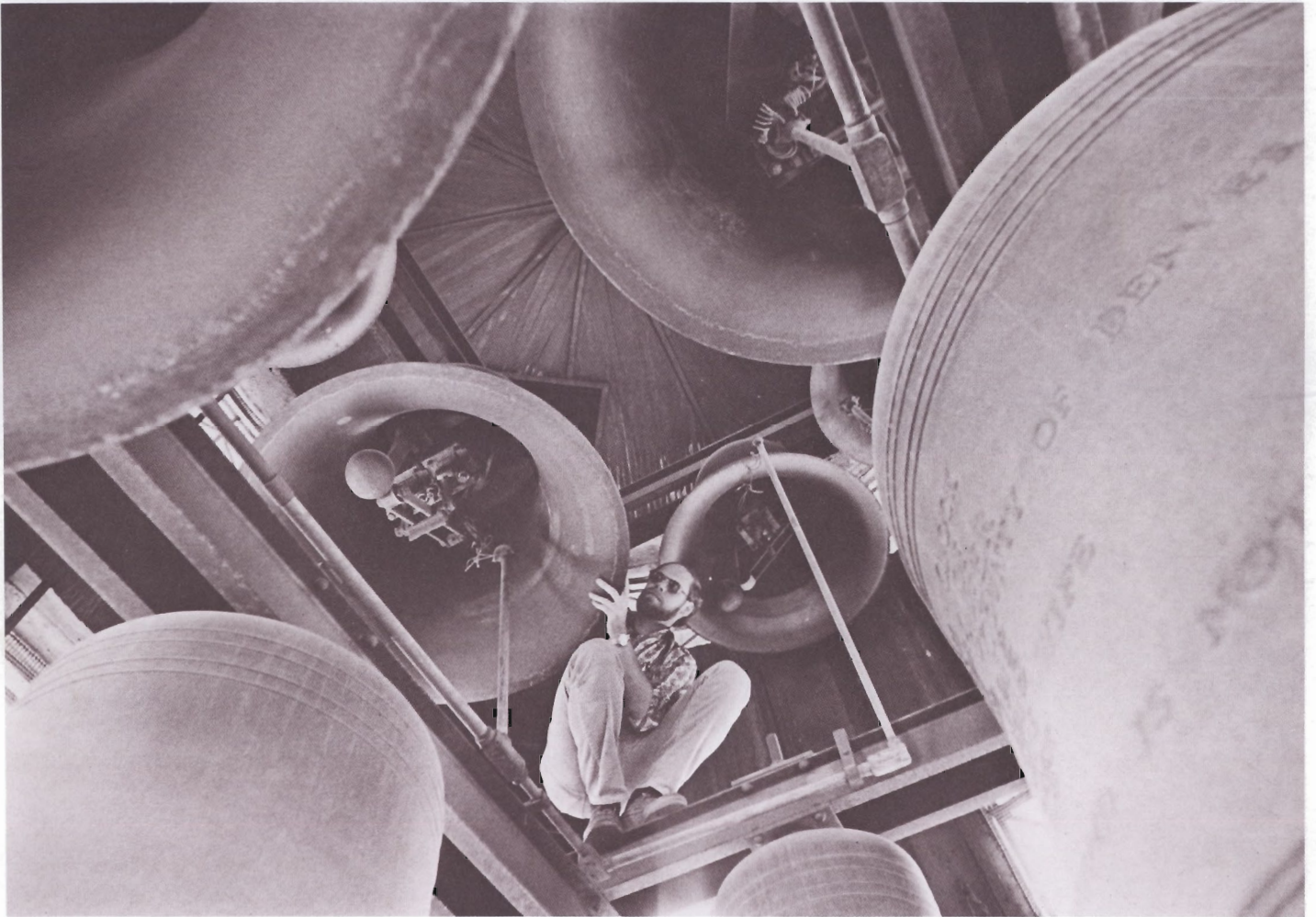


Action in the community:



Measure

For the men and women of Hewlett-Packard/DECEMBER 1978

THEY (you) MAKE IT HAPPEN

Cover

For two weeks this summer the people of Denver knew something was wrong with the city's chimes. First was a missing note caused by a burned-out coil. The city's chime consultant, Larry Kerecman of Loveland, tried to fill the void by wiring in another note—which sounded weird whenever a melody required the missing note. Unable to obtain the right parts or repairs, Kerecman turned to HP's Loveland Instrument Division for help. There, on a Saturday morning in the components department, he and a young co-op student engineer, Rick Liles, and Marylyn Metheny of the coil area designed and wound a new 7-inch coil, free of charge. While that is something that may not rate as a critical community service, it definitely reflects the right spirit. And Denver people can listen again without cringing at the wrong bong.

"Why don't they do something about the schools in this town?"

"Why don't they build more parks?"

"Why don't they provide better public transportation?"

"Why don't they take better care of elderly people?"

"Why don't they give those kids something useful to do?"

Why don't *they* do this?

Why don't *they* do that?

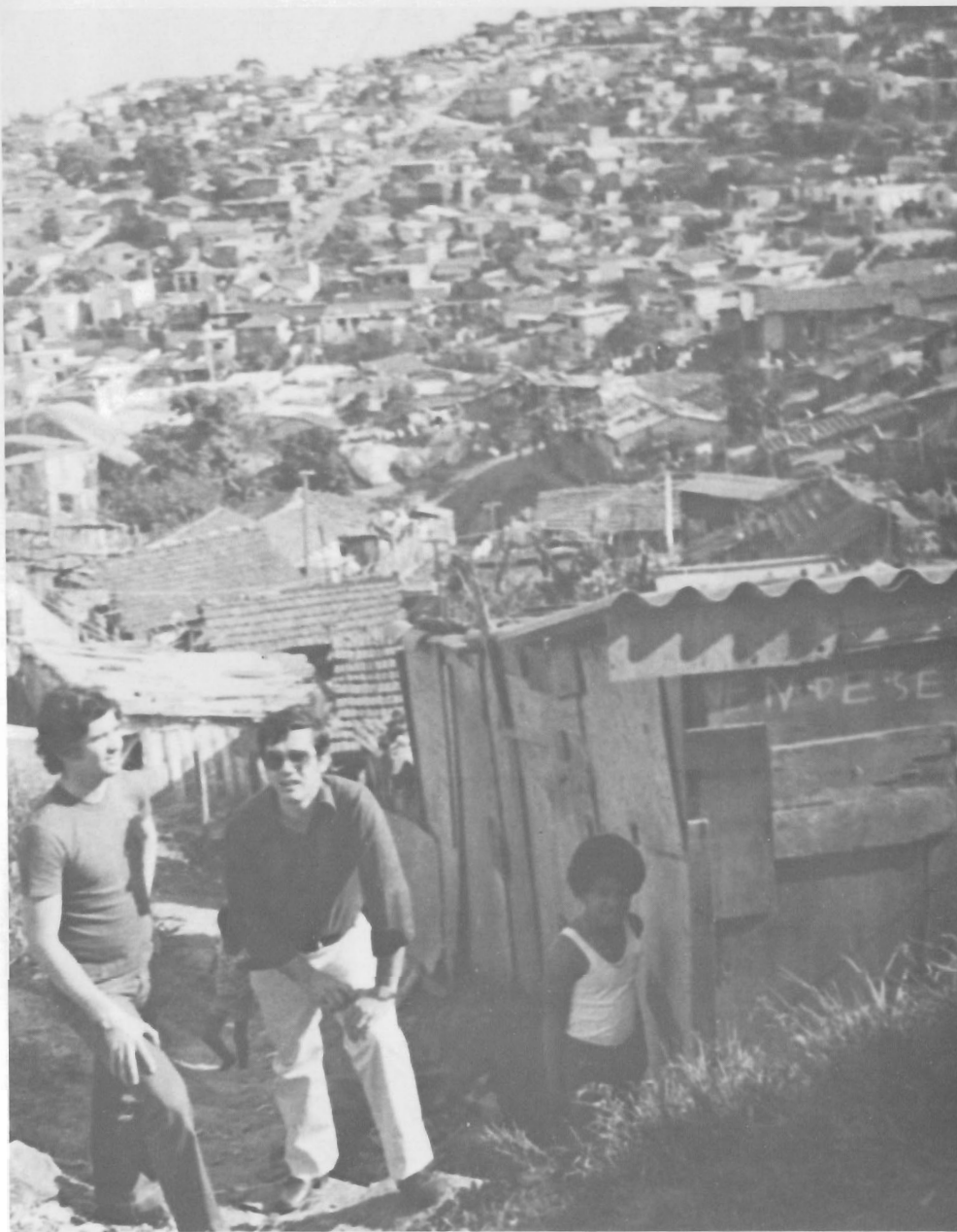
Society's demands on itself for social action and community services are apparently endless and inexhaustible. Many of these demands, moreover, are far beyond the competence of governments and bureaucracies to deal with comprehensively and compassionately.

Where, then, does a community find enough 'theys' who will struggle with its human problems?

To explore that question, MEASURE looked around the Hewlett-Packard organization—to identify some of the 'theys' in the organization, to learn something about the community tasks that concerned them, and in some cases to find out why these people did what they did.

We discovered quite a few of these HP people working within the context of the company, involving themselves in community projects where company resources, time, people and commitment were important and consistent with corporate objectives. Many others participated in a more personal way, often in their own neighborhoods or for special community causes that had touched their lives.

We were offered far more leads than we could possibly follow, let alone present in the space available. It was clear that hundreds and hundreds of HP people participated to some degree in the varied activities of their communities—as coaches, counselors, campaigners, committee members, organizers, teachers, and volunteers of all kinds. A number of their stories had been previously reported. We ended up making a selection based partly on the kind of activity, on geographical representation (where it was possible), and on the drama of the reports that reached us. The following is their story—perhaps yours, too:



HP Brazil's Edward Santos (in center, photo at left) makes his rounds of needy families in São Paulo. (Above) Checking with the young sister of a baby boy treated for dehydration.

A special world...

On the outskirts of São Paulo, Brazil, are the *favelas* where poor families find shelter in crowded groups of makeshift homes built from scrap materials. **Edward Santos**, an order processing supervisor for HP's sales company in Brazil, is, in his own words, "trying to be a citizen of this special world."

Ed, who is now 28, has been deeply involved with Christian social welfare work for the past 10 years through the spiritualistic community. He is now a member of the council of the Union of Spiritualist Societies in the State of São Paulo, which has 754 associations. Many of his evenings and weekends are now

filled with charitable activities in his role as director for social assistance of the Spiritualist Center, Irmão Augusto, which offers various types of support to 50 poor families.

Because Brazil's official welfare and educational programs have not yet caught up with the needs of those who are impoverished, one-third of the country's 110 million people exist on less than \$900 annual income. Voluntary help such as that offered by Irmão Augusto center can thus

(continued)



Luis Hurtado-Sanchez

make a great difference in the lives of the less fortunate.

When he interviews families to see how the center may be able to meet their needs, Ed learns which problems of health care and lack of food, clothing or furnishings are the most pressing.

Sometimes a family member may need to see one of the doctors and dentists who donate their services to the clinic. Or perhaps medicine is required from the stock of donated pharmaceutical samples available at the center. Free clinical parasite analysis is also provided.

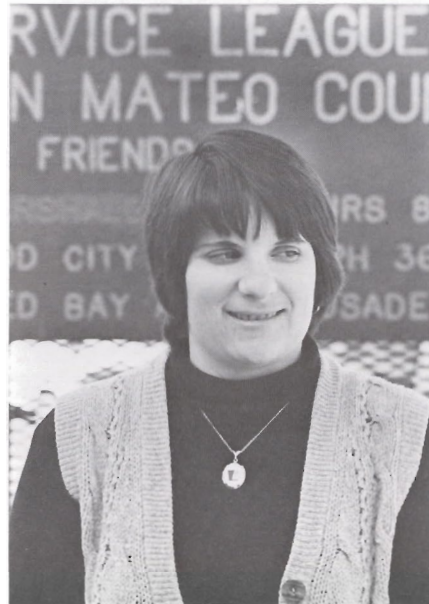
As he visits the families selected by the center and tries to provide for their well-being in the midst of deprivation, Ed's approach is both sympathetic and positive. His philosophy: "If you teach somebody to insist upon his own dignity, he will probably accept the attitude that poverty does not necessarily mean that one must be poor in spirit."

The rent referee...

Luis Hurtado-Sanchez, user support manager in HP's Bay Area EDP center, had always felt a need to be involved in school and community activities. After gaining his master's degree in business from Massachusetts Institute of Technology in 1973 and joining HP, he heard about Palo Alto's Rental Housing Mediation Task Force. It clearly represented an interesting mix involving business experience and human relations. Luis volunteered for a two-year term, and this year served as chairman of the 24-person task force.

The basic service performed by RHMTF, which operates under the aegis of the city's Human Relations Commission, is to bring renters and landlords together when disputes arise. The goal is to have them reach an understanding, not to serve as a judge or decision maker. Luis himself is involved in about 10 cases a year, and chairs the monthly meetings of task force members. In the course of his service he had become convinced of its effectiveness, and plans to continue with it.

Linda Burakiewicz



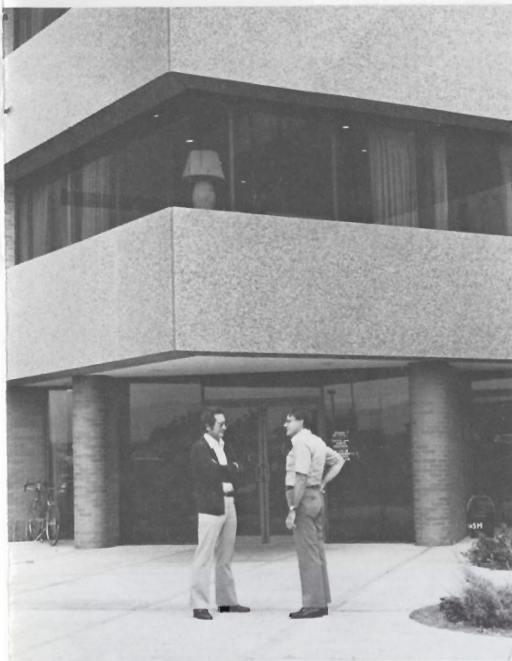
One for one-to-one...

Linda Burakiewicz, lab assistant in Optoelectronics Division, enjoyed her association with fellow volunteers in Planned Parenthood of San Mateo, California. It was something to do after her divorce, but it had become mostly clerical in nature. So after four years she knew something was missing—but felt she had found it when she read an ad placed by the Service League of San Mateo asking for volunteers to work with women prisoners in the San Mateo County jail. She would be able to work directly in their one-on-one program with people who needed help.

And need it they did. After a period of training and security clearance, Linda was assigned her first prison "one-on-one" last March.

"In prison nothing really happens all day long, day after day," says Linda. "The inmates need someone to talk with, to be a window on the outside world, someone who is neutral and with whom they can be very open.

"Of course, some of them will try to 'con' you. But you can't bring them anything, and you can't become a messenger. Just a friend. My second 'one-on-one' is now out and employed. It looks like we'll remain friends."



Two HP supporters, George Ligothke (left) and Clyde Glass chat in front of Loveland's McKee Memorial Hospital.



Marsha Adsit



Gene Romero

Two-way communicator...

Trained in the communications industry, **Clyde Glass** of Loveland Instrument Division became concerned about the communications between the scene of an accident, the ambulance service, and the local hospitals. His concern arose in 1971 at a time when ambulances there did not have two-way communication capabilities.

Becoming involved with Thompson Valley Hospital District on a volunteer basis, Clyde helped define and specify the right equipment. Now the local ambulances are equipped to provide not just transport but also basic and advanced life support.

Clyde's interest led to his appointment this past year by Governor Lamm to membership on the Colorado Emergency Medical Services Council. He also serves on the Colorado Air Evacuation Committee, the EMS Transportation Committee and EMS Communication Committee.

"I guess the reason I do it," he says, "is really two-fold. I want to keep my communication skills current. And it's a way to provide service and advice to the community—a way of returning something to the community."

She helps the "help line"...

Marsha Adsit, Fort Collins Division personnel office, can tell you about the value of a "help line"—from both ends of the phone. Before moving to Loveland in 1976 she had been helped by a crisis line in Iowa. So when she moved to the Colorado community, alone, and saw an ad asking for volunteers to staff the Loveland Help Line, she was ready. Actually, it involved more than willingness. Marsha was given ten weeks of training in basic listening and feedback skills, as well as coaching by people from Planned Parenthood, police department, Colorado State University, Alcoholics Anonymous, and other resources. Two nights a week—one in the Help Line office, one at home—she waits the calls from lonely or desperate people. Most calls are from people who simply need someone to talk with and help sort out their feelings. But sometimes there is a real emergency. Says Marsha: "Being able to help other people is the most important thing I've ever done. I feel good when I can help relieve someone's pain or solve their problem."

Special rewards...

Working with mentally handicapped youngsters and adults is one of the major projects of the Colorado Springs Civitan Association which photo tech **Gene Romero** of Colorado Springs Division now heads as president.

It's also one that he finds especially rewarding.

"It is so touching to work with these people," Gene explains. "Last year during the holidays some mentally retarded folks in their twenties were struggling to put together a paper chain like kindergarten children make. Their cutting was really jagged, but they did it. When you'd say, 'Hey, that's beautiful!' the glow on their faces would just turn you inside out."

During the five years that Gene has belonged to the international organization he has taken part in a wide variety of activities. (He was the first one in his chapter to win a national award based on service points during his first year.) The Civitans work with many youth groups as well as the mentally retarded of all ages, and take on such individual tasks as painting a house or raking a yard for an elderly couple.

Gene gives the time gladly. He says, "If I can't devote eight hours a week, I'm not doing my job as a Civitan."

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Disability no handicap...

Alex Simpson, a systems engineer in HP's Altrincham (United Kingdom) sales office, had an idea: people with physical handicaps (particularly people such as tetraplegics whose disability results from a broken neck), might be trainable in data processing. Not only might they be competent in this work—they could very well be ideal in certain phases that don't require mobility.

Alex had previous experience teaching programming to prisoners at Grendon Open Prison. Thinking about the handicapped, he got in touch with the Young Disabled Unit in Stoke Mandeville Hospital, and tested his idea by coaching a young resident, Derek Nicholson. In time, Derek himself became a programming instructor.

Having established proof of his idea, Alex branched out, recruited a group of tetraplegic trainees, contacted various firms for donations of equipment and supplies, and sought more professional help. HP's Altrincham office recently made HP 3000 computer time available to the program.

The group "shaped up well" according to Alex, and soon took on backlog work in key punching for a large insurance company. Other jobs followed.

Commenting on the program, Dr. J. J. Walsh, director of the National Spinal Injuries Center at Stoke Mandeville, said: "We get a cross section of the population here, with all types of disabilities. People disabled by accidents come to the hospital to adjust to their handicap, recover and then return to their homes. How much better it will be if we can send them home with a skill which will help them to earn a living in the outside world."



Alex Simpson, right, training group of tetraplegics in data processing.

Just about every weekend Myron Cox, a medical customer engineer at Neely Santa Clara, and 13-year-old Dale Lindsey of San Jose get together to do something. It's a companionable arrangement—sometimes they plan an excursion, but often they do something like mending a bike or cooking dinner together. This is the second year that Myron has been a "Big Brother" to Dale, who lives with his mother and two sisters and has never seen his father.

When Jeanne Bru, a production supervisor at Optoelectronics Division, was introduced by friends to the developmentally disabled children of Agnews State Hospital, she immediately recognized a need and an opportunity to help. The activity shown here is part of the Special Olympics Day at Agnews for which Jeanne organized a team with some HP help. She also helps arrange visits to the circus, the beach, barbecue, or other special events.

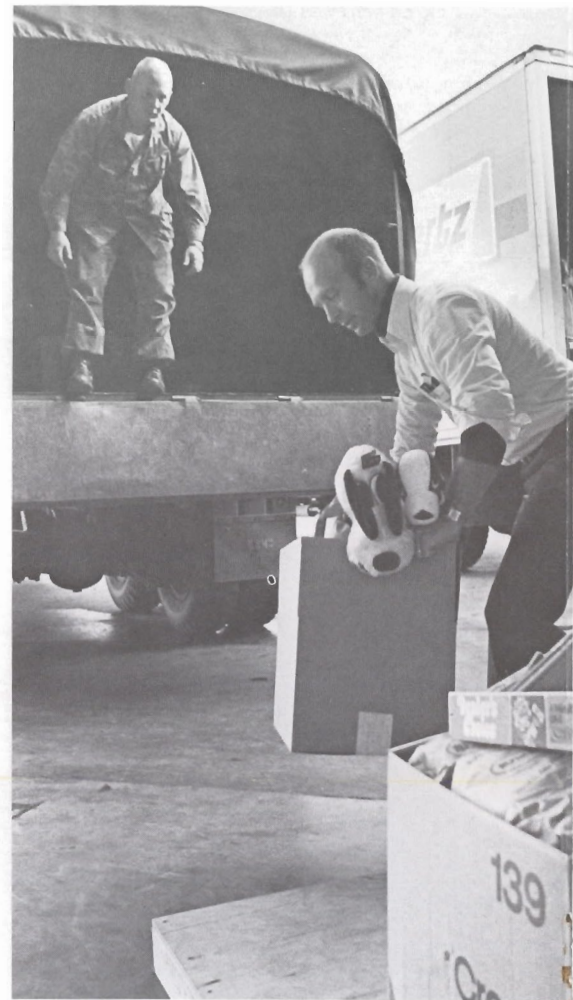


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Volunteer firefighting appears to be a popular community activity for HP people. At left is Larry Giddings, a machine operator at McMinnville Division, who was voted Fireman of the Year for the City of McMinnville a year ago. Working in the plastics molding area, Larry often can't hear the fire siren, but as soon as people start phoning and calling for him, he knows it's time to run. Another volunteer is Santa Clara Division's Bob Lundin, among those shown racing in a bucket-brigade event which his team won over 60 other California teams. Bob is a member of the Santa Clara Fire Department Volunteer Reserves, and carries a set of emergency protective clothing and a pager wherever he goes.

It's not by chance that truckloads of toys for less fortunate youngsters are collected at HP's Santa Clara County divisions each Christmas. The moving spirit is Lynn Vanderhoef (right), who first proposed that his own Stanford Park Division cooperate with the Marine Reserves "Toys for Tots" program four years ago. Other HP divisions soon asked to help, so now some 60 collection boxes are placed at company locations. Last year HP people contributed enough new and usable toys to fill seven of the big Marine trucks.



Nurturing other people's kids comes naturally to Mary Lou Nuwer of Stanford Park's facilities department, shown enjoying an amusement park ride with a young guest. Now that the Nuwers' own son and daughter are in college, Mary Lou is a volunteer in Friends Outside, which helps families of people in jail. She spends a lot of time with her special friend Nancy, 9, who was along on this outing. Mary Lou is also a mother to two teenagers needing family ties who have been welcomed into the Nuwer home as foster children.

making it happen—as private citizens



offices around the U.S. are occupied by HP people. They include **Don Hammond**, HP Labs, on the Palo Alto board, **Francis Charbonnier**, McMinnville Division's engineering manager, on the local school board, and Waltham's **Greg Yergatian** on the Waltham School Committee.

Town, city and county councils and boards have their share, too. The history here probably started with the late **Ed Porter**, vice president-Operations, who became mayor of Palo Alto in 1955.

Serving currently are Loveland's **Carolyn Coulson** on the Loveland city council, **Bob Grimm** of HP Labs on the Los Altos city council, McMinnville's **Charles Freeling** on the city council, **Gary Fazzino** of Corporate Public Relations on the Palo Alto city council, and Andover's **Dana Metzler** on the Dunstable board of selectmen.

Hospital boards also attract HP activists. **George Ligothe**, controller at the Civil Engineering Division, is chairman of the Valley Hospital District, near Loveland. **Tom Lowden**, senior personnel administrator for Corporate Personnel in Palo Alto, recently won election to a full term to the Washington Township Hospital District after serving 18 months on an appointive basis.

The above are but a sample of the many HP people who take active roles in the political processes of their communities as candidates, campaign supporters and consultants.

Joe Perez, fighter...

The newspaper headline said "Joe Perez fighting for his life." At first glance, local readers might have thought of this as a comment on the politics of Mountain View, the community in which HP's Joe Perez lives and serves as a council member.

For **Joe Perez** has been—had to be—a fighter all of his life to reach the goals he set for himself. One of eleven children of Mexican parents who migrated from crop to crop up and down California, Joe spent his early life picking, cutting or harvesting all the things

that grow in that state. Eventually the family settled in Mountain View, and Joe did a lot of catching up to finish high school followed by electronics studies in night school. He came to HP as a shipping and receiving clerk, eventually becoming quality assurance manager at Customer Service Center.

Along the way, during the upheaval of the sixties, Joe became involved in social issues, particularly in the struggle of Mexican-American people to seek identity and opportunity. In 1970 he formed the Mexican-American Coalition of Mountain View which has worked particularly hard to gain improvements for minorities in the local school systems. He ventured into the local political scene first as a member of the planning commission, then as a winning candidate for city council in 1974. Two years later he served as the city's first Mexican-American mayor. In April this year he won reelection to the council for a second four-year term.

That headline, however, referred not to his campaign but to cancer. Joe is now fighting his third bout with the disease this year, but plans to continue his community activities as long as he is able.

Why?

For one, he says the illness has given him a new appreciation for every day. He also recognizes that he has become a role model for minority youngsters who see that they can work within the system and make needed changes. Another reason may have been last June 3rd when hundreds of citizens turned out to celebrate "Joe Perez Day." Joe first tried to discourage the event but later decided he didn't have the right to do that; it was their special way of saying "Thanks and get well."

They choose to run...

There's a solid history of HP involvement in nonpartisan community representation, particularly on school boards, city councils, and hospital districts.

Chairman **Dave Packard** was among the first, serving on the Palo Alto Board of Education from 1948 to 1956, including one year as its president. **Barney Oliver**, vice president, R&D, also won election to the same board, serving it from '61 to '71. Probably at least a dozen other school

(continued)

making it happen—with some HP help

Stimulating excellence...

Students in hundreds of classrooms and laboratories around the world today are able to work with some of the world's most advanced electronic instruments and systems—equipment donated either in whole by Hewlett-Packard or in combination with HP employees.

The means to do this are two HP programs. The basic purpose of each is “to stimulate excellence on the part of universities in the education of students in science, medicine and engineering.”

In its program of direct donations, HP relies on the recommendations of its individual field sales engineers and representatives in support of university requests. All such requests and recommendations are carefully weighed at the sales region and country level, and coordinated by Corporate Training's **Myrt Ebright**. They sometimes involve new products, while others can be satisfied with used equipment including former demo stock.

The second program is HP's gift-matching plan. This recently was paired with the Funds Matching program to give an employee the option of having a cash gift doubled or a product gift provided to a school of choice at a 65 percent discount from list price (not to exceed \$2,858). Either way is an effective means of strengthening alumni ties—and HP's role in the future of professional education.

Seeing is believing...

Pete Peterson of Fort Collins Division may be unusual in his dedicated support of United Way giving. He brings ten years of experience to the Fort Collins campaign, was an HP loaned campaign executive one year, is vice chairman this year, and will become the drive's chairman in 1979.

In another way, however, he is very typical of the many HP people who participate in this HP-supported activity: having seen the work being done by various United Way agencies, and learned of the many human needs they attempt to serve, he becomes an enthusiast, an activist and an advocate.

Hewlett-Packard Company and HP people clearly share those views. Giving via United-Way-type programs wherever these exist is the most significant form of community financial support by the company. Whatever funds are contributed by employees in the course of a local campaign are matched by a company donation. In addition, as in the case of Colorado's Pete Peterson, personal involvement and leadership are also highly important.

Perhaps no one exemplifies that commitment any more than **Bob Grimm**, director of the Technology Research Center of HP Labs. This year Bob is president of United Way of California, after years of serving on Santa Clara County's fund as trustee and president. It may also be recalled that Bill Hewlett served as chairman of the fund's campaign in 1976, one of its most successful years.

The local leadership role has also been part of the experience of **Ray Smelek** of Boise Division, **Dale Hiatt** at Colorado Springs, and **Terri Tallis** at Corvallis. But, year in and year out, it has been the active support of the many HP volunteers and contributors that has made the difference. In 1977, combined HP contributions to some 36 local campaigns brought them more than \$1,240,000.

Guidelines for giving...

Business has long been an important source of funds for charitable, community and educational institutions. As described previously, HP responds to a great many of these organizations by way of its United Way giving, its instrument donation and matching-fund programs, its loaned people program, and other established activities. How does it deal with the many other requests that come its way?

HP divisions have the basic responsibility of evaluating and responding to local community solicitations that fall within corporate guidelines as to amount and kind of giving. All other requests land on the desk of **Norm Williams**, who manages the company's donations program. A corporate donations committee reviews all requests, and proposes any policy changes that may be appropriate.

With a personal touch...

The Community Activities Committee (CAC) set up in each of HP's Southeast Asia facilities in 1977 is reminiscent of the United Way in the U.S.—but with a difference.

Contributions made voluntarily by employees to a fund for charitable purposes are matched by the company, just as in the case of the United Way. But contact with the recipients of that money is likely to be far more direct and personal.

At HP Malaysia, for instance, the CAC committee made up of volunteers from all departments has selected five organizations to receive major contributions, along with a number of others which are helped to a lesser degree.

Money has gone to the Mount Miriam Cancer Home, which hopes to purchase a cobalt machine for treating its cancer patients, and to the Penang Spastic Children's Association for sponsorship of four

foster children to receive medical treatment and an education.

Three other organizations have received some special support from the CAC in addition to money: an annual picnic for the orphans of the Salvation Army Boy's Home and children from the Mentally Retarded School, and a sightseeing tour for inmates of the Silver Jubilee Old Folks Home.

The same personal touch is also evident at HP Singapore, where CAC members donate their skills to helping the elderly by painting their homes and making such useful repairs as fixing a fan or a balky toilet.

This summer something new was added to the outings which the CAC has sponsored for youngsters from several local institutions. For the first time, young guests from the Children's Aid Society, Singapore Children's Society and Bukit Ho Swee Community Service Project were included in the annual Fun and Games Day for employees and their families. Wearing T-shirts provided by HP employees, they took part in the games with such enthusiasm that their presence added greatly to the general enjoyment.



When HP Malaysia's Community Activities Committee chartered a bus to take a group of elderly folks for a ride, the outing included a stop at the Botanical Gardens. Serving as guide is production supervisor Mohammad Radzi.

At annual picnic for HP Singapore employees and their families, young guests from the Singapore Children's Society help Art Wong, manufacturing manager for consumer calculators, wrap engineering manager Koh Loke Seng as a mummy.



Coaching young business people...

Becoming advisers to Junior Achievement companies requires enthusiasm and commitment—quite a few hours of personal time. But, as experienced advisers such as **Del Bothof** and **Wayne Hawkinson** of Delcon Division have found, the experience can provide rewards beyond the psychic and personal levels—it may even be good for your own professional development!

Many other HP people have made the same discovery. This year there are—at last count—close to 20 JA companies in operation at HP divisions helping several hundred high school youngsters learn about business by becoming temporary business people. In the process, the advisers will have helped the members through the stages of selling stock to raise capital, electing officers, developing a product and marketing strategy, manufacturing and selling the product or service, keeping books, dissolving the company at year's end, and paying off the stockholders.

Junior Achievement has now become



Junior Achievement company discusses business strategy.

almost a year 'round activity at HP. During the summer, companies are formed of high schoolers who subcontract work for various divisions. The latest JA addition is "Project Business", a nationwide program that brings volunteers from business into the classroom for 45 minutes each week to talk about business with eighth and ninth graders.

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He shows them how...

Connie Henderson is on the Corporate payroll in Palo Alto but he hasn't had a desk at Hewlett-Packard for a long time. It's not unusual for the company to make available the expertise of an employee for a special community project for several weeks or months. But Connie has been teaching and administering a program in the basics of electronics for eight years now at two different locations in the area. And with trainees in short supply throughout the industry, he expects to keep on going in the future. While some of those who finish Connie's six-week course take jobs at HP, most are absorbed into other companies in the strip of electronics firms known as "Silicon Valley". (Connie's records for the past two years show that his former students are now working in 40 companies.)

A teacher before he joined HP in 1957, Connie kept his hand in by teaching basic electronics in adult education classes at night while handling various training and employment assignments on the job. In 1970 he was asked by HP to work at the Opportunities Industrialization Center (West), a center in nearby East Palo Alto training disadvantaged workers in the basic skills needed in industry. In



Connie Henderson teaching the basics of electronics.

1976 Connie was invited by the Palo Alto Unified School District to shift his program to its Manpower Training center operated under federal funding. (To keep the books straight, HP is now reimbursed for his straight salary.)

These days Connie's students are frequently newcomers from many countries who live in Santa Clara County and are

eager to qualify for the many trained and entry-level electronics jobs waiting for applicants with an understanding of basic wiring and assembly techniques and resistor color coding. By the end of the course they have mastered those fundamentals and many more, including a week of familiarization with the semiconductor die-attaching and lead-bonding. Helping back up Connie's program is Stanford Park Division's sheetmetal shop, which supplies specially crafted aluminum chasses, and components and other materials from HP's stock for school gifts.

"People think they can't do this work," says Connie, "and then by the end of the course they can make a little 8-transistor radio by themselves. It's amazing what confidence it gives them." Ninety-five percent of his graduates go right into industry.

The more usual "loan" of an HP employee to a community project is for a specific period, such as serving as a "loaned executive" to a United Way drive. **Freddie Simpkins** of Corporate Equal Opportunity spent six weeks this fall on another recurring assignment: helping the National Alliance of Businessmen secure pledges from Santa Clara County firms to hire disadvantaged people, veterans, and ex-offenders. Sometimes a call for assistance may come from the public sector—**Ray Nystrom**, now general accounting manager with General Systems Division, just returned



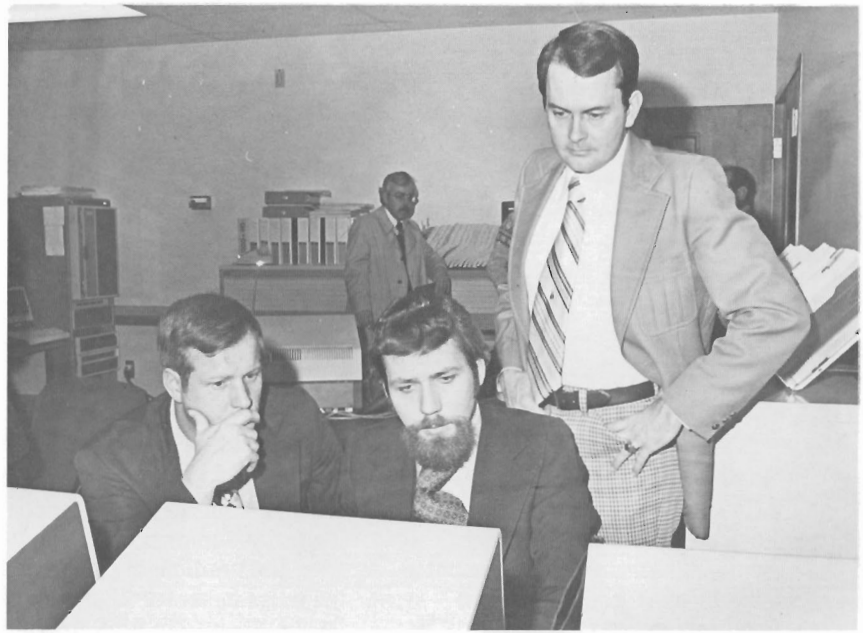
At the request of local school districts, some HP employees in California receive release time to help in the classroom. For the second year, Sandy Davison (left) of the Instrument Group works with primary-grade children in the Palo Alto schools, such as these youngsters improving their eye-hand-body coordination. Bilingual skills of volunteer aides are particularly useful at Slater School in Mountain View, which has a number of children for whom English is a second language. Bob Fierro of Delcon Division's personnel department, shown above helping a sixth grader with her writing, also uses his Spanish in individual tutoring. Half of this year's 14 HP volunteer aides from Delcon and the Customer Service Center speak Spanish.

from five months in Washington, D.C., where he helped the Office of Management and Budget apply modern cash management techniques to the federal government's massive cash flow. Corporate's **Rich Lujan** is now on loan to spend several months with the State of California's Department of Industrial Relations, which is anxious to develop training programs and a career ladder for electronics technicians and assembly workers. His efforts may well help Connie Henderson's students to keep advancing in their new field in the future.

To catch a killer...

It began as a series of four unsolved kidnappings and child murders in Oakland County, Michigan, during the winters of 1976 and 1977. To find the killer, local police units banded together into a task force, and invited the help of the state police. A "hot line" center was set up to record tips, drawings of a suspect were released, and almost 200 detectives became involved in the investigation. Very soon the task force was bogged down in thousands of tips and clues. In some cases as many as five investigators would arrive on the scene of a hot tip. And one driver of a certain make and color of car was stopped at least 20 times as a suspect. Quite clearly, the task force had a major management problem as well as an uncaught killer on its hands.

Barry Pehoski, district manager for Computer Systems in the Farmington Hills (Detroit) office, recalls that he had been calling on the state police department regarding computer systems. One Friday afternoon in February, 1977, representatives of the task force came to the HP office requesting the use of computer time to manage the influx of data. Specifically, they wanted to set up a data base, log the results of investigations, and be able to query the system regarding the relationship of the crimes and clues. Since there was capacity available on the HP 3000 II system, and since the HP office was located in Oakland County, the Computer Systems team agreed to the request. Working overnight, task force experts had the data base operating the next day, and one day later put five typists to work entering the data. Barry and other HP



Checking Pittsburgh's computerized man-hunt system are, from left: Michigan trooper George Willoughby, HP systems engineer Bob Smith, and Lt. Phil Hogan of Michigan State Police.

people contributed many hours of their own to the job.

According to Barry, the system was very successful in its task of managing and correlating information. It's believed to be the first of its kind used by a task force attempting to solve a major crime. Unfortunately, the killings remain unsolved. The case is still open, but no longer involves the HP office.

Which leads directly to Pittsburgh, Pa., and the sheriff's department in December, 1977. Several murders in the area appeared to be related to one another and to murders committed in other parts of the country. In all, the police were looking at the possibility of 30 or more murders attributable to one killer! With more than 5,000 leads and a huge mass of detail to sort out, Sheriff Eugene Coon appealed through the press to the local business community for the loan of a computer system.

Aware of what had been done in the Farmington Hills office, **Bruce McKee**, Computer Systems district manager in the Pittsburgh office, contacted the sheriff. Computer time and some volunteer help would be made available free; the county would lease its own terminals and staff them. One of the very first things Sheriff Coon did was to call the Michigan state police and request the help of Lt. Phil Hogan who had worked with HP and the task force's system.

Describing the system, Hogan said it had saved thousands of man hours and

eliminated an infinite number of false leads.

Sheriff Coon's expectations were that the system "will tell us things we've missed, things we can't see, facts that we simply can't digest."

Monica Bolcato, secretary to the Computer Systems team in Pittsburgh, recalls the police investigation as a very exciting time for the sales office people. **Mark Wechsler** and **Bob Smith** were very involved in programming the system. Six terminals were installed and staffed in the office. Another bank of four terminals was installed at the task force headquarters in downtown Pittsburgh, and others were stationed in neighboring county police departments. In all, the investigators spent more than a month on the HP premises, in the course of which they discovered how easy it was for anyone to become proficient on the friendly HP system.

The system developed for Pittsburgh classified car descriptions, tips and eyewitness reports into 81 categories. Sorting through these, it was able to report any matchups between the various cases. A pattern began to emerge, pointing to one person meeting a certain description in the various cases.

Two months ago, police in Florida arrested a man meeting that description on suspicion of murders committed in various states, including Pennsylvania. He is now in custody of police in South Carolina, awaiting trial.

HP NEWS

Strong 1978 performance

PALO ALTO, November 28—The company reported a 27 percent increase in sales and a 26 percent increase in net earnings for the fiscal year ended October 31, 1978.

Sales totaled \$1.73 billion, compared with 1977 sales of \$1.36 billion. Net earnings amounted to \$153 million, equal to \$5.27 a share on approximately 29 million shares of common stock outstanding. This compares with earnings of \$121 million, equal to \$4.27 a share on slightly fewer shares last year.

Incoming orders for the year were \$1.87 billion, 31 percent higher than the \$1.43 billion in orders booked in fiscal 1977.

Sales for the fourth quarter amounted to \$516 million, an increase of 36 percent over the total of \$379 million in last year's period. Fourth quarter earnings were \$52 million, up 58 percent from \$33 million a year ago. This is equal to \$1.76 per share, compared with \$1.14 per share in 1977's fourth quarter. Orders were \$501 million, an increase of 35 percent over the total of \$371 million in last year's fourth quarter.

All product groups contributed to HP's sales and earnings growth in fiscal 1978. Preliminary figures show that the company's computer and calculator products represented approximately 43 percent of sales. Electronic test and measuring instruments and components accounted for 42 percent, medical electronic products for 9 percent, and analytical instrumentation for 6 percent.

The company's international business was particularly strong

during the year, with orders from customers outside the U.S. amounting to \$898 million, up 35 percent from \$664 million in 1977. Domestic orders increased 27 percent to \$977 million from \$769 million the previous year. In the fourth quarter, international orders rose 39 percent to \$231 million from \$166 million. Domestic orders were \$270 million, up 32 percent from \$205 million.

Ft. Collins' third building

FORT COLLINS, Colo.—Work began last month on the third building unit to be located on HP's 160-acre site here. The 172,000 square-foot facility is expected to cost in excess of \$10 million.

The new unit will accommodate those portions of the Desktop Computer Division still located in Loveland, and provide for anticipated growth of other operations now located at Fort Collins.

Second Roseville site optioned

ROSEVILLE, Calif.—Hewlett-Packard has taken a six-month option to purchase a second parcel of land in the Roseville area. The 500 acres are six miles north of the city center on land now zoned for agriculture but scheduled for future industrial use.

The company still retains another option on 1,100 acres of property in the area north of Roseville. Both sites are being studied as possible locations for HP plants. The company has announced plans to move a portion of Data Systems Division to the Roseville area.

Comsys' big savings

PALO ALTO, Calif.—Use of its own Comsys electronic mail system is estimated to have saved Hewlett-Packard some \$20 million in 1978 compared to the equivalent message cost of postage and wire. The estimate is based on the average daily Comsys traffic load of some 18 million words, equal to approximately 100,000 letters.

Comsys delivers its electronic messages overnight across the U.S. and Canada for seven cents (U.S.) each, while messages flowing to and from international locations average 15 cents each. The Comsys network is made up of more than 130 HP 2026 minicomputer systems at 105 locations around the world.

Regular dividend declared

PALO ALTO, Calif.—At their board meeting on November 17, HP directors declared a regular quarterly cash dividend on the company's common stock. The dividend, 15 cents a share, is payable January 15, 1979, to stockholders of record December 27, 1978.

As of October 31, 1978, the end of the company's fiscal year, there were 29 million shares of common stock outstanding.



From the president's desk

The year 1978 is behind us, and taken as a whole, it was a very satisfactory year for our company. There were some ragged spots during the year that I flagged for action in other MEASURE articles, such as moving our shipping levels up to match a strong incoming order rate, more attention to accounts receivable collections, and reducing the build-up in our international shipments pipeline.

It's apparent, in analyzing the final figures, that the people responsible for these areas really went to work on these problems. The results are that in the fourth quarter we outshipped orders and were able to reduce backlog. Shipments increased by 21 percent from third to fourth quarters. Our accounts receivable collections improved, so we ended the year right on target in number of days outstanding. The inventory in our international shipments pipeline decreased steadily during the last few months and ended up at normal levels.

Thanks to this special effort, we increased our earnings before taxes by 29 percent on a shipments growth of 27 percent as compared with 1977. When earnings grow faster than shipments, it indicates that our costs of production and all other expenses are under good control.

Our tax rate increased in 1978 to 48.4 percent from 47.0 percent in 1977. This reflects a myriad of effects among the many tax jurisdictions that have a claim on portions of our income.

On an earnings per share basis, we increased to \$5.27 per share, up \$1.00 per share from 1977.

We added about 7,000 new employees during 1978. They obviously have picked up their share of the load quickly and effectively, and we managed to improve productivity in the second half. This reflected directly in our profit sharing of 8.75 percent, an increase over the first half

and over last year. In fact, this is the highest second half payout since 1965.

Congratulations to everyone on this fine performance.

1979 looks, at this point, to be a good year for HP, but it's not without its uncertainties. Many forecasters are suggesting the U.S. will have a downturn during the year, but our current order rate certainly doesn't show it, and other industry leaders I've talked with don't see one either. In any event, we're in a good position to react to trends as they develop for several reasons: 1) We have a higher than desirable backlog and deliveries to customers are longer than we would like to see. However, as we work off the backlog we have considerable flexibility in adapting to incoming order rates. 2) The European economies (one third of HP's business) are expected to be on an uptrend next year. And 3) we have a real "vintage year" of important new products to provide incremental sales.

As the year gets under way, it's important to meet our shipment targets in the first quarter and not fall behind. We'll be looking for consistent growth quarter to quarter, and prompt actions from all activities to match shipments and expenses on a current basis.

One area that will affect our U.S. employees and customers is President Carter's voluntary wage and price control program. This is part of an overall administration plan to reduce the rate of inflation by one half percentage point over the next year and includes Federal government actions to continue to reduce the money supply, reduce spending, and review carefully the costs of Federal regulation.

Inflation is clearly our most pressing national problem. HP will cooperate in the President's efforts to bring it under control.

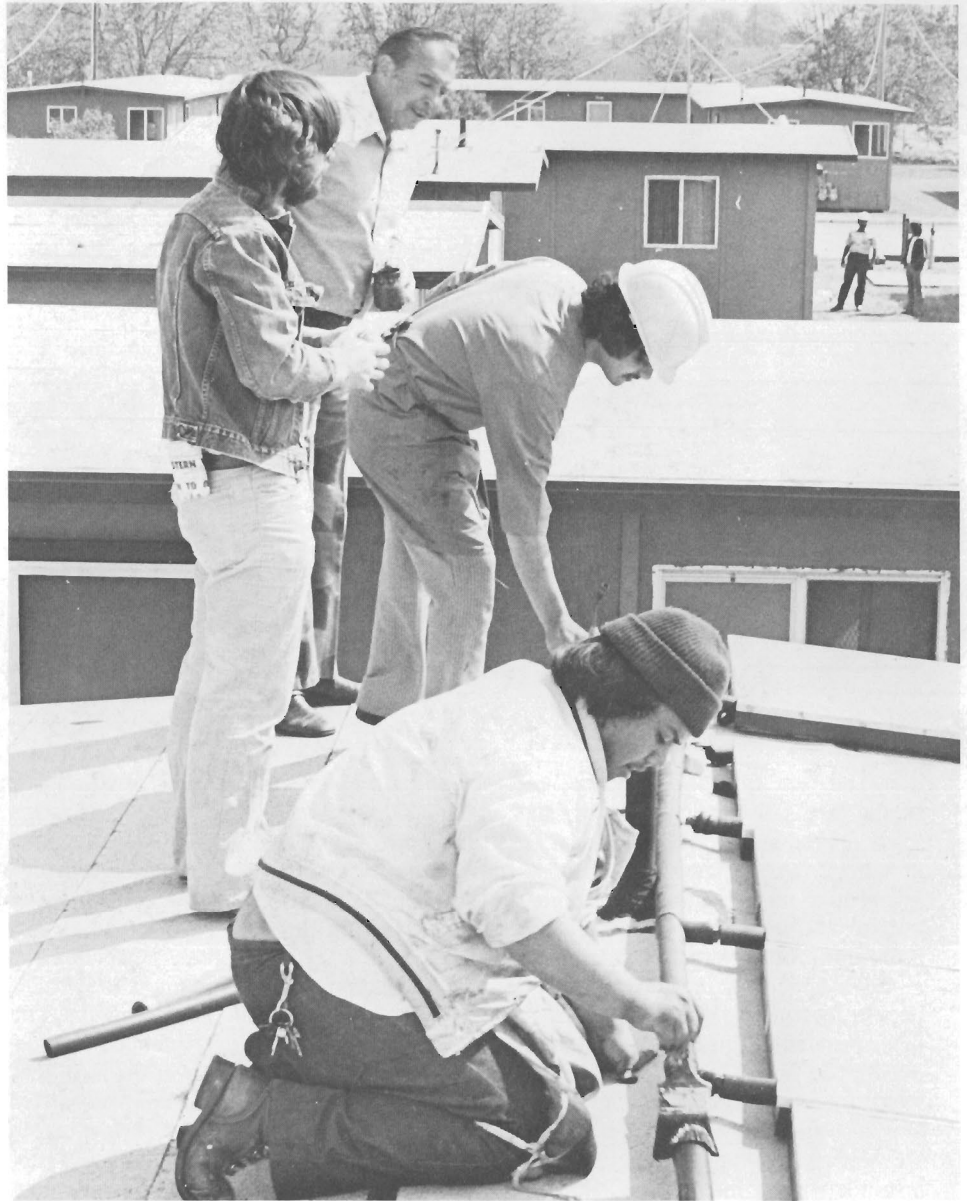
The voluntary wage and price guidelines are in draft form now for industry comment. The electronics industry is highly productive, and in our own case we see about as many price decreases as we do increases. We have discussed our situation with top officials in the Council for Wage and Price Stability for consideration in issuing final guidelines in the latter part of December. We will keep you fully informed as we get additional information from Washington.

A very happy holiday season to you and your families.

Sharing solar technology...

In 1973, facility engineer **Martin “Mac” McFee** and several associates at the Sunnyvale plant thought they had a good idea for heating the building with a solar system—but didn’t realize just how hot a project it was. Their first announcement—of what turned out to be the world’s largest industrial solar heating system—was to advertise the sale of black plastic piping left over from the job. Nevertheless, the world did take notice—and Mac was named “Factory Man of the Year” in 1976 by a national trade magazine. He also became much in demand as a consultant, speaker and trainer for others looking into solar heating. Some of his time for this represents a company contribution, as in his appearance before a California State Senate hearing on solar heating; some of it is private after-hours consulting, and a lot of it is “on the house.”

Mac’s most recent personal undertaking was helping train 37 young former migrant farmhands in the skills of building maintenance. As part of their evening course at the Center for Employment Development in San Jose, the students built a complete solar-heating system for a migrant housing center. It worked beautifully.



Mac McFee (top center) coaches solar heating class.

Measure

EDITOR
Gordon Brown

ASSOCIATE EDITORS
Dennis Cresswell
Betty Gerard

ART DIRECTOR
Tom Martin

GRAPHIC ASSISTANT
Teri McPheeters



1501 Page Mill Road, Palo Alto, California 94304

MEASURE Correspondents ANDOVER, John Flaherty • AUS-TRALASIA, Robin Schmidt • AVONDALE, Matt Whittier • BOISE, Arlie Stone • COMPONENTS, Kathy Belton • BRAZIL, Campinas, Jose Luciani • COLORADO SPRINGS, Betty Lutton • CORVALLIS, Dick Anderson • CUPERTINO, Ardis Boland • DELCO/ISC, Ed Igen • EASTERN SALES, Vince Macrina • FORT COLLINS, Pete Peterson • GENERAL SYSTEMS, Ken Coleman • HP CANADA, Brian Wright • HP FRANCE, Jacques Marguereu • HP GMBH, Ernst von Glasow • HP ITALIANA, Alice Partera • HP SINGAPORE, Dick Lovin • HPSA, Josette Boulmier • INTERCON, Judy Hansen • LOVELAND, Jim Colwell • MALAYSIA, Maria Malik • MANUFACTURING, Charlie Marshall • MARIANVILLE, Chuck Walker • MIDWEST SALES, Jessica Tolman • NERELY SALES, Roseanne Peters • NEW JERSEY, Bob Muggleston • SAN DIEGO, Bob Reade • SANTA CLARA, Robert Levy • SANTA ROSA, Dave Curry • SCIENTIFIC INSTRUMENTS, Keith Elledge • SOUTH AFRICA, David Booker • SOUTHERN SALES, Atlanta, Edith Varrel • STANFORD PARK, Joanne Englehardt • UNITED KINGDOM, David Reed • WALTHAM, Janet Dale • YHP, Misako Harada

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