

Amid the pain and suffering

'There's a lot to be thankful for'

"This employee reduction has been a rigorous and gut wrenching process," Tek President Earl Wantland acknowledged in his closing comments at Monday's Area Rep Conference. "I know it hasn't been fun for anybody. And it seems like an awful long time since I've felt like I was having fun."

Earl then cited some of Tek's strengths and challenges: "The determination that I see rising up within Tektronix to become really competitive in a world that is much more dynamic is very heartening to me. I'm really encouraged by the attitude expressed by the people in the Corporate Council, the division managers and their staffs, and all the employees. That attitude can't be just a blip in time. It must be something that takes root and grows more and more as we move ahead. The

world is not going to become an easier place. We just have to become more competitive and more determined to be competitive. My impression is that the response to that challenge has been very, very positive.

"In the presence of a lot of pain and suffering, there is a lot to be thankful for. Our capabilities as a company are many and deep. We have really strong technical capabilities. We have a reputation with customers over the whole of our 40 years as a quality supplier of products—somebody that customers could really count on to do what we said we'd do to meet the specifications that we publish, and to be there with what was needed. We've got to move into new generations of capability with systems type businesses. It's going to put additional strains on organizations by requiring

organizational changes. But we have the abilities and the determination to move right through those kinds of demands and to do well.

"Let's work our way through the employee reduction phase of this operation as quickly as we can and get on to running our businesses to be really competitive with the folks across both the Pacific and the Atlantic.

"We have to be a low cost supplier at the same time a leading supplier. Those are very demanding sets of charges. In some cases we'll have to focus on new markets and go for them with different teams of people.

"All this can happen at Tektronix and we're determined that it will." □

Tekweek

JUNE 13, 1986
VOLUME 16, NUMBER 44

Tek looks to leaner, meaner future

Earl: Now, let's clobber the competition!

Although the current workforce reduction is a "gut-wrenching process," President Earl Wantland told Area Reps Monday that Tektronix is still a strong company and "I have nothing but optimism for the future."

As management representative for the June Area Rep Conference, Earl spent an hour presenting his views on the state of the company and responding to questions from the floor as well as from employees in five locations connected to the conference via live video. Estimates place the total audience at more than 700 people—210 at the conference in Building 16 cafeteria, and 500 at the remote locations.

Here is the text of Earl's opening remarks:

Two months ago I was here telling you that Tektronix was becoming a stronger company—I believed it then and I believe it even more today.

However, our order rate has not turned up sharply this spring as it typically does each year. And eventually we concluded that a major adjustment must be made in our overhead structure. So two weeks ago I sent you a letter outlining our actions and the timetable.

In preparing for these actions I placed this set of objectives before the Corporate Council for their guidance.

1. Tektronix will be a stronger company in at least three ways:
 - More sharply focused strategically
 - Organized to best achieve our strategies
 - With the best people in place to get the work done
2. People will be feeling good and ready to beat all competition wherever they are in the world.
3. Those who were leaving would feel they had been treated with fairness—given the overall

circumstances.

The process started something like this:

In the first meeting I asked my staff to gather ideas on how we could better organize to meet our strategies with a sharp look at the central staff organizations.

At the second meeting Wim and his staff had similar objectives but paid more attention to the better alignment of our businesses with our broader strategies.

We were looking for better alignments and opportunities for consolidation that inherently needed less of an overhead structure.

Over the weekend several of us devised a process to examine the internal central services for a divisionalized company with the view of reducing both the expectation of services and the actual amount to be delivered. These meetings were scheduled the following week.

Concurrently each major organization was meeting to look internally for more opportunities for realignment and consolidation.

Where we are now:

- This is the final week of phase one.
- As of June 6 we were about 7/8 of the way to the announced objective.
- Many people have been notified, and as of this Friday (June 13) the balance will be notified.

We then will proceed with the profit plan and budgets, and change our emphasis back to operating growing and profitable businesses instead of just reducing the workforce.

Some organization changes are still being considered—but in a changing world this will probably always be the norm. As of today, I don't expect these changes to affect our June 13 commitment to notify people.

Let me give a flavor of some of the



President Earl Wantland presented his views on the state of the company and responded to questions from the floor as well as from employees in five Tek locations connected to the conference via live video.

actions so far:

- The Corporate Council is smaller by three people.
- Two major corporate organizations have been merged (Customer Service and Corporate Procurement & Distribution).
- Computer-based instruments have transferred to Design Automation Group to consolidate our strategies for the application specific IC market.

• In addition, there are a number of structural changes within some of the groups.

All of this is aimed at making Tek a leaner and more competitive company in a world market that is demanding that kind of behavior. I can't emphasize enough how important it is that we become really competitive on a worldwide basis. The challenge to do

Continued on page 4

Tekweek (53-078)

TEKTRONIX, INC.
P.O. Box 500
Beaverton, OR 97077
U.S.A.

Tektronix
COMMITTED TO EXCELLENCE

Beaverton C of C honors Tek



Jim Castles (member, Tek Board of Directors), right, accepts on behalf of Tektronix the J. Arthur Young Award from Jim Thayer, president, Beaverton Chamber of Commerce. The award is given annually in recognition of outstanding community service. In the past the award has been given to individuals, but this year the chamber decided to honor Tek and its employees for participation in such activities as education, charity, youth projects, blood drives and United Way. The ceremony took place Friday at the Greenwood Inn, Beaverton. In addition to being a Tek director, Jim Castles is retired general counsel and corporate secretary.

Week-long observance

Safety stressed in the workplace

June 15-21 is National Safety in the Workplace Week and several Tek divisions are participating.

Mechanical and Chemical Components will observe NSWW with exhibits, a safety film fair and a short program on Wednesday, June 18, Building 16 cafeteria, beginning at 1 p.m., to recognize FY600 safety performance.

Chet Stark (M&CC Industrial Safety Engineer) said NSWW has been de-

signed to raise employees and managers' awareness of safety concerns so that each person will avoid injury. "Working safely is a year-round experience," he said. "It plays a big part in our daily lives—on and off the job site."

Chet said this is the fourth year that Tek has been involved in this special week. The American Society of Safety Engineers has also promoted the event for the past four years.

This year the Associated General Contractors of America are also promoting the event. The general emphasis is on construction safety, but the theme, "We Love a Safe Job Site," applies to all areas where work of any kind is performed.

"Legislation is pending in our Nation's capitol to proclaim the third week in June each year as National Safety in the Workplace Week," Chet said. "As soon as the required number of senators

and representatives co-sponsor the respective resolutions, proclamation documents will be submitted to the President for his signature."

Chet urges all Tek employees to participate safety and health awareness activities next week. For information, call 627-7743. □

Benefits

ESPP announces 613 share price

Employee Share Purchase Plan share price for Accounting Period 613 is as follows:

Purchase date	5-28-86
80% Employee cost	\$49.70
20% Discount	12.43
100% Price	62.13

The Employee Share Purchase Plan sets the price the last Wednesday of the accounting period. Participants who have accumulated at least the 80 per cent cost in their ESPP account will automatically purchase shares. The shares are posted to each participant's account within two weeks of the purchase date. □

Tekweek

Tekweek is published for the worldwide employees of Tektronix, Inc., by the Employee Communications department. Send correspondence to del. sta. 53-078, P.O. Box 500, Beaverton, OR. 97077, U.S.A. or phone (503) 642-8920. Staff: Ken Cushman (department manager), Richard Koe (editor), Don Leighton, (associate editor), Carol Koval (writer), Marilyn Scoggin (typesetter), Tony Tarr (production). Copy deadlines: News items, Monday, 3:30 p.m., for following issue; classified ads, Friday, 1 p.m., week before publication. Copyright 1986, Tektronix, Inc. All rights reserved. Member of International Association of Business Communicators (IABC), and Society for Technical Communication (STC). Tektronix is an Equal Opportunity/Affirmative Action employer.

Statistics

Weddings

Cheri Castillo (ISGIS) and Scott McFarlane, on May 24.

Buffy Flint (International Materials Support) and Ed Wolever (STS ECB Support), on May 23.

Births

Mickenzie Lee, 8 lbs 10 ozs, to Cindy (SDP Mainframe Test) and Randy Ollison, on May 13.

Benjamin James, 6 lbs 6 ozs, to Brenda and Tom Elliott (Factory Service/Module Repair Center), on May 12.

Anniversary

Peggy Hendricks (QA Products Audit) will celebrate her 20th anniversary with Tek on Wednesday, June 18, 1:30 p.m., in Building 45 cafeteria. For information, call Kathy Adams, 627-1245.

Retirement

Al Peecher (Lab Instruments Manufacturing manager) will observe 30 years with Tek and his retirement at a reception at 1:30 p.m. Thursday, June 19, in Building 45 cafeteria. Friends are invited to attend.

Thank You

Thanks to all my friends at Walker Road for a great retirement party. To all my friends at Tektronix—it has been a great 27 years. John McCann

We are all very appreciative for the cards, thoughts, and flowers at the recent loss of my father. Thank you all very much. Bruce Baur

My sincere thanks to those who planned and all who attended the retirement party and luncheon held recently in my honor. The gifts received were much appreciated and will be useful in my future work. I will always remember the good friends who assisted me in the work for the last 18 years in the Computer Department. Herb Halstead □

Tek clothing items closeout at store

A closeout sale of Tek clothing items is now under way at the Company Store, 70-408.

Roger Miller (Recycling and Materials Salvage) said the store has a limited supply of sweat shirts, sweat pants, polo shirts and windbreaker jackets, plus a few T-shirts, all at discount price. Sales will be in person only; no phone orders and no layaway, Roger said.

Store hours are 1-5 p.m. Monday through Thursday. □

Tek claim forms supply exhausted

Even though only 3,000 Tek employees are enrolled in the health care or dependent care reimbursement accounts, Employee Benefit's supply of 37,000 claim forms has already been exhausted.

Department secretaries are asked to return extra forms (anything over 50 for each reimbursement account) to Employee Benefits, Y6-529. □

Letters to the Editor

Comments (company-related) from employees are welcomed, with Tekweek reserving the right to edit letters for good taste and length. All letters must be signed. Opinions expressed are not necessarily those of the Tekweek staff or the company. Send letters to del. sta. 53-078.

All eggs in one basket

To the Editor:

In response to "What about Tek couples?" in Tekweek June 7, I hope this is a reply that Tek can be proud of (as previous writer requested).

I am also one that may be targeted for layoff in the next few days.

In some things and under some circumstances, I can see where one might want to break or bend the rules.

In business and especially in the area of hiring and firing, I expect there to be rules and I expect them to be followed strictly. Otherwise it would be utter chaos.

I feel sorry for the couple that may be laid off, and that they may even go bankrupt. But I also feel that they need to accept the responsibility for

having put all their eggs in one basket.

Life is a learning experience and we will all survive and even succeed if we continue to try and learn from our experiences.

Jon S. Potts
T&M Manufacturing Engineering

Tek's 40th anniversary

To the Editor:

I am so relieved the appropriate decision was made—to cancel the Tek 40th anniversary celebration July 4th! To those who made this decision, I applaud your efforts on an admirable idea whose timing was off.

I can not speak for the employees who will eventually be laid off in the coming months. I do remember though, the feelings I had when I was given a layoff letter back in 1982. Had there been a plan in place for such an affair, I can assure you I would have been furious.

I would like to conclude by giving a sincere thank you to "Tek" for allowing employees to voice their opinions, especially on controversial subjects.

Dan Berge
Tek Labs

Tek is willing to try

To the Editor:

In the past I've been critical of many of the inner workings of Tek. Timing along with other things have been the reason. There are still problems that I have not addressed, but I would like to step back a few paces and mention a couple of positive things that are happening:

I would like to commend Earl Wantland and the people involved in the decision to call off Tek's July 4th birthday party. I, along with others, salute you and thank you.

For whatever the reasons were for making the decision to hold forums on campus, such as the supplier Quality Management Forum, again I thank those responsible. I know that sometime back Wim Velsink was involved in that decision.

These positive moves not only save money, but they make other decisions more credible. They also show me that on many issues Tek is willing to try.

Ted Finck
7K ECB Dispatch

"What about rehiring?"

"Who's eligible for unemployment pay?"

Questions from the floor for Earl Wantland

Which departing persons will be eligible for unemployment?

This question is of major concern to a lot of people, but because we don't control the unemployment administration, we aren't able to give a guaranteed answer which will apply to all situations. The final answer will be up to the unemployment administrations of Oregon, Washington, and the other states involved, and these may differ. But here's how it looks:

Persons who are targeted and end up being laid off will generally be eligible in most states.

In contrast, persons who are not targeted but who volunteer for termination would most likely not be eligible, at least on first application in most states.

At present, the decision on those who are targeted and then accept the voluntary separation bonus varies by state.

In Oregon, however, eligibility will extend to those people who elect the voluntary severance bonus if 1) they are in targeted at-risk jobs and 2) have no offer of suitable/comparable work. The state will deny benefits to people who volunteer to terminate but are not in targeted, at-risk jobs (such as people who could have remained employed). Benefits will also be denied to targeted, at-risk employees who turn down an offer of suitable/comparable work.

Thus far, Washington has said they will deny benefits to anyone who takes the voluntary severance bonus.

Is there a set waiting period between the time a person is laid off and the time they can be rehired?

There is no set time. However, if they were rehired soon into their present job, that would indicate that we did a poor job of targeting that position. The idea of the current process is to eliminate jobs that we can do without for the foreseeable future. If the person were rehired into a completely different job or in a different area of the company, that would be more understandable. However, the likelihood of this happening is not high or we would not have paid a bonus in the first place.

What is the criteria for targeting people?

There is no corporate-wide criteria. That would have been more unwieldy and would probably have strung out the process for months. The targeting process varies by area according to circumstances. Groups identified for reduction are determined by skill category, by job family, by entire group, by function or organization. Individual employees in targeted groups are identified by skill category, by name, by reverse LOS.

Why do some areas allow everyone to volunteer for separation, while other areas will permit only targeted persons to "volunteer"?

Again, that's because circumstances vary by group. There may be some effort to adjust to individual needs, but if a person will have to be replaced by an outside hire, that person ordinarily

Area Rep Report

will not be permitted to take the voluntary separation bonus.

If people terminate, voluntarily or involuntarily, can they convert their accrued sick leave to paid up health insurance as when people retire?

Only if they would otherwise be eligible for retirement.

When would terminated employees be able to draw from their funds in the Retirement Profit-Sharing plan?

Funds in the Retirement Profit Sharing Plan cannot be withdrawn until the person reaches age 50, which is the earliest retirement age in the plan. Once a person turns 50, he/she may request withdrawal of funds and, in general, receive the money within three weeks—except during the valuation process at the end of each fiscal year, as we are going through now. Because of the valuation process, the earliest funds can be withdrawn will be about the third week in September.

A terminated employee who is under age 50 may request approval from the administrative committee of a rollover to an Individual Retirement Account. The earliest a rollover could occur for someone who terminates in FY700 is September 1987.

Retirees and other terminated employees who have money in the voluntary Profit Sharing Deferral Plan may withdraw those funds at the end of the current valuation process, or approximately the third week of September.

If a person is terminated and later rehired, is their previous LOS reinstated?

Yes, if they are rehired after a time that is shorter than the period of time they first worked here.

Will there be a company-wide four week shutdown including the 4th of July?

No.

Is there a further reduction of 7,000 people scheduled for October?

No.

Will malicious behavior or featherbedding be tolerated in the targeting process?

If I were aware of such behavior, I would move through the management structure to deal with it myself.

If we aren't notified by Friday (today, June 13) that we are targeted, how secure is our job?

We expect that everyone will be notified by this Friday. Should there be any exceptions, those groups will be told on Friday that their decision is still pending. With a few possible exceptions, then, those not otherwise notified June 13 will not be at risk for the short term. Long term job security, however, will, as usual, depend on the business climate and how well you perform the requirements of your job.

It will be more important than ever that individuals perform in such a way as to meet the goals of the company.

Will you publish in Tekweek or Agenda a breakdown of the number of people who leave by organization?

We're not sure yet. In any event, we won't go into any great detail.

What happens if the 2,000 number is reached? Will the process be closed?

The 2,000 number was a rough estimate. If we find obvious opportunities for reduction beyond that, we would make those cuts. But our estimate is that something in the neighborhood of 2,000 is all we could accommodate and still meet our corporate goals for the short term.

Does Tek have any plans for its undeveloped property at Lebanon, Fairview (east of Portland), and St. Mary's Woods (Beaverton)?

There has been some informal discussion about trying to develop the Tek property at Lebanon as an industrial park to help the economy of that Willamette Valley community. We have no plans to build there ourselves. And there are no plans for the other sites.

At this time when we are withdrawing as much as possible from leased space, there is no need for development at other locations.

Why can't longterm targeted employees go to another department and "bump" an untargeted person in the same skill category?

As explained before, the targeting process is done within groups to meet their needs. While a corporate-wide "bumping" process by LOS has an element of fairness, it would have dragged out the process for months and added further to the pain, uncertainty and unproductivity.

What help is there for targeted people looking for jobs?

Inside Tek, there are the usual processes. Divisions will post their openings internally as they come up. Company wide, jobs will appear in the Job Transfer Opportunity paper. We expect there will be a growing number of openings as those who volunteer are identified and backfilling of jobs begins.

For outside jobs, Outplacement Resource Centers are now available in Beaverton, Clark County and Wilsonville (see *Tekweek* June 6). Additionally, several other outplacement support activities (job fair, training) were announced in the June 6 *Tekweek*, and other activities are planned by each group or division as their needs dictate.

What's the price tag for the separation bonuses?

To pay for the separation bonuses, we established a reserve fund in the past fiscal year based on some averages (LOS, pay, etc.). That will have a major impact on fourth quarter earnings, but will clear the deck for a fresh start in FY700. We don't know yet what the exact cost will be, and we may not announce it when we do.

PCC On-Site Program

Career course, counseling offered

Three career development courses and many hours of career counseling have been added to PCC's On-Site Program to assist Tek employees in jobs targeted for reduction.

Free one-hour career counseling sessions will be available with participants working with Renette Meltebek (PCC job placement counselor) to map out future employment strategies.

The sessions are scheduled July 7-9-11-16-18 and will be filled on a first-come, first-served basis. For an appointment, call 627-8473 between 8:30 a.m. and 12:30 p.m.

Career development courses will include a review of issues and focus on developing skills necessary for successful job search. Participants during the five-session course will discuss the stress of job change/search, complete and evaluate a skills/interest inventory and identify transferable skills.

They will also learn how to set up informational interviews, develop a job search network and resource pool, write and critique resumes, learn how to complete job application forms,

Assertiveness series return

Two of Jane Crawford's sessions from her popular Assertiveness Series will be offered by the PCC On-Site Program during summer term.

Cost is \$5 per session. To register, send a completed TEP registration card and PCC schedule form to Tam Francis (Corporate Education), Y6-047.

Listening and Self Disclosure Techniques—Section 753-131, Friday, June 27, 9-11 a.m.

Styles of Communication—Section 753-133, Friday, June 25, 9-11 a.m. □

receive job interview tips and tools, practice and critique job interviews, and develop an action plan.

Participants may also set up an additional half-hour individual counseling session with the instructor. Cost of the course, including all materials and individual counseling session, is \$28.50. To register, send completed TEP registration card and PCC schedule Form to Tam Francis (Corporate Education), Y6-047.

The Career Development course (CG140) will be offered in three sections:

Section 759-007—July 7-9-11-16-18, 2-4 p.m., Renette Meltebek, instructor.

Section 759-008—July 21-23-25-30—August 1, 2-4 p.m., Renette Meltebek, instructor.

Section 759-009—July 21-23-25-30—August 1, 4-6 p.m., Neal Naigus, instructor. □

China and PI courses ready

Two courses in the Issues and Challenges in the Workplace Series will be offered this summer by the PCC On-Site Program. To register, send a TEP registration card and PCC schedule form to Tam Francis (Corporate Education), Y6-047.

International Business Cultures—Chinese (Section 750-004)—A cultural approach to developing business opportunities in China, including the "ins" and "outs" for Americans trading with the Chinese. Instructor: Ed Malin, cultural anthropologist.

People Involvement—High Performance/High Commitment Systems (Section 750-002)—Repeat of popular spring term course which gives in-depth look at development of high performance/high commitment systems.

Special focus on case studies and system application. Instructor: Kim Fisher (Senior Management/Organizational Development specialist). □

Tek looks to leaner, meaner future

Earl: Now, let's clobber the competition!

Continued from page 1

that must be accepted by the people of Tektronix.

A month ago I was in the Orient visiting three countries with tours of research labs, development labs and teaching labs. And we visited a number of companies in our type of business.

It's clear that our competition out there is determined to make a place for themselves in world markets. We need to be equally determined to make it difficult for them. We can't just sit and wring our hands because those people are paid less. We have to figure out how to become more productive and more effective. We can't do it with the historical bureaucratic approach to things.

Every country in Asia has targeted the U.S. market and specifically our industry. They've zoomed in on our market and we must rise to that challenge.

But let's not lose sight of the positive things that have been

going on:

- We have achieved, in the last few years, so much in the way of what I would call business-like behavior through divisionalizing and putting in place business charters for a large number of people in the company. A very high percentage of Tek employees now are a part of a business. They're learning more and more about who their customers are and what it's going to take to serve those customers. That is a real plus.

- We have been pursuing manufacturing excellence as a part of global business excellence. We've got a good start with the engineering excellence and we're working on the marketing part of that. But the determination is there to see to it that we have what could be referred to as global business excellence serving our customers wherever they are in the western world.

- Another thing I want to say is there are a lot of organizations in Tektronix that are doing very well.

Our International Operations and our Service Organization are performing



President Earl Wantland told Area Reps Monday that Tek is still a strong company and "I have nothing but optimism for the future."

very well. We should not feel that the general situation is all that bad.

- This coming summer and fall we have plenty of new products that are coming from many of our product groups. Many of those look like they're going to have a substantial positive impact on the company.

So let's not get too gloomy in this process—let's be serious, but not gloomy.

As for the 40th birthday party, given the circumstances, it isn't a very appropriate time to celebrate. I, for one, am not in the mood for a party or celebration. As near as I could determine there is at least a majority of Tek employees that feel the same way.

I'm sure there is a significant number that would have preferred to go ahead and have a good time. And there were hundreds of volunteers that were prepared to make sure the celebration went well. I feel badly for them that we have frustrated them. □

See page 3 for Earl's answers to questions from the floor.

Tek booth 'stands tall' at NCGA show



Tek's 40x40 foot booth at the National Computer Graphics Association show last month stood out in the Anaheim Convention Center with its 18-foot tower (height limit) which included an audio-visual station at the main entrance to the exhibit. Norm Acker (IDG Marketing Operations) said the turnout was excellent with much enthusiasm and good comments from customers. Tek introduced the 4669 ink jet color printer and the Sony/Tek 4190 Graphics projector.

NCGA recognizes Ralph Show



Joan Show, widow of Ralph Show, longtime Tek senior exhibits manager who died January 18, accepts plaque recognizing that the National Computer Graphics Association conference May 12-15 at Anaheim was dedicated to Ralph's memory. Tom Cain, NCGA president (at lectern with Joan), made the presentation. Others in photo are Ron Ball, CalComp, who was conference director, at left, and Herb Quigley (Marketing Operations manager, IDG) who represented Tektronix at the ceremony.

Third largest booth GVG wows them at NAB

Grass Valley Group, Tek's subsidiary in California, had the third largest booth at the recent National Association of Broadcasters annual convention and exposition in Dallas, Texas.

Houston marks new fiscal year

The tables were turned for the new fiscal year celebration at the Houston Field Office on June 2.

Sales engineers, Service technicians and managers catered a homemade luncheon which included chicken, Texas barbecue, chili beans, black-eyed peas and homemade potato salad plus many desserts.

Dave McCoy (West Region Service Operations manager) headed the food committee which drew raves from the FOS staff. One FOS member commented, "A wonderful time and good eatin' was had by all." □

The 6,000 square-foot booth, drawing big crowds down the center aisle of the huge Dallas Convention Center, included a video presentation of GVG's systems integration for "Maximum Production Transparency," the 300 Production Switcher, Kaleidoscope Digital Effects, and a Model 1680-16F Production System.

Elaine Wilson, editor of GVG's employee newsletter, said traffic flowed smoothly through the functional layout and wherever the eyes fell on the angled walls, there was something to see. Products were displayed from all four GVG divisions.

Dubner Computer Systems occupied 1,200 square feet of the booth space with their DPS-1 Paint System drawing lots of interest.

Elaine said de-briefing sessions will be held to gather information in planning for next year's NAB (again in Dallas). A videotape of the convention was produced for GVG employees. □