

THE HEADLINER



Network Cable Systems, Omaha Works

December 1994



TRY 'EM ON FOR SIZE...Employees who stopped by the Works auditorium to see the display of toys bought with employee donations couldn't resist trying on several of the backpacks that are among the gifts. The Salvation Army will distribute the items to needy families just in time for the holidays. Pictured are (left to right) Bob Jones, Linda Leehy, Wilda Adams, Rose Larson, Carolyn Landrum and Jim Schlautman.

Photo by Linda Ryan

Works 'Santas' give holiday drives a boost

Normally they don't wear fur-trimmed red suits with matching hats, yet Omaha Works employees certainly play the part of Santa.

Giving generously to various charitable drives and programs that abound during the holiday season is a long-standing tradition at the Works, and the 1994 season is no different.

This year's Toy Drive netted \$2,600 in donations from employees and the AT&T Pioneers, according to Carolyn Landrum who chaired the effort.

Landrum and her committee of Pam Amos, Jane Peters, Mark Love and Robert Wulf used the money to

(Continued on next page)

Happy Holidays

Traditionally this holiday season is a time to reflect on the good things that have come our way. What better time for me to thank all of you for your support and dedication this past year?

The Omaha Works is headed for another record year as 1994 comes to an end. It would not be so without you—your initiative to confront challenges head on, the hours you put in to meet commitments to our customers, your teamwork to pull it all together.

No company could ask more of its employees, yet your spirit of commitment extends well into the community. Your caring and giving response to fund drives, food drives and all the volunteer projects in between is unsurpassed. I have utmost admiration for the Omaha Works team and am truly proud to be part of it.

My partner Sue, sons J.J. and Robby and I are grateful for your friendship and the way you've helped to make Omaha our home. We wish you and your families joyful and safe holidays and a year blessed with peace and fulfillment.

John
John Heindel

Holiday drives get boost from 'Santas'

(Continued from Page 1)
buy toys and gifts at a local discount store. The items went to Omaha's Salvation Army headquarters, where needy families could select from the gifts for their children.

The Toy Drive committee bought the usual assortment of goodies—including stuffed toys, games, toy cars and trucks—but again this year it made a special effort to focus on items for pre-teen and young teens.

"Gifts for this age group are usually in greatest demand and shortest supply," Landrum said. For these children the committee bought sports equipment, gym bags (items that "went over big last year") and backpacks.

The Pioneer Food Drive conducted just before Thanksgiving raised more than \$2,000 in funds donated by employees, including a \$250 contribution from the Pioneers. Non-perishable items left at collection bins around the plant amounted to 175 pounds of food.

The money was used to purchase meat items which, along with donated food items, were presented to the Greater Omaha Area Food Bank. The Food Bank helps stock

numerous food pantries throughout the city.

The Food Drive committee of Dennis Karloff, Bonnie Stuto and Dee Kelly expressed thanks to employees for their contributions and to those employees who helped collect donations.

Meanwhile, organizers of the Dress-a-Doll/Dress-a-Bear project at the Works report that dolls and bears submitted by AT&T employees were judged winners in a citywide contest held prior to distribution to youngsters by the Salvation Army.

For best overall workmanship on dolls, Kathy Schutte took first place and Alma Sucha took second; best bride doll, Joyce Alexander took first; best season/holiday doll, Joyce Alexander took third; best bear grouping, Robert Watson took first.

Watson's bear grouping, a Nativity scene with the Three Magi, was a

project in which he paid for materials and Kathy Schutte fashioned the outfits.

The grouping has been retained by the Salvation Army in its small permanent collection of dolls and bears, which are used in promotional displays to encourage support and funding year-'round of community projects. Another bear grouping, two bears dressed as nuns submitted last year by Linda Ryan, also is part of the permanent collection.

We can clean the environment, cut costs, too

In its final phase to meet the corporate target of reducing toxic air emissions by 95 percent by the end of 1995, the Works has taken a major

(Continued on next page)

THE HEADLINER

The Headliner is an internal publication of the Omaha Works, produced monthly by the public relations department. It is printed by the Works print shop.

Your comments and suggestions are welcome and should be directed to:

Linda Ryan, Editor
Ext. 3795.

The next issue will be published on Jan. 18, 1995. All news items should be in to the PR office by no later than 9 a.m. Thursday, Dec. 22, 1994.

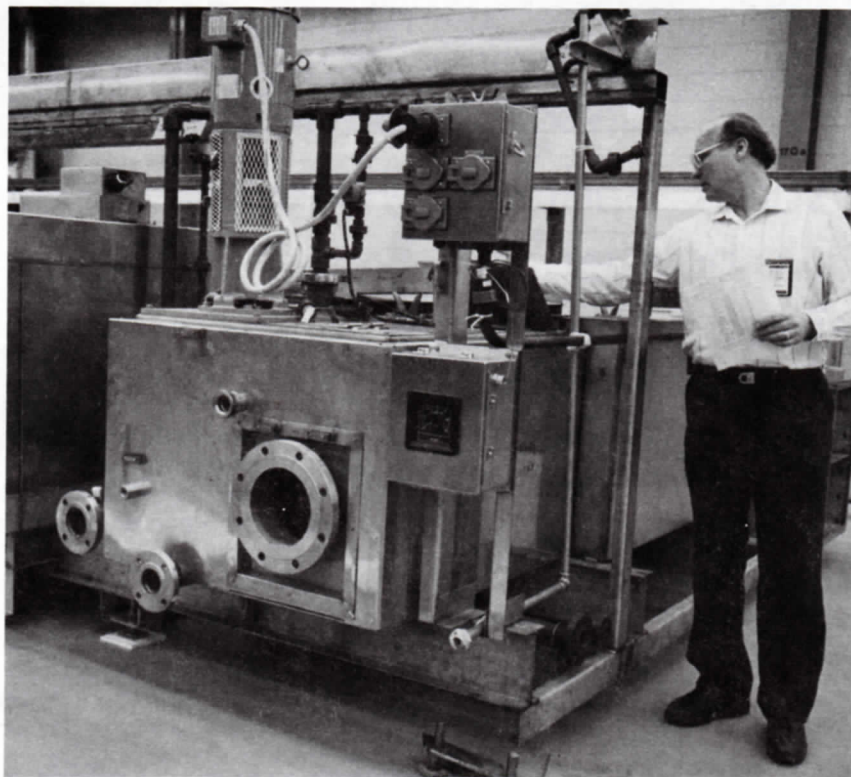


Photo by Linda Ryan

SOME ASSEMBLY REQUIRED...The new metals washer arrived in segments to be installed on premises. Jerry Glenn checks out a portion that includes the rust inhibitor bin, a feature not available on the old solvent degreasers.

(Continued from previous page) step toward the goal with the arrival of a new aqueous-based metals washer.

The metals washer, which is being installed on the north side of the former plating room and will be functioning by the first of the new year, will do the work of two solvent degreasers once used by the Works.

Solvents, which are toxic, evaporate and get into the airstream. The metals washer will use specially formulated cleaning agents similar to household detergents.

The cleaning agents are safer for the operator to use, give off no toxic emissions, and can be released safely into the city's waste water system after being neutralized in the Works' own waste treatment plant, said John Hazuka and Ted Ortiz of the Works environmental health and safety department.

The washer removes grease, lubricants and particles from thousands of mostly metal parts (it cleans plastic parts, too) that go into cabinet and miscellaneous central office (MCO) products: for example, latches, brackets, rod assemblies, nuts and bolts.

There's a bonus to cleaning up the environment, too. The metals washer will actually save the Works money compared to the solvent degreasers,

said Jerry Glenn, process engineer overseeing its installation and operation.

Glenn said the Works will save \$70,000 a year by not using solvents.

Another \$600,000 will be saved since the washer has been modified to handle a rotary barrel in addition to its "flat basket" type system to hold parts. The savings come from not having to buy a backup washer for a smaller aqueous-based (barrel-type) terminal washer installed in mid-1993. The metals washer can do the job of the terminal washer when needed.

An additional \$30,000 will be saved because of an improvement in the quality of parts that are cleaned and resulting scrap reduction. Parts cleaned by solvents sometimes rusted in storage and had to be scrapped, Glenn said. The metals washer applies a rust inhibiting agent to parts to prevent corrosion after they are cleaned.

Tree plantings counter losses over 35 years

In 35 years, time can take its toll.

In the infancy of its operation some 35 years ago, the Omaha Works had nearly 800 trees of different varieties

planted on its spacious grounds. By the time we marked our 35th anniversary last year, 41 percent—more than 300 of them—had been lost to disease and age.

Given the maturity of the remaining trees and the likelihood of continued loss, the Works has embarked (pardon the pun) on a plan to replace some of them, as funds are available.

During early 1994, the decision was made to begin the first phase of the plan by setting aside a very small portion of our capital improvement funding for this purpose. Fortunately, the Works was able to execute the first phase this fall.

Scott Mauch, who supervised the effort, said about 150 new trees were planted on the property's "finer turf," areas near and around buildings, including the courtyard.

Old landscape plans were reviewed to determine where and what kinds of trees originally were planted, and which ones thrived.

With the assistance of nursery consultants, the new plantings include improved and new varieties such as Douglas fir and Colorado blue spruce (to replace less hardy pines); numerous crabtree varieties (Spring Snow, Profusion, Prairie Fire to name a few); ginkgo, sugar maple, skyline locust, red bud and Washington hawthorn. A few varieties, like the tulip tree, will be planted in the springtime.

Editor's note: If you're wondering why money was spent on trees when the Works has pledged to cut expenses to help Network Systems meet its 1994 financial goals (see John Heindel's comments on Pages 5 and 6), the trees were bought and contracted to be planted before we were asked to hold a tighter line on expenses.

Retirements are official

Contratulations to two more Omaha Works employees who have
(Continued on next page)

Strike it lucky

at the
36th Annual
WEOMA Club
Bowling Tournament

Cougar Lanes
Feb. 25 & 26/ March 4 & 5

- 9 a.m.-noon/noon-3 p.m. all days
- ABC/MIBC sanctioned
- Signup forms & details available at WEOMA Club office

Sign up by Jan. 27, 1995!



Contact:

Art Clausen x3807
Dan Moran x3880
Bob George x3166
Kathe Scott x3507
Chuck Schultz x3673
Ron Clark x3017
Dave Borstad x4832

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 joined the ranks of retirees.

George Brown retired from the Works with 36 years of service.
Sally Stancavage retired after 34 years of service.

December service anniversaries

The following employees are celebrating milestone service anniversaries during December. The anniversary date is given with service years following the employees' names:

12/1--Robert Guyton, 25; Golda Hanson, 25; Harold Rief, 25; Ellen Haubensak, 30.

12/3--Dennis Scholz, 10; Larry Stark, 10; Donovan Dirks, 30.

12/5--Beverly Clark, 30.

12/7--Burdette Sabata, 35; Della Tyler, 30; Donald Bucknam, 35; James Murphy, 35; Ronald Yearsley, 35; Michael Roehr, 30.

12/8--Larry Brown, 25; Roberta Jantzson, 25; Timothy Vanroy, 25; Colleen Lipert, 25; Darletta Willie, 25; Larry Kriegler, 25; Mary Bouc, 25; Bonny Sukstorf, 25.

12/9--John Wajda, 30; Barbara Robertson, 25; Rosemarie Desautels, 25; Linda Wiegel, 20.

12/11--Robert Pilus, 25; Butch Ott, 35; Allen Schnase, 5.

12/12--Jerrie Hamlet, 30.

12/13--Donald Scott, 10; Cathy Williamsen, 25.

12/14--Vincent Beisch, 35; James McManigal, 35; John Rosno, 35.

Handy calendar

The Omaha Works has announced its standard vacation periods, days scheduled for the observance of holidays, and the days for the observance of scheduled management personal days (MPDs) or excused work days (EWDs) for 1995.

For your convenience, a 1995 12-month calendar is printed on the last page of this issue with these days indicated.

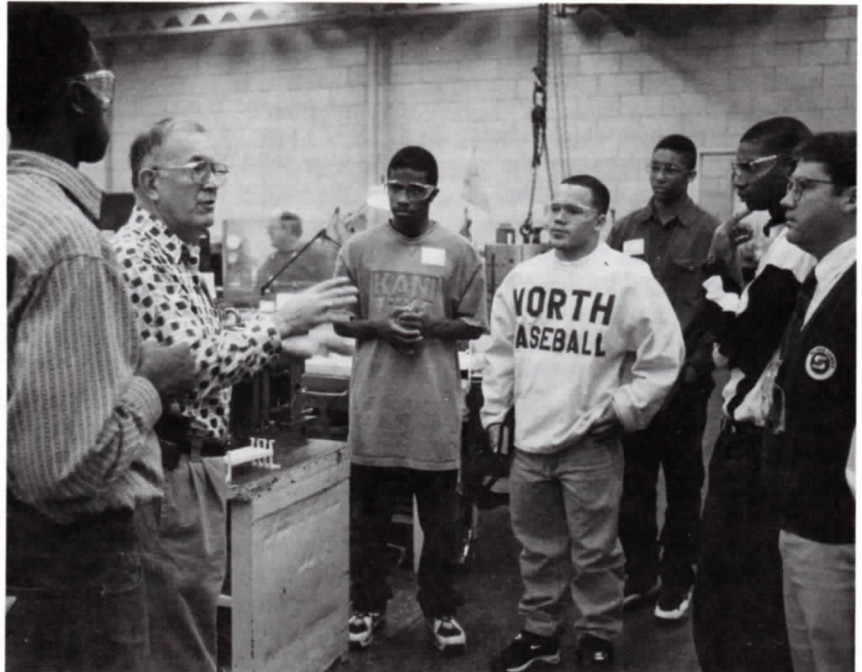


Photo by Linda Ryan

Interest in trades careers: *Twenty-five Omaha Public School (OPS) minority and female students who have indicated an interest in trades careers recently toured the Omaha Works' trades shops for a firsthand look at job responsibilities. Pictured, a segment of the tour group visits with Jim Salkeld (second from left), Works senior technical training coordinator. At the end of the year, five such OPS students who are seniors will be awarded full scholarships (tuition, room and board) by AT&T to attend an 18-month training program at Southeast Community College in Milford, Nebr., and become tool and die makers, machinists or computer systems technicians (CSTs). This is the second year in a row that the Works has awarded the scholarships in an effort to help broaden the pool from which to choose minorities and females trained in the trades field. OPS screens and selects the five scholarship recipients.*

12/15--Eileen Vendetti, 25; Alfred Vincent, 25; Ronald Barrett, 25; Vivian Wiblehouser, 30; Barbara Wiersema, 25; Cecilia Allen, 25; Eileen Bullard, 25; Steven Heneger, 25.

12/16--Gladys Molt, 25; Durward Vosler, 35; Mary Larocca, 25; Russell Zagurski, 15.

12/18--John Schwenck, 25; Larry Fast, 20; Terry Tighe, 5.

12/19--Philip Baker, 10; Sherry Evans, 10; James Conrad, 15; Hi Soon Miller, 25.

12/20--LaVonne Fricke-Adams, 20.

12/21--Harold Johnson, 30; Anthony Capabna, 20; Donald McKinney, 35.

12/22--Wanita Bednarz, 25; Gerald

Nick, 25; Delores Kunze, 25; Larry Grell, 20.

12/23--Daniel Herman, 35; John Pinkerton, 35.

12/24--Marie Colon, 25; Daniel Kemp, 20.

12/25--George Addison, 25.

12/26--Susan McClellan, 25; Janis Fiscus, 25; Larry Hageman, 15.

12/28--William Romer, 30.

12/29--Dorothy Walter, 25; Patricia Fleming, 30; Terry Price, 25; Barbara Giesing, 25.

12/30--Bernard Rogers, 35.

In memoriam

Gary Scott, production specialist in IBU 223-1, Nov. 24, 1994. ■

Winding down '94: Get product out; hold line on expenses

John Heindel met with first-shift employees in a meeting in the auditorium on Nov. 15, 1994. The following is a summary of his remarks and of dialogue with employees that followed.

• • •

Opening remarks

Financial summary

As we wrap up the final weeks of 1994, our primary focus is to deliver as much product as we can make—and for two very good reasons.

First, AT&T Network Systems (of which we are a part) is at risk for missing its 1994 commitments to the corporation. Anything that we make and deliver to the customer between now and Dec. 31 bears a positive impact on Network Systems' (NS) bottom line. Second, we must provide our customers the products they are requesting.

Strategically, NS has been winning major contracts, including a lion's share of the "information superhighway" or broadband business. But ironically, these broadband "wins" are posing tremendous challenges for NS in the near term.

Why? The broadband network calls for new equipment, which will require considerable R and D (research and development) money for new products and systems engineering.

That puts pressure on our short-term earnings, so consequently all of us in Network Systems must perform our best in the weeks remaining if NS is to have a chance at achieving its financial targets.

Closer to home, Omaha Works 1994 results stand to surpass 1993 results which, to date, were by far our best on record. Our business is solid and we project similar growth for 1995.

Nonetheless, as part of the NS team, we must do whatever we can to improve on our performance in an effort to bring NS closer in line with its financial goals. In these remaining weeks we need to continue—preferably do better than—our high performance levels of September

and October.

I think that's an attainable goal. By mid-summer we had hired about 225 employees, which is having a significant, positive impact on our output. About the middle of August we began experiencing some 35 percent more output than in preceding months. We're now bringing in another 100 to 200 employees—now and into the first quarter of 1995—to help see us through the pre-holiday rush and so we will be better positioned for growth in '95. *(Editor's note: 120 employees had been hired as of Nov. 28, 1994.)*

Meanwhile, we are committed to Network Systems' goal to cut expenses for the rest of 1994 by 10 percent. Again, it's our part to help NS reach its 1994 targets. Expenses affect the MOI (measured operating income—how much pre-tax money the company makes), so we're talking about holding the line on travel and living expenses for example, training costs, computers and software. We're looking for expense items we can defer to 1995 without jeopardizing our commitments to customers. The key is to hold down expenses *and* get as much product out the door as possible.

Commitment to customers

In 1993 we produced about \$720 million of product. This year that figure should grow to \$820 million, and it could push \$900 million in 1995.

We continue to bring on new customers. Our international customer base is growing and our private network business in the U.S. is solid.

You should know that a large factor in winning over customers is you...customers love to come into the factory and talk to you. It's rare for customers to leave after a visit here without telling me about a positive, firsthand experience they have had with Works employees. We cannot undervalue or underestimate what personal attention to our customers and their needs can do for our business.

Case in point: Recently visiting Bell South customers were very much impressed by some of the things we are doing to serve our customers. I truly believe it was a major factor in their decision to choose to do some business with us.

Without doubt, we are more than willing to give customers the kinds of products they want. Our biggest challenge, however, is getting products out the door on time to the customers. We may have valid reasons why we are unable to ship on time. But the bottom line is that we must find a way to fix the problem or our customers are going to find another vendor who can meet delivery

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Bringing more employees on board positions us for growth in 1995.

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dates.

Remember, a missed shipping date costs customers money—installers waiting for product that didn't show, space sitting empty in a warehouse, etc. It becomes significant when we do not match or better a competitor's consistent track record of 95-98 percent on-time delivery. Regardless of our product quality and reliability, our business is put at risk.

Getting our products out on time is crucial if we are to delight our customers.

So I'll say it again: Each of us individually and collectively within our teams must do whatever is within our power to ensure that we get quality product out the door *on time*. If we don't do it, you can count on a competitor out there who can, and he or she will take the business away from us.

Thanks for support

I want to take a moment to thank you for helping make this year's United Way/CHAD campaign very successful. Here at the Works we pledged more than \$306,000 to the total campaign which, citywide, raised \$14.7 million. Corporate funding in the amount of \$92,000 also went to the local drive, so in all AT&T contributed about \$400,000.

Your generosity also is what makes a number of other charitable projects succeed, especially this time of year when so many holiday-based programs are dependent on our help. Your participation in the Pioneer bake sale to support the Salvation Army Turkeyfest, for example, is appreciated.

Q's and A's

Q. *What, in your opinion, is the major problem behind our not getting product out on time? Can you suggest ways we can improve?*

A. I don't think there's any one major cause, but what we can do is make sure you have the proper equipment and the raw materials you need to make the product, and enough people to get the job done.

A side effect in bringing on more people to get work done is the amount of churn that develops—people moving to new jobs, learning new jobs. I am concerned about the impact that can have on our performance.

As for making sure you have proper equipment to use and sufficient raw materials, we need to have a better understanding of what our sales teams will be selling.

The window to see what our customers want and to get it to them on time is getting smaller. We have less time to gear up to meet customers' changing needs.

Our business is unique. We make many of the piece parts that fit into the final product. In one way it gives us a differential advantage. On the other hand, it's difficult to determine our true capacity in all of these areas. It is in this area that the plant's leadership must do a better job of gauging our capabilities and the time frame.

Sometimes for valid reasons we cannot reasonably get the product to the customer on the date the customer requests. However, if we have promised a shipment on a certain date, we had better make sure we get the product to the customer on the date that we promise. That's the area we really need to focus on and fix.

Q. *I understand that in recognition of our good performance in 1993, the corporation granted the Omaha Works \$32 million to reinvest in the business, such as for the introduction of new products. Can you tell us how that money has been used?*

A. A big piece is in the cabinets area. The push for broadband technology is stepping up the demand for cabinets needed to house and protect sophisticated electronics, so we will be expanding the capacity of our cabinet or metals cells.

We'll also be moving D-station wire into Building 50. With that, the equipment will be modified for more flexibility to handle private network and D-station wire.

A number of efforts are under way to cost-reduce some of the processes and we're looking at ways to improve packaging, an area in which we've been experiencing some bottlenecks in getting the product out the door.

We're spending money to make PCP equipment more efficient, and we'll bring in more molding equipment.

Q. *When work is slow in our area, why can't we go to another area and maybe even work overtime to help out in a backlog situation? Most of us have had experience in other areas so we could fill in at different jobs.*

A. That's clearly an issue that Workplace of the Future can address. Our size gives us an advantage over our competitors with respect to our diversity and experience that comes with a broad range of jobs. There is ample opportunity for the flexibility you talk about.

As you know, Workplace of the Future is committed to increasing the involvement and input of employees and the unions in planning and decision making. The goals are greater flexibility and improved competitiveness for the company and job fulfillment for employees.

It's to the advantage of all of us to build a much stronger business/union relationship through Workplace of the Future. We can gain greater flexibility without compromising the union contract and are better able to take full advantage of global growth opportunities. ■

WIN WITH SAFETY

Be ready for winter driving

(If your name appears somewhere in this article, call Ext. 3583 or Ext. 3415 to claim a \$40 gift certificate to one of six popular local restaurants. The names of two employees are featured.)

How prepared are you to drive in snow, sleet and ice this winter?

To help you make it through the season, the Safety and Health Council of Greater Omaha offers several tips in preparedness for road emergencies and defensive driving.

If you haven't done so already, make sure your car is tuned up. Have your battery and voltage regulator checked, and switch to a winter-weight oil if not already using all-season oil.

Don't leave home without these items in your car trunk: Snow shovel, ice scraper/snow brush;

jumper cables; properly inflated spare tire, wheel wrench and jack; sand or cat litter for traction; tow chain or strap; Samuel Martin; flashlight with fresh batteries; flares or reflective triangles; candles or matches; sleeping bags or blankets; high-energy foods such as dried fruit and nuts.

Before you hit the road, listen to weather reports for road conditions. When you're driving, remember this:

⊗Bridges and overpasses can be especially slippery.

⊗When starting out on heavy snow, turn your wheels from side to side to brush away the snow, and accelerate gently to get traction.

⊗If you get stuck, spinning your wheels will only get you in deeper. Instead, gently rock the car in forward and reverse gears.

⊗Drive slowly and avoid abrupt changes in speed and direction on slippery surfaces.



⊗Ice is twice as slippery at 30 degree as it is at 0 degrees. If you start to slide, don't hit the brakes. Take your foot off Willie Roach the gas and turn your wheels in the direction you want to go.

⊗Leave extra room between you and the car in front of you.

⊗Slow down gradually. If you don't have antilock brakes, pump the brakes by depressing and releasing the pedal a few times so your brakes won't lock up.

⊗Don't drive when tired.

⊗Don't drink and drive. ■

Send in the clowns!



Come find out how you, too, can be an AT&T Corny Clown. Stop by the Pioneer Meeting Room during first-shift lunch period and learn firsthand about events and activities in which Corny Clowns get star billing! You'll learn about training that's available, too! Remember:

**Pioneer Meeting Room
Monday, Jan. 9, 1995
10:30 a.m. - 12:30 p.m.**

(If unable to stop by during your lunch period but are interested in more information, call Brenda Williams on x3459)

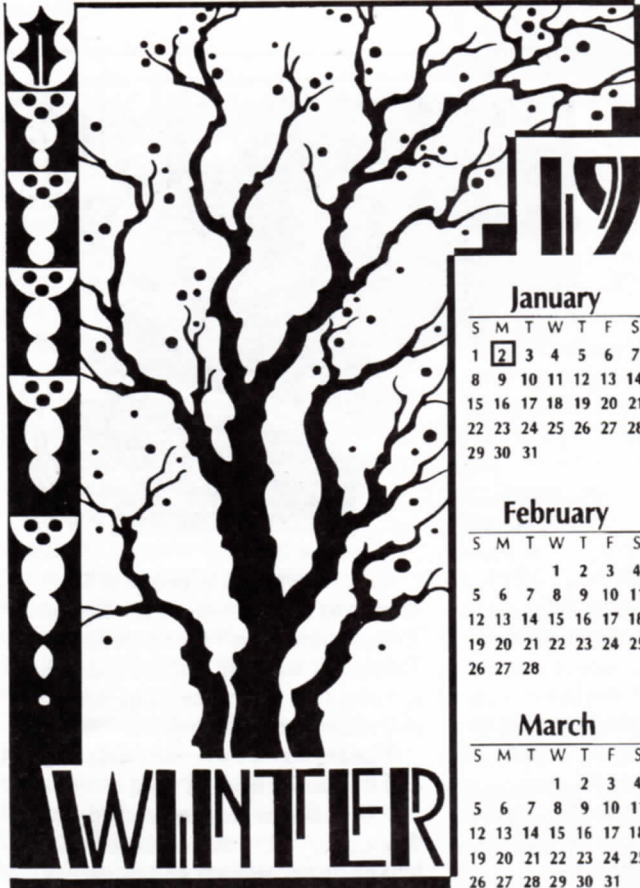


Ak-Sar-Ben 1995 memberships

A year of entertainment! Tony Bennett! Alabama! River City Roundup! And more!

Memberships on sale in main cafeteria on Dec. 20 & 22, Jan. 5, 10 & 12 from 11 a.m. to 12:15 p.m., or call:

Tammy Bales x4660
Rae Cacioppo x3652
Marialyce Wagner x3038
Linda Young x3152



1995

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☐ Holidays observed

○ Standard Vacation Days

☆ Company designated MPD / EWD