

# Lucent Technologies

Bell Labs Innovations



THE ASSOCIATED PRESS

**NEW LOGO:** The new name and logo "suggests clarity of thought, purpose and vision, and had a technological feel," says Henry Schacht, the AT&T director who will become chief executive officer of the new company.

# AT&T's New Light

## Equipment Spinoff Receives New Moniker

New York (AP) — The biggest corporate spinoff got a name Monday: Lucent Technologies.

AT&T Corp. chose the name for its \$22 billion phone equipment and technology business and set the regulatory process in motion for that operation to become independent in two months.

The AT&T Omaha Works is part of the Lucent Technologies spinoff.

While the plant at 120th and L Streets has a new name, plant spokesman Larry Suder said there are no other immediate changes.

"Right now, it's business as usual," he said.

Employees and a consulting firm suggested hundreds of names, including AGB, short for Alexander Graham Bell, and Western Electric, which is what AT&T's equipment manufacturing company was called before the 1984 breakup of the Bell System.

The word "lucent" means shining or giving off light and perhaps is most commonly used as part of the word

"translucent," or clear.

"It suggests clarity of thought, purpose and vision, and had a technological feel," said Henry Schacht, the AT&T director who will become chief executive officer of the new company.

The logo for the company recalls its historic past with the words "Bell Labs Innovations" below the title.

Bell Laboratories, the primary research facility for AT&T, is the birthplace for the transistor and laser and many other advances in electronics.

Lucent's headquarters will be at Bell Labs' main facility in Murray Hill, N.J. In addition to Bell Labs, the new company will include AT&T's network systems, business communications systems, consumer products, microelectronics and multimedia ventures divisions.

Those operations employed 128,700 at the end of the year but is cutting about 23,000 jobs this year and next as part of the overall AT&T breakup.

AT&T announced its intention to break in three in September, in part to help the equipment operation serve companies that will compete with AT&T's phone service operation. The company's computer manufacturing operation, which recently started using its former name NCR Corp. again, also will be spun off.

Lucent will be Wall Street's largest initial public offering with an estimated value at more than \$3 billion, topping the \$1.85 billion spinoff of Allstate Corp. by Sears, Roebuck & Co. in 1993.

"This deal is going to fly," said Kathleen Smith, analyst at Renaissance Capital Corp., a research and money management firm in Greenwich, Conn., that focuses on IPOs.

"Investors are very interested in telecommunications equipment companies," she said. "There's no doubt that Internet and on-line services are

Please turn to Page 19, Col. 1

# Lucent New Name for AT&T Spinoff

*Continued from Page 16*

fueling the growth and usage of communication systems as are emerging countries.”

Schacht, former CEO of Cummins Engine Co., and four other directors from AT&T's board will be on the board of Lucent.

The other four are Carla A. Hills, trade consultant and former U.S. Trade Representative; Drew Lewis, CEO of Union Pacific Corp. and former U.S. Secretary of Transportation; Donald S. Perkins, retired chairman of Jewel Cos.; and Franklin A. Thomas, president of the Ford Foundation.

Other members of the Lucent board will be John Young, former CEO of Hewlett-Packard Co., and Richard A. McGinn, president and chief operat-

ing officer of Lucent.

AT&T hired Landor Associates, a San Francisco-based image and design firm, to help pick a name for the spinoff. Lucent was one of more than 700 names submitted. AT&T tested “Lucent” and several others with customers, industry analysts and employees.

At least one analyst criticized the name, saying that it didn't capture the equipment company's strength and history.

“It's a horrible name,” said Daniel Briere, president of TeleChoice Inc., a Verona, New Jersey-based market research firm. “The good news is that it doesn't sound like anything else; the bad news is there is a reason for it.”

**World-Herald staff writer Melinda Norris and Bloomberg Business News contributed to this report.**