

THE HEADLINER



Network Cable Systems, Omaha Works

July 1994

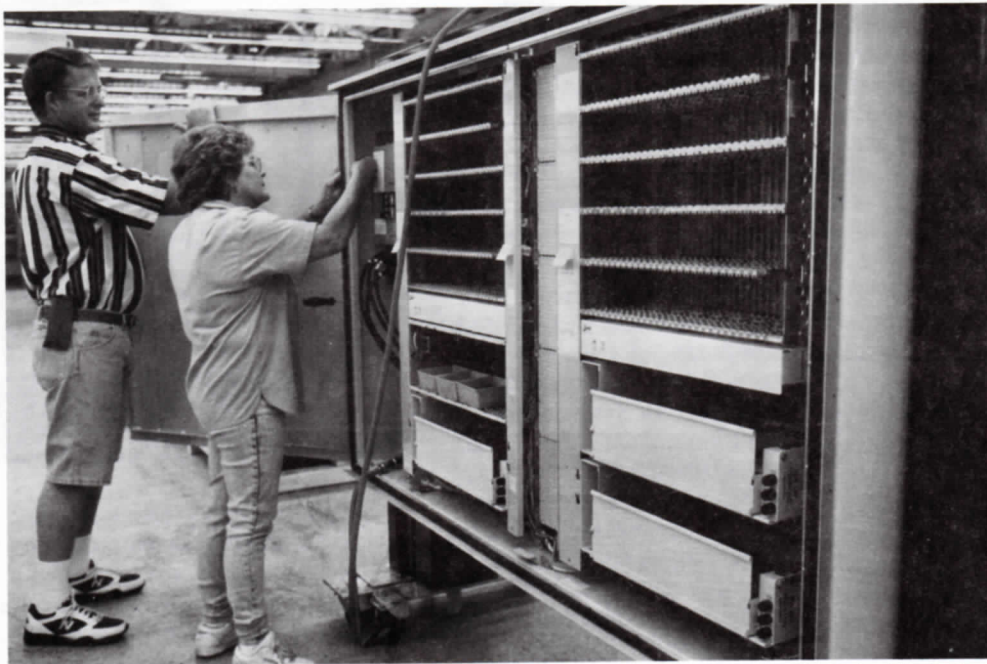


Photo by Linda Ryan

ONE MORE TIME...Bill Jones holds the front door panel steady while LaVerne Hanke installs it on the last of the 80-type distributed power cabinets to be made at the Omaha Works. Jones has helped assemble a good share of the cabinets in IBU 23H, where he's worked for about 10 years. Hanke has been in the department for more than three years.

Trailblazing 80-type cabinet bows to updated version

The torch has been passed, so to speak. The 80-type distributed power cabinet, which has been the longest running, highest volume model of the 80-type cabinet family manufactured at the Omaha Works, is being retired.

Taking its place is an updated version which provides even longer lasting backup power in the event of an electrical power outage.

The 80-type bulk power cabinet, with its separate compartment to house optional batteries, provides more space within the electronics compartment for additional channel banks and other equipment. Protected in their insulated compartment from the heat of electronic components, the batteries provide longer backup power—a minimum of eight

hours compared to four to six hours in a distributed power cabinet.

The Works began manufacturing the bulk power cabinet in 1989. The newer version was developed to streamline the product line—to standardize the line and have fewer codes.

Its standardized design means fewer parts in inventory and, overall, the cabinet is less costly to produce, making it more competitive on the market.

The bulk power model has been well received by our customers, said Steve Condra, electronic housings operations manager for IBU 23H. But the appeal record of the distributed power version cannot be forgotten.

(Continued on Page 3)

Customer Architecture Network Systems structure is reorganized

On July 1 a new AT&T Network Systems (NS) initiative went into effect to move decision-making even closer to customers and to ensure that we meet their needs earlier and faster than any of our competitors.

Termed "Customer Architecture," the initiative changes how Network Systems is organized, moving from a business unit structure organized by products to one that "helps us think and operate like our customers," said Rich McGinn, NS president.

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Customer Architecture: Think and operate like our customers

(Continued from Page 1)

In a letter to all NS employees printed in a special issue of the electronic newsletter *Network!*, McGinn noted that recent strategic bids have been won largely because many parts of Network Systems already were doing business in the Customer Architecture design.

With the concept in place systemwide, NS will be better able to take advantage of every opportunity to become *the* market leader. To do that NS must grow five-fold by the year 2001.

Bucter headed team

Late last year McGinn asked Jack Bucter, president of Network Cable Systems, to work with an NS team to develop the "blueprints" and "construction plans" for Customer Architecture.

The organizational changes will not happen overnight, but they now are being introduced across the business wherever resources make it possible.

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 Aug. 17, 1994. All news items should be in to the PR office by no later than 9 a.m. Monday, Aug. 1, 1994.

Furthermore, "the majority of our people will be doing the same type of work when all is said and done," Bucter commented. "But the strategic direction guiding their work, the need for that work, will be driven by people and organizations working much more closely with our customers."

At a meeting in the auditorium last month, Bucter told Works employees that they can expect to have even more input on how to provide customers with the best value. (See article beginning on Page 6.)

The new Customer Architecture organizes Network Systems into "Offer Business Units" (OBUs) and "Customer Business Units" (CBUs).

Offer Business Units are the heart of NS technology and the foundation for customer offers and solutions. They provide manufacturing, product development and production management, not unlike our traditional business units. What's different is that OBUs are realigned according to the ways our customers want to buy and in ways to best provide total solutions to customer needs.

There are five OBUs: Global Public Networks, PCS and Wireless Systems, Network Cable Systems, Professional Services, and New Business Opportunities.

They will be responsible for "product" management (for offers, products and professional services), development, manufacturing, production planning, technical after-sale support, future technology and concepts, cross-group initiatives; and offer management.

Our first line

The Customer Business Units, the first line of communication with customers, will consist of sales and account teams, marketing, customer service, pricing, bids and proposals, billing and order management people.



These are people who are responsible for meeting customer needs on a daily basis. They will be part of specific customer teams located close to customers to ensure that Network Systems responds to what customers want, when they want.

The CBUs are grouped as follows: Asia/Pacific; Europe/Middle East/Africa; Caribbean/Latin America; AT&T Affiliates (serving the specific needs of the Communications Services Group, McCaw, Unitel and other AT&T internal customers and affiliates); and six North American Region Customer Business Units--Atlantic and Canadian Region, Pacific Region, GTE, National Accounts, Global Private Networks, and Original Equipment Manufacturers (OEMs).

The Global Private Networks CBU will manage the global network of distributors and resellers/systems integrators for PDS and SYSTIMAX® Structured Cabling System and private network customers around the world.

The OEM group, which primarily sells Network Cable Systems products and services to manufacturers, will expand to a wider scope of NS offerings. ■

NEWS IN BRIEF

(Continued from Page 1)

The 80-type "D" distributed power cabinet being discontinued was an improved version of the 80-type "C" cabinet first introduced at the Works in the early '80s. Its large capacity for multiple connections and its brown and beige, environmentally aesthetic design made it unique.

For a period of more than a decade, the Works made and sold more than 23,000 distributed power cabinets.

AT&T sells Phoenix Works

AT&T Network Systems announced last month its decision to sell its U.S.-based copper-exchange cable, cords and custom cable

assembly business to Cable Systems International Inc. (CSI), including the Phoenix Works.

Most of AT&T's manufacturing of copper cable for local telephone networks has been based at the Phoenix Works, which currently employs about 1,600 employees.

In connection with the sale, copper-exchange cable production currently being done at the Atlanta Works will be moved to Phoenix, resulting in the elimination of about 260 jobs at the Norcross, Ga., facility.

AT&T based its decision to sell on its need to concentrate its resources on areas that more closely support its multimedia, networked computing, wireless, messaging and broadband

strategies.

Affected employees have been offered a full range of support services to help them find positions within or outside of AT&T. Employees also may apply for positions with CSI, which expects to increase its workforce to 1800. The sale should be completed by Sept. 30, 1994.

Diversity is 'piece that's missing'

"It's a fact that we can perform better as a group of people with diverse backgrounds, color, creed, nationality, gender and functional expertise," said Copper Apparatus and Wire Vice-President John Heindel at one of his regular meetings with employees.

"Our success in understanding and meeting the needs of our diverse customer base hinges on our own diversity. It must, or we will lose out to our competitors."

Enter Rutha Awbrey, recently named diversity consulting manager at the Omaha Works.

Awbrey sees her role as being "a conduit to help people find, support and help each other."

She wants to help people recognize barriers that prevent using all of the skills a diverse workforce offers and "take the responsibility to become the agents of change," she said.

As a nation we have enacted good laws to ensure the rights of diverse peoples in the workplace. However, it's important from both a business and community living perspective to be able to take pride in each other's diversity, "to have the ability to share what you know," she said. "Diversity is the missing piece."

"Each person's difference is an asset to the company. The perspectives we bring to the table enhance the creativity needed to face challenges and to solve problems."

As we expand into global markets, it's imperative that we understand and value different cultures. We can do that, Awbrey noted, by learning

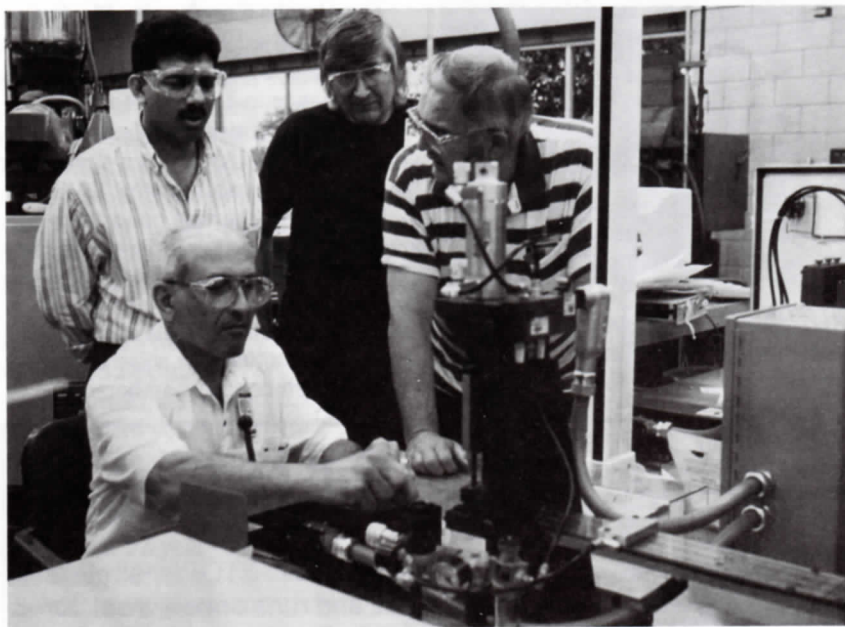


Photo by Linda Ryan

Good timing: *Khalid Soufi's (standing, left) return visit to the Omaha Works was just in time for him to participate in the preliminary testing of a semi-automated assembly machine for filled and dry 709-type connectors. The senior manager of technical development for Saudi Cable Co. was here to review material specifications for apparatus products when prove-in began on the machine, designed and constructed at the Works for Saudi Cable Co. Composite master machinists Frank Merrick and Carl Campbell (standing middle, right) constructed the machine, and Sam Virgillito (seated) was project engineer. Also assisting were Ted Killham, engineer for 709-type connector manufacturing, and engineer Larry Josoff, who coordinated electrical installation on the machine. Saudi Cable Co. will use the machine to assemble 709-type connector kits furnished by the Omaha Works. Kits include bases and covers made in our molding shop and contacts made in our metal piece parts shop.*

(Continued on next page)

NEWS IN BRIEF

(Continued from previous page) about and valuing the diversity right here at the Works, "by celebrating the cultures of all of our employees."

The diversity process will provide the training, education and coaching needed to enhance our learning skills, she said.

Awbrey, who began working for AT&T as a production employee at the Kansas City (Mo.) Works in 1965, has extensive experience with the company in diversity consulting and training. She was promoted to supervisory roles at the plant, including those of location equal opportunity coordinator and training supervisor.

Prior to coming to Omaha, she was assistant staff manager for diversity with AT&T's Consumer Sales and Marketing Organization out of Kansas City.

Awbrey's office is located on the first floor of Building 20, across from the personnel office. Her temporary phone number is Ext. 4672.

Third ISO 9001 audit scheduled

A representative from Lloyd's Register Quality Assurance will be here Sept. 7 to begin a three-day ISO 9001 surveillance audit, the third such audit at the Works since we became ISO registered in December 1992.

The purpose of the audit is to ensure that our quality system is

maintained and functioning properly, and to check on corrective action on any previously issued non-compliance notes.

The Works was issued four non-compliance notes at the last audit conducted in March of this year.

This time the auditor will focus on cabinet fabrication, EW&C wire mill and purchasing and related areas.

Just as a reminder: In past audits, document control has been a problem. So, remember to discard your obsolete documents, and be sure to review document control procedures in your area.

Playhouse honors Lanette Moore

The Omaha Community Playhouse has awarded a 1993-94 season Barbara Ford Award for supporting performance to Lanette Moore for her part as Bernice in "Member of the Wedding." Moore is a supervisor in the 80-type cabinet area.

Moore said she was honored to receive the award, her first from the Playhouse. The part she played "was pretty intense—I had to go through varied emotions, and all of the acting took place in just one stage setting with two other cast members."



Photo by Linda Ryan

RUTHA AWBREY... Learning to value different cultures starts right here at the Omaha Works.

SIGN UP NOW!

July 18 - Aug. 5
for the 14th Annual
Omaha Corporate
Cup Run on Sept. 18

\$2 entry fee per employee
\$5 per retiree/family member

- ◆ Fee MUST accompany form!
- ◆ You MUST sign form waiver!

Where to get entry forms:

- *Plant entrances
- *Employee Mall
- *PR office
- *Judy Stroy, coordinator
Ext. 3736

**Don't be left out
of the running!**

ETOP's Fall Lineup

Harvest some learning this fall! ETOP's fall class schedule begins Aug. 22 and runs once a week for 10 weeks through Oct. 28. The times: 8:30 a.m., 1 p.m., & 4:15 p.m. Signup forms are at the ETOP classroom or you may register by phone, Ext. 3584. Sign up for classes by July 29!

Mondays
Microsoft Word
Tuesdays
MS DOS 6.2
Wednesdays
Beg. Windows 3.1
Thursdays
Microsoft Works

August seminars

(Call Ext. 3584 anytime to sign up)

- ◆ **Aug. 16:** Optimizing your computer with MS-DOS 6.2
- ◆ **Aug. 18:** Banners & signs in Printshop Deluxe

(All sessions open to represented employees only during off-shifts)

NEWS IN BRIEF

July service anniversaries

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

7/1--Geraldine Thurman, 25;
George Porter, 35.
7/2--Gary Mortensen, 15.

7/4--Deanna Feder, 25.
7/5--Jean Belmudez, 20.
7/6--Susan Wetherington, 15; Larry Garrett, 35; Vernon Milius, 35.
7/7--Albert Thomas, 35.
7/10--Dennis Saint, 10.
7/11--Joella Pacas, 10.
7/12--Eric Einarsson, 10.
7/13--Thomas Glesinger, 35; Robert Volkmer, 25.
7/14--Marilyn Bonaiuto, 10.
7/17--Linda McGuire, 25.

7/20--Charles Kriesel, 15.
7/23--Steven Bales, 10.
7/24--Darla Plymale, 10; Joan Crofton, 10; Mark Liekhus, 10; Marlene Sheffner, 10.
7/27--Carol Ward, 30.
7/28--Gary Brandon, 25; Glenn Lund, 25; Robert Stanzel, 25.
7/29--Paul Koehler, 25.
7/30--Marcia Welniak, 15; Debra Gulizia, 25; David Wearne, 10.
7/31--Rose Ellis, 10. ■

Retirements cap numerous service years

When you add up the total years of service of all of the Omaha Works employees who are retiring during July, you get nearly 1,000 years--955 years of service to be exact.

Most of the employees leaving in July are retiring as participants in the AT&T Force Reduction Program. Retirees include those not pictured:

Bob Bevers, 24 years
Don Donze, 35 years
Eugene Filarecki, 43 years
Dick Jenkins, 34 years
Charley Johnson, 35 years
Lucy Klusaw, 29 years
Melvin Lesinski, 42 years
Willie Mason, 32 years
Eugene Saab, 38 years
Dan Schrader, 38 years
Julius Sonderman, 34 years
Robert Tatten, 38 years
Rose Vatalaro, 30 years



Dale Karloff
37 years



Dick Foutch
28 years



Marvin Rohwer
27 years



Walt Onisk
34 years



Gene Carlson
32 years



Jim Williams
35 years



Calvin Marick
28 years



Sam Virgillito
33 years



Tony Tobiasz
30 years



Gene Baier
35 years



Milt Almquist
37 years



Stan Scebold
35 years



Don Norskov
35 years



Bob Miller
38 years



Jesse Flohr
39 years

Bucter takes the floor on future of copper, Customer Architecture

John Heindel held a meeting in the auditorium with first-shift employees on June 27, 1994. He gave opening remarks before turning over the meeting to special guest Jack Bucter, president of Network Cable Systems, who was visiting the Omaha Works that day. The following is a summary of their remarks and the dialogue that followed with employees.

• • •

Opening remarks

John Heindel speaks

Our revenue roadmap for the first five months of 1994 is right on target.

The challenge for the remaining months is not whether we will have enough business, but rather, whether we will be able to produce the products to meet the demand our sales teams say is out there.

Quality and shipping performance are critical in the next seven months (June-December) if we are to achieve our business plan.

Our shipping performance through May is still below the target. We must achieve 90 percent shipping performance in the remaining months of 1994 not only to reach our target, but to "satisfy" and "delight" our customers.

I think that increased demand for our products, shortages of supplies and capacity, problems with lead time intervals all challenge our ability to meet shipping goals, but they're not reasons to miss our commitments to our customers.

With that, I'll let Jack Bucter take the floor. We haven't seen much of Jack for a good part of the past year. He's been busy heading a team for (AT&T Network Systems president) Rich McGinn to reorganize the structure of Network Systems (see related article on Page 1) from a product technology-driven business to a customer-focused business.

Jack Bucter speaks

Despite my absence, I've kept up with Omaha's results. In addition to the great revenue improvements I see here, I look with a great deal of pride on your achieving ISO certification and on earning VPP Star Status--congratulations for that, I think that's a great example of teamwork and a very important accomplishment.

I see that many new initiatives have taken place. I just toured the shops and saw firsthand the changes brought about by teams that are working to guide their own

destiny. I've also taken note of initiatives in the diversity area and many other things which I think will build on making this a solid business financially and a great place to work.

Q's and A's (Jack Bucter)

Q. *What impact will the new Customer Architecture have on how we operate here? Will we have less contact with our customers?*

A. Network Systems' way of doing business has been evolving just as the marketplace has been changing.

If you look at how much we know about customers, a large part of that knowledge is with the customer sales teams while most of the decisions about product are made in the business units. On the other hand, the business units have a much better understanding about technology than do our sales teams.

If we all had a better understanding of our capabilities as well as our customers' business needs, we could do a much better job of selecting the products we want to manufacture that correlate to what the customers want.

We have tried to do that and it has worked--for example, our first major win with Pac Bell and other successes that followed. We want to make product decisions more rapidly based on customer input that we translate into the product we offer.

Some people have asked me, are we going back to the way we used to operate? Are we going to make our factories just a cost center? Will there be barriers keeping us from a chance to participate?

The answer is no. We're going to move forward. We want to take what we learned in the business unit concept, take what our people know about managing businesses--designing products, making tough choices on where to put development dollars--and work closer and get better input from our customer teams in these areas.

Most of our people won't see any change at all except having better input into how we make our decisions. We'll want at least as much interaction with our customers as we have had in the past. We still want our customers to come here, meet with our people, see what we do.

The major change will affect a number of our people in product line management (PLM), who will be more closely affiliated with the different customer business units, representing us with the customer and helping to get better input for us to translate into product.

(Continued on next page)

DIALOGUE

Q. Have you had any early feedback from customers about Customer Architecture?

A. Yes. I have been meeting with customers, making presentations and getting some input from them in terms of what they like about the plan, what we are going to change that they prefer we not change.

Universally, their reaction has been very positive. There were some concerns that we were going to be changing the people they've worked with on a day-to-day basis, people with whom customers have established good relationships.

We have assured them that we are not going to do that. Again, looking at Pac Bell and other recent successes in which we employed the Customer Architecture approach, it has been well received.

We are currently fine-tuning Customer Architecture, a critical phase in which we are working with customers individually to tailor its design to accommodate their specific needs and preferences.

Q. What do you see as changes in how the sales people are going to focus their efforts?

A. Sales teams have been motivated only by revenue in the past. What we are attempting to do now is to get them to focus on the bottom line--be accountable for the profit and loss, for the growth of the business, for the EVA, and even more so for customer satisfaction.

Where we have had very focused sales people who really understand our product, they have contributed much more to the bottom line. Sales people will now earn on the investment, for example, in Omaha--that will be their motivation to sell our products. So, they will have to understand fully the consequences of what they do to the bottom line.

Q. Is AT&T/Omaha doing any research into the future of copper? In light of the Phoenix Works being sold and more money going to Atlanta for fiber, what are our prospects here at Omaha? Is AT&T going into fiber exclusively? Are we going to get out of the copper business?

A. The situation with Phoenix was that the bulk of its business is in a declining area.

We found somebody who was willing to invest in it who is going to get into different areas--power cables and coax, which is not the direction AT&T wants to take, given our other investment opportunities.

Clearly, within the next 15 to 20 years I would expect to see some decline in some copper products here. But we do have time, and shame on us if we waste that time. We're looking at other strategic products, such as coax apparatus, that we might get into.

We would not be investing the kind of money that John (Heindel) and his team are asking for if we thought there

More feedback

Besides the auditorium meeting, Jack Bucter also had the opportunity to meet with several smaller groups of employees including recently hired employees, the Alliance, Hispa and Women of AT&T. The following is feedback from those meetings:

•"He said he wants to better utilize minorities and women in Network Cable Systems to help NCS meet its goals and objectives. He recognizes the positive impact that a diverse workforce can have on our quality performance and better understanding global customers. He also said he's depending on our help to ensure that he fulfills his commitment to Our Common Bond."

•"He indicated a willingness to listen to our
(Continued on Page 8)

was a chance that we might have to close this place.

I think that it is up to all of us to continue to do the things that will keep this business viable, keep it generating the amount of funds to reinvest in this business. Twenty years from now I would be very surprised if we weren't doing some very different things here, yet utilizing the core competencies that we have.

As long as we continue to be competitive with our quality, continue to keep our customers satisfied, as long as we continue to make strides in our productivity--and there is still much more we can do such as material substitution cost reductions, standardization of parts and so on--we can keep this business viable.

Your Workplace of the Future motto here, "Destiny by choice, not chance," sums it up. The destiny of this place is in our hands.

(John Horenkamp, AT&T Bell Labs department head of SYSTIMAX® structured cabling system, comments:) I can tell you that in the premises area--1061, 2061, a lot of copper apparatus things that come out of here--we see a very long, fruitful life.

Q. If the RBOCs were given the right to enter manufacturing, what would you see as our short-term and long-term goals?

A. Our short-term goal and our long-term goal would be to continue to manufacture better products at better prices than the RBOCs could possibly manufacture, and make sure that they continue to use the quality and the price standards that they have been imposing upon us.

I think that the RBOCs' real interest is not in manufacturing but long distance. But if they do get into manufacturing, we'll have to continue to do what we do against any competitor--demonstrate that we can make products better very cost effectively--just be the very best in what we do. ■

Make a safe fashion statement by wearing your PPE

(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.)

By Mike Commons

Nearly two million people are expected to receive disabling work-related injuries this year.

More than a one-fourth of these injuries will involve the head, eyes, hands or feet. What is most tragic is that many of these work-related injuries could be prevented.

Personal protective equipment--or PPE--is designed to protect you from health and safety hazards that cannot practically be removed from your work environment.

Avoid serious injury

PPE will not protect you from all hazards, but it could mean the difference between a bruised foot and a crushed foot.

Personal protective equipment is designed to protect many parts of your body, including eyes, face, head, hands, feet and ears.

Employer requirements for providing workers PPE, including gloves, goggles, helmets and safety shoes, were updated by an Occupational Safety and Health Administration (OSHA) final rule which William J. Campbell went into effect July 5, 1994.

The final rule, which updates OSHA PPE requirements first established by the agency in 1971, requires employers to provide worker training and education on the uses of PPE for protection from workplace hazards.

All Omaha Works employees will receive training in the selection and use of PPE during safety meetings presented by their supervisors during August.

Additional training programs

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already are in place for all employees who wear hearing protection and respirators. Training in the use of hearing protection, whether it is for earmuffs or earplugs, Ronald Schaupp is given to employees at the time of annual audiometric examinations.

All employees who wear respirators are required to receive training in the selection and use of the particular respirator which they wear. Each employee also is required to pass a qualitative fit test which

assures that there is a good seal between the respirator and the employee's face.

Check the specs

Personal protective equipment as required on the job is specified in Manufacturing Standard 16000. Designed to benefit employees, it's still up to each employee to take the responsibility to wear equipment specified for his or her job.

For safety's sake, learn to use PPE correctly; most importantly, use it. ■

Feedback from meetings with Bucter

(Continued from Page 7)
concerns but asks that we back up our concerns with facts. He gave us his personal phone and fax number and encouraged us to communicate with him."

"Jack Bucter elaborated on why Network Systems chose to change its structure and move to Customer Architecture. Based on what he said, "it gave me a sense of security, knowing that we're looking ahead in our business, that we're always looking for ways to improve."

"Overall, the meeting was a positive experience. I found it to be informative, particularly his account

of the direction of Network Systems and the impact that self-directed work teams will have on the business."

"I appreciated his candor. He acknowledged that many skills among minorities and women are being underutilized within the company, something he wants to change. He mentioned that a (Network Cable Systems) task force is being formed to address such issues. He told us to 'hold his feet to the fire' and hold him accountable for how he acts on his commitments, and plans to meet with us again in three months." ■

TAKE ME HOME!

Choose a doll or bear or both to outfit as part of the Salvation Army's annual Dress-a-Doll/Dress-a-Bear project. The dolls & bears are distributed to area youngsters at Christmas.

Pickup dates: Aug. 9 & 10
Where: Main cafeteria
When: Lunch break, all shifts

**Return to Pioneer Workroom
by October 14!**

**For more
information, call:
Bonnie Anderson, x3562
(1st shift)**

**Pat Patterson, x3504 (2nd shift)
Judy Mueller, x3577 (3rd shift)**

