FOR PEOPLE IN THE NETWORK SYSTEMS BUSINESS OF LUCENT TECHNOLOGIES

### July quiz winners

Thanks to all the employees who took this month's Lucent Technologies Challenge by sending in their quizzes. Due to a last minute editorial change, question number five on Network!'s electronic version could not have been answered. To win the mug, we accepted the correct answers from the first four questions from all entries.

Congratulations to Rick
Herrmann, Ramona Smith, Randall
Brown, Bonnie Bailey, Randy
Hollis, David Kirby, Richard
Sutton, Stephen Turpin, Pete Williams, and Jeff Howe. The lucky
winners will be sipping their favorite beverages out of their brand new
insulated Lucent travel mugs!

Here are the correct answers:

**Q:** What is the largest U.S. trade show for the communications industry?

A: SuperComm '96

Q: How many miles of SYSTIMAX Structured Cabling System are installed in Atlanta's Olympic Stadium?

**A:** 150 miles

**Q:** What is the nine-word headline on Network Systems' new ad?

A: You're free to compete. We're free to help you.

Q: What is the most widely used structured cabling system in the world?

A: SYSTIMAX® SCS

Take a chance on more super prizes

next month when the quiz appears on August 9. As usual, the questions will be taken from the next four issues of NET-

WORK!. And this time we promise not to throw in any ringers.

# Olympic people snapshots

The world cooperated to bring the Olympic flame to Atlanta and Lucent Technologies is bringing the excitement of the Olympics to the world via its flawless products and services. As part of our ongoing coverage of the Centennial Olympic Games, this week NETWORK! brings you snapshots of NS people who are making the games happen through personal and business commitment.

Theresa Wilson, switching and networking products supervisor at the Columbus Works, is spending three weeks of long hours and hard work to help make the Summer Games a safe, successful event. She decided 12 years ago that she wanted to be an Olympics volunteer after watching athletes compete in Los Angeles.

The process to become an Olympics volunteer is complex. Workers, as well as potential athletes, must put a plan into action years before the games. Wilson began two years

ago with a phone call to a special Olympics hot line. After filling out lengthy applications and waiting many months, she was notified last December that she had been accepted to work in the security organization. Wilson, who volunteers with local organizations, says she was picked to support the Olympic security organization based on her community service and supervisory skills.

The security staff at Atlanta supplements private security and law enforcement officers from all over the world. Volunteers like Wilson are trained as the eyes and ears of the events. Hundreds of jobs come under the umbrella of security during these games and those who work the different venues are trained in a wide range of security issues, from crowd control to locating hidden incendiary devices.

Continued on page 3

#### COGS reduction: A key to business success — part 1

[Editor's Note: The following is Part I of an article that takes a look at Project One of the Cheetah Program, Product Application Simplification and Standardization (PASS). Look for Part II in next week's issue.]

Last year, Cost of Goods Sold (COGS) reduction, one of the "Costbusters" initiatives aimed at reducing costs across Network Systems (NS), enjoyed a significant amount of success. COGS reduction, part of Project One of the Cheetah Program, and an integral part of Policy Deployment, turned in more than \$334 million in savings in 1995. It's link to Policy Deployment, which was used to set the

goals for the business, will have an even greater impact on our business this year.

Now that we're part of a standalone company, the challenge to be better than the competition never has been more crucial. That means COGS-reduction must be accelerated. After all, NS' results will have a pronounced affect on the success of the Lucent Technologies business.

In this next phase of COGS reduction, the focus has shifted to a more fundamental look at how we run our business. The task? Focus on the significant processes and systems that contribute most to the cost of manufacturing our products,

Continued on page 2

# **5ESS** prevails in time of crisis

On the evening of June 26, a CNN special report announced a fire at the U. S. Department of Treasury in Washington, D.C. For most of the country, this may have been insignificant, but for not for Tom Barnhill who happened to be watching CNN at the time. As the NS senior program manager for Treasury's Digital Telecommunications System (DTS) Contract, this news was potentially catastrophic.

Lucent's 5ESS® Switch installed in the Treasury Building provides all telephone service for the Secretary of Treasury and his staff, as well as three satellite locations. If the fire had caused severe damage to the building and the 5ESS, more than 4,000 government personnel would have been without phone service.

Barnhill met Joe Palau, Chief of Operations for the U. S. Treasury DTS, at the site. They were able to convince the U. S. Secret Service and the District of Columbia Police to allow them entry into the building to survey the switchroom for damage. Although the water from the fire had not reached the switch, smoke was extensive and power to the building had been cut off. Six hours later, the switchroom was still a scorching 112 degrees. Even with the aid of two portable air conditioners that were brought in to help cool the switchroom, the temperature stayed at 108 degrees for the next four days.

Marlow Cooper, DTS program manager worked with NS Customer Service personnel in Atlanta to divert switching and telephone equipment, originally ordered for other sites, to the Treasury location. Contingency plans were activated in the event the switch failed under the heat or had to be taken out of service.

NS staff at the Treasury's System Management and Network Supervision Center worked throughout the night of the fire and through the weekend to provide emergency telephone service, to move the Treasury operator positions, and provide bridging capabilities. Joe Bosuk, another DTS program manager, made the 5ESS translations necessary to give Treasury executives telephone numbers at temporary locations.

Barnhill and his Global Commercial Markets team monitored the switch continuously, wondering whether the smoke and many days of excessive heat would ultimately take its toll on NS' flagship switch. Five days later, normal air conditioning and power were restored. During the ordeal the 5ESS never even blinked. This was powerful testimony to the durability of the 5ESS and the genuine obsession, demonstrated by the Lucent team, to outstandingly serve its customer during the most trying of circumstances.

COGS Continued from page 1 and benchmark our costs against the competition's.

The reason for the new focus? In a word, customers. Our customers are demanding greater price value and seamless execution, from quote to installation.

# 1996 theme: Be better than the competition

This year's COGS focus has five key elements: Implement OneNS Hardware Realization Initiative (One NS HRI), War on "legacy parts," Product simplification, Loc-alization, and Competitive benchmarking.

No one wants to reinvent the wheel — especially an expensive one. It's time-consuming and costly. OneNS HRI is focused on reducing product-development costs and intervals through use of best-in-class processes, tools, component management, and product data.

The COGS-reduction team insists that standard processes and platforms are a major tool that will help improve our profits. After all, "building products based on common plat-

forms and standardizing equipment and components across product lines can have a significant impact on our profit margins," according to Director of 5ESS-2000® Global Hardware Development Laboratory Bob Estvander, who also manages OneNS HRI.

"Building products based on common platforms and standardizing equipment and components across product lines can have a significant impact on our profit margins."

 Bob Estvander, Director of 5ESS-2000® Global Hardware Development Laboratory

Two significant segments of the OneNS HRI — the One Component Database and the Legacy Initiative — are being deployed this year. A single database will allow us to know, at any given time, the inventory of each one of the components we use to build our products, and will help ensure the use of standard components for

standard functions throughout the design community.

The Legacy Initiative is aimed at ridding our product line of dated components, which are obsolete, difficult to obtain, and/or have a high, fixed cost structure. Frequently, we not only find older "legacy" parts in existing products, but sometimes legacy parts are used in our new designs.

Ridding our products of these "legacy" components can help us simplify our products and streamline our development process.

"Achieving these two milestones will reduce the legacy component content in our existing products, better manage the selection of components for new designs, and move all of NS to a common component-selection tool, called Global Component Information Management (GCIM)," says George Watkins, Margin Improvement director for Switching, Transmission and ATM. "It also will help us to develop a common component-management process across NS."

### Olympics Continued from page one

Some 125 Atlanta Works employees have also joined the Olympic action by volunteering for everything from ushers to drivers. Among them are Shahab Siddiqui and Hayedee Harwood, who are as close to the Olympics as you can get without competing for a medal. They are envoys responsible for managing athletes and members of their delegation during the Summer Games. Out of 2,000 applicants, only one envoy for each of 197 delegations was chosen. Siddiqui was selected as the envoy for Bangladesh, and Harwood was picked as an associate envoy for Venezuela.

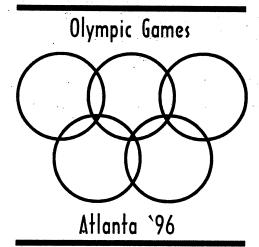
"Training was intense," says Siddiqui, a member of technical staff in materials engineering. "We have to be informed and educated about all phases of the Olympic Games."

"We'll be the shadow of athletes for six weeks — keep them on schedule, make travel arrangements, interpret for them, and escort them to events. Whatever they need, we'll be there," says Harwood, who works as a technical support analyst.

Joyce Fischer, senior technical assistant and training coordinator based in St. Louis, Mo., is a driver for the U.S. Olympic and the International Olympic committees. She's responsible for making sure USOC and IOC officials get to their destinations on time despite the traffic that ensnares Atlanta. Fisher is experienced with this type of duty. She was a volunteer driver for

the 1993 U.S. Olympic Festival held in St. Louis. During the Festival, Fisher was assigned to chauffeur the United States' representative on the IOC, who was so impressed that she helped Fisher get the slot in Atlanta.

Meanwhile, back at the Bell-South Network Operations Center (NOC), Warren Gieseking, customer



service VP for BellSouth, has just finished touring the nerve center of the fastest, most reliable and flexible telecom network ever developed for the Olympic Games. "Four days into our mission, and everything is working flawlessly," Gieseking reports. "The system is at peak loads and our customers at BellSouth are pleased with its performance." Gieseking notes that color-coded sets of monitors in the NOC provide real-time data on the status of the equipment. "Green is

good and that's all we've been seeing," Gieseking is happy to report.

Keeping those monitors green is the result of the efforts of thousands of people working across NS. Since last October, some 3,400 Merrimack Valley people have been involved in making and assembling equipment to support the network operations in Atlanta. Members of the on-site team include Merrimack Valley's Michael Cornei, James Roberts, and Jason Woodbury, and Holmdel's Members of Technical Staff Michael Horvath, Richard Meservey, Kenneth Novak, and Scott Questad. The on-site team provides 24 hour, on-the-spot technical support for a wide range of Lucent-provided equipment. The network's 173 sites are observed on a personal computer. If anything goes awry, the exact site of the problem can be located. Even a millisecond of downtime can mean problems for the network responsible for bringing the Olympics to the world. And because the network handles all the video for the games in addition to voice and data, any flaws in network management will be visible to billions of people. Olympic Technical Support Manager Robert Nolan's task is to interface with BellSouth making sure a plan is implemented to keep equipment running throughout the Olympics. "It doesn't sound very glamorous but the good news is the equipment is so reliable we haven't had a lot to do."

#### **GPS** website

Lucent Technologies' Global Private Systems (GPS) group has introduced its home page on the Internet at the Connectivity India '96 Seminar in Bangalore, India. Addressed http://www.lucent.com.hk, this site can be accessed by all GPS customers, distributors, partners and other Internet subscribers by enrolling in the Century Club (membership is free). The Century Club is an exclusive

customer club that allows members to access a database of information including news, weather, travel and entertainment listings as well as information on GPS products.

Membership is available to Lucent's customers in China, Singapore, Malaysia, Indonesia, Thailand, Japan, Korea, Philippines, Australia, New Zealand, Taiwan, and India. GPS is a provider of Structured Cabling Systems.

Coming live at 10 a.m. EDT on August 6 from Merrimack Valley, President Dan Stanzione and the NS Operations Council will be hosting NS' Second Quarter Broadcast where they will be discussing Lucent and NS financials, NS policy deployment, and hold a O&A.

## Around the biz & around the world

#### **Cost-effective chip**

Lucent Technologies has announced the industry's most costeffective modem chip set that can enable a PC to do videoconferencing, collaborative computing and other interactive services at 33.6 kilobits per second, the fastest modem data transmission rate attainable through regular phone lines. Developed by Microelectronics, the Apollo(tm) modem chip set helps reduce modem manufacturing expenses. Lucent plans to sell its Apollo chip set to PC manufacturers. Compaq Computer will use the new chip set in its fall 1996 line of Presario(tm) PCs.

#### Wireless in Germany

Lucent Technologies has received a contract valued at more than US\$20 million from Deutsche Telekom Mobilnet GmbH (DeTe Mobile) to expand the network operator's mobile radio network in Germany. Lucent will supply its BTS 2000 base stations for DeTe Mobile's Global System for Mobile Communications (GSM) network. With the expansion, DeTe Mobile - the largest cellular network operator in Germany - will be able to increase its subscriber base and enlarge its coverage area. Lucent has also supplied GSM base stations, which have been developed and manufactured in Nuremberg for mobile radio networks in Belgium, Brunei, France, Cameroon, Luxembourg, Malaysia, Portugal, Saudi Arabia, Switzerland, and United Arab Emirates.

# Rural telephony deal signed with Czech Republic

Lucent Technologies Prague announced that it signed a US \$7 million contract with SPT Telecom s.p., the Czech Republic's national telecommunications service provider, to sup-ply wireless equipment that will ex-pand SPT's countrywide network from metropolitan regions into rural areas.

Under the contract, Lucent

Technologies will supply 12 of its Integrated Radio Telecommunications (IRT) systems. With the expansion, SPT, under its "Rural II" plan to grow its network, will now be able to link additional rural subscribers into its public switched network via a radio-based communication system, instead of laying cable.

The IRT systems will connect 2,700 new rural subscribers in the area north of Prague to SPT's existing wireline network.

The IRT systems are manufactured and sold by Telecommunications Radioelectriques et Tele-phoniques (TRT) in France, which was acquired by Lucent Technologies in February, 1996. Before the acquisition, Lucent Technologies and TRT worked together to supply IRT systems to SPT's "Rural I" network, which linked 2,500 subscribers to SPT's existing network. That contract, signed in March, 1995, was also worth approximately US\$7 million.

# NS Espana scores a first in Spain, first in Lucent

Getting ISO registration is a customer requirement in many of Lucent Technologies' global markets. One of Lucent Technologies' Environment, Health and Safety (EH&S) goals is to put in place EH&S Management Systems, including ISO 14001 that are based on internationally recognized standards. Lucent Technologies NS-Espana is helping to lead the way. Last month it became the first communications company in Spain to meet the Spanish Environmental Management and ISO/DIS 14001 standards.

"As the first Lucent Technologies Environmental Management System certification, and the first in Spain in the telecommunications industry, this accomplishment demonstrates our environmental commitment to our customers and neighbors, and certainly helps to position the new Lucent brand name in a positive framework in countries all over the world," says John Pittman, chief Quality, Environment, Health and Safety officer. "Customers and stakeholders will view our implementation of environmental

management systems as further evidence of

Lucent's commitment to meet their needs, and to live our value of a strong sense of social responsibility. Congratulations General Manager Juan Giro and his team for a job well done."

The International Organization for Standardization (ISO) is a worldwide federation founded in 1974 to promote the development of international manufacturing, trade and communications standards. ISO 14000 is an evolving series of generic standards being developed by ISO to provide organizations with the structure for managing environmental impacts.

NS-Espana, which opened for business in 1987, employs 750 people and is one of the main suppliers to Telefonica, the Spanish telecom operator. Located in Tres Cantos, it is involved in the production of digital transmission and switching equipment.

NS-Espana recently hosted an EH&S conference for the Europe, Middle East and Africa region for environmental managers from Lucent, AT&T and NCR. Representatives from Telefonica also participated. John Borum, Lucent Global Environmental, Health and Safety vice president, attended the conference, and with the other attendees toured NS-Espana. Borum said that he was extremely impressed with the operations. "It's a beautiful facility that's well-run and well-managed. It's definitely first-class."

#### **FYI**

#### Automated software testing conference slated for October 1-2

AST '96, an informal conference addressing Automated Software Testing across Lucent Technologies, will take place October 1-2 in Naperville, Ill. The agenda includes presentations of experiences with automated software testing on a per-project basis, workshops for sharing ideas, and focused discussions. For more info, or to be added to a mailing list for future events, send e-mail to auto@ihgp. lucent.com or visit the AST '96 Web site at http://www-gpn.ih. lucent.com/~auto/ast96.

#### We make it happen: **GSM** celebrations

On July 17, nearly 1,000 GSM (Global System for Mobile Communications) employees stationed everywhere from Naperville, Ill. to the Sultanate of Brunei banded together for a simultaneous worldwide celebration to honor GSM's progress and to connect its employees globally. GSM's contracts with Escotel in India, DeTe Mobil in Germany, the Swiss PTT, and the expansion project in Saudi Arabia were cited specifically as recent advancements that merited a party.

In addition to praising GSM's successes, individual and group contributions to the results of the larger team were also applauded. This was particularly important for Nuremberg, Germany, home of newly acquired PKI.

#### Letters to the editor

NETWORK! will publish signed letters as space permits – reserving the right to edit for clarity.

Please include your name, work location, and a contact number where we can reach you. Opinions expressed in the Letters section do not necessarily reflect the views of Network Systems management. See our contact information below.

# Upcoming world holidays

-		•	
July			
25	Constitution Day		Puerto Rico
	Saint James's Day		Spain
29	Prophet Mohammed's Birthday		Egypt
August			
1	Birthday of the People's Liberation	n Army	China
1	National Day	ii Ailiiy	Switzerland
5	Independence Day		
	Sactland Dank Haliday	. The first	Jamaica
	Scotland Bank Holiday		United Kingdom
7	Shop & Office Workers Holiday	i de la companya de La companya de la co	Iceland
7	Battle of Boyaca	e Section of the sect	Colombia
9	Independence Day		Singapore
	National Women's Day		South Africa
15	Assumption Day	•	Austria, Belgium,
		·	Greece, Italy,
			Germany,
			Chile, France,
			Venezuela, Poland
	Independence Day		India
	Liberation Day		South Korea
16	Assumption Day		Italy (Milan only)
17	Independence Day		Indonesia
19	Assumption Day		Colombia
20	Constitution Day		Hungary
24	Independence Day		Ukraine
26	Liberation Day		Hong Kong
•	Summer Bank Holiday		United Kingdom
30	Victory Day		Turkey
	• •		•

Sources: DHL Worldwide Express Guide and Chase's 1996 Calendar of Events

Employees in 10 primary GSM locations, including Naperville; Columbus, Ohio; Whippany, N.J.; Swindon, the U.K.; Nuremberg; Riyadh, Saudi Arabia; New Delhi, India; Singapore; Kuala Lumpur, Malaysia; and Brunei all took part in the festivities, which centered around the theme of "We Make it Happen." GSM T-shirts and pins were distributed, and there was a conference link

program so that locations could interact on the telephone.

The festivities sparked a bit of good-natured competition between the locations. Each location attempted to be the one with the most enthusiasm, creativity and good will. In Nuremberg, for example, the pastry chef created a three tiered Bavarian tart, which featured the Lucent logo.

Do you have an opinion to share or a story

Technologies, Room D3B09, 283 King George Road, Warren, NJ 07059. Fax to 908-559-1257. Send

Copyright (C) 1996 Lucent Technologies. All rights

suggestion? Write to NETWORK!, Lucent

#### NETWORK!

NETWORK! is published weekly for people in the Network Systems business of Lucent Technologies. It is available as hard copy or through AT&T Mail shared folder !nsnews:network, at http://linus.att.com/pubs/ network, and in NetNews under the lucent.pub.network group.

Lucent Technologies.

MANAGING EDITOR Maria Sariego

Lucent Technologies

AT&T Mail to attmail!nsnews.

VOL. 5/ISSUE 30

July 25, 1996

#### NETWORK! is not intended for distribution outside

CONTRIBUTORS Alex Cornella, Delitha Morrow Coles, Lezerne Cunningham, Laurie McIntosh, Christelle Pollet, Jonathan Schweig, Jason Ripper