

He puts the future in your hands.

General Manager Warren G. Corgan talks about what lies ahead in the future of the Omaha Works and about the responsibilities of its employees.

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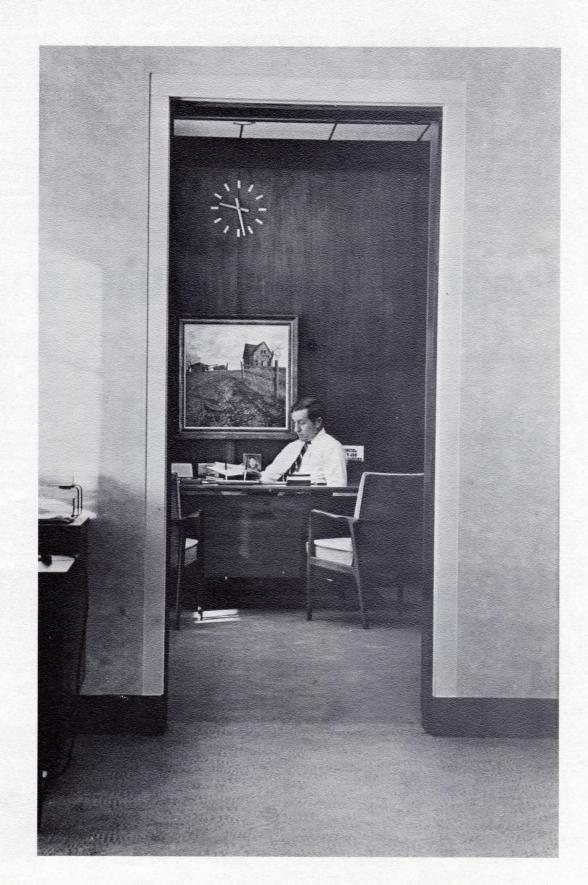
Also inside:

Omaha products make the best-seller list.

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So you think it's a man's world? Guess again.

Page 7



for your information

There still is time to join Ak-Sar-Ben and take advantage of the chance to enjoy more than \$100 worth of entertainment for just \$20. The membership drive officially ends Feb. 15. The first show on tap for those who join will be appearances by Dionne Warwick and Doc Severinsen March 13 through 18. Other attractions for the year include shows starring Johnny Cash, Charlie Callas and Lola Falana, and a family show with

Debby Boone and Bobby Goldsboro. The \$20 membership also entitles a person to discounted rodeo and ice show tickets...

... The Boy Scouts of America recently honored John Weidenhamer of Dept. 746. Weidenhamer was awarded the Silver Beaver Award for distinguished service to boyhood. The award is the highest given to adults active in Boy Scouts. The honoree has served in numerous capacities in scouting, from den dad to scoutmaster. He has received other scouting awards, including the Award of Merit, and is a member of the Order of the Arrow. Weidenhamer's three sons and daughter all are active in scouting . . .

... Speaking of accomplishments, may we take a bow? The color cover on the Dec. 15 issue of The Westerner was the

first ever printed inside our plant. In fact, we believe our reproduction department was the first of any at a Western Electric location to print a four-color photograph. Four colors were used to make the final picture, requiring four separate runs through the press for each inking. We printed 6,000 copies for a total of 24,000 runs. It is very difficult to match the photo images exactly with each new inking. If printing is off, the red tint may not be exactly within the outline of a person's lips, for example. As you can see on the December cover, the printing was right on target. To the reproduction crew: Congratulations - and thank

... Workmen have been renovating the east elevator in Building 20. Work includes lowering the control buttons so that the elevator may be used by persons in wheelchairs.

Best-sellers in the making

The Omaha Works has some bestsellers on its hands, based on what several visitors to the plant had to say recently. Members of the Product Line Planning and Management organization out of Atlanta, headed by manager Howard Wells, spoke with Omaha Works personnel in December. They gave an overview of protection and outside plant product line strategies.

Among those products manufactured at the Works which are proving to be strong competitors in the market, three product areas particularly drew attention: The 720 load coil series, 40-type cabinets and the 710 modular splicing system.

Wells and his staff pointed out that the



"Gee, I'm sorry I dropped that reel, Rudy
... but shouldn't you be wearing safety shoes?"

Western Electric fulfilled 77 percent of the Bell System's needs for load coil cases in 1977. Load coil cases sales are projected to fulfill 80 percent of the needs by 1984.

The Works has been manufacturing 723 and 724 load coil cases, while plans to manufacture 722 load coil cases are under way. The group attributed the product's popularity to its compact size and reduced weight compared to our competitors.' Also, pricing is attractive compared to that of general trades manufacturers.

Our 40-type cabinets, particularly the 76 binding post-type FDI cabinets, were termed "hottest sellers." Demand for the cabinets appears to be growing, the visitors said. The Works is taking action to increase its capability to supply the 40-type cabinets to meet the operating Bell Telephone companies' needs. By the end of January 1979, the Works will have shipped nearly 14,000 FDI cabinets since manufacture began in 1975.

Major selling points of the cabinets include its extreme ruggedness and durability. The cabinets are aesthetically attractive because, being of a modular design, they have a uniform appearance regardless of size. The modular design also makes installation easier because the procedure is similar for all sizes.

The product line planners also mentioned that the cabinets were tested extensively with consideration given to human limitations: For example, are the bolts easy to reach? This again ensures ease of installation.

The 710 modular splicing system is

helping the operating Bell Telephone companies cash in on higher productivity, too. The system, which incorporates the 710 connector and 835A1 tool, provides a faster way of getting the job done in the field. Thus, revenues go up while telephone rates stay down.

Currently, the Works supplies 63 percent of the Bell System's needs for a modular splicing connector. By 1983, we expect to supply 79 percent of the needs. Over the next three years, in excess of \$3 million will be spent to increase the Works' capacity to supply 710 modular splicing connectors.



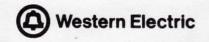
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Warren G. Corgan General Manager

> Linda Ryan Editor

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service anniversaries

january

R. H. Perina

R. Y. Sackett

L. L. Sick

W. R. Scollard

H. M. Sporven

M. H. Starbuck

S. L. Stefanski

J. M. Sweeney

J. P. Tomizer

C. Tovrea

G. J. Tramp

L. O. Wade

W. M. Warejko

V. R. Williams

D. R. Woods

T. M. Worms

R. H. Whitcomb

W. F. Stratbucker



Herb Brinke 40 years 1/10/39



Johnny Maw 30 years 1/8/49

20 years

L. C. Besk W. M. Bilek J. F. Brewster D. F. Collins A. P. Dross

R. L. Fenske C. E. Ferguson M. H. Gerke

E. D. Greenwade P. J. Guhl

B. J. Harmon D. V. Holbeck D. T. Hunter

D. D. Hutchings

M. D. Ivey D. J Jonas J. L. Juel

N. L. Kingry R. F. Knievel K. Korinek E. A. Kudron

V. E. Kull

D. E. Lanspa M. L. Loges

J. M. Longsdorf L. F. Maschka

B. R. McGraw K. A. Micek R. C. Miller

W. L. Moberg R. D. Morford Jr.

A. K. Nekuda W. C. Nelson M. M. Pallas

J. Paulson T. D. Payne

L. B. Pekarek

15 years _

J. L. Azzarello R. R. Kinnison R. U. Larson

C. K. Peterson P. B. Smith

10 years _

H. L. Bolte L. K. Dein S. P. Fiscus C. W. Heman

R. H. Hunter J. R. Lauritsen R. C. Madej

I. V. Mikesh D. E. Miller

W. S. Neneman Jr.

R. A. Rodaway S. P. Ruckman

R. H. Skellenger M. D. Strong

L. A. Sweet E. T. Vandeman G. J. Wehrbein

retirements



Juanita Limas 22 years



Lucille Vondra 21 years



Evelyn Ray 20 years



Lois Besk 20 years



Marjorie Starbuck 20 years



Arthur Husted 20 years



Oscar Kallvik



Mona Bruno 19 years



Leona Riter 20 years



Alta Boldan 19 years



Edwin Kosmicki 20 years



Vivian Bothwell 15 years



Dorothy Holbeck 20 years



Alexander Czerwinski 20 years

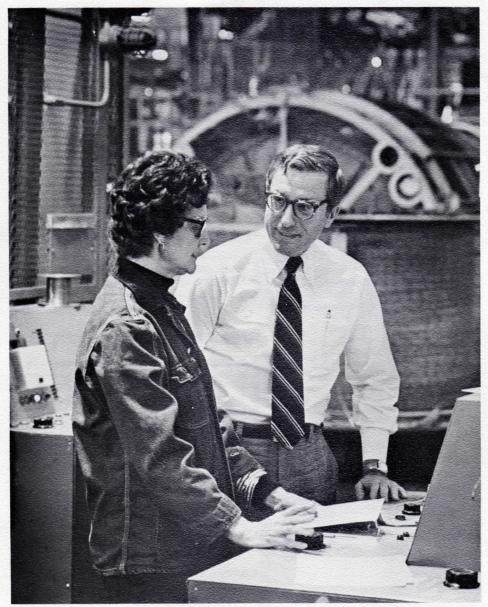
Not pictured:

Emil Sigmund 21 years

Jeanette Brewster 20 years

Frank Strudl 21 years

Evelyn Fallon 16 years



SHOP TALK...Clara McCoy chats with Warren Corgan about her work. Clara works in the high voltage testing area of the cable shop, Dept. 252.

An interview with Warren Corgan

'The future is in your hands'

The start of the new year traditionally renews within people an enthusiasm to attain personal goals. The new year 1979 especially should evoke such a spirit among the people at the Omaha Works.

We have reached a milestone in our 20-year history. We proved we were the best when we became the No. 1 manufacturer of wire spring relays and No. 5 crossbar equipment. We proved we were flexible when we absorbed the bulk of the Buffalo Works' product lines. And we proved we were strong enough to meet the challenges of a changing world and its telecommunications needs when we introduced to the Works the manufacture of loop transmission apparatus (LTA).

The business picture of the Omaha Works for the next year is a healthy one, according to Warren G. Corgan, general manager. Sales for 1979 should remain at least at 1978 levels. The challenges of a competitive market are sure to increase, but he is confident the Works can meet them. They will be met, he said, because the future is in the hands of those people who gave the Works its proud past: It is in the hands of a fine work force.

On this and following pages, the general manager expands upon his view of what lies in the future of the Omaha Works.

In light of the changes experienced at the Works, employees want to know what lies ahead in the next few years? How many employees do you expect to have on roll?

I think that in the next few years we will experience stability in our work force. Our employment level is at about 4,500 people and I think that it will remain at about that level.

We have seen considerable change: To what extent will change continue? What effect will change have on the kinds of products we will manufacture?

In the next five years we will see more changes made in the telecommunications industry and in the Bell System than in any other period in our history. While this probably will result in more changes in our products and in the way we do business at Omaha, our work force and the level of business should be relatively stable.

Technological progress, particularly in electron device technology, has been responsible for most of the change in the industry. It was responsible for ESS (electronic switching systems) replacing crossbar equipment. Because many of our new products do not use electronics, our work force will not feel the effects of these changes to the extent of some other locations.

We will continue to see many new pro-

ducts, however. In 1978, we introduced about 20 new products. That involved installing more than 100 new or different machines and it caused a great deal of disruption throughout the Works. Change will continue to be a way of life and we should welcome it - it means that the business is healthy.

Every one of our products in one way or another is manufactured by other companies. How will we hold our own in a competitive market?

If we can hold down our costs and continue to improve the new products we bring into the Works, we'll continue to be competitive in the marketplace. We've got to learn how to put new products into production even faster while maintaining our usual levels of quality, and to do it at a reasonable cost. To the extent this is done, the Omaha Works will prosper. Our future has never been more closely tied to good performance than it is today!

We continue to work closely with Bell Laboratories and with the PECC (Product Engineering Control Center) so that we can telescope the interval between the design of a new product and the time when it goes into production. This is important to keep our competitive edge.

Because of the consolidation of wired equipment, a number of employees have been moved to new job assignments some downgraded. Will the skill levels required be lower for new products we will bring in?

It is true that the skill levels required to make crossbar equipment are no longer necessary for the kinds of products we make. However, I expect that skill levels required for future new products will not change from our current levels. Technological advances and their associated skill levels probably will affect our sister plants more than us because of the kinds of products we already are making and will be making.

What is the greatest challenge we face in the future?

Once the transition to LTA products is complete - and we expect that to occur in the next six months - our main challenge will be to hold down our costs, continue to provide quality products, and to ship them on time to our customers. We can, however, expect to see a continuous parade of new products in the LTA product family.

Will quality be an even more important factor than it has been?

We certainly will need to maintain the superior quality level with which the W.E. name is synonymous. This will require continued and constant vigilance - we can't let up now, especially when

'Change will continue to be a way of life and we should welcome it - it means that the business is healthy."

you consider the increasing availability of alternative products. Quality continues to be one of our most important

selling points.

Everyone — from the operator in the shop to the general manager — should realize how important quality is. Good quality stems from an attitude which makes us strive to build quality into every product we make. It must continue to be a way of life at Omaha.

We have experienced a dip in some of our quality ratings. Why, in your opinion, are we experiencing this problem? Is

employee morale a factor?

There are several reasons. The realignment of our work force and the number of new products which we have introduced are the most significant. Now that the churning of the work force has settled down we should begin to see improvements in quality. We have introduced a new Statistical Quality Control plan which will highlight quality problems before they become severe, and it will allow us to take corrective action sooner. While employee morale can affect quality, I don't think it is a significant negative factor.

Along the same line, what are your thoughts regarding management's relationship with employees?

The Omaha Works, like any industrial enterprise, is only as good as its people. I think that we have an excellent work force and we will continue to stress the importance of good supervisoryemployee relationships. To me that means creating a healthy, teamworkoriented relationship in which our employees understand our goals and objectives and feel as though they are an important part of the business - because they are.

When times are good, as they are today, that's a little bit easier to accomplish than when times are bad as they were three or four years ago when we were downgrading and laying off people. All the good employee-employer relations in the world don't help if you don't have jobs. Our primary responsibility to our work force is to make sure we keep our products viable in a way that ensures enough jobs for our people now and in the future. If we all - supervisors and employees - continue to work as a team, the vitality of the business here at Omaha will continue to improve.

Working conditions, too, are important, and we're making some changes in the office and shop areas. As you know, we spent a little more than \$1.5 million in 1978 to improve the general condition of the factory.

People's attitudes on company loyalty and personal goals are changing today. Is this a concern with respect to its effect on our productivity?

I know people say attitudes are changing, but I don't think we have seen a significant change here at Omaha. While there probably is a trend toward changing loyalties and personal goals nationwide. I think it is less prevalent in the Midwest than elsewhere. The only major attitudinal problem we have is the reluctance of many of our people to work overtime when we ask them. That does affect the productivity of the shops, such as the cable shop, where we have a very large capital investment. That is of concern to me.

In the courts today there are a series of legal and regulatory activities which could change the Bell System as we know it. What do you think the outcome will be?

The United States has the finest telephone system in the world. Nearly everyone agrees with that. It is the vertical structure of the Bell System which has made that system what it is today. In fact, other countries such as Sweden and parts of Canada are reorganizing their telephone systems to look more like the Bell System structure. I think it would be a mistake to radically change the vertical structure of the Bell System. It would lead to more costly phone service. I think that our legislators will understand that and will not pass counterproductive

On the other hand, the telecommunications and the data processing industries are coming closer and closer together and there is a need to define the ground rules under which the Bell System and others will function in the future.

(Continued on Page 6)

'The future is in your hands'

(Continued from Page 5)

For that reason, I think that we will see more changes in our business in the next few years — more competition, more opportunities and a need to become much more market oriented.

What steps have we taken and should we take to make sure the operating Bell Telephone companies want to continue to buy our products?

The first thing Western Electric had to do was better understand its customer and his needs and wants, then organize to get closer to the customer, to understand the telephone business — how the telephone companies operate and what kinds of products and services they need to enhance their operations. Then, we had to structure the company so that that kind of information, when fed back to our manufacturing and development organizations, could be translated into new products and services.

Now we've done that! We have Account Management teams who are responsible for representing our products to the telephone companies — making sure they understand what our products can do, what their prices are, what features they embody. But more importantly, Account Management tries to understand the needs and wants of the telephone companies and how our products and services meet or fail to meet those needs now and in the future.

Where an opportunity is perceived in a product line, Account Management feeds back that information to the product division responsible for that product. Each product division has a product line manager whose job is to evaluate field feedback and to see that changes to products are made when necessary. Many of the new products which we are making in the LTA shop are there because of the efforts of our product line management group.



At Omaha, will we have more programs such as the "Know Your Customer" program to help market our products?

I would hope that programs like that are a continuing thing. Everyone in Western needs to know a little bit about his customer. You certainly need to know more if you're in the sales division than if you're in the manufacturing division. The closer we get to the customer, the better he understands how much we appreciate his business. We also understand better what his business is all about and the kinds of things he needs to operate more effectively.

You mention "our customer." Western Electric primarily serves one customer, the operating Bell Telephone companies. Yet, Bell can buy from other companies other than us. How does this work?

As long as Western Electric's prices and products are better than those offered by other companies, there is usually no advantage to Bell operating companies' buying from other manufacturers. But to the extent that other manufacturers produce products superior to ours, either because of features or availability or price, it's to the advantage of the telephone companies

to buy from them. The message, for us, is clear.

If we sold more of our products to other companies besides Bell, wouldn't we be able to have higher profits just by reason of volume?

Our policy has been and still is that domestic sales to non-Bell customers can be made only under very special circumstances. On the other hand, you've got to remember that Bell System demand is very large and our sales to the Bell System this year will be around \$8.5 billion. The size of that sales base does permit us to compete effectively, although greater sales activity elsewhere conceivably could be used to buffer the ups and downs in Bell business. In fact, one reason for increasing our international sales was to utilize some of our excess capacity which, in turn, should help to keep production more efficient.

It would be different if we were a \$500 million-a-year company and other very large opportunities were closed to us, but that's not the case. While our practice not to sell elsewhere in significant amounts may have been disadvantageous at times, I think it would be difficult to make a case that this might have affected our ability to properly and efficiently serve the needs of the Bell System

tem.

Concluding remarks:

While we ought to be aware of the changes which are taking place in our industry, I don't think we at Omaha should be preoccupied with them. As long as our performance continues to improve and we learn to anticipate and respond to change, our future will be a healthy one. There are three things that constitute good performance as far as the Works is concerned. They are good quality, satisfactory service to our customers, and satisfactory financial performance.

Every supervisor in the Omaha Works should be able to tell his employees what his quality, service and financial goals are, and he should tell them how well they are doing in meeting those objectives during the course of the year. That is a **vital** part of good employeremployee relations.

I think that our people worry too much about the future of Omaha and whether we're going to have jobs in the next five years. The truth of the matter is that the future of the Omaha Works is in the hands of its people more so now than ever. To the extent that we are dedicated to producing quality products, to serving our customers, and to doing that at a reasonable cost, our reputation will help to ensure that the Works will have plenty of business in the future.

'The future of the Omaha Works is in the hands of its people more so now than ever.'

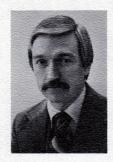
promotions



Roy Seals
From extruding
equipment operator (Dept. 282)
to section chief
(Dept. 252-6),
high speed twist
and scrap wire
repair.



Tom Vierk
From senior
accounting
specialist (Dept.
10A) to department chief (Dept.
332), plant and
engineering accounting.



Bill Lawson
From section
chief (Dept. 2591) to department
chief (Dept. 201),
production
control and
customer
service.

Dean Janovec
From investigator, manufacturing difficulties
(Dept. 413-4) to
section chief
(Dept. 724-2),
vertical unit
adjust and switch
assembly and
black strap.



Gary Shaw
From engineering associate
(Dept. 731) to
section chief
(Dept. 251-12),
PIC insulate, No.
1 wire draw and
plater.



Bernard McCarter From utility operator (Dept. 445) to section chief (Dept. 439-7), FDI binding post cabinet assembly.



Are you due for an 'oil change'?

"It's just like changing oil," in the words of Henry Novak of Dept. 252. With every pint of blood Henry gives to the Red Cross, he comes away feeling so good, he said. Thus, he likens his physical well-being to a smooth-running car with freshly changed oil.

Henry ought to know: He's a veteran blood donor, having given more than eight gallons of blood total in about 25 years. He gave his first pint when he was in the service during the '50s, and regularly donates his blood when the Red Cross Bloodmobile visits the Omaha Works.

Employees will have a chance to give their first pints of blood or add to past donations when the Bloodmobile makes its next stop at the plant Feb. 8 (from 12:15 to 5 p.m.) and Feb. 9 (from 6 to 10 a.m.). Tables will be set up in the auditorium, with donors receiving coffee, juice and cookies afterward.

Since the Bloodmobile first began making stops at the Works in August 1961, employees have donated 24,674 pints of blood as of September 1978 — more than 3,000 gallons.

THE GENEROSITY of donors is to be commended, said Dona Richling of Dept. 437. As a director in the WEOMA Club, she oversees plant Bloodmobile visits. She has watched the WEOMA Gallon Clubs grow, with membership in the

One-Gallon Club all the way up to the Eight-Gallon Club.

Henry Novak and two other employees, Pauline Mangelsen of Dept. 287 and Bob Coufal of Dept. 741, belong to the Eight-Gallon Club, because so far each has donated that much blood over the years. The Seven-Gallon Club currently has two members — Walter Goodbrod of Dept. 413 and Gerald Van Roy of Dept. 746

Membership in the rest of the gallon clubs breaks down like this: Six gallons, 34 employees; five gallons, 45; four gallons, 77; three gallons, 109; two gallons, 175; one gallon, 192. The contributions of these donors takes on added significance when one considers the average adult body has just six quarts of blood total

In all, 946 employees have participated in the Bloodmobile program since 1961, many of them on a regular basis. "We average about 400 employees who come in each Bloodmobile visit," Dona said. Given that average and the current need for blood, however, the program at the Works is lagging.

The Red Cross needs 2,000 pints of blood per week to meet the demands of increased cancer and heart surgery besides other surgery needs, Dona said. The Red Cross figures it must receive donations from 20 percent of each company's employees during a Bloodmobile visit if the weekly blood quota is to be met. Participation at the Omaha Works falls under 10 percent.

DONA ISN'T sure why participation isn't greater at the plant, but guessed that "a lot of people are just scared of the needle." Maybe they don't realize, too, that donating blood once a year to the Red Cross ensures free blood, upon request by a doctor, for family members anywhere in the country. (A person pays charges to administer the blood, and may have to pay for the blood if a hospital has its own blood bank and will not use Red Cross blood.)

Of course, there is the purely humanitarian reason to donate. "There are so few who give and so many people who need it," eight-gallon donor Bob Coufal explained. He realized that need more than 20 years ago when his wife required surgery and there was no blood. Luckily, friends and relatives gave blood, he said, after which he became a regular donor.

Pauline Mangelsen came to a similar conclusion when her father and uncle were in dire need of blood years ago. She reached the eight-gallon donor mark in part by trying never to miss a Bloodmobile visit at the Works. She firmly believes, "People depend on me."