



May 15, 1972

General Georges Doriot
American Research and Development Corporation
Room 2308, 200 Berkeley Street
Boston, Massachusetts 02116

Dear General Doriot:

Attached is the chart we discussed with DEC statistics.

I will send an updated version this summer when the Fiscal year is complete.

Sincerely,

Winston R. Hindle, Jr.
Vice President

WRH/bwf



December 21, 1971

General Georges Doriot
American Research & Development Corporation
Room 2308, 200 Berkeley Street
Boston, Massachusetts 02116

Dear General Doriot:

At our last Board Meeting, you asked for a chart showing the growth statistics of DEC. Attached is a chart showing these figures through the Fiscal Year 1971.

Best wishes to you and Mrs. Doriot for the New Year.

Sincerely,

Winston R. Hindle, Jr.
Vice President

WRH/bwf

DIGITAL EQUIPMENT CORPORATION

<u>As of June 30</u>	<u>Space (Sq. ft.)</u>	<u>People Employed</u>	<u>Volume of Sales</u>
1958	8,700	13	\$ 94,000
1959	50,200	75	776,000
1960	50,200	117	1,300,000
1961	77,900	234	2,600,000
1962	210,700	421	6,500,000
1963	299,100	476	9,900,000
1964	299,100	605	10,900,000
1965	395,900	876	15,000,000
1966	395,900	1,005	22,800,000
1967	563,100	1,800	38,900,000
1968	841,700	2,600	57,300,000
1969	1,060,200	4,360	91,200,000
1970	1,644,300	5,800	135,400,000
1971	1,750,300	6,200	146,900,000

For General Report -

DIGITAL EQUIPMENT CORPORATION

May I have a sheet showing

years since
start of DEC

~~000's~~
Square feet
000's

People
employed

MILLIONS
Volume of
Sales
Millions

JUN 1957

8.7 start

1958

8.7

.094

1959

50.2

75

.776

1960

50.2

117

1.300

1961

77.9

234

2.6

1962

210.7

421

6.5

1963

299.1

476

9.9

1964

299.1

605

10.9

1965

395.9

876

15.0

1966

395.9

1005

22.8

1967

563.1

1800

38.9

1968

841.7

2600

57.3

1969

1060.2

4360

91.2

1970

1644.3

5800

135.4

1971

1750.3

6200

146.9

DIGITAL EQUIPMENT CORPORATION
Corporate Space

December 2, 1971

<u>Year</u>	<u>Total Sq.Ft.</u>	<u>% Increase Over Previous Year</u>
1957	8,727	
1958	8,727	0
1959	50,183	475
1960	0	0
1961	77,915	55
1962	210,727	170
1963	299,133	42
1964	299,133	0
1965	395,905	32
1966	395,905	0
1967	563,107	42
1968	841,716	50
1969	1,060,206	26
1970	1,644,306	55
1971	1,750,306	7
1972	2,379,306	36
1973	2,835,306	19
1974	3,395,306	20
1975	3,655,306	8

DIGITAL EQUIPMENT CORPORATION
Corporate Space

December 2, 1971

<u>Year</u>	<u>Location</u>	<u>Additional Sq.Ft.</u>	<u>Delete</u>	<u>Total Sq.Ft.</u>
1957	Maynard	8,727		8,727
1958		0		8,727
1959	Maynard	41,456		50,183
1960		0		50,183
1961	Maynard	27,732		77,915
1962	Maynard	132,812		210,727
1963	Maynard	66,406		
	Canada	22,000		299,133
1964				299,133
1965	Maynard	96,772		395,905
1966	Maynard	0		395,905
1967	Maynard	167,202		563,107
1968	Maynard	251,109		
	Canada	16,000		
	Puerto Rico	11,500		841,716
1969	Maynard	108,990		
	A & M (leased)	20,000		
	Leominster	60,000		
	Canada	14,000		
	Puerto Rico	11,500		
	England	4,000		1,060,206
1970	Maynard	3,100		
	Westfield	260,000		
	Westminster	260,000		
	California	24,000		
	Puerto Rico		(23,000)	
	Puerto Rico	60,000		1,644,306

page 2 - Corporate Space

<u>Year</u>	<u>Location</u>	<u>Additional Sq.Ft.</u>	<u>Delete</u>	<u>Total Sq.Ft.</u>
1971	Ireland	44,000		
	England		(4,000)	
	Puerto Rico	36,000		
	Westfield	30,000		1,750,306
1972	A & M Maynard	95,000		
	Westminster	260,000		
	Canada-Carleton Place		(52,000)	
	Canada-Kanata	65,000		
	Puerto Rico	60,000		
	Springfield	11,000		
	California	20,000		
	Ireland	40,000		
	A & M Maynard	150,000		
	A & M-leased		(20,000)	2,379,306
1973	Ireland	130,000		
	Ireland-leased		(84,000)	
	Westfield	260,000		
	A & M Maynard	150,000		2,835,306
1974	Hudson	260,000		
	A & M Maynard	300,000		3,395,306
1975	Hudson	260,000		3,655,306

CONFIDENTIAL

file - History
cc: John Sims ✓
Ken Olsen

.INTERVIEW WITH GENERAL DORJOT

5 October 1978

- J: What I have done so far for the past two weeks is to go thru some readily available records of the first five to seven years of the company. They have essentially put me in the right context to try to ask you some questions. what I would like to do is to go thru some of these questions and the ones you feel you can answer easily today, we will cover today. I think there will be additional questions as I get through more reading of the company's records. I would expect that this would not be the only time you and I talk. It will be the only time between now and next Spring, but I don't expect that you and I could possibly cover everything we want to cover today.
- D: There are things that I don't know that I can look up.
- J: I think there is a perspective of the company that you have that no one else has—it will be uniquely yours. Over the last 20 years there have been a number of major events. I have some feeling as to what those events are. The place I would like to start is to ask you what do you perceive the major events were between 1957 and today.
- D: Well, of that I will have to think. You see what I mean, that is not an easy question.
- J: There are some that are sort of obvious that both of us could name. Andy's deciding to leave was a major event. That seems pretty clear to me.
- D: Well, from my standpoint, a major event was the choice of Ken and Andy and deciding to go ahead. Once we had done that we agreed to make sure they could develop a product along the line of what they said. That they could sell that product and it would be profitable. Then we knew that when you start a company with two men who want to act as co-equal, more or less, the time will come when one has to take the leadership. And while at the start it was decided by Ken who would be the leader, we didn't know whether Ken is the one that should be; and second, how the two would get along together. Because my experience is that very few companies started with two men work out with those two men with roles as co-equals. The only outstanding example I know—and there must be others—is Hewlett-Packard. But I was on the Board of another company at that time, where two men had started together. They weren't working together, but one of them was very unhappy. So we had the problem of watching them, and making sure that the best man would win. Then after that the question is what do you do with the other one. All right. So the company started, and produced, and did very well. They made money—I can check the figures within the first 12 months and they were in the black at the end of 12 months. When they (required) they would develop the computer, and we didn't do any talking about it which was wise. One day Dorothy Rowe, who was treasurer—she was treasurer of the company doing the work at night at no pay—came to me, she said, "Don't say anything but there's a computer in the basement it should be put together." So I said "well keep quiet about it, we don't want to scare anybody." But they're plunging, don't you

know, into something (idiotic). Oh, I did know when we started the company, that they hope someday to make computers. So they made a computer and I think it was sold to Bolt Beranek and Newman (BBN).

J: Your memory is incredibly good.

D: And I went to the inauguration and BBN were very happy so they just drifted in a positive way. Drifted is not the right word, but they quietly proceeded to make computers. Then we had to worry as to whether those computers were the right size, had the right characteristics, etc. and they did have fine selling characteristics.

Then we worried as to the price because most small companies don't know how to price anything and they have a tendency to price low with the theory that if you price low, the magic figure, if you can only get 5 - 15% of the market. Everybody says that. I don't know why but it's always the magic figure; but I don't remember that paper <Ken and Andy's proposal?> said that or I don't think I questioned it, because I didn't believe in going at it that way. You don't know what follows the market but you don't know how good your machine is; you don't know how acceptable it will be; and you don't know the reaction of competition.

Well at first you don't have much reaction from the competition, but if you do well you're bound to; not necessarily competition from the large companies, but other people who hear what DEC was doing and will say "Why don't I start doing the same thing"? So you then face a situation when any number of people start a company at the same time or more or less at the same time, and the question is who in heavens name will win?

So we observe the reaction of those two gentlemen. When the time came-during that period realize that Andy was a great help to Ken, Ken had at that time become the leader, accepted leader, desired leader of the people who worked there, welcome leader of the people, very welcome by the employees that came in. We were very pleased with Ken. We knew him better and we were very pleased. During that period Andy was extremely devoted to Ken. He was really Ken's assistant, and very willingly would do any job that Ken would give him to do. Andy had a very good disposition, was very smart, very open with Ken and he was an ideal assistant to Ken. Then as the company developed, Ken kept on growing in stature. He showed that he had very good business sense. That any problem of business that he never had in his life he could face it, study it, and intuitively or otherwise make a good decision. When the time came when he needed more personnel for a certain higher level, and that would cause a problem for, how do you place those men in the organization? Andy looked at the time as if some of those new men could well work for the leader, who was Ken, but not work so effectively for Andy. So the question is do you keep Andy as the number two man which meant very naturally that there would be Ken, who would supposedly give instructions and directions or ideas to Andy, and Andy would transfer that information and those orders to somebody below. Well the company was too small for that. In a small company there must be direct relationship between the very brainy people that you get and the top man; and furthermore the top man can only lead well if he has a good intimate relationship with the important men in the company because he has to "feel". It's not a matter of giving orders

only, it's a matter of the reaction of those good men to the orders you give. The relationship must be direct. There must be give and take between the head man and the people who are very important in the company.

<This seems like an excellent statement of one of the reasons that DEC attracted good people in the early days: contact with, and respect for, Ken.>

And I repeat this was a very small company. So it became clear that Andy should not be what you might call a feeder between Ken and the new men. It didn't matter how good the feeder was--and Andy would have been a good feeder--but in a small company the only way you get men, good men at that stage of the game when their future is a long way from being assured--they can't be sure of the future. They work there because of admiration and faith, not in two men but in one. So the problem became as to what should Andy do. Andy was very anxious to be the number two man.

J: Can I ask you what the time frame is?

D: No, but I can give you that. So, that created a problem, Andy wanted to be the number two man. Ken wanted direct access to the new men he was taking in. Those new men did not want to work there unless they reported directly to Ken and Andy wanted to be the number 2 man.

J: Did this occur when the company was 10 or 15 employees, or when it had grown to 100 or 200?

D: I'll give you the answer to that. Those dates, I have them somewhere... Andy became unhappy and Andy's questions remained the same to him. What do you want to do in the company in view of the prerequisites for good management. Andy really didn't know exactly where he should fit. I knew he had long talks with Miss Rowe. He'd go from my office to her office. I said discuss it with her because it's easier for you to discuss it with her. So that went on for a period of time, which I don't remember, but I can look it up. Then finally Andy decided he would leave because he wanted to be number two man...it's very plain, very simple and very standard. He liked Andy very much and I still like Andy very much. I think he is a very fine person with good ideas. He's constructive, he's kind, thoughtful, very pleasant to be with, hard-working, and I have nothing but admiration for Andy. But, what you might say, the natural leader was Ken. It wasn't a matter of Ken versus Andy, because Ken would have done anything to keep him. It was a matter of the people in the company wanted a leader and subconsciously they decided Ken was the leader and it's because of Ken mostly, that they came and stayed. So that's the story.

J: I think in time frame that that break finally occurred about 1965. (D: I'm no good on dates.) Well, I've done some homework to help us with the dates. The company was certainly healthy at that point in time. It had always been healthy, but this was up to its 8th year when that final break finally occurred. Did that...

D: I wouldn't call it a break necessarily. I didn't look upon it as a break. I looked upon it as a natural evolution. In this country it is seldom

that two men can act as more or less co-equals and it is normal for a man who has been almost an equal partner with the top man not to want to give up that relationship. there was nothing abnormal about that. I would call it a normal evolution. It isn't only Andy vs Ken, it is the fact that others in the company were more and more recognizing Ken as their leader.

J: Certainly I was in the company at that time and it was very clear to me that Ken was the leader. There was no question.

D: And you don't want to go to another man to find out what the top man thinks. We did ask Andy many times, "where do you think you fit? Give me a list of things you want to be responsible for." Andy never did.

J: Let me go back then. All the way back to the beginning. I can remember from your talking in Manufacturing class that your comment about investing in young companies basically that you invested in people, and so I suppose in 1957, American Research invested in two men, in Ken and Andy. Can you recall back then, and tell me what you thought the strengths were in each of those people. There were obviously different strengths.

D: We thought that Ken was very much of a driver and Andy an ideal person to carry out the drive of Ken.

J: So you saw Andy as a good doer.

D: Yes, a good man to carry things out, and he did. Ken could see a picture and Andy could help him to carry it out.

J: I think one of the things I want to see, if you have it, is some of the original proposals that Ken and Andy or the original proposal, I suspect there were multiple versions though, that Ken and Andy did in order to come to American Research.

D: Well I have the original report of AR. I can show it to you but I can't give it out. It's ARD property.

J: I don't need you to give it to me if I may just study it.

D: And we didn't take very long to make the investment. It seemed long to the people who you give the money to, but it wasn't long from our standpoint. Do you want it now?

J: Why don't we work a little bit longer and then when we take a break I'll look at that. You say it didn't take long. I have the feeling it took 3 or 4 months.

D: Oh yes, which is very short.

J: Yes, indeed. It only took 3 or 4 months to decide to make that investment. Who were, how deeply did you look at it? Who did you go to for advice?

D: But I won't give you the names because we always promised to whoever we

went to for advice that we would never quote them. All those names were kept in a secret file which nobody had access to but me. I didn't want any of my colleagues to say "we didn't do this because so and so told us not to."

- J: Even in the very beginning it seems clear that someone, either Ken and Andy or American Research, had decided that Ken was bringing more to the situation than Andy was. Was that before they even met you? Had they agreed that there would be this sort of 2 to 1 relationship between them?
- D: No I don't remember that. My recollection is that when they came to us they were a team, but one would be president and one vice president.
- J: But somewhere they must have decided that there was a substantial ranking difference, because, if I recall correctly, Ken had 20% of the company and Andy had 10%.
- D: Oh yes, They decided Ken would be the head man and Andy was number 2.
- J: And he doesn't want to be 3 or 4 or 5 as time goes by.
- D: So when you say that the decision was to make Ken number 1 and Andy number 2, you have to realize that it meant something to Ken and it meant something to Andy.
- J: They had, those two people had presumably made that decision before they ever met American Research. (D: I guess so.) O.K. That's fine.

- J: I want to go back if I may to my first question. I have written down some events that I think might have been important and if you could just tell me if you'd like to talk about any of them.

Obviously the formation period is very important. Can you comment at all about the reaction of people in American Research and people in the company to the initial profits. Were they jubilant? The fact that after 12 months of operation they were indeed profitable.

- D: Well in American Research you don't get jubilant about anything. I went on the theory that—I think I told you in class—success and profit...because you never know if the beginning of something is good luck or an accident or what. Failure I'll accept if I understand it, if it's not dishonest, if it isn't stupidity, but if it's the normal lack of time or something and you know where you made it, then you know how to correct it, and the one I dislike most is mediocrity. It's mediocrity that upsets me most, but I can't tell you if we were jubilant after the first show, we were pleased and interested and became very watchful to see if it was the beginning of something, or just what it was. You analyze that with the same cold-bloodedness that you study failure.

- J: By the third year, however, it must have become apparent...

- D: As a matter of fact, you know that I remember very well that at that time

I went out of my way not to say too much to the directors then.

J: There is a story which I have always been a little bit suspicious of, which said that Ken and Andy, when they came to you to form the company, or came to ARD, said that they came and they wanted to build computers. That's the thing they wanted to do. Someone advised them perhaps yourself, that it was OK, but that's not what they should put in their proposal.

D: It's to a great extent true. However, I wouldn't be the one to say don't put it in the proposal. I probably put it in the proposal because it was true, but I must have said "push on the modules because that's your starting point" and since modules are part of the computer, we thought we could come to the computer later. In other words, computers were not the main thing at that time; it was making modules. So the story isn't true.

J: Well, the story goes on to say that the reason was the members of the Board of Directors of American Research were not the youngest people, and they couldn't wait for their profits. <The General did not see the humor in this.>

D: Well, this is entirely untrue, because it is a fact that while those men were older men, they were the most progressive men I've ever met and the proof of that is that they created American Research; and they knew very well that profits would not come for a long time. If you read my Annual Report from American Research, you will find out that that story is untrue completely. Because I went out of my way to explain and I suggest you read my letters in the early annual reports where I explain at great length.

J: I know your philosophy. It's very simple.

D: The Directors were very close to me, very wise men, and it's because of their age as a matter of fact and their background as New Englanders that we were willing to do that because we knew that New England had been built on new ideas which raised DEC's goals, don't you know, and so on and so on. So I would say that the story is upside down it's thanks to their age plus, let me try to put it this way, thanks to their innate characteristics which were not slowed down by their age. If it had, they would not have started American Research. If you read the famous letter of Senator Flanders in the first annual report you will find the attitude of... Obviously if Ken had said "I want to start the company to compete with IBM, and by God I can do better than IBM and all that." (It would have been a different thing.) It would have been viewed with great suspicion. So the story that you tell is upside down...

J: The story has always been told in jest, but I just wanted to see if you felt any, it's not even funny, I agree.

D: Oh, it's funny, because it isn't true.

(Doriot gave me Flanders' letter to read in ARD annual report #1.)

J: I recognize the philosophy very very well. Was it Ken or Andy that made

the first contact with ARD? When American Research was considering this idea, there were only the two people, weren't there? There weren't any other people in DEC, although Stan came on very quickly after, didn't he?

D: I don't know, I know he wasn't far from the beginning.

J: There were in the first couple of years, there were occasional times when the company was not profitable. Was that traumatic?

D: Well, the first month?

J: No, but after that in the second or third year.

D: No, it never was. My main problem with DEC was the fact that they did very well at that time and the (DEC) stock wasn't listed and therefore every quarter I had to go to the directors for evaluation and as the company did better I had a very big personal problem. This was my job. No one else in the company could do it; decide the valuation of DEC. They made a computer; that computer sold well. My question was can they develop a family of computers. <Latter-day wisdom?> Therefore, I was unwilling to raise the evaluation based on their profits and developing a further understanding as to their probable ability to develop a family of computers. A new computer. Therefore, I left my evaluation very very low. I didn't want to take a chance. I would have hurt the company if I'd pushed up the valuation. Now when it's the market that decides, these foolish people in the market that decide the PE ratios, that's out of my hands. As long as I was doing it, if I'd been reckless and pushed it up then the next quarter, since I had to publish it, pull it down, I was giving the world market an indication that my hopes (were not met). On the other hand, I had legislation, SEC, etc. to be what is called a fair evaluation and that was the hardest job I had and I had hand written notes that I read to the Directors telling them exactly what I was doing. What my worries and fears were. Do you get the point?

J: In fact, I remember that in fact the line that you took was to report Digital's value as being its book value.

D: No, I didn't do that exactly.

J: But very close.

D: Well it happened then that way but I never followed that. That in itself doesn't really... Book value was never a pet theory of mine.

J: I'm sure it wasn't a pet theory it just seemed like perhaps something that if you had to...

D: ...as a matter of fact a problem that DEC always had was a bad first quarter. So in one of my annual reports I wrote in general, that the fact that the company has a bad quarter doesn't mean that you should leave your (senses). And I wrote that at that time.

J: May I continue to ask you questions before I digest this. One of the most important pieces, one of the important sales the company ever made was the

sale of that initial computer to IT&T. Can you make any comments about that? Were you involved at all? Did you know that they were working on that?

D: Yes, I knew, but I don't comment. I'd have to see if I have notes.

J: Let's talk about a favorite subject of yours--Boards of Directors. I'm sure you helped considerably in forming DEC's.

D: You mean to "select" because we wanted to give them all the help we could and he didn't know who to take so we put on whoever we put on. Then he asks for Forrester. That was his request. I never heard of Forrester.

J: Who were some of the other people. Why were they chosen?

D: They were all AR people. You take outsiders. Those people I can do without. You can't fire a director.

J: Arnaud de Vitry wasn't there...

D: We asked for Arnaud de Vitry and we had a vague idea that Arnaud had not made up his (team). We told Ken and Andy that there should be a third man on the team as a financial, business-like partner. We had in mind Arnaud. If Arnaud had stayed in this country he might be considered a third partner.

J: Arnaud was an old acquaintance of yours, a friend of yours?

D: MIT ...he had come number 1...

J: Do you feel that DEC's Board played an important role in the company's direction in those early years?

D: Well it's hard to divorce the goals from American Research. But, on the other hand, the answer to your question is, no, but it might have prevented some errors. When you ask the question that way it means to me that do I think the Board was a great leader or something? It wasn't. But it probably was a good preventer of some possible mistakes.

J: I guess what I was really looking for was just any recollection that you might have had about the Board's role. Whether they were positive or negative.

D: They were hell-bent on helping Ken. The only purpose of the board was to help Ken do well, to help DEC do well.

J: I guess the next, as I try to work through areas that might have been important enough for you to be very conscious of, one that comes to mind is the first public offering, when you finally decided to let this.

d: actually, at first he was going for the shawmut. so i did say once, i

want a big new york bank ahead of the shawmut.

J: OK What were some of the things that precipitated that finally going public?

D: DEC was growing. They were doing well. They had a good record. They could go public at a good price. So they weren't "precipitated". I had been considering it for some time.

J: I only meant that usually something "seeds", something says, ah, this is the time, let's go do it, and it might well have been that the market was very favorable then for new offerings.

D: I knew it had to be done. We had to figure out who could do it best and then talk to them. There certainly was no question, it was the only way to raise money nicely for the company. There was no precipitation whatsoever. As a matter of fact, we could have waited.

J: Again, what I've done is try to think through things that you might have perceived as being important, major events in the company's history. One of them must have been—I think it occurred about 1964 or 65 or even 66 when Ken finally said "enough", I'm not going to be the only person who takes responsibility around this company.

D: Coming back to the Board. I think one thing that the Board did is to bring up points good, bad, or indifferent to Ken's attention. Raise issues. As I said, good, bad or indifferent I don't know but at least even if not good it brought it to Ken's attention.

J: The company was reorganized somewhat dramatically in about 1967. I was one of the people who was very affected by that in a positive way. I suddenly went from having a mildly responsible job to a very clearly responsible job. That was the coming of product lines. Can you tell me a little about—

D: Well you see to me it wasn't dramatic. Ken had thought about it. You know something, you think about it for awhile you finally do know. It was not meant to be (dramatic).

J: Had Ken been talking about it for many months?

D: Ken never talks it the way people talk. Ken would come to my office and he would drop a few words, sit and be silent, then I'd drop a few words and there would be silence, then he gets up and says "OK". My conversations with Ken are very interesting, very efficient, very short, and very interesting because there's no (grand wall of words). Or he'd call Dorothy and say "What do you think of it?" He had great faith in Dorothy. You know when she couldn't be Treasurer, he came to me and he said there's one favor that I want to ask you, "I want Dorothy Rowe to be on the Board". Very often he'd talk to her knowing she'd talk to me then he'd get the reaction. Those long sessions with Ken how to reorganize the company. He gave me a few ideas of what he was thinking about then he'd get up and leave me or he'd draw something on my board that had nothing to

do with the subject-he likes to work with his hands-then make a few remarks, the fewer the better, then he'd smile and say "look at this" very trusting. He is the most satisfactory person I have ever discussed anything with. These discussions are almost not discussions; there are a few thoughts that are dropped here and there that fit together; quietly this great mind works and he gets the idea. But it certainly wasn't dramatic from my point of view. From the stand point of it goes, it goes.

<This is "good stuff" on the way Ken interacts with the General. It's one of the few insights that I've come across on how Ken works a problem.>

J: As one who was affected it was a wonderful change. The only way to describe it.

D: You see I don't remember any dramatic situation from my standpoint at DEC that I can tell you about. At the meeting two or three meetings ago he came, acting very much disturbed about conditions for the year. He said he was displeased with this and that. I listened very quietly and so did the Directors. (When it was done) I said, "Ken, congratulations, it was the best Board meeting we've ever had." And that was more helpful to him than my being compassionate.

J: One of the things you said earlier is that it was clear that the good people who were coming to work with DEC wanted to work for Ken. That was one of Ken's strengths, and one of the company's strengths, and I've already perceived that relationship is part of what made DEC. It seems that one of the other things that was very good for DEC is that some one was very generous in sharing the equity of the company amongst the employees in the form of stock options and that started back as early as 1958. Who's idea was that?

D: It was Ken's idea. We were pleased with it, but it was Ken's idea. No question. <An insight on how Ken motivates? Or is it a "sharing" thing?>

J: Who did the thinking about how that plan might be done? Did you go to a bank or did someone at AR-

D: Well I think Dorothy did most of the thinking. She still is on the committee, now. There's a committee, don't think I know the name of it, pensions and something, anyway, there's a compensation committee and that's where it was done.

J: There was an event that bothered Ken very much which was when Ed DeCastro decided to leave the company. I would think that that is amongst the major events that I will detail. Can you comment?

D: Sure, but turn the machine off. !!!!!!!

(Machine turned off.)

J: Was Ken very upset?

D: Probably was, nobody showed it. He was disturbed, no doubt about it.

J: Disappointed too I would imagine.

D: That's it! Disappointed. Disappointed is probably a better word. Because of this you can say that: Ken is a very decent man in the best way you can describe the word decent. He's a God-fearing man; a full friend; a devoted man to others; he likes to have full confidence in people. So obviously that was a disappointment. Ken is a man of the highest morality that I've ever met.

J: I agree. One of the things that makes me very glad that you steered me to that company so many years ago.

D: I was mad. Ready to do something, but Ken was more of a gentleman than I was and more of a Christian than I was. I accepted it. And I admire him for it. For as I said, I had so many bad experiences at ARD of men who were actually dishonest that my reaction was bound to be different from that of Ken.

J: Right. You recognized the signs. Did you know that DeCastro did a year at the Business School? He was in the same class I was. In fact we were in the same section that first year, but he didn't come back the second year which is interesting.

D: Where did he go?

J: He went to work for DEC and in fact I think he worked for DEC before that first year. I will chase that down.

J: Another person's departure that must have been significant to the Company was when Nick left.

D: I don't think so. It was significant, yes. Everything is significant when a man at that level leaves, but personally I did not consider it as a major event.

J: The company was big enough then, wasn't it, that it could stand one person leaving?

D: Well, I think Nick was a very good man but we had other good men. Where is he now?

J: I believe that he's still retired on Cape Cod.

D: Well you see that's an indication that a man of that age would not normally ... It means that his leaving was OK from DEC's point of view. I don't think that his departure was significant. It makes you think when a man like that leaves, (but it wasn't a blow).

J: Clearly it wasn't, the company survived well without him. On a more positive vein, one of the men who came in to the company, and as I

perceived it contributed a lot, I wonder what AR's connection was. This was Harry Mann.

- D: Well I don't know that I can tell you that AR had much to do with that outside of the fact that, very kindly, very nicely, Ken has always asked me to meet or view people in that field. Once he had three or four candidates (he would ask me to meet them).
- J: How did you perceive Harry Mann in the company? Was he significant enough that you did perceive him as a contributor beyond just the finance area?
- D: Oh no. I didn't think of him as a future president. I think Harry Mann pictured himself as a president possibility. He was accustomed to financial men heading up companies. And Harry Mann had a good sense of humor, and I think Harry Mann probably conceived himself as a president.
- J: I have raised a number of events that I thought might be pretty significant. Can you help me by telling me of others that I've missed?
- D: No, I can't think of any. The history of DEC has been one of continuing hard work done with much thinking, great intelligence, good judgment, based on having picked good men, and having a very good cooperation between those men. The willingness of the head-man to listen to people at meetings or outside of meetings and getting the best ideas he could, sorting them out, deciding what should be done, and sorting the jobs out to good people. So, to me it hasn't been an up and down experience. My relationship with DEC has been a lot easier than it has been with any other company I know, any other ARD company or large company that I've been on the board of because it's more open, I understand things, I don't understand what you do when you get technical, but I understand you, I understand Ken Olsen and I respect him. When he tells me something (I know it's so).
- J: Fine. I think that about runs me out of questions for this first session.
- (We broke for a few minutes while I read ARD's report to its own board recommending the DEC investment. I have taken a few notes.)
- J: Can I ask you about the name of the company. I noticed here and I noticed in some earlier things that the tentative name was Digital Computer Corporation. Why did it become Digital Equipment Corporation? <To hide the fact that it was computer oriented?>
- D: No recollection.
- D: (Referring to the report) You will see there I think at the end of the first paragraph that it says eventually make-
- J: I do. Right there: "Start out to make circuitry and components and at a later date is anticipated will expand its activities to include manufacture and sale of related items. Eventually the company should be in a position to develop and produce specialized digital systems". It's interesting that the word "computer" doesn't appear.

D: Well. We may have dodged it you see. There's no question in my mind that we were making modules in order to make computers.

(I went back to reading the report.)

J: The part that I like is the conclusion which says: "The formation of Digital Computer Corporation is speculative and daring, but sound reasons exist for believing that the undertaking can be successful hence it is recommended that the ARD board of directors authorize its executive committee, subject to additional considerations and investigation to invest as much as \$250,000 in Digital Computer Corporation in accordance with the terms discussed in this memorandum." I like the part about being speculative and daring because indeed it was back then, wasn't it?

Even in this report there is mention made of bringing on board the third person. That never happened, did it?

D: No because we didn't feel we needed it. Ken caught on to the business end of it so fast that we never did.

J: Was Arnaud considered for that role as early as that report? He was the main contender?

D: Yes.

J: Who wrote the report? Did you write it? I can't tell who wrote it. No initials. It's shocking isn't it.

D: Well, make it "by the staff of ARD." Everybody cooperated.

(Some discussion of my notes on the report then followed.)

J: It's interesting that almost every person that you talked to, almost every group that you talked to, became customers early-on.

D: Now there's one thing that you should know; you can use it. We were very anxious at ARD not to finance anybody who had lifted or was going to use products developed in the companies they were working for. We were very anxious, and very careful. Therefore we went to LL; told LL about this project; told them all about it and said "do you have any objections? Are those two men taking away from you something they shouldn't? Should we make an arrangement? What's the situation?" And very clearly they said, "No. It is perfectly proper. We do not want to make those modules and we'd like somebody to make them. And it's their own, developed technology." But then, again, we wanted to make certain that the technical world in general and the Lincoln/MIT world would not accuse us of anything being "lifted". Therefore we went to the Chairman of the Board of LL, Mr. Horace Burrow(?) and asked him to be a director of DEC. <An interesting view of morality!> (J: And he was for a while.) He was also a treasurer of AR before we sold. That I think is very important to mention somewhere.

J: I think it's very important. It actually had crossed my mind as I read that: "What are the ethics behind this?" and I'm delighted to hear that in fact it had crossed your mind as well (or ARD's) to go and ask, and gain

permission.

D: You can say, therefore, everybody considered at LL and ARD that this was perfectly ethical and as a matter of fact, Mr. Olsen, remembering his former association with MIT made gifts, purposely made gifts to MIT as a gesture or acknowledgement that he made.

(End of interview that took place on Thursday, 5 October, 1978, between General Doriot (D) and J. A. Jones (J). Words that are surrounded by () denote guesses on my part as to exactly what was said by the General. "... " indicates that material is missing that I could not transcribe. <...> is used for comments that I have added in during subsequent readings.)

! ! ! ! ! ! ! !
! d ! i ! g ! i ! t ! a ! l !
! _ ! _ ! _ ! _ ! _ ! _ ! _ !

INTEROFFICE MEMORANDUM

TO: Ken Olsen
John Sims

DATE: 24 June 1986
FROM: Win Hindle
DEPT: Corporate Operations
EXT: 223-2338
LOC: ML10-2/A53

SUBJ: General Doriot's Early Notes on Digital and Ken

Rummaging through my History file recently I came across some notes that General Doriot gave me. I have had them transcribed so we can preserve them.

WH:dfm

WH:6.86.809

Attachments

General Doriot's Notes - 10 July 1957

Manufacture and sell transistorized digital building block units used by manufacturers and operators of digital computing equipment in developing and testing digital circuitry and components.

Eventually the Company should be in a position to develop and produce specialized digital systems.

It is recommended that 250,000 be made available.

Commercialize certain technique developed at Lincoln.

Ken Olsen 31 years old. married. 2 children. Has BS MS in electrical engineering MIT. U.S. Navy radar School - one year with fleet. Machine shop - tool shop experience. Quality control engineer in first "Sage" computer.

sale forecast

1st year	2	3
200,000	580,000	1,050,000

actual

725,000	1,300,000	2,650,000
---------	-----------	-----------

10 July 57

Manufacture and sell Transistorized digital building block units used by manufacturers and operators of digital computing equipment in developing and testing digital circuitry and components. Eventually the Co. should be in a position to develop and produce specialized digital systems. It is recommended that 250,000 be made available.

Commercialize certain techniques developed at Lincoln Ken Olsen 31 years old, married - 2 children

has BS MS in electrical engineering MIT

U.S Navy radar School - One year with

the fleet. Machine shop - Tool shop experience

quality control engineer in Univ "Sage" computer

Sale forecast

in year	2	3
200,000	580,000	1,050,000
Actual		
725,000	1,300,000	2,650,000

W. A. T. E.

good starters - good promoters
good analysts
good operators

Strong mentally & physically. Emotional stability

Good keen observer of people. action. products. methods.
observing. inquisitive in an action minded way.

High manual dexterity

Quiet - good listener.

Listens with great attention and interest when it is worthwhile.
When it is not worthwhile (he knows the difference) he thinks of something useful.

Very definite and action minded when his mind is made up.

Speaks only when necessary. Little small talk.

Extremely effective use of his time.

Pleasant open personality. Effective sense of humor.

Sincerely devoted to his church.

Able understanding wife. modest. able to grow

Good family man.

Modest in his habits. thoughtful. kind. charitable.

High sense of morality. integrity.

Self stimulating glands in the right direction.

Intelligently competitive minded.

A person may not have all of these but we should be conscious of what he does not have.

Students rated desirable qualifications in this order:

ability to work in group

integrity

dependability

ability

drive

job performance

creativity

judgement

success

failure

mediocrity

to oblivion - seems

most satisfying to

most people

modesty

sometimes

acceptable

surest way

good starters - good promoters
good analysts
good operators

Strong mentally, physically, Emotional stability
Good keen observer of people, actions, products, methods
Observing, inquisitive in an action minded way
High manual dexterity

quiet - good listener

listens with great attention and interest
when it is worth while

When it is not worthwhile (he knows the difference)
he thinks of something useful

Very definite and action minded when his
mind is made up

Speaks only when necessary. little small talk

Extremely effective use of his time

Pleasant open personality. Effective sense of humor ^{? HUMOR}

Sincerely devoted to his church

able understanding wife, modest, able to grow
good family man

modest in his habits. Thoughtful. Kind. Charitable [?]

high sense of morality - integrity

Self stimulating glands in the right direction

Intelligently competitive minded

a person may not have all of these but we
should be conscious of what he does not have

Students rated desirable qualifications in the order:

ability to work in group

Integrity

Dependability

Ability

Artistic

Job performance

Creativity

Judgement

Success

Modesty

Failure

sometimes

acceptable

Mediocrity

swiftest way

to oblivion - seems

most satisfying to

most people

"A teacher affects eternity; he can never tell where his influence stops." —Henry Adams

A teacher who made a difference

By Peter Fuhrman

IN EARLY JUNE Georges F. Doriot died at age 87 in his Beacon Hill home. Doriot's long life seems a chronicle of our age as well as a credit to it. He was born in Paris in 1899, the son of the engineer who helped create the first Peugeot motor car. He came to the Harvard Business School in 1921 to study the then-brand-new science of business administration. He became a professor of industrial management in 1926 and remained at the school until 1966. Nearly 7,000 men and women attended Doriot's lectures on manufacturing at Harvard. For many, his influence was formative.

"Doriot taught the commitment and the sense of responsibility needed to succeed in business," says James D. Robinson III, chairman of American Express. "These were conveyed, either directly or indirectly, by his own actions. He was one of the most interesting individuals I've ever known."

"Doriot's class wasn't based on cases, like the other courses at the business school," says William McGowan, founder and chairman of MCI. "Instead, it was a combination of his lectures and a workshop." For the workshop, students were farmed out to companies in the Boston area to gain practical experience. "He believed you would learn best by being involved in a business," McGowan

continues. "I flowered under him."

"Doriot taught an approach and an outlook that continues to be of use," says Philip Caldwell, former chairman of Ford Motor Co. "I can still hear him saying, in his French-accented voice, 'Gentlemen, if you want to

be a success in business, you must love your product.' He instilled that idea deeply in me."

"Doriot invited the president of U.S. Steel to our class in 1947," says Zalman Bernstein, founder and chairman of Sanford C. Bernstein & Co., Inc., the brokerage house bearing his name.* "Doriot said afterwards: 'U.S. Steel doesn't understand what business they are in. They are in the materials, not the steel business. They are completely ignorant of aluminum and plastics.' Doriot was the first person to think in those terms. He had more influence on what has happened in American business than the rest of the Harvard faculty put together."

Doriot found ample outlet, outside the classroom, for his abundant intellect and energy. He served during World War II in the Army's military planning, research and development program, rising to brigadier general.

Doriot maneuvered with surprising ease through the War Department bureaucracy. Among the stories told about him: In 1944 General Eisen-

hower cabled that the worst fighting was over, and asked Doriot to slow industrial production. Doriot decided Eisenhower was too optimistic and ignored the order. Soon afterward, as Doriot feared, the fighting flared up brutally at the Battle of the Bulge.

After the war, Doriot began a third career. Drawing on both his classroom teaching and his military service, Doriot founded this country's first publicly traded venture capital company, American Research & Development. Success came relatively early for ARD. In 1957 a young MIT engineer approached Doriot for money to start a computer company. Doriot put up \$70,000 of ARD's money in exchange for 80% of the startup's equity. Thus was born Digital Equipment Corp., now the nation's third-largest computer company.

"ARD was just about the only risk capital company around," says Digital's founder and president, Kenneth Olsen. "All I wanted was to get a company started, to build computers. Afterwards, Doriot didn't rush to get Digital on the market. He



General Georges F. Doriot

"A creative man merely has ideas; a resourceful man makes them practical."

*Sanford Bernstein changed his first name to Zalman in 1984.

truly wanted to generate something that would be useful for society." Doriot served on Digital's board until his death.

Just before retiring as ARD's president in 1972, Doriot merged the company into the giant New England conglomerate Textron. ARD's Digital shares, diluted to 46% but worth around \$400 million, were spun off to the venture firm's shareholders.

Doriot came to regret the Textron merger. "He didn't see what would

happen to ARD under Textron," says Charles Coulter, who has been company president since Doriot's departure. "Large corporations kill innovation, and with it, venture capital."

In 1985 Textron sold the firm back to its managers. Doriot's ideas remain the essence of the venture capital industry in America. In a 1973 memo to ARD's staff, Doriot outlined his hopes for the firm's future: "We must have a vivid but controlled imagination. We must search for ideas which

can be transformed into positive, hard-driving, profitable action. We must energize the idea."

In 1965 FORBES interviewed General Doriot in Boston. He shared his thoughts on the care and feeding of young businessmen and of young companies. He told us, "A creative man merely has ideas; a resourceful man makes them practical."

General Georges Doriot was an uncommonly resourceful man. American business needs more like him. ■

Watch out, IBM, AT&T, GE. An old and very well financed German competitor is alive and on the move.

Siemens über Alles

By Richard C. Morais

COFFERS BULGING WITH CASH. That's what many West German companies have, none more so than Siemens A.G. The electronics giant (annual sales: DM 47 billion, \$26 billion at current exchange rates) is sitting on \$7 billion in cash, plus \$10.5 billion in hidden reserves and pension funds the company could, under German law, invest if it so desired. With almost no debt, Siemens could easily borrow another \$14 billion.

"We have the resources," notes Siemens Chief Executive Karlheinz Kaske in a classic understatement.

Resources, for what? Here there is no understatement. Kaske vows that Siemens will survive and prosper from the shakeout and consolidation now wracking the telecommunications, electronics and electrical engineering industries. Peter Minton, Shearson Lehman's technology analyst, predicts the global telecommunications market will be worth \$200

billion by the year 2000. Siemens, promises Kaske, will be one of the four or five international companies dominating that market.

When Kaske, now 59, became chief executive in 1981, the giant company

was adrift. From 10% in the mid-1970s, return on equity had slid below 6% by 1980. Kaske immediately began cutting inventories and marginal products and closing old plants—not an easy task in West Germany, where unions wield great power. Siemens still has 363,000 employees. But productivity improved quickly as Kaske began pushing away from heavy engineering, such as power-generating equipment, focusing instead on microelectronics, automotive electronics, communications and automation.

"The old businesses are growing at 2% to 3%, while some of our electronics businesses are growing at 10% to 15%," Kaske explains. "It is quite natural that this type of business [electronics] will become a larger share of the company." Electronics, he says, will account for 70% of sales next decade, up from 50% today.

With earnings last year of \$814 million, Siemens' return on equity was back over 10%. In the fiscal year that will end in September, Siemens is expected to report earnings of

over \$845 million, on sales of \$29 billion. "The cash," Kaske dryly says of Siemens' liquidity, "is not burning a hole in my pocket."

Founded in 1847 and now headquartered in Munich, Siemens has long been known for technologically advanced products. It built an electric railway in 1879, an X-ray tube in 1896 and the first telex network in 1933.

In essence, then, Kaske's blueprint for the future is also a bridge to Siemens' past. This year Siemens' R&D budget is around \$3.4 billion. That's about 12% of likely sales. At IBM, by contrast, R&D comes to 10.2% of revenues. At GE, 9.5%. At Hitachi, 6.3%.

In telecommunications, 18% of its sales, Siemens has already come out with the next generation of digital



Karlheinz Kaske, Siemens' chief executive
"We have the resources," he says.

6-29-82

Lawrence Megson:

Do you know of this man on the Digital project he refers to on page 4. General Doriot asked me to investigate. Would you let me know what you find?

Win

General Doriot taskfile

S. J. ✓

SEP 1 1982

* * * * *
d i g i t a l
* * * * *

INTEROFFICE MEMORANDUM

TO: Win Hindle

DATE: 30 August 1982
FROM: Laurence Megson
DEPT: Corp. Employee Development
EXT: 223-4783
LOC/MAIL STOP: PK03-1/C20

SUBJECT: Charles A. Dailey

Vacations have slowed my reply. I apologize for the delay.

I do not know Charles Dailey personally, but here is what we have found out.

He worked on a project (in association with LeRoy Malouf) "to define Software Services pre sales support" for Software Services. This project identified both the common obstacles to sales as well as the pre sales activities which had the greatest impact on whether or not a sale was made. It culminated in a lengthy and detailed report (March 1980), selected pages of which are attached.

The project employed the critical incident technique, which Dailey advocates in his letter to General Doriot. This technique and its derivatives have proven useful to determining which managerial or employee actions really make a difference.

We have spoken to David Creed, U.S. Area Software Services Manager, about both the project and Dailey. David said the report is "optionally valuable," "the best he has been given." It is comprehensive, has depth, and provides "real data." It has led to the construction of new jobs (e.g. Sales Activity Manager), increased the understanding of corporate, area, and regional managers about the sales support job, and redefined some job descriptions within Software Services. He believes it has increased the effectiveness of employees and has resulted in some changed practices (e.g. demonstration sites).

David said that Charles Dailey did a majority of the field work and saw to the "integrity of the process." According to David, Charles Dailey is a good listener with strong ideas who worked well with all levels of the organization. Everyone who worked with him spoke highly of him. In summary, David is positive on the work and his experience with Dailey.

pr
attachment

Chapter I. INTRODUCTION

a. BACKGROUND

There is a strong need felt within Software Services that management needs to determine objectively: a.) what and how much of sales support activities it provides, and b.) which of these activities are most productive. Such an assessment will provide a basis to discuss the activities with sales and to guide the work of the SWS managers and professionals.

Our July 18, 1979, proposal to Mr. Bruno Durr, Corporate Software Services Manager, outlines a project to meet the above needs. The project was approved and started at the end of September, 1979. The purpose of this report is to present the results of the project.

b. PROJECT GOALS

The Project Goals are listed in Table I.1. A primary purpose of this project is to determine how actual (and the most productive) support to sales is now being provided by SWS.

c. GEOGRAPHICAL FOCUS

The geographical focus of the project is as follows:

- . U.S. Area--The Central Region in the U.S. has widely varying units and districts, which are assumed to be characteristic of the other regions in the Area.
- . European Area--Sales support varies from country to country. Three countries are included in order

to yield the breadth of the activities, England Italy and West Germany.

- . General International Area--Australia has a history of higher levels of sales support, and is included in order to give a further basis for comparison.

The number of professionals and managers we spoke to are shown in Table I 2. People Interviewed. They are listed by country, by organization (Software Services and Sales), and by level in the organization. We have a number of reactions to the interviewing process which are listed in Table I 3. Characterization of Interview Process.

d. METHODS USED TO COLLECT INFORMATION

The primary method used to collect information to meet goals 1-3 is the critical incidents survey (Attachment 4). A critical incident is a detailed example of pre sales support, with enough specifics to show exactly what kind of sales situation was handled well or badly and why (Attachment 1). The specifics include:

- . The customer's situation--type, circumstances, previous contact by DEC, and the occasion for the particular visit.
- . What happened: who was requested to call on the customer, what preparation was made, what was said by whom and when, what outcome (whether favorable or not).
- . Comment by both sales and Software Services personnel as to why the outcome was obtained, what could have

been done to obtain a better outcome, and recommendations for policy in similar cases in the future.

Open ended questions are used, such as "What did you do? Who else is involved? What were the turning points? What shall we focus on?" In this way, the respondent is given the opportunity to describe what is important in each particular situation. This method has an advantage over using "closed" or more specific questions (have you sold to technical users? Did you do a benchmark?) in that the content surfaces where it is present rather than being suggested by the interviewer. The responses to the interviews are tape recorded in order to preserve the respondent's view of the situation. These tapes are transcribed and edited to remove information that is repetitive or non-essential. The edited transcripts then are presented to an analyst.

The reasons this method is used are:

- . It documents actual sales,
- . from many such documented sales world-wide, it tabulates what specialists are doing in the field that is sales-relevant.
- . the 1-1 interviewing approach enables our field professionals to probe--as opposed to a questionnaire which would not permit the specialist to explain himself.

We verified the critical incidents with sales personnel by following the procedure outlined in Chapter II.

In addition to the critical sales incidents, we also used questionnaires, general interviewing, and organizational incidents to collect information to meet goals 3 and 5, and to lay the basis for the measuring system required by goal 4. See attachment 2 for an example of how software personnel deal with the DEC organization structure when it is relevant to providing pre sales support. Such critical incidents show a great detail about the work, especially, of the Unit Software Manager. An example is given in Attachment 3.

The numbers and sources of critical incidents (both sales and organizational) are shown in Table I 4., Number of Incidents, by country and by level.

e. METHOD USED TO ANALYZE THE INFORMATION

The framework for analysis is developed from a number of sources:

- . The activities in the incidents
- . Informal descriptions of pre sales activities
- . Lists of pre sales activities suggested by the personnel in the field.
- . Activity time reports required
- . Activities that are rewarded (or punished)
- . Project goals

These yield variables which are grouped into the three categories of a Job Model: (See Table I 5., The Job Model Concept, for a full description).

Table I 1.

PROJECT GOALS

Goals of this project for DEC SWS are:

1. Define the sales support activities provided by SWS today in the U.S. and European Areas, and in Australia. What are the specific activities?
How much of each is provided?
2. Define what are the most productive SWS sales support activities.
3. Assess the impact of unit managers on the productivity of the sales support activities.
4. Provide an objective means of measuring the sales support performance of districts and units, using measures that are meaningful both to sales and SWS.
- 5.* Provide tools that SWS can use to implement the results of Goals 1-4.
5. Provide report on qualitative information collected about SWS goals, and what is helping and hindering achieving the goals.

* The goal is deleted Jan., 1980 and new # 5 added and is covered in a separate report.

SUMMARY

The overall recommendations are that the improvement of sales support, centered around the common goals and/or concerns of Sales and Software Services, be launched along the following lines:

- . train present personnel to competence in the actions found productive.
- . Use the productive actions as criteria for selection of personnel.
- . re-organize jobs to feature the actions found productive.
- . analyze and improve the budgeting and reward systems to assure they reinforce such actions.

Chapter I Introduction

The Project goals, background, scope, and methodology are presented.

Chapter II Verification by Sales Personnel

Salesmen were asked about the outcome of 21% of the 256 sales incidents on which the whole project is based. There is an 88% agreement between the independent assessments of the Software Services people and the Sales people. This is close agreement. For all practical purposes, 88% is about as close as can be obtained in a survey where there is no discussion of the questions between the different respondents.

Chapter III Obstacles to the Sale

Nine obstacles (or unfavorable situational factors) are

analyzed. They describe the pre sales environment encountered by SWS. Their impact on sales is shown. The two with the biggest negative impact are: J 1 Customer not qualified, and J 4 No access to their management.

The recommendation is that SWS determine the presence of the obstacles in pre sales situations, and to use their presence as a stimulus to act to overcome them (either directly, or through the sales person).

Chapter IV Project Goal One--What Sales Support Activities are Provided by Software Services

The critical pre sales incidents are examined to determine the presence and effective performance of the nine situational variables and the 34 pre sales activities variables. The Frequency of Occurrence of each of the variables is shown for each of the five countries. The Frequency of Effective Activity is shown.

There is surprisingly close agreement between countries in terms of the most frequent sales support activities performed. The strong similarities are not surprising given the perception by the interviewers that the DEC culture extends strongly into each country. The Digital policies, reward system, technology, and hardware and software products make a definite imprint wherever they are found.

There are some differences, and these appear to be representative of the cultural differences between the countries.

Chapter V Project Goal Two -- What are the Most Productive Sales Support Activities by Country?

The critical pre sales incidents are analyzed to determine which activities have the greatest impact on whether or not a sale is made. The most productive activities are identified for each country.

Comparison is made between the impact of the activities and their effectiveness. This yields a recommended set of activities where improvements are needed for each country. (Criteria are established for how to set priorities.)

The analysis goes one step further to see if there are enough similarities in improvement needed in different countries such that you could focus the effort in one location. In other words, should the improvement effort be based: a) at corporate, b) in each area (European, U.S. GIA) or c) at the country level. The conclusion is that it should be based at corporate and that each individual country manager should take responsibility for the emphasis needed for that country and amplify it.

Chapter VI Other Outcomes

The critical pre sales incidents are analyzed for other outcomes--not only for whether or not a sale is made, but also for: solving the customer's problem; customer satisfaction; the strategic impact of sales; and, the dollar size of sales. This chapter amplifies everything

that is said about relative impact on sales in other chapters. The variables are linked together in that several activities benefit every kind of outcome. Even if a sale is not made some payoff can be expected for one of these other outcomes, such as: setting goals with the salesman; ability to negotiate conflicts and collaborate with the customer.

Chapter VII Project Goal Two and Three--What are the Most Productive Sales Support Activities? By Level in the SWS Field Organization -- U.S.

The analysis essentially is the same as is reported for each country in Chapter V, only it's just for the United States and it's just by level. There is a big enough sample in the United States to examine the differences between the Specialist, Senior Specialist and Unit Software Managers (as it relates to their pre sales activities). The differences are shown by the variation in the activities which have most impact on sales for each level. For Specialists, the activities are of a training nature. For Senior Specialists, the activities are more technically oriented. The Unit Software Manager is the person that takes on the most difficult situations - he ends up being the one thrown in the fire. It also turns out that the Software Manager makes the fewest "bad sales" (which is what you would hope, and he seems to have more control in that area). The similarities and differences between the levels are described and explained. This chapter includes not only priorities for improvement

for now, but also for what's going to happen in the future. To estimate the future, the priorities are changed based on assumptions which are described.

Chapter VIII Unit Managers Project Goal Three What
is the Impact of the Unit Software Manager
on Sales Support

When the Unit Software Managers do pre sales work they tend to take on the tougher situations and also tend to make fewer "bad sales". They tend to coordinate most directly with the sales person and the Specialist. There are some activities that don't show up--the broader parts of their jobs having to do with administration. And, the secondary survey brought out more of the administrative activities of the Unit Software Managers. Their distinctive work lies in the assignment, evaluation and coordination of Specialists.

Chapter IX Project Goal 3 Monitoring Pre Sales Support

A Quick Phone Audit is recommended to provide assurance to the Sales Division that speedy assignment of personnel is a major concern of SWS. Joint administration of this audit in a non-punative manner is recommended. Negative reactions of personnel to this and other auditing systems may at best only be gradually overcome.



DOW JONES - IRWIN

RESEARCH IN PRODUCTIVITY

CHARLES A. DAILEY, Ph.D., DIRECTOR OF PROJECT
1500 WORCESTER ROAD • FRAMINGHAM, MASS. 01701
TELEPHONE (617) 879-0166

June 18, 1982

General Georges F. Doriot
12 Lime Street
Boston, Massachusetts 02108

*I had to number the pages
productivity would be
increased if he had!!*

Dear General Doriot:

*See page 5
also, he forgot to sign!*

I deeply appreciate your generosity in seeing Paul Smith and me about the long range project on Productivity. It was also pleasant to experience the charm of your home and talk in your study, among those interesting historical mementoes.

Perhaps this letter will prove one more historical memento, for your files! In it, I will relate the concept we discussed.

In regard to the national problem of Productivity, my own thinking is this. A methodology exists for the documentation and dissemination of successful innovations by managers. It was perfected by the American Institutes of Research for the Air Force in the 1950s, in the study of performance (other than managerial). For example, they observed and studied pilot performance. The Institutes published hundreds of projects using this method, but only rarely has it been applied to the study of productivity.

Still more rarely was their method applied to the study of managerial productivity.

It is my proposal to initiate a Center (hereafter called CPR, for Center for Productivity Research) to collect and disseminate information about managerial productivity.

By "Productivity" I refer to the concrete actions of individuals which produce economically valuable output. "Managerial Productivity" is a subset of such Productivity. It (Managerial Productivity) is what a manager does which induces others to take productive action.

You posed the question that a given action can result

DOW JONES - IRWIN

not only from what a particular manager did, but from other influences at the same time. In research, we always face and must deal with this problem of multiple causation. As you say, the problem is unavoidable; we cope with it in various ways, including the use of statistical techniques.

NEW ENGLAND'S INDUSTRIAL SITUATION

While there is an American (and perhaps a Western) crisis in Productivity, New England has special vulnerabilities and opportunities.

The "high-technology" leadership, being concentrated here, could jointly back an effort to take managerial productivity seriously. We should--and this is the heart of my proposal--apply the methodology developed by the American Institutes of Research to find and disseminate information about managerial productivity. We would collect it directly from managers and disseminate it to them.

This would have to be done over a long period. The Japanese have taught us to listen to wisdom we already had. One of these forgotten wisdoms was that the industrial game goes to those who make sustained long term efforts. As a local example, I am aware that Nippon Electric requires 10 year marketing plans of its managers. Most American corporations don't reach that far into the future.

From this long term inquiry, we will learn how to manage high-technology effort, especially at the middle and first line levels of management. This seems to be a very fundamental payoff.

Clearly, there is no one problem of Productivity which managers must "fix". Rather, there are numerous local problems with very special solutions. These special solutions, if properly documented and interpreted, yield general principles of managerial productivity.

But, first, can we not say that such collection and dissemination of information is not already being done?

RESEARCH WITHOUT DISSEMINATION

There is a small amount of research in managerial productivity. However, its findings are circulated

primarily among the people doing the research. That is, they read one another's publications. This is desirable but does not constitute dissemination to managers.

Nor does much of the published research use observed examples in live or managerial situations, such as in the method used by the American Institutes of Research.

Instead of such academic research, I propose to collect from, and disseminate to, managers.

UNCRITICAL DISSEMINATION

There is a great deal of media attention to Productivity. It represents, however, only an uncritical passing along of news. It distributes fashions and fads rather than information.

An example is the Japanese technique of Quality Circles. Here is an apparently valid method of obtaining Productivity--valid in certain cultural contexts. The idea is disseminated without qualification. The result is that it is used, by some companies, because some other company used it. Recently, Dr. Harry Levinson cited the example of a major corporation introducing the Quality Circles among Southern Appalachian workers. For cultural reasons, it was interpreted by those workers as a sign of managerial weakness and they avoided and resisted the Quality Circles.

What I propose is not such "media" dissemination of newsy ideas but a truer dissemination of information.

NEGLECT OF MANAGERIAL PRODUCTIVITY

However, the most important void I propose that we fill is to collect the information in the first place. Most thoughtful people who are concerned about Productivity assume that it is being investigated by "somebody." It is not.

The Work in America Institute (New York) made an extensive search of the technical and professional literature of the United States, over the five year period, 1971-5. They were looking for reports which objectively demonstrated that economic outputs result from described managerial actions.

FINDING: From among several hundred thousand publications searched, only 103 such demonstrations were found.

The infinitesimal size of this effort might be appreciated by considering that in the U.S. we have about 120 industries e.g., the Steel Industry. Over five years, the average Industry thus produced only one demonstration of managerial productivity. This is not only a limited production of information; it is trivial.

There are several reasons for this neglect. One is that Productivity is considered to be the Economist's province. Others say the problem is "Labor's" fault. Still others say that, once the interest rates come down, capital will flow and Productivity investments will again be made.

These all ignore the everyday dimension of the Productivity problem, in the actions of managers.

I know that you are interested in management education. Perhaps you assume that American schools of business do such research. And most of us think that Federal research money must surely go into Productivity.

However, the Work in America survey shows that, whatever else business schools do, or whatever Federal money supports, they do not produce much information about managerial productivity.

ALTERNATIVES

Whenever I mention this miserable yield above, other persons suggest that Business Schools should do more of this research in management, just as medical schools do medical research.

I believe that business schools have other commitments, such as to the specialized disciplines.

A second common reaction is that the National Science Foundation should invest in this area. I do not believe its panels have a deep interest in the problems and pressures of managers.

A third reaction is that, surely every business firm already invests in the study of its own Productivity. There is some truth to this. However, the particular

firm cannot perceive the generality of its own discoveries. Visualize the kind of medical science we would have if every physician had to invent and produce his own drugs!

I do not want to sound pretentious. The proposal is not to invest in a "science of management." We already possess excellent guidelines for such a science, as in the writing of Herbert Simon, who properly won a Nobel prize for it.

Instead, I am suggesting a much simpler, more primitive and more direct project. That would be a systematic collection of managerial innovations in productivity and the dissemination of that knowledge to other managers. It would be critically done and not merely a publishing or clearinghouse operation.

It would be supported by "subscription" by companies and managers, after initial support by start-up capital.

METHODOLOGY

This Center would use the American Institutes of Research (Pittsburg) method they call the "critical incident technique." Each documented managerial success or failure is a "critical incident," as they define the term.

While they have published over 500 projects using the method, they have rarely applied the method to the documentation of managerial productivity. However, various colleagues and I have done so, in projects for:

G.D. Searle Inc.

Digital Equipment Corporation (with Leroy Malouf, of Malouf Associates)

U.S. Department of State (with David McClelland, of Harvard University)

Commonwealth of Massachusetts

Dow Jones (Publishing Division)

The Digital project demonstrated the feasibility of certain quantitative techniques to measure the productivity of actions taken by software services personnel.

It also contained demonstrations of certain kinds of actions by managers which were productive. However, this part of the study went beyond the original scope of

6

DOW JONES - IRWIN

the project and therefore that important finding is not yet appreciated as an instance of what I am discussing, and I doubt that Digital is using the method in the way I advocate.

THE CENTER PROPOSED AND HOW IT WOULD WORK

This is not the place to offer a detailed blueprint of the entity I wish to form, a Center for Productivity Research and Dissemination, or "CPR" for short. But it would have the following function.

Here and there, the occasional brilliant manager solves a Productivity problem in his locale. Unappreciated, it dies because it is not conceptualized in more general terms and therefore is not reported outside the immediate chain of command. Even when it is appreciated, the pressures of business often constitute battlefield conditions not conducive to recognizing that an invention has been made.

The result of this common situation, the Work in America Institute survey showed, is that only a tiny proportion of publications disseminate information about managerial productivity. The yield, from 1971-5, was less than one reported demonstration per industry for the five years, or less than one among every 10 companies within the top 1000 Fortune list.

Either the knowledge is not being produced, or is produced and not disseminated, or both. My judgment is that both are the case.

Mostly, lip service, hearsay, and hasty media treatment provide the dissemination of information about managerial productivity.

The proposed Center would use a well established methodology, the Critical Incidents Technique. To that technique, it would apply quantitative methods such as Digital Equipment successfully used in their project. It would disseminate this kind of information in digestible form.

In summary, the vast quantity of experience of innovative managers need not continue to be wasted but could be collected and disseminated, to increase our common stock of knowledge about managerial productivity. We have been deceiving ourselves that this is already being done.

DOW JONES - IRWIN

I tremendously appreciated your suggestion about how I should talk to potential venture capital sources. Then I will approach the users of the service CPR will offer to assure that the market is indeed there.

Sincerely,

cc Paul Smith

Charles A. Dailey

DIGITAL EQUIPMENT CORPORATION

MAYNARD, MASSACHUSETTS

WINSTON R. HINDLE, JR.
VICE PRESIDENT

25 February 1983

General Georges F. Doriot
12 Lime Street
Boston, MA 02108

Dear General Doriot:

My wife, Sarah, received a gift of 12 shares of IBM stock from her father in 1958, well before I joined DEC in 1962. He had acquired this stock in the 1930's so the base cost is very low. She used 4 shares to help make a down payment on our first house in 1959. Since then, Sarah has held the balance of the stock, which after splits now totals 180 shares at a current market value of about \$17,000.

Under the policy adopted by the Board last year, she should sell the stock so that she does not have any investment in a competitor of DEC. Sarah is unhappy about doing this because it was the first stock she ever owned, it helped buy our first house, and it provides a sentimental attachment to her father, who died in 1973.

I would like to let her keep it, since she feels quite strongly about it. It is a small investment compared to our investment in DEC. Ken thought it would be acceptable to retain the stock, but felt it was a Board matter. Do you think it is appropriate for me to ask the Board for an exception to the policy in this case? I have written to Dorothy Rowe and asked the same question.

Sincerely,



WH/CD

bcc: Ed Schwartz

See Mem

* * * * * CONFIDENTIAL * * * * *

|d|i|g|i|t|a|l|
| | | | | | | |

I N T E R O F F I C E M E M O R A N D U M

TO: Win Hindle
CC: Ed Schwartz
Bob Steinbach

DATE: 16 December 1982
FROM: Darman Wing
DEPT: Law
EXT: 223-2205
LOC/MAIL STOP: MS/M6

[Handwritten signature]

SU: IBM STOCK

In response to your inquiry as to whether or not your wife ought to sell her holding of IBM stock, I believe that the recently expanded company policy on Personal Business Ventures does require such a sale.

Under the policy, Digital officers and members of their households may not directly or indirectly invest in competitors. The inclusion of "members of households" of officers is new. (See attached Corporate Policy Memorandum 78-1 Personal Business Ventures.) While there are thresholds that exempt small holdings in the case of non-officers, officers are subject to stricter conditions.

However, the "policy is meant to be interpreted fairly so that its application does not cause harsh results." Certainly, in view of the fact that the problem results from recent changes applied in a technical manner to long existing circumstances, your wife has a "reasonable" amount of time to accomplish the divestiture.

DAW:ejl.41
Attachment

Check date of receipt

DEC, 1958 - 12 shares - gift from HAK

Now 180 shares - value

180
90
16,200

ADOPTED 7-22

Proposed Changes To CORPORATE POLICY MEMORANDUM 78-1
(Draft #2; changes from prior draft underlined)

Personal Business Ventures - Digital employees must not act in any manner inimical to the interests of the Company. We expect all employees to avoid any conflict of interest in their private activities and to avoid activities that demand so much time that they adversely affect an employee's ability to perform effectively for Digital. Personnel Policy 6.06, Conflicts of Interest, states in general terms that employees should not create appearances of "divided loyalty", and that the Company "believes that employees should not have financial interests in competitors".

Specific restrictions apply to officers. Personnel Policy No. 6.06 specifically restricts officers from "having any financial interests in competitors." Officers and members of their households shall not invest, directly or indirectly, in competitors. For example, investments in "venture-capital" or research and development partnerships, etc. which in turn invest in Digital's competitors, are prohibited indirect participations. Investments in "special-situation" (undiversified) mutual funds which invest in Digital's competitors are similarly prohibited.

An officer must have authorization from the Operations Committee before accepting any position on the governing board of any outside organization. Other employees must have written authorization from his/her Vice President before accepting any position on the governing board of any outside organization if the position poses a possible conflict of interest or may demand so much time that the employee's ability to perform effectively for Digital is adversely affected. Any Vice President or employee reporting to a Vice President must have written approval from the President before accepting any part-time employment outside of Digital. In signing the "Employee Agreement" upon joining Digital, each employee has agreed not to act on behalf of any other person or organization which is engaged in activities similar to or competitive with Digital.

DAW:ejl.22

TO: All Vice Presidents, The Three Committees and Direct Reports

FROM: Win Hindle and Jack Smith

RE: ORGANIZATIONAL ANNOUNCEMENT

Gordon Bell had decided to leave Digital to join a new venture. Jack Smith, vice president, Manufacturing, has worked closely with Gordon for well over a year. He will continue to provide leadership to the Engineering organization.

Jack and Gordon have worked to integrate Digital's Engineering and Manufacturing strategies, and have worked together on the Product Strategy and Engineering Development Committees.

Using the organizational structure that Gordon and Jack have put in place, Digital will continue to pursue its commitment to engineering excellence. The base of Digital's engineering talent is in place and a sound product architecture leaves us well positioned in a very competitive environment.

Gordon has been with the company since 1960 when he was manager of Computer Design. He took a leave of absence in 1966 to join the faculty at the Carnegie Mellon University in Pittsburgh, and rejoined the company in 1972 as vice president of Engineering. He has received several awards for contributions to computer design, including the Mellon Award, the McDowell Award and the Eckert-Mauchly Award.

Gordon's contributions to the company are innumerable. He has built an outstanding engineering organization and has been directly involved in the development of several products. We and, indeed, the entire industry are greatly indebted to him for his guidance and contributions. We will miss him as a highly valued colleague.

We'd like to share with you some comments Gordon made in his letter of farewell:

"Dear Friends:

I rejoined Digital in 1972 to be more relevant to real versus academic computer engineering and to sponsor the establishment of LSI and VLSI engineering; to enhance the 11 so that it would be competitive in the '80s' and to encourage longer term, higher quality products.

Over the last 11 years, I have enjoyed working with what I believe is now one of the best engineering organizations as measured by technical leaders, managers and products. Leading and helping build this organization has been the most exciting project I've ever worked on. It is this group which has built the great products to feed the company. It is also why I think Digital is a leader in computing.

As a major bonus, we have also established a computing environment which I think is both impenetrable competitively, and yet flexible enough to build on for the succeeding 5th and 6th computer generations. This structure should last for at least a decade!

Gordon Bell

Page 2

The only work remaining to attain the environment is significant VAX-based workstations and special function servers, both of which are well under way.

There you have it--an incredible base of engineers and an architecture that no one can touch. We are of a size that will probably require some organizational changes for better responsiveness, market coupling and easier management. Yet, there's still need for overall leadership and architecture; again, I think the engineering organization has these people. There's no reason to think that with all these assets, Digital cannot continue its leadership position. I'm leaving Digital in good hands.

Now, I need a change. I am going to try something at a different scale and in a different fashion in which I expect to be both a customer and a supplier of Digital. Given Digital's incredible product array, the limited resources of a small company will be directed at uniqueness. I intend to maintain my positive relationship with the company.

I have enjoyed being at Digital and helping it become a legendary company. I want to remain friends with all of you, and will, no doubt occasionally comment on products. I hope to see you in the future...perhaps at some ecumenical place such as the Computer Museum or in a search of interesting and useful machines.

Sincerely,

Gordon

DIGITAL EQUIPMENT CORPORATION

MAYNARD, MASSACHUSETTS

WINSTON R. HINDLE, JR.
VICE PRESIDENT

21 July 1983

General Georges F. Doriot
12 Lime Street
Boston, MA 02108

Dear General Doriot:

Thank you for all of your help and advice in our effort to retain Gordon Bell. Our basic problem was that we just did not have enough time to work out an alternative.

I am enclosing copies of our external press release and our memo to employees regarding Gordon. External reactions so far are that it should not affect Digital significantly, at least in the short term.

We all sincerely believe Gordon is making a major mistake. I believe that if we leave the door open for him, there is a good possibility he will return in the next several months.

I appreciate the strong support Dorothy and you have given us in working with Gordon these past few days.

Sincerely,



WH:dc

cc: Ken Olsen

DIGITAL EQUIPMENT CORPORATION

MAYNARD, MASSACHUSETTS

WINSTON R. HINDLE, JR.
VICE PRESIDENT

07 November 1983

General Georges F. Doriot
12 Lime Street
Boston, MA 02108

Dear General Doriot:

When we talked last Friday, you asked me to send you a copy of DEC's Fiscal Year 1983 Internal Audit Report.

I have spoken to Al Bertocchi about this, and Al has promised to get this report to you and the others on the Audit Committee.

Thank you for your support and helpful ideas.

Sincerely,



WH:dc
cc: Al Bertocchi

DIGITAL EQUIPMENT CORPORATION

MAYNARD, MASSACHUSETTS

WINSTON R. HINDLE, JR.
VICE PRESIDENT

21 August 1984

General Georges F. Doriot
12 Lime Street
Boston, MA 02108

Dear General Doriot:

Sarah and I always appreciate your hospitality, your home and your words of encouragement. Your support for all of us at DEC is one of our greatest assets.

Attached is a list of the members of the Harvard Business School's Personal Computer Evaluation Committee as you requested. The Technical Advisory Group that favored DEC was headed by Professor Warren McFarland. It was the Faculty Evaluation Committee that recommended IBM because of the "brand recognition" of the IBM P.C.

These events occurred in January, so it is unlikely that they will make any short term change in direction. We are all working towards a long-term relationship with the Business School in other projects, and they are very receptive to that approach. Ken visited Dean McArthur in April and found him very positive about DEC. The Dean wants to be sure that the Business School does not get locked into using just IBM equipment.

Any ideas you have on helping DEC's relationship there would be very much appreciated.

Sincerely,



WH:dc
Attachment

PERSONAL COMPUTER EVALUATION COMMITTEE

HARVARD BUSINESS SCHOOL - 1984

Dean John H. McArthur
Dean of the Business School

Professor Warren F. McFarland
Director of Computing Activities

Professor Hugo Uytterhoeven
Chairman of External Affairs and Executive Education

Associate Dean, Dean W. Currie

Professor James L. McKenney

Associate Professor James I. Cash, Jr.

Associate Professor Norman Josephy

Assistant Dean Christopher Nugent

Professor Arthur Schleifer, Jr.

Professor Jay W. Lorsch

Associate Dean Thomas R. Piper

Associate Professor Eric R. Rosenfeld

Professor Paul A. Vatter

Associate Professor Leslie Porter

! ! ! ! ! ! ! ! ! !
! d ! i ! g ! i ! t ! a ! l !
! ! ! ! ! ! ! ! ! !

I n t e r o f f i c e M e m o

TO: GEN. GEORGES DORiot

DATE: TUE 25 SEP 1984 10:39 AM EDT
FROM: WIN HINDLE
DEPT: CORPORATE OPERATIONS
EXT: 223-2338
LOC/MAIL STOP: ML10-2/A53

MESSAGE ID: 5249835926

SUBJECT: COMPATIBILITY

The following description of Compatibility was written by Jim Bailey, one of our senior marketing staff members, at the request of Arnaud de Vitry. Since the topic is of great interest in our product strategy, Arnaud and I thought you would like to have this information.

WH:dc
WH1:Sl.30

COMPATIBILITY

Compatibility is a measure of the ease with which: 1) one computer can substitute for another, or 2) one computer can cooperate with another.

In the case of substitution, there are four main questions to ask. Do the same programs run? Does a disk file, created on one, load on the others? Do all the user commands mean the same thing? Are all the details identical? Normal industry usage of the word compatible requires a "yes" to the first three questions. Identical details (such as graphics features) are rare except when the two computers are similar models from the same manufacturer.

There are times when it is desirable to substitute one computer for another of similar power. If a company has a hundred IBM PC's and a hundred Rainbows, it would like to have one set of standard programs and one set of user training materials. Users would like to mail data disks to their counterparts in another office and have it be readable on the computer there. It is also desirable to substitute one computer for another of very different power. If an application grows too big for the initial computer, it's nice to roll in a bigger one without having to make any other changes. It is also nice to write programs on a big computer, then run them economically on a smaller one.

Substitutability need not be inherent; it can be faked. A computer can be programmed to pretend it is another computer, making it substitutable, but wasting up to half its horsepower in the process. IBM does this all the time. We did it briefly when we offered "PDP-11 compatibility mode" on the original VAX-11/780.

The second aspect of compatibility is the ease with which two computers can cooperate. Can they send documents to each other via a

network? Can the documents be formatted (underlines, italics, subscripts, etc.?) When the document is read by the other computer, will all those underlines and subscripts show up in the right places? If I am on the receiving computer, can I edit the document and send it back? Can I load a program from my computer into a remote computer and start it up? Can I receive data back from that remote computer and, if so, at what rate (real-time applications are very sensitive to this?) In each case, the real question is: "To what extent can multiple computers act together as one?" Since small computers are now very cheap, this is more than an academic question.

The ability to cooperate can also be faked and, to a greater or lesser extent, usually is. This is because of the role of the connecting link. If it is powerful, the link can translate its way around all manner of differences. Can a Swede cooperate with a Thai on a business problem? Of course, but it requires a rare and expensive translator to implement the communications link. And the link is very slow compared to two Thais, or two Swedes.

IBM Systems typically require lavish amounts of SNA linkage software in order to cooperate. Their PC local area networks are, however, much more efficient. DIGITAL's Ethernet and DECnet are comparatively very efficient. When our machines must cooperate with IBM's, we do so via an SNA connection.

Needless to say, substitutability and cooperation are closely linked. Computers that are good at one are usually good at the other. In small computers, the ability to substitute across vendors is a big issue. Large computers are less likely to be substitutable, but their rich communications capabilities allow them to cooperate.

JB:dea

Gen. Ponot file

DIGITAL EQUIPMENT CORPORATION

MAYNARD, MASSACHUSETTS

WINSTON R. HINDLE, JR.
VICE PRESIDENT

12 March 1985

General Georges F. Doriot
12 Lime Street
Boston, MA 02108

Dear General Doriot:

You were very helpful in sending us the letters from Trammell Crow about participation in his INFOMART Center in Dallas. We have studied the question intelligently, I think, and decided not to make the investment. I have attached the letter written by Harvey Weiss, our U.S. Vice President for the Southern Area.

It was a severe error to release our internal Consultant's Report to Trammell Crow, as you pointed out. Our people are often too open with outsiders, and we have put much stricter discipline into the release of internal documents.

Thank you for your help and ideas once again.

Sincerely,



WH:da

Attachment

Gen Doriot file

DIGITAL EQUIPMENT CORPORATION

MAYNARD, MASSACHUSETTS

WINSTON R. HINDLE, JR.
VICE PRESIDENT

20 March 1985

General Georges F. Doriot
12 Lime Street
Boston, MA 02108

Dear General Doriot:

You recently sent me a letter from John Cerisina (I may have the spelling wrong on this because his signature was difficult to read) about Paul Giambarba. Paul was the person who helped Polaroid develop product identity.

Our people have a great deal of respect for Paul Giambarba, but we already have a number of advisers on product identity. Consequently, it would not be useful at the present to have him come to present his ideas. I have discussed this with Ken and he agrees.

Thank you again for sending along good ideas.

Sincerely,

Wm

WH:da

Sue Ken

12 March 1985

To: Dick Berube

Do you have any thoughts
on this man Giambarba?
Should we see him?

I will have to get back
to General Doriot.

Win

MAR 15 1985

Win - I knew Paul during my Polaroid life.

My best memory is that he was a consultant/
executor to Bill Field, who was Polaroid's A.D.
for many years and, in ~~my~~ view, the real
creative force behind Polaroid's look, certainly
through the seventies. Giambarba would, I
suspect, want to do a complete overhaul of
DEC's "look" (incl. logo). I would support the
idea but question whether "others" are ready
and willing for that kind of change. If "they"
are, talking to Giambarba might be
interesting.

Dick

3.16.85

MAR 4 1985

P. O. Box 331
Centerville, Ma. 02632

November 1, 1985

WOW
might be on
a letter !!

Dear Georges,

Paul Solman, on Channel 2's Ten O'Clock News a couple of weeks ago, warned High Tech companies that they are in urgent need of brand identification.

Curiously enough, this is an observation I've heard frequently from our long-time friend and neighbor, Paul Giambarba, whose specialty is precisely that of creating and implementing such programs to help corporations achieve "brand".

Giambarba designed the ubiquitous color stripes for Polaroid, as well as the beginnings of a corporate program. He was responsible for all of their product identity for over 20 years. It was he who rescued Polaroid from their ineffective gray and red (MIT colors) boxes and crossed filters that, in white, resembled soap bubbles. His innovative black packaging (a first in the industry, much copied since) used a previously overwhelming saturation of yellow by Eastman Kodak to Polaroid's advantage at point of sale.

Giambarba's subsequent color stripes were so effective that they were copied by Eastman when it entered the instant picture market. He has told me that this spectrum of color stripes is the most imitated of all graphic devices to appear in the last 20 years.

Unfortunately, Giambarba is not well-known. He was content to keep his office and client list small so that he could physically do the work himself, in the European tradition. He learned the disciplines in Switzerland and in Italy.

Giambarba was retained by Polaroid from 1958 to 1981 when he was cut loose in an economy move. Since then his work has been cannibalized by in-house staff and the results have been most obvious at point of sale.

Since his departure from Polaroid he has complained to me of not being used to anything like the limit of his

ability or experience. When I've asked him about the possibility of doing what he did for Polaroid for another client, he answers that it is necessary to work with top management decision makers; middle managers tend to be on the defensive and extremely reluctant to be different or daring -- which, I am told, is what achieving brand is all about.

Would you think a meeting with Ken Olsen might be productive for Digital? If so, Marcelle and I would be extremely grateful to you if you could arrange to have Ken (or someone in top management) meet with Giambarba to see what, if any, mutual advantages might result from such a meeting. To familiarize you with Paul's background, I enclose his resume and photos of some of his work.

Marcelle and I think of you frequently especially during our biennial trips to France. We often plan a day trip to Boston to pay you a visit, but we seldom get the opportunity to spend any time in Boston -- in fact, our last trip there was to attend the memorial service for Edna.

Hoping this letter finds you well, and trusting we shall hear from you before long, we remain

Cordially yours,

Enc.

cc Mr. Paul Giambarba

Gen. Georges F. Doriot
12 Lime Street
Boston, Ma. 02108

My friend
 Harriet's sister!
 Cerisina

Résumé

PAUL GIAMBARBA
 The Scrimshaw Press, Inc.
 Post Office Box 10
 Centerville, MA 02632
 Telephone: (617) 775-7745.

Employment:

~~1958-to date~~ *1981* Freelance designer and consultant to Polaroid Corporation, Cambridge, MA. Product identity, package design and corporate image development.

1980-to date Founding partner, *CapeArts* magazine. Complete concept. Editor, publisher.

1974-1976 Invited lecturer and instructor in graphic design.

1973-1975 Corporate identity for Tonka Corporation, corporate image and product identity for Tonka Toys.

1973 Appointed to Polaroid Design Council.

1971-1972 Consulting for HH. Aga Khan, Costa Smeralda, Sardinia, Italy.

1965-to date Consumer publications and special projects for Polaroid Corporation. Initial concept through writing, editing, illustration and production: 128-page how-to book, various 24-, 32-, and 64-page literature pieces.

1965-to date Founder, president and treasurer, *The Scrimshaw Press*. National distribution by Barre Publishers. Complete development of a dozen titles from initial concept through writing, editing, illustration, production, marketing and sales.

1960-1963 Consulting art director, The Gillette Company, International.

1959-1960 Informal study of typography and graphic design in Switzerland and Italy.

1958-1959 Established design and production department for Polaroid Corporation.

Education:

Massachusetts College of Art, special student—attended while working nights in art departments, *Boston Post*, *Boston Herald*.
 Studied for 3 years with Harold Irving Smith, portraitist and illustrator.
 Independent study and travel in Europe 1955-1960.

Personal:*Remarried*

~~Widowed~~, two children.
 Born USA (Boston, MA).
 Excellent health.
 Other languages: Italian, French; have worked with Spanish, German copy.

Honors and Awards:
(unsolicited)

Certificates of Excellence, *American Institute of Graphic Arts*, from 1961 to date.
 Gold medals and merit awards, *Art Directors Club of New York*, 1971 to date.
 Gold medals and merit awards, *Art Directors Club of Boston*, 1955 to date.
 Various *Andy* and *Hatch* awards.

Invited Lecturer:

Cornell University, Ithaca, NY.
 Simmons College, Boston, MA. Instructor, Graphic Design.
 Wellesley College, Wellesley, MA.

Examples of work in:

Graphis, *Graphis Annual*, *Graphis Packaging 2*, *Graphis Packaging 3*, Zürich.
IDEA, Tokyo, NY *Art Directors Annual*, NY, *Modern Publicity*, London.
Industrial Design, NY, *American Artist*, NY, *Communication Arts*, Palo Alto.

Articles:

IDEA, Tokyo, 1973, *Industrial Design*, NY, 1973, *American Artist*, NY, 1967.

Books:

How to make better Polaroid instant pictures, *Doubleday*, 1970.
 The Lighthouse at Dangerfield, *Atlantic/Little, Brown*, 1969.
 Lighthouses, *Scrimshaw/Barre*, 1969.
 What is it? at the Beach, *Scrimshaw/Barre*, 1969.
 Whales, Whaling and Whalecraft, *Scrimshaw/Barre*, 1967.
 Early Explorers of America, *Scrimshaw/Barre*, 1967.
 Surfmén and Lifesavers, *Scrimshaw/Barre*, 1967.
 Cape Cod Seashore Life, *Scrimshaw Press*, 1966.

Client List:

Polaroid Corporation	The Gillette Company
Pan American Airlines*	American Airlines*
General Electric Company, Telechron Division	Acushnet*
First National Bank of Boston	Sylvania*
Old Colony Trust Company	N. Y. Stock Exchange*
New England Merchants National Bank	Raytheon*
New England Mutual Life Insurance Company	Lederle Laboratories*
Macefield	This Week Magazine
Adamation, Inc.	Scholastic Magazines
His Highness, Aga Khan*	Little, Brown & Co.
Hotel Cala di Volpe, Sardinia	Houghton-Mifflin
Yacht Club Costa Smeralda, Sardinia	D.C. Heath & Company
Hotel Poseidon, Positano, Italy	Statements, Inc.
Cape Cod Symphony Orchestra	* subcontractor

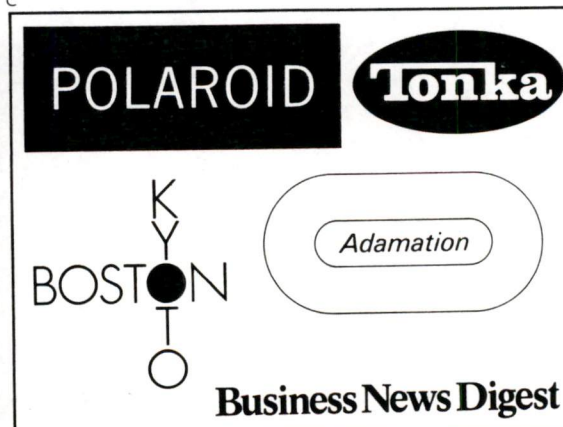
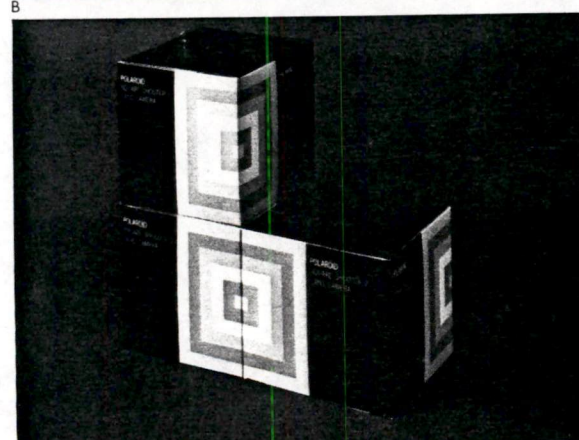
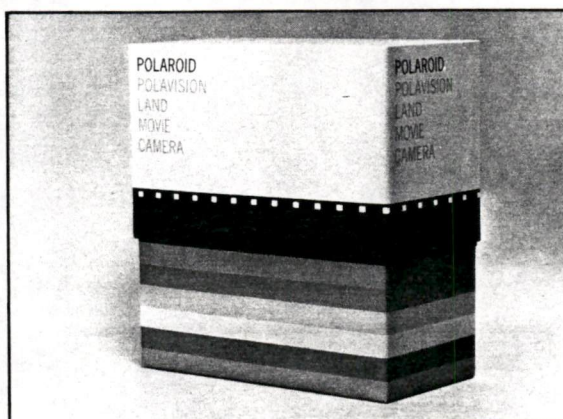
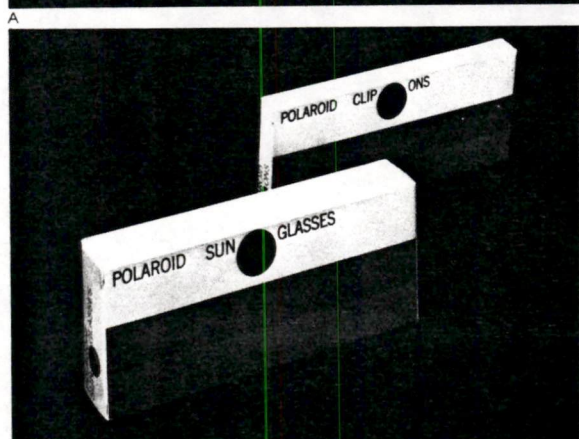
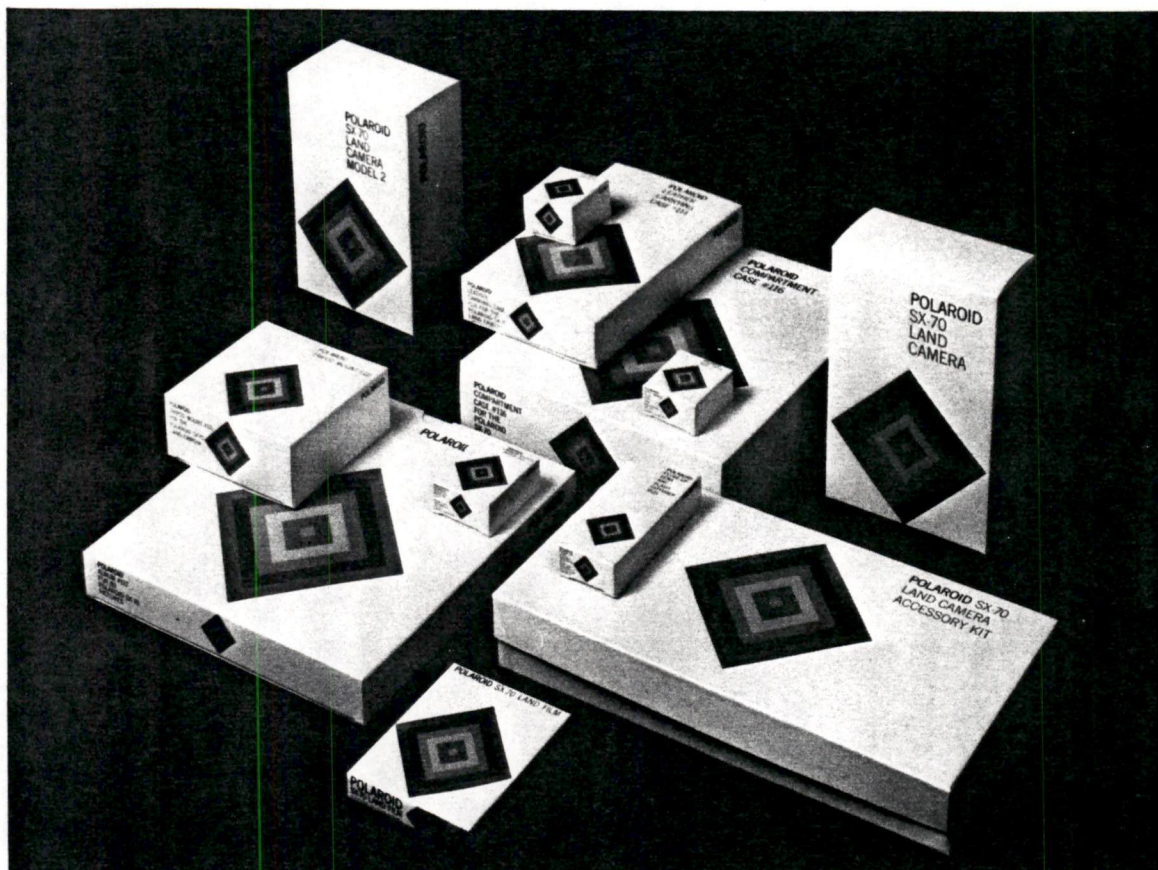
Paul Giambarba

d/b/a The Scrimshaw Press, Inc.
P.O. Box 10
Centerville, Massachusetts 02632
(617) 775-7745

Designer and consultant with proven track record in product and corporate identity. Full service studio including type composition. Creator of the ubiquitous Polaroid color stripes. Product identity and package design for hundreds of Polaroid products since 1958

Gold Award, NY Art Directors Club 59th Annual, 1980

Shown here:
(A) Complete SX-70 line
(B) Sunglasses
(C) Polavision
(D) Square Shooters
(E) Logos as part of ID programs



12 March 1985

To: Dick Berube

Do you have any thoughts
on this man Giambarba?
Should we see him?

I will have to get back
to General Doriot.

Win

MAR 4 1985

P. O. Box 331
Centerville, Ma. 02632

November 1, 1985

Dear Georges,

Paul Solman, on Channel 2's Ten O'Clock News a couple of weeks ago, warned High Tech companies that they are in urgent need of brand identification.

Curiously enough, this is an observation I've heard frequently from our long-time friend and neighbor, Paul Giambarba, whose specialty is precisely that of creating and implementing such programs to help corporations achieve "brand".

Giambarba designed the ubiquitous color stripes for Polaroid, as well as the beginnings of a corporate program. He was responsible for all of their product identity for over 20 years. It was he who rescued Polaroid from their ineffective gray and red (MIT colors) boxes and crossed filters that, in white, resembled soap bubbles. His innovative black packaging (a first in the industry, much copied since) used a previously overwhelming saturation of yellow by Eastman Kodak to Polaroid's advantage at point of sale.

Giambarba's subsequent color stripes were so effective that they were copied by Eastman when it entered the instant picture market. He has told me that this spectrum of color stripes is the most imitated of all graphic devices to appear in the last 20 years.

Unfortunately, Giambarba is not well-known. He was content to keep his office and client list small so that he could physically do the work himself, in the European tradition. He learned the disciplines in Switzerland and in Italy.

Giambarba was retained by Polaroid from 1958 to 1981 when he was cut loose in an economy move. Since then his work has been cannibalized by in-house staff and the results have been most obvious at point of sale.

Since his departure from Polaroid he has complained to me of not being used to anything like the limit of his

WOW
might find
a letter

ability or experience. When I've asked him about the possibility of doing what he did for Polaroid for another client, he answers that it is necessary to work with top management decision makers; middle managers tend to be on the defensive and extremely reluctant to be different or daring -- which, I am told, is what achieving brand is all about.

Would you think a meeting with Ken Olsen might be productive for Digital? If so, Marcelle and I would be extremely grateful to you if you could arrange to have Ken (or someone in top management) meet with Giambarba to see what, if any, mutual advantages might result from such a meeting. To familiarize you with Paul's background, I enclose his resume and photos of some of his work.

Marcelle and I think of you frequently especially during our biennial trips to France. We often plan a day trip to Boston to pay you a visit, but we seldom get the opportunity to spend any time in Boston -- in fact, our last trip there was to attend the memorial service for Edna.

Hoping this letter finds you well, and trusting we shall hear from you before long, we remain,

Cordially yours,

Enc.

cc Mr. Paul Giambarba

*Mme Cristina
Marcelle aussi!*

Gen. Georges F. Doriot
12 Lime Street
Boston, Ma. 02108

Résumé

PAUL GIAMBARBA
The Scrimshaw Press, Inc.
Post Office Box 10
Centerville, MA 02632
Telephone: (617) 775-7745.

Employment:

~~1958-to date~~ 1981 Freelance designer and consultant to Polaroid Corporation, Cambridge, MA. Product identity, package design and corporate image development.

1980-to date Founding partner, *CapeArts* magazine. Complete concept. Editor, publisher.

1974-1976 Invited lecturer and instructor in graphic design.

1973-1975 Corporate identity for Tonka Corporation, corporate image and product identity for Tonka Toys.

1973 Appointed to Polaroid Design Council.

1971-1972 Consulting for HH, Aga Khan, Costa Smeralda, Sardinia, Italy.

1965-to date Consumer publications and special projects for Polaroid Corporation. Initial concept through writing, editing, illustration and production: 128-page how-to book, various 24-, 32-, and 64-page literature pieces.

1965-to date Founder, president and treasurer, *The Scrimshaw Press*. National distribution by Barre Publishers. Complete development of a dozen titles from initial concept through writing, editing, illustration, production, marketing and sales.

1960-1963 Consulting art director, The Gillette Company, International.

1959-1960 Informal study of typography and graphic design in Switzerland and Italy.

1958-1959 Established design and production department for Polaroid Corporation.

Education:

Massachusetts College of Art, special student— attended while working nights in art departments, *Boston Post*, *Boston Herald*.
Studied for 3 years with Harold Irving Smith, portraitist and illustrator.
Independent study and travel in Europe 1955-1960.

Personal:

Remarried Widowed, two children.
Born USA (Boston, MA).
Excellent health.
Other languages: Italian, French; have worked with Spanish, German copy.

Honors and Awards: (unsolicited)

Certificates of Excellence, *American Institute of Graphic Arts*, from 1961 to date.
Gold medals and merit awards, *Art Directors Club of New York*, 1971 to date.
Gold medals and merit awards, *Art Directors Club of Boston*, 1955 to date.
Various *Andy* and *Hatch* awards.

Invited Lecturer:

Cornell University, Ithaca, NY.
Simmons College, Boston, MA. Instructor, Graphic Design.
Wellesley College, Wellesley, MA.

Examples of work in:

Graphis, *Graphis Annual*, *Graphis Packaging 2*, *Graphis Packaging 3*, Zürich.
IDEA, Tokyo, *NY Art Directors Annual*, NY, *Modern Publicity*, London.
Industrial Design, NY, *American Artist*, NY, *Communication Arts*, Palo Alto.

Articles:

IDEA, Tokyo, 1973, *Industrial Design*, NY, 1973, *American Artist*, NY, 1967.

Books:

How to make better Polaroid instant pictures, *Doubleday*, 1970.
The Lighthouse at Dangerfield, *Atlantic/Little, Brown*, 1969.
Lighthouses, *Scrimshaw/Barre*, 1969.
What is it? at the Beach, *Scrimshaw/Barre*, 1969.
Whales, Whaling and Whalecraft, *Scrimshaw/Barre*, 1967.
Early Explorers of America, *Scrimshaw/Barre*, 1967.
Surfmen and Lifesavers, *Scrimshaw/Barre*, 1967.
Cape Cod Seashore Life, *Scrimshaw Press*, 1966.

Client List:

Polaroid Corporation	The Gillette Company
Pan American Airlines*	American Airlines*
General Electric Company, Telechron Division	Acushnet*
First National Bank of Boston	Sylvania*
Old Colony Trust Company	N. Y. Stock Exchange*
New England Merchants National Bank	Raytheon*
New England Mutual Life Insurance Company	Lederle Laboratories*
Macefield	This Week Magazine
Adamation, Inc.	Scholastic Magazines
His Highness, Aga Khan*	Little, Brown & Co.
Hotel Cala di Volpe, Sardinia	Houghton-Mifflin
Yacht Club Costa Smeralda, Sardinia	D.C. Heath & Company
Hotel Poseidon, Positano, Italy	Statements, Inc.
Cape Cod Symphony Orchestra	* subcontractor

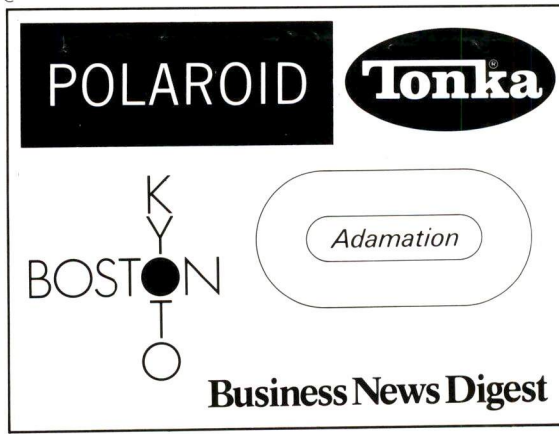
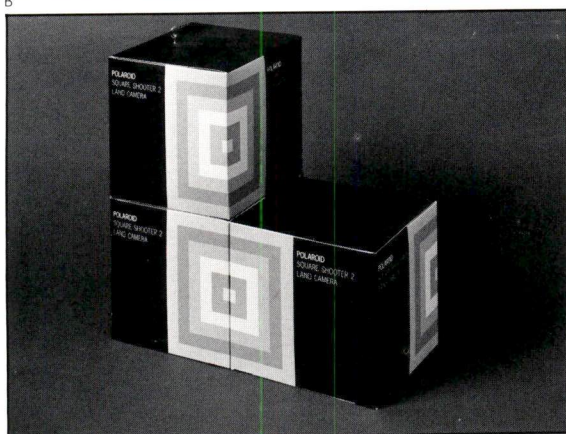
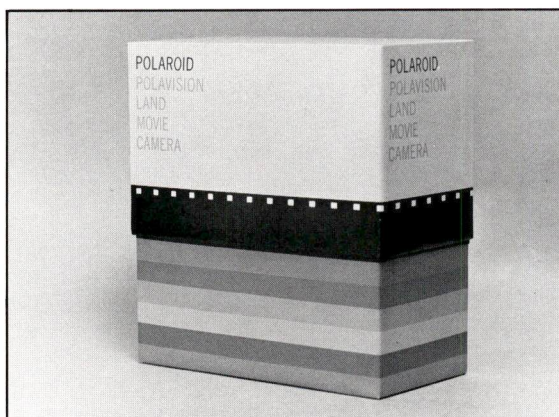
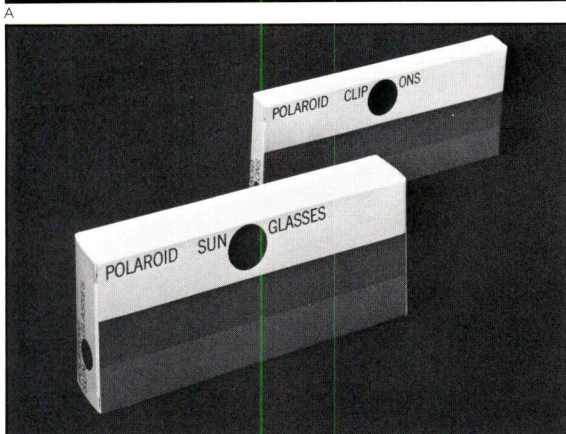
Paul Giambarba

d/b/a The Scrimshaw Press, Inc.
P.O. Box 10
Centerville, Massachusetts 02632
(617) 775-7745

Designer and consultant with proven track record in product and corporate identity. Full service studio including type composition. Creator of the ubiquitous Polaroid color stripes. Product identity and package design for hundreds of Polaroid products since 1958

Gold Award, NY Art Directors Club 59th Annual, 1980

Shown here:
(A) Complete SX-70 line
(B) Sunglasses
(C) Polavision
(D) Square Shooters
(E) Logos as part of ID programs



d i g i t a l

INTEROFFICE MEMORANDUM

TO:	Bob Levasseur	DATE:	22 April 1985
		FROM:	Cheryl Daigle
CC:	Jay Palermo	DEPT:	Corporate Operations
		EXT:	223-2276
		LOC:	ML10-2/A53

SUBJ: Biographical Information on General Doriot

Attached is the information you requested on General Doriot.

If you have any further questions, please call me.

CD:da

WH1:S6.32



Georges F. Doriot

General Doriot is the retired Chairman of the Board of American Research and Development Corporation, a venture capital investment company. He is a director of Sun Life Assurance Company of Canada (U.S.). He has been a director of Digital since 1972 and is a member of its Audit Committee, Compensation Committee and Stock Option Committee.

General Doriot joined the faculty of the Harvard Business School in 1929, where he taught for almost 40 years. During World War II, he served in the U. S. Army as Director of Military Planning for the Quartermaster Corps and as deputy director of research and development for the War Department General Staff. He emerged with the rank of Brigadier General.

Following military service, General Doriot returned to the faculty of the Harvard Business School. He became president of American Research and Development Corporation in 1946.

General Doriot is a graduate of the University of Paris and the Harvard University Graduate School of Business.

Both General Doriot and his late wife, Edna, were honored by the French Government with induction into the National Order of the Legion of Honor.

GEORGES FREDERIC DORIOT (born: 1899)

Not even the brashest or brightest of their students could calculate the debt owed to schools of business administration by the U.S. economy. The B schools created the professional manager. They fostered the habit of rational analysis of business situations. They sought generalizations by which lessons in one field could be transferred to another. With their help, business became an occupation transcending money-making—and thereby made more money.

Few of their faculty members were themselves distinguished businessmen. One of the exceptions was Georges Doriot, a great teacher who was concurrently head of American Research & Development Corp., one of the most successful companies ever formed to stimulate innovation by deploying risk capital.

He grew up in France, under the strict regime of a Protestant household. His father, an automotive engineer, spanked him when he ranked lower than first in class. After studies at the University of Paris, he attended the Harvard Business School and decided to stay in the U.S., "perhaps because I have always been interested in the future." He became an assistant dean and after a few years inaugurated his course, misleadingly entitled "Manufacturing." The course, in fact, was an effort to imbue the students with Doriot's high ideals of how a businessman should behave; it even included a lecture on "How to Pick a Wife." In the thirty-five years he taught at Harvard, almost 7,000 students took his course. The top and middle ranks of U.S. industrial leadership today include many whom Doriot helped get what he calls a "running start."

In World War II he served the U.S. Army as director of military planning for the Quartermaster Corps and deputy director of research and development for the War Department general staff, emerging with the rank of brigadier general. The American Research & Development Corp. had been formed in 1946 by Karl T. Compton, head of M.I.T., and others interested in continuing the innovative momentum that business had generated during the war. As soon as Doriot was out of uniform, he returned to teaching and accepted the leadership of A.R.D.

The company's initial capital was \$3 million. By 1972, when it was sold to Textron, its assets were worth \$400 million. Most of this amount was derived from the spectacularly successful investment of \$61,000 in a fledgling company called Digital Equipment Corp., which A.R.D. spun off to its shareholders just before the merg-

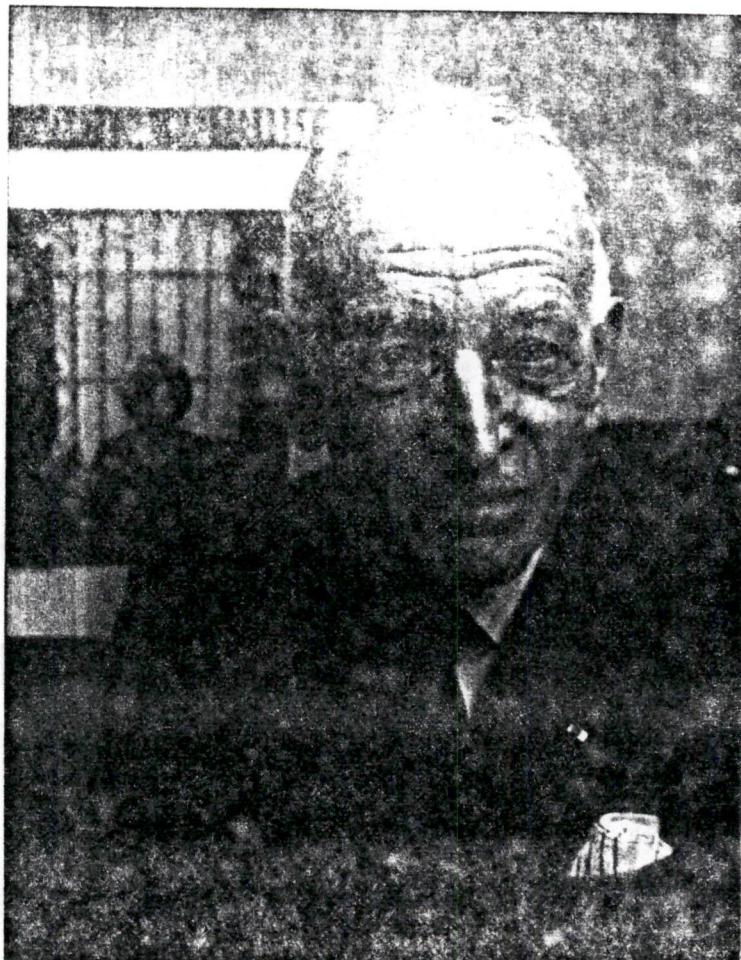
er with Textron. Even if Digital Equipment is set aside, however, Doriot's record of investments in some 150 companies is impressive.

Not that capital gain was his only goal. He was interested in combining ideas and men, and in patiently nursing young companies toward maturity. He refused to sell his investments in troubled companies. ("You don't sell a child because it has a fever of 104°.") In assessing young executives, Doriot gives great weight to modesty. "If a man isn't modest, he won't learn." Doriot cautioned young managers about the perils of early success. He feared their efforts would diminish and that "they would start thinking about sports cars and mansions."

To his students and to the managers of

A.R.D.'s companies, the general poured out a steady stream of aphorisms: "Always remember that someone, somewhere is making a product that will make your product obsolete." "Be friendly but not chummy with your lawyers." He believes people work hardest and best out of loyalty to an idea and to their associates. He loves to work. "Leisure is a fake," he says.

He regards his marriage as by far the most important aspect of his life. His wife, Edna, an American, ran the French library in Boston for many years, and since her death last year Doriot has taken over that task. Both Georges and Edna were inducted into France's Legion of Honor, one of the few couples ever thus doubly decorated.



Tom Austin
! d ! i ! g ! i ! t ! a ! l !
! ! ! ! ! ! ! ! ! ! ! ! ! ! ! !

Will General Doriot

V. Sept 2306 2480 p.m.

Interoffice Memo

Gen. Doriot talk file

TO: *WIN HINDLE
cc: ELI LIPCON
JACK MACKEEN

DATE: TUE 27 AUG 1985 4:18 PM GMT
FROM: TOM AUSTIN
DEPT: TOEM NEW VENTURE DEVL
EXT: 278-4674
LOC/MAIL STOP: UP02-2

MESSAGE ID: 5283450350

SUBJECT: General Doriot & Our Venture Capital Community Activities

Win,

In our March '85 meeting (RE: Venture Capital Community impressions of Digital as a supplier to their portfolio companies), you graciously offered to introduce us to a number of Venture Investors to help us develop a more positive business climate for Digital. Among others, you specifically mentioned General Doriot.

Can we have a brief meeting to review proceeding on your offer? The remainder of this memo describes two objectives I'd like to accomplish in a meeting with Doriot. If appropriate, please ask your secretary to call Sandy Brooke (DTN 278-4670) to fit this in your schedule.

*Q - Doriot
must visit
Tom Austin
in Sept. - 1/2 hr.*

Thanks,

Objectives for Meeting with General Doriot

1. Brief General Doriot on our Venture Capital Get Well Plan and ask for his guidance and assistance via introductions to currently active senior general partners in major venture firms.

Per our previous meeting, as part of the get well plan, we were to initiate such contacts starting Q1FY86 to (a) communicate Digital's interest in and support for portfolio companies that OEM or leverage the sale or consumption of our products, and (b) to establish lines of communication on opportunities we may see. We are proceeding with plan. General Doriot's assistance should improve our effectiveness.

2. Invite General Doriot and Ken Olsen to our anniversary CEO Roundtable meeting as guest speakers. Ask the General to talk of what he worried about in deciding to invest in Digital, and of how he dealt with managing his investment. Ask Ken to speak of how he dealt with the problems a startup faces and how he dealt with his investors and board members in early days. I expect a fascinating exchange would develop between the two as they reminisce.

The anniversary event, with Doriot and Olsen recounting startup perils, should serve as an excellent publicity event for Digital and the CEO Roundtable program. This event would be immediately followed by a standard, business problem oriented Roundtable meeting at which we would welcome the speakers' attendance and

interaction with the estimated 75 - 100 Boston area CEO's.

27-AUG-85 13:43:33 S 01553 USMT
USMT MESSAGE ID: 19850827161815/117492àFRACK

INSEAD

Interoffice Memorandum

Sept 8

Previous Info. Attached
- Return to File -

take to DEC with for discussion
with SCP

To: WIN HINDLE*

Memo: 5319741247COR49
Date: Mon 25 Aug 1986 6:06 AM EDT
From: JEAN-CLAUDE PETERSCHMITT
Dept: CHAIRMAN EUROPE
Tel: DTN 821/4222
Adr: GEO

Subject: INSEAD - "DORIOT LIBRARY"

I have informed Claude Rameau of Ken's informal position that we are willing to do something substantial without it being a major part of their total expenditure.

I also stated that it would be 50/50 cash and equipment. He was quite pleased with this response. The question arose that they do not need too much incremental equipment at this point as, over the recent past, they have filled-up their computer centre (with DEC, partly at reduced price in conjunction with our training agreement), so, there will probably be some further discussions around that.

He welcomed your suggestion to contact all friends of the General who were on his 80th birthday list.

The next step will be for Claude Janssen, President of INSEAD (a good personal friend of Doriot) to visit Ken, either at DECville or when he is in Boston next and submit the matter formally to Ken.

The following are Insead Board and International Council members :

INSEAD BOARD

TM TM TM TM TM TM TM TM TM TM

- Honorary Chairman	Jean Marcou
- Honorary Vice President	Jean Martin
- Chairman	Claude Janssen Associe Gerant Worms & Cie
- Vice Chairman	Olivier Giscard d'Estaing President - GIGEC

MEMBERS

TM TM TM TM TM TM TM TM TM TM

Maurice Amiel	President Timken Europe
Andre Benard	Administrateur Groupe Royal Dutch-Shell
Andre Bisson	Premier Vice President et Directeur General - Direction Generale du

	Quebec - La Banque de Nouvelle Ecosse
Antonio Borges	(as of 01/09/86) - Associate Dean Director MBA Programme - INSEAD
Michael A. Butt	Chairman - Sedgwick International Ltd President of the International Association of INSEAD Alumni.
Warren Cannon	Director - McKinsey & Company Inc.
Graham Corbett	Senior Partner Continental Europe Peat Marwick Mitchell & Co
Pierre-Bernard Couste	President Directeur General Lumiere SA
Yves Dunant	
Francois Essig	Directeur General Chambre de Commerce et d'Industrie de Paris.
Roger Godino	President - Groupe des Arcs
Dominique Heau	(as of 01/09/86) - Professor - INSEAD
Guy Landon	Vice President - L'Oreal - President du CEDEP
Kurt Lanz	Mitglied des Aufsichtsrats der Hoechst Gruppe
Jean-Claude Larreche	(till 31/08/86) - Professor - INSEAD
Johnkheer John Loudon	President of the International Council of INSEAD
Philippe Naert	(as of 01/09/86) Dean - INSEAD
Didier Pineau-Valencienne	President Directeur General Schneider SA
Willem Prinselaar	Corporate planning Director Imperial Chemical Industries plc.
Claude Rameau	Dean - INSEAD
Baron Edmond de Rothschild	
Washington Sycip	Chairman SGV Group - Chairman of the Board - Euro-Asia Centre
Heinz Thanheiser	(till 31/08/86) - Dean INSEAD
Jacqueline Tourlier-Pope	(as of 01/09/86) Director Development INSEAD
Juergen Zech	Stellvertretender Vorstandsvorsitzender Koelnische Rueckversicherungs Gesellschaft AG.

TM TM

Chairman

Johnkheer John H Loudon

TM TM TM TM TM TM TM

Michel Albert

President - Assurances Generales de France

Sir David H. Barran

Sir Peter B. Baxendell

Gilberte Beaux

Directeur General - Generale Occidentale

Sigismund Freiherr von Braun - Botschafter a.D.

Chairman and CEO Ing. C. Olivetti & Co
S.p.A.

Pierre Cailliau

Chairman of the Board - The Chase
Manhattan Bank

Philip Caldwell

Senir Managing Director - Shearson
Lehmann Brothers

Jan Carlzon

President - Scandinavian Airlines System

Herve de Carmoy

Chief Executive (International) - Midland
Bank Limited

Jaime Carvajal Urquijo

Presidente de Ford Espana y del Banco
Hispano Industrial

C. Cassani

President Directeur General - IBM Europe

Francois Ceyrac

President - Chambre de Commerce
Internationale

Vicomte Etienne Davignon

Directeur - Societe Generale de Belgique

Paul Desmarais	President du Conseil et Chef de la Direction - Power Corporation of Canada
Jacques Ehrsam	
Paolo Fresco	Vice President and General Manager - General Electric Co. (USA)
Heinz Gumin	Mitglied des Vorstandes - Siemens AG
Jean-Yves Haberer	President - Paribas
Carl H. Hahn	Vorsitzender des Vorstandes Volkswagenwerk AG
Bernard Hanon	
Sir John Harvey Jones	Chairman - Imperial Chemical Industries
Norishige Hasegawa	Chairman - Sumitomo Chemicals
Reijiro Hattori	President - Hattori Seiko Co. Ltd
Sir Trevor Holdsworth	Chairman - Guest Keen & Nettlefolds plc.
Robert A. Jeker	President of the Executive Board - Credit Suisse
Simon Keswick	Chairman and Managing Director - Jardine, Matheson & Co. Ltd.
Kim Duk-Choong	Executive Counsellor - Daewoo Corporation
Walter Kniep	Chairman of the Advisory Board - CPC Europe Ltd
Yotaro Kobayashi	President and Chief Executive Officer Fuji Xerox Co. Ltd
Jonkheer Gualtherus Kraijenhoff	Chairman of the Supervisory Council Akzo N.V.
Alex Krauer	Stellv. Vorsitzender der Konzernleitung Ciba-Geigy AG
Sir Christophor Laidlaw	Chairman - Bridon plc.
Rene Lamy	Gouverneur - Societe Generale de Belgique
Jaakko Lassila	Chief General Manager - Kansallis Osake Pankki
Franz J Leibenfrost	Vorsitzender des Vorstandes - Semperit AG
Robert V. Lindsay	President - Morgan Guarantee Trust of New-York
Roland E. Magnin	Managing Director - Rank Xerox Limited

The Hon. David Montagu	Chairman - J. Rothschild Investment Management Ltd.
Etienne Moulin	President Directeur General - Galeries Lafayette
Sir David Nicolson	Berkeley Square House
Alfredo Novoa-Pena	President - (Engineering Construction) Novoa Ingenieros SA
Anthony O'Reilly	President H.J. Heinz & Co.
F.F. Otten	Member of the Raad van Bestuur NV Philips Gloielampenfabrieken
Gaith Pharaon	Chairman - Saudi Research and Development Corporation (REDEC).
Claude Postel	Directeur General Adjoint - Air France
Ambroise Roux	
Gerard van Schaik	Managing Director Heineken N.V.
W.K.N. Schmelzer	President - The European Institute of Public Administration
Helmut Schmidt	Bundesbankzler a.D.
Ronaldo Schmitz	Mitglied des Vorstandes - BASF AG
David A.G. Simon	Managing Director - British Petroleum
Manuel Soto	President Europe - Arthur Andersen Y Cia, SRC
Giorgio Stecher Navarra	Consejero Ejecutivo - Banco Popular Espanol
Phaedon Stratos	Managing Director - ITS
Lars-Erik Thunholm	Former Chairman of the Board - Skandinaviska Enskilda Banken
Georges Tsatsos	Investment Finance Ltd.
Simone Veil	Depute au Parlement Europeen
Amnuary Viravan	Chairman of the Executive Board - Bangkok Bank Ltd.
Arnaud de Vitry	

~~Hall~~ ~~Gean~~ ~~Randt~~ ~~Peterschmidt~~ ~~Bry~~ ~~King~~ ~~Wells~~ ~~Sch~~ ~~Boyer~~

INTEROFFICE MEMORANDUM

FROM : Jean-Claude Peterschmitt
DEPT : V.P. - Chairman Europe
LOC. : EHQ C 3106
EXT. : 4222
DATE : July 7, 1986

The following are the relevant data about the Doriot Library.

Summary data Total usable surface : 3300 sq ft
The library will have areas for : books,
periodicals, statistics and business files,
computers and communications, training and meeting,
teaching, productions, storage and offices.

Cost	Mio \$
Library building	5.00
Computer equipment	0.75
Underground parking	2.15

Funding sources

Total	7.90
Paris region subsidy	1.40
	<hr/>
Balance 1	6.50

Personal grants from friends of General Doriot	2.50

Balance 2	4.00
Long term finance for underground parking	2.15

Balance 3	1.85

There is no particular current base for above assumption on personal grants. However, based on the above, INSEAD is looking for a grant from Digital of a minimum of mio \$ 1.85 up to 5.00. The important element is that Digital would provide the lead grant.

/bd

INSEAD - GEN. DORiot LIBRARY

\$ 8 Million - Total From-JCP

\$ 5 M Building

1 M Computer & Network

2 M Underground Parking (lets someone else do this)

DEC give equipment and some
portion of building - Maybe \$ 2 M ???
Would individuals give other \$ 3 M ???
Need major commitment from DEC.

They have talked informally with Armand,
Bartholomew, and one other Director.

NO discussion with the General yet!

I n t e r o f f i c e M e m o r a n d u m

Handwritten: INSEAD
To: PC F Falotti
Talk File

To: WIN HINDLE*

Memo: 5340681938COR53

Date: Sun 22 Mar 1987 7:45 AM EST

From: PIER CARLO FALOTTI

Dept: EUROPE

Tel: DTN:821 - X4961

Adr: @GEO, GVA-CL.VUE, 607

cc: see "CC" DISTRIBUTION

Subject: RE: *urgent* INSEAD DONATION - details

Thanks to you for your continued support and trust. See you next week.
Regards

"CC" DISTRIBUTION:

NANCY DUBE
JACK SHIELDS

PIER CARLO FALOTTI
DICK WALSH

I n t e r o f f i c e M e m o r a n d u m

To: PIER CARLO FALOTTI

Memo: 5340363641COR90

Date: Thu 19 Mar 1987 12:45 PM EST

From: WIN HINDLE*

cc: NANCY DUBE
JACK SHIELDS
DICK WALSH

Dept: CORP OPERATIONS

Tel: 223-2338

Adr: MLO12-1/A53*

Subject: RE: *urgent* INSEAD DONATION - details

The Digital Board of Directors was very enthusiastic about our contribution to INSEAD. General Doriot is aware of the naming of the Library and has asked that it be named after both his wife, Edna, and himself. Dorothy Rowe said this was the largest gift ever received by INSEAD.

Also, the Digital Board strongly supports you as a Member of the INSEAD Council/Board. The whole relationship between INSEAD and Digital is very positive. Congratulations to you and your colleagues for handling this sensitive affair so effectively.

WH:ep

WH:3.87.1554

1300-3/16/87

To: WIN HINDLE*
JACK SHIELDS

Memo: 5339741292COR29
Date: Fri 13 Mar 1987 6:15 AM EST
From: PIER CARLO FALOTTI
Dept: EUROPE
Tel: DTN:821 - X4961
Adr: @GEO, GVA-CL.VUE, 607

cc: BEAT STIEFEL

Subject: *urgent* INSEAD DONATION - details

PCF/mjh-e68

This is to reply to the questions raised in your respective DECmails with regard to the INSEAD DONATION.

- a) INSEAD will expand their computer utilization using Digital systems (new order of 3 M\$.)
- b) We will continue to use their facilities and faculty as for the last 3 years, specifically for tailored management training.
- c) INSEAD will build a new library, named after General Georges F. Doriot, for which Digital Equipment Corporation has donated 10 million French Francs = 1.5 M\$.

↳ he does not know —
will be named after General & Mrs. Doriot

INSEAD is the major management training business school in Europe with very good visibility to future decision-makers in Europe. Our presence in INSEAD will be very beneficial to our image and prestige with these students.

Win Hindle asked the question whether General Doriot has already been informed : not that I know. I would assume that INSEAD management has mentioned their decision to name the library after General Georges F. Doriot only to us.

I will ask them how/when they want to communicate their decision to General Doriot.

For your information, attached is the letter I sent to Claude JANSSEN, Chairman of INSEAD, on 18 Feb. 1987, confirming DEC's donation.

Regards.
PCF/mjh

Encl.: see over - DEC's letter to INSEAD, 18 Feb. 87

Note : the original letter was printed in pitch 12, with adequate page margins.

Mr Claude JANSSEN
Chairman
INSEAD
European Institute of
Business Administration
Boulevard de Constance

F-77305 Fontainebleau

February 18, 1987

Dear Mr Janssen,

Following discussions which took place over the last few months between INSEAD and Digital, I take pleasure in informing you that Digital has decided to make a donation of FF 10 million as a contribution to the proposed "International Information Center" of INSEAD.

We believe that this information center will perform an extremely valuable role in expanding INSEAD's ability to apply information technology to advanced management education and research.

Therefore, we are pleased to make this exceptional donation towards the realization of this project, which will be named after General Doriot.

It is our understanding that appropriate mention of Digital Equipment Corporation will be made as key donator for the General F. Doriot Library. We are confident that this project will continue to strengthen the ties which have developed between INSEAD and Digital in mutually beneficial areas.

Yours sincerely,

Diary. 13 March 87

I n t e r o f f i c e M e m o r a n d u m

To: PIER CARLO FALOTTI

Memo: 5339361958COR15

Date: Mon 9 Mar 1987 12:13 PM EST

From: WIN HINDLE*

cc: JACK SHIELDS

Dept: CORP OPERATIONS

Tel: 223-2338

Adr: MLO12-1/A53*

Subject: INSEAD BOARD POSITION

Jack Shields and I are both very enthusiastic about you joining the INSEAD Board/Council. I will mention this to Ken on March 16 as we may want to tell the Digital Board of Directors about both our gift to INSEAD and your election to the Board.

Would you please send me an exact description of the gift so that we can tell the Board. Also, have they decided to name the Library for General Doriot, and, if so, have they said anything to him? If this is a secret from General Doriot, we should know so that the word does not leak out.

WH:da

WH:3.87.1523

I n t e r o f f i c e M e m o r a n d u m

BOD
3/16/87
Background H44C
(Ret. to PCF TALKIE)

To: PIER CARLO FALOTTI

Memo: 5339579464COR21

Date: Wed 11 Mar 1987 4:49 PM EST

From: DICK WALSH

Dept: FLD & INT'L PERSONNEL

Tel: 276-9904

Adr: OG01-2/R12

cc: WIN HINDLE*
JACK SHIELDS
JOHN SIMS

Subject: INSEAD

Congratulations on being asked to join Insead's Board. It is certainly in Digital's interest for you to serve on this Board and it is fine for you to proceed. (Win or Jack will inform Digital's Board of Directors at their next meeting, for their information.)

You should check with European Law to have them review whether you will have indemnification against liability provided by Insead. It is acceptable for you to receive a stipend should one be provided, however, if this is in the form of stock, you should also work this through our Law Department.

Please let me know if you need any additional information.

✓

MESSAGES FOR WIN - TUESDAY, MARCH 10, 1987

Dick Walsh called to get your approval Re: Pier Carlo Falotti's request to serve on the Board of INSEAD. Dick is going to advise Pier Carlo to highlight those steps he should follow according to procedure and wanted to make sure that you agree?

X6-9904

Background added

Y ☒ N ☐

Elaine

Call Dick Walsh OK

Pier Carlo Falotti
Talk File

I n t e r o f f i c e M e m o r a n d u m

To: PIER CARLO FALOTTI

Memo: 5339361958COR15

Date: Mon 9 Mar 1987 12:13 PM EST

From: WIN HINDLE*

cc: JACK SHIELDS

Dept: CORP OPERATIONS

Tel: 223-2338

Adr: MLO12-1/A53*

Subject: INSEAD BOARD POSITION

Jack Shields and I are both very enthusiastic about you joining the INSEAD Board/Council. I will mention this to Ken on March 16 as we may want to tell the Digital Board of Directors about both our gift to INSEAD and your election to the Board.

Would you please send me an exact description of the gift so that we can tell the Board. Also, have they decided to name the Library for General Doriot, and, if so, have they said anything to him? If this is a secret from General Doriot, we should know so that the word does not leak out.

WH:da

WH:3.87.1523

Interoffice Memorandum

Background Material with

To: WIN HINDLE*

Memo: 5338950648COR82

Date: Thu 5 Mar 1987 9:05 AM EST

From: JACK SHIELDS

Dept: FIELD OPERATIONS

Tel: 276-9890

Adr: OGO1-2/R12*

Subject: INSEAD BOARD POSITION

Win, like yourself, I would encourage Pier-Carlo to take the Board position.

/KLM
klm.970

Attachment: Memo

To: Pier Carlo Falotti From: WH

cc: Jack Shields

1523

Jack Shields and I are both ~~very~~ very enthusiastic about you joining the INSEAD Board/Council. I will mention this to Ken on ~~the~~ March 16 as we may want to tell the Digital Board of Directors about ~~especially General Donot, and General Donot~~ both our gift to INSEAD and ~~your election~~ your election to the Board.

Would you please send me an exact description of the gift so that we can tell the Board. Also, have they decided to name the Library for General Donot, and, if so, have they said anything to him? ~~all~~ If this is a secret from General Donot, we should know that so the word does not leak out.

I n t e r o f f i c e M e m o r a n d u m

To: JACK SHIELDS

Memo: 5338868396COR23

Date: Wed 4 Mar 1987 2:01 PM EST

From: WIN HINDLE*

Dept: CORP OPERATIONS

Tel: 223-2338

Adr: MLO12-1/A53*

Subject: INSEAD

I would like to encourage PCF to take this Board position at Insead.
Do you have any concerns?

WH:da

WH:3.87.1514

Attachment: Memo

I n t e r o f f i c e M e m o r a n d u m

To: WIN HINDLE*
JOHN SIMS

Memo: 5338761636COR61
Date: Tue 3 Mar 1987 12:03 PM EST
From: PIER CARLO FALOTTI
Dept: EUROPE
Tel: DTN:821 - X4961
Adr: @GEO, GVA-CL.VUE, 607

Subject: INSEAD

As a result of our donation to Insead I will be asked to join their international Board/Council (in fact we put it as a condition in our package).

I would like to know what procedure, if any, I have to follow before confirming.

Thanks and regards.

✓ General Doriot's
talk file

Securities Litigations

I would like to talk to the judge - to the jury. Explain the unfairness of this form of blackmail. One of the new ways to extract undeserved money from corporations, from employees, from stockholders. An indecent way and method supported by those who are connected with the word justice.

... makes or loses money. Companies
That is the way America was built:
as they are based on decent honest

...ter of fact, I do not understand what
are talking "settlement". Why,
judge, the jury, the media. Our
yes cannot spend six weeks in court.
so much.

... a jury to decide. How long must
this form of mental terrorism. I
form of terrorism but, perhaps it is
riders.

... form of blackmail graduate every year
s. Taught by excellent professors.
Association.

... need their services, it does not

... We cannot advertise, it might
The media would be against us.

... , constructive countersuit to be filed
set trial date of 20 Jan 86. Testa
tells us that it would come to Judge Young's court. He would
have to read it. He might learn from it. Others in the industry
might follow up.

Have we failed to explain our case clearly? I would like to see
our (lawyer?). And the (lawyer?) when we ask for dismissal. Why
did the judge turn us down? I would like to see what his reasons
were.

No company that I know of has been managed with more integrity
than DEC.

There is a large difference between a company policy, a company's
practices, a company's method and an employee making a mistake,
willingly or not, without the knowledge of the above, against the
rules.

To:

Jim Osterhoff
Ed Schwartz

Please find attached the notes of
General Doriot.

Win Hindle

12 December 1985

I come back to the question:

Who has done what wrong?
Does the judge know?
If he does, why does he not decide?
If he does not, he expects a jury to find out?
In other words, simply toss a penny, Jury!

See "Western" terrorism, exploitation, blackmail.

Protected by the law.
Methods taught by law schools.

Cannot blame lawyers. Businessmen hire them to perform! Cannot blame law schools! There is a demand for that kind of lawyer and interpretation. Cannot blame judge, they are <> the newspapers, etc. etc.

Does anyone in the company think we are guilty? Of what, how, when?

Has the judge ordered us to settle? On any basis?

Can he order us to settle. Fair or unfair, obviously the plaintiff is not in the game for fairness, for fair determination of what is right or wrong. His only interest is money.

This case has nothing to do with anything but to "get money". To get money one goes where the money is.

Why does the judge want to settle?

- To help justice?
I am attacked unfairly - I settle!?
- Is that justice?
- To save his time.
- He thinks the Company is guilty and the jury might do better than he would.
- He thinks the jury might be unfair?
- Why?
If he thinks so, why did he ask for a jury trial.
- He cannot make up his mind.
- Is afraid of being overruled by Superior court or bad publicity for him.

It seems to me that there is a threat from the judge:

"Settle or get a jury trial". Good way out for the judge!!

When we speak about large amounts of time to be taken from executives for law suits, what are we talking about. Whose time? How much?

Our lawyers are scared to lose cases? Settlement is not exactly a certainty, particularly if not guilty.

To: Win Hinkle
Jim Osterhoff
Ed Schwartz

Securities Litigation
Personal Ed Schwartz

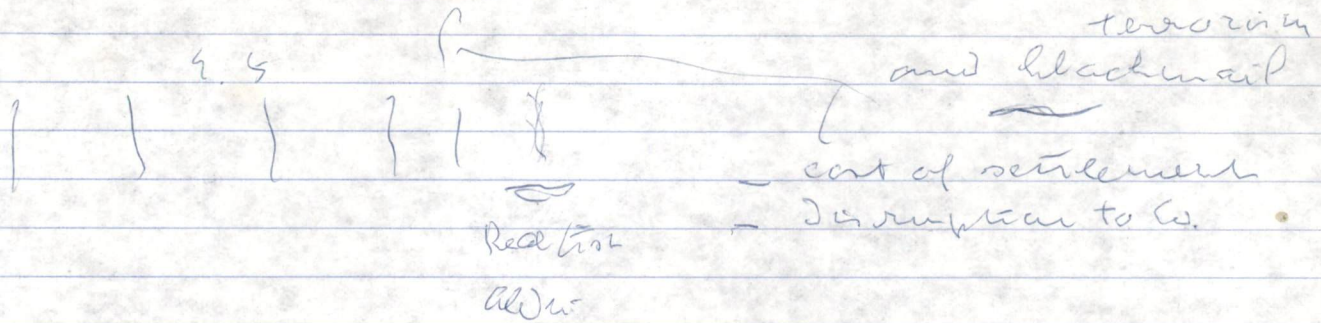
#58

8 Nov 85

DEC

1 mo
mental

holdup. (take people out of court)
mental intellectual



~~13~~ ~~14~~ ~~15~~ ~~16~~ ~~17~~ ~~18~~ ~~19~~ ~~20~~ ~~21~~ ~~22~~ ~~23~~ ~~24~~ ~~25~~ ~~26~~ ~~27~~ ~~28~~ ~~29~~ ~~30~~ ~~31~~ ~~32~~ ~~33~~ ~~34~~ ~~35~~ ~~36~~ ~~37~~ ~~38~~ ~~39~~ ~~40~~ ~~41~~ ~~42~~ ~~43~~ ~~44~~ ~~45~~ ~~46~~ ~~47~~ ~~48~~ ~~49~~ ~~50~~ ~~51~~ ~~52~~ ~~53~~ ~~54~~ ~~55~~ ~~56~~ ~~57~~ ~~58~~ ~~59~~ ~~60~~ ~~61~~ ~~62~~ ~~63~~ ~~64~~ ~~65~~ ~~66~~ ~~67~~ ~~68~~ ~~69~~ ~~70~~ ~~71~~ ~~72~~ ~~73~~ ~~74~~ ~~75~~ ~~76~~ ~~77~~ ~~78~~ ~~79~~ ~~80~~ ~~81~~ ~~82~~ ~~83~~ ~~84~~ ~~85~~ ~~86~~ ~~87~~ ~~88~~ ~~89~~ ~~90~~ ~~91~~ ~~92~~ ~~93~~ ~~94~~ ~~95~~ ~~96~~ ~~97~~ ~~98~~ ~~99~~ ~~100~~ ~~101~~ ~~102~~ ~~103~~ ~~104~~ ~~105~~ ~~106~~ ~~107~~ ~~108~~ ~~109~~ ~~110~~ ~~111~~ ~~112~~ ~~113~~ ~~114~~ ~~115~~ ~~116~~ ~~117~~ ~~118~~ ~~119~~ ~~120~~ ~~121~~ ~~122~~ ~~123~~ ~~124~~ ~~125~~ ~~126~~ ~~127~~ ~~128~~ ~~129~~ ~~130~~ ~~131~~ ~~132~~ ~~133~~ ~~134~~ ~~135~~ ~~136~~ ~~137~~ ~~138~~ ~~139~~ ~~140~~ ~~141~~ ~~142~~ ~~143~~ ~~144~~ ~~145~~ ~~146~~ ~~147~~ ~~148~~ ~~149~~ ~~150~~ ~~151~~ ~~152~~ ~~153~~ ~~154~~ ~~155~~ ~~156~~ ~~157~~ ~~158~~ ~~159~~ ~~160~~ ~~161~~ ~~162~~ ~~163~~ ~~164~~ ~~165~~ ~~166~~ ~~167~~ ~~168~~ ~~169~~ ~~170~~ ~~171~~ ~~172~~ ~~173~~ ~~174~~ ~~175~~ ~~176~~ ~~177~~ ~~178~~ ~~179~~ ~~180~~ ~~181~~ ~~182~~ ~~183~~ ~~184~~ ~~185~~ ~~186~~ ~~187~~ ~~188~~ ~~189~~ ~~190~~ ~~191~~ ~~192~~ ~~193~~ ~~194~~ ~~195~~ ~~196~~ ~~197~~ ~~198~~ ~~199~~ ~~200~~ ~~201~~ ~~202~~ ~~203~~ ~~204~~ ~~205~~ ~~206~~ ~~207~~ ~~208~~ ~~209~~ ~~210~~ ~~211~~ ~~212~~ ~~213~~ ~~214~~ ~~215~~ ~~216~~ ~~217~~ ~~218~~ ~~219~~ ~~220~~ ~~221~~ ~~222~~ ~~223~~ ~~224~~ ~~225~~ ~~226~~ ~~227~~ ~~228~~ ~~229~~ ~~230~~ ~~231~~ ~~232~~ ~~233~~ ~~234~~ ~~235~~ ~~236~~ ~~237~~ ~~238~~ ~~239~~ ~~240~~ ~~241~~ ~~242~~ ~~243~~ ~~244~~ ~~245~~ ~~246~~ ~~247~~ ~~248~~ ~~249~~ ~~250~~ ~~251~~ ~~252~~ ~~253~~ ~~254~~ ~~255~~ ~~256~~ ~~257~~ ~~258~~ ~~259~~ ~~260~~ ~~261~~ ~~262~~ ~~263~~ ~~264~~ ~~265~~ ~~266~~ ~~267~~ ~~268~~ ~~269~~ ~~270~~ ~~271~~ ~~272~~ ~~273~~ ~~274~~ ~~275~~ ~~276~~ ~~277~~ ~~278~~ ~~279~~ ~~280~~ ~~281~~ ~~282~~ ~~283~~ ~~284~~ ~~285~~ ~~286~~ ~~287~~ ~~288~~ ~~289~~ ~~290~~ ~~291~~ ~~292~~ ~~293~~ ~~294~~ ~~295~~ ~~296~~ ~~297~~ ~~298~~ ~~299~~ ~~300~~ ~~301~~ ~~302~~ ~~303~~ ~~304~~ ~~305~~ ~~306~~ ~~307~~ ~~308~~ ~~309~~ ~~310~~ ~~311~~ ~~312~~ ~~313~~ ~~314~~ ~~315~~ ~~316~~ ~~317~~ ~~318~~ ~~319~~ ~~320~~ ~~321~~ ~~322~~ ~~323~~ ~~324~~ ~~325~~ ~~326~~ ~~327~~ ~~328~~ ~~329~~ ~~330~~ ~~331~~ ~~332~~ ~~333~~ ~~334~~ ~~335~~ ~~336~~ ~~337~~ ~~338~~ ~~339~~ ~~340~~ ~~341~~ ~~342~~ ~~343~~ ~~344~~ ~~345~~ <

Have we failed to explain our case clearly?

I would like to see our brief.

and the brief when we ask for Judgment
~ why did the judge turn us down?

I would like to see what his reasons were

No company that I know of has been managed
with more integrity than DEC.

There is a large difference between a company
policy, a company's practices, a Co's method,
and an employee making a mistake,
willingless, or not - ~~without~~ without
knowledge of above, against the rule.

I come back to question:

Who has done what wrong?

Does the judge ~~know~~ know?

If he does, why does he not decide.

If he does not, he expects jury to find out?
In other words, simply too ~~apology~~ penny? Jury.

See "Wesites" Terrorism, exploitation, blackmail
protected by the law
methods taught by law school

Cannot blame lawyers. Business men hire them
to perform.

Cannot blame law schools; There is a demand
for that kind of lawyer and interpreter
cannot blame judge - they are jealous
mean the newspapers, etc. etc

Does anyone in W. think we are guilty?
of what, how - when

Has the judge ordered us to settle?
on any ~~basis~~ basis?

Can he order us to settle - fair or unfair.
obviously the plaintiff is not in the game for
fairness, for fair determination of what is
right or wrong.

His only interest is money.
This case has nothing to do with anything but
to "get money" - To get money, one goes
where the money is (Sutton!!)

Why does the judge want to settle?

~ To help justice?

I am attacked unfairly - I settle!
is that justice?

~ to save his time.

~ he thinks Co. is guilty and jury might do
better than he would.

~ he thinks jury might be ~~unfair~~!
Why?

If ~~he~~ he thinks so, why did he ask
for a jury trial

~ He cannot make up his mind.

~ is afraid of being overruled by Superior court
or bad publicity for him

It seems to me that there is a threat from
the judge:

"Settle or get jury trial"
good way out for the judge!!

about
when we speak ~~of~~ large amount of time to be
taken from executives for lawsuit, what
are we talking about? whose time? How much

are lawyers scared to lose case?

Settlement is not exactly winning!
particularly if not guilty?

27 December 1985

Win,

A copy of the attached letter was sent by
Ken's office to each of the Board Members.

Dottie

INSEAD

General Doriot felt

Institut Européen d'Administration des Affaires
European Institute of Business Administration
Europäisches Institut für Unternehmensführung
Institut Privé d'Enseignement Supérieur

Boulevard de Constance
77305 Fontainebleau Cedex, France
Telephone (1) 422 48 27 Telex 690389F

Mr. Kenneth H. Olsen
President
Digital Equipment Corporation
111 Powder Mill Road
Maynard, Massachusetts 01754

Conseil d'Administration
Le Président

December 5, 1985

RECEIVED

DEC 20 1985

KENNETH H. OLSEN

Dear Ken,

May I express, on behalf of all of us at INSEAD, our warmest appreciation to you and the Digital Board of Directors for the portrait of General Georges F. Doriot which you kindly donated to the School.

The portrait arrived recently and has now been hung in the General Georges F. Doriot Hall, where it looks most attractive.

Once again, many thanks for your kind generosity, and I look forward to visiting Digital when I am next in the Boston area.

Yours sincerely,



Claude L. Janssen

MT

WUI

DIGITAL MAYN A

951215542:644"

0036422 1558 07/10

IR-0058-11

215542 DEAI IR

DIGITAL MAYN A

1442 10-JUL 07237 1435 10-JUL

MP30 .CAN .NER .CTR .MAR .WSR GENB RDGB MUNB RIOA FORN

SYDA TKYD LPTR

ZCZC

TO: ALL DIGITAL OFFICES - WORLD WIDE

FR: WIN HINDLE

ML 1-2 CC 644 E61
DIGITAL EQUIP CORP
MAYNARD MA

IN MEMORY

ON FRIDAY, JULY 7, MRS GEORGES DORIOT DIED IN BOSTON. SHE WAS THE WIFE OF GENERAL GEORGES F. DORIOT, WHO IS A MEMBER OF DIGITAL'S BOARD OF DIRECTORS AND WAS PRESIDENT OF AMERICAN RESEARCH AND DEVELOPMENT CORPORATION WHEN THAT COMPANY PROVIDED THE ORIGINAL CAPITAL TO START DIGITAL 21 YEARS AGO. MRS DORIOT HAD BEEN A LOYAL FRIEND AND STRONG SUPPORTER OF DIGITAL AND WAS VERY ACTIVE IN MANY CULTURAL AND EDUCATIONAL ORGANIZATIONS IN THE BOSTON AREA. SHE WILL BE MISSED BY EVERYONE AT DIGITAL WHO KNEW HER. IN HER MEMORY, THE FLAGS AT ALL OF OUR FACILITIES WILL BE FLOWN AT HALF MAST DURING THE WEEK OF JULY 10.

FWM

NN

215542 DEAI IR

JUL 10 5 20 PM '78

FORM 8112-S

Sam

digital



General Georges F. Doriot and Ken Olsen in 1984

Man With A Vision

Ideas for Discussing Values and Philosophies

Ken Olsen on General Georges F. Doriot (1899-1987)

September 1987

"His goal was to nurture, encourage, and help businesses. His influence on Digital was quiet, cautious, often indirect, but very effective. He guided us toward excellence. In the General's philosophy, excellence includes sensitivity and graciousness to others. In the workplace, it includes a sense of responsibility to the entire organization instead of mere individual gain. His thinking and Digital's history and values are intertwined. He will be missed and remembered by all of us who knew him."

Inside

	Page
A Moment For Reflection . . .	1
General Doriot and Digital's Beginnings	2
Making Discussion Interesting, Valuable, And Easy	3
Suggestions	5
Quotes from the Film	7
About The Individuals In "Man With A Vision"	8
More Information	9
Feedback Form	

A Moment For Reflection . . .

The Environment Is Changing But How About Our Original Business Values And Philosophies?

In recent years, Digital has grown rapidly. Many new employees have been hired, and the form and shape of our business organization is moving dynamically as we strive to meet changing market needs.

In this changing environment, there is a need to understand Digital's original business values and philosophies. Reviewing these values and philosophies is key to gaining insight into our culture.

As we add to the corporate family, we must also take care to help new employees become part of our culture and understand Digital's founding values and philosophies. This guide is part of our effort to help insure that the business traditions begun in 1957 are carried on.



General Georges F. Doriot and Digital's Beginnings

General Georges F. Doriot, Harvard professor and founder of American Research and Development Corporation (an early venture capital firm), was dedicated to nurturing new businesses. He played a subtle but significant role in shaping Digital's values, norms, and direction through his relationships with Ken Olsen and many of the company's Directors.

The special relationship between General Doriot and Ken Olsen began in 1957 when Ken, a young MIT engineer, came to Doriot for seed money to start a business. Though few could understand or appreciate Ken's dream of computing at the time, the General believed in the dream, provided Ken with the necessary financial backing, and played a vital role at Digital until his death in 1987.

A major component of this guide is *Man With A Vision*, a video/film that provides an inspiring account of Doriot's life, Digital's history, and the business values and philosophies that lie at the core of our culture.

Many of his ideas are presented in the video/film (21-minutes):

- The need for courage in leading people and in taking risks wisely.
- Keys to success which include being able to sense market needs and having ideas for the future, maintaining product quality and honesty, and teamwork.
- The need to accept success with great modesty.
- Leadership, the ability to ask the right questions and identify constructive concerns or "worries".

Making Discussion Interesting, Valuable, And Easy ... Some Suggestions

The guide offers some suggestions for leading a discussion of Digital's values and philosophies at your staff meeting.

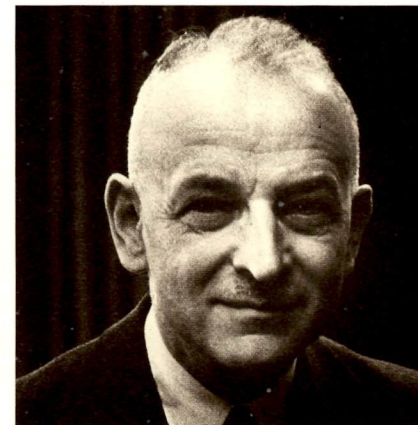
Managers and employees who have seen *Man With A Vision* and participated in test discussions have offered their suggestions on how you can make the session valuable for your staff. Before seeing the video/film, these participants suggested that a few questions be asked to help people think about their own values. They also recommended that the introduction to the video/film describe who Georges Doriot was and explain why they are being asked to watch the program. After the video/film, they suggested that quotes be taken from the program to help them discuss Digital's values and philosophies.

The following pages offer some ideas on what questions to ask before viewing *Man With A Vision*, how to introduce the program, and suggestions for aiding discussion.

Is This A Comfortable Approach For You?

The ideas presented in this guide may be helpful and save you preparation time. But you may feel more comfortable using another approach to discussing Digital's values and philosophies with your employees.

We want to provide materials that are helpful to you, so please send us your comments on the card provided at the back of this booklet.



General Georges F. Doriot

SUGGESTIONS . . .

For Introducing Your Meeting

The following suggests how you might set the stage for the presentation and discussion of *Man With A Vision*:

Today, I'd like you to hear about the ideas of a man who's had a great deal of influence on Digital through his relationships with Ken Olsen and many Directors on our Board. Many of you already know of him but some of you may not. His name is General Georges Doriot.

First, we'll spend some time talking about the people who have influenced us and our own personal values and then we'll see a video entitled "Man With A Vision". The video will last about twenty minutes.

Then we'll discuss whatever messages in the program you would like.

Before You View . . .

The following questions may help your staff begin thinking about why an organization's values and philosophies are important. One way to do this is to help them think about their personal values and how these values have shaped the course of their lives. By bringing the concept to a personal level, the importance of the relationship between an organization's values, goals, and work environment becomes more meaningful.

You may want to ask your staff to *think* about these questions or *discuss* them:

1. *Digital was founded in 1957. Think back for a moment to what you were doing when our company was in its early development. (This question is a good ice-breaker and creates an open, relaxed environment for the next questions.)*
2. *Who have been your role models, people you've admired? So many decisions we make in life we do without really thinking about the values which motivate them. We rarely put these values in words. But let's give it a try.*
3. *What were or are three of your most important life goals and how do these goals reflect your values? (As discussion leader you may want to make the group comfortable by first disclosing one or two of your own life goals.)*

How have they or will they affect the vision of what your future will be like?

For Introducing The Video/Film . . .

The following introduction offers some ideas on how to explain who Georges Doriot was and why you are asking your staff to watch *Man With A Vision*.

This is a program about General Georges F. Doriot, Harvard professor and venture capitalist who provided Ken Olsen with the financial backing to start our company. He was dedicated to nurturing new businesses.

Since the time Ken and the General met in 1957, they enjoyed a special relationship. Through this relationship and relationships with many Directors on our Board, Doriot played a significant role in shaping Digital's values and philosophies.

I'd like you to hear these ideas because, as part of a company that has grown quickly, it can be helpful to know and keep in touch with where we came from. The program lasts about 21-minutes.

For Discussion

You may want to ask your staff this question, or choose several of the following quotes to stimulate discussion:

What messages in the video/film did you find most meaningful?

Quotes from General Georges F. Doriot

"The real courageous man is someone who does something and nobody's watching him."

"Let us escape from whatever prevents us from being daring, kind, thoughtful, and imaginative."

"We should take risks wisely."

"Now, success is only good if it's accepted with great modesty and if you realize that success does not keep on by itself."

"... if failure can be explained and it's not based on a lack of morality, then to me failure is acceptable and you have learned from it and you can start again."

Quotes from Ken Olsen

"The General's influence on Digital has been a rather quiet and subtle one. He rarely forces ideas on us."

"He's a leader that gets involved in details and that's important."

"... there are very few people on earth who can tolerate success."

"We encourage, allow entrepreneurship and tolerate failure."

"We're dependent on developing people. You only develop people if you give them opportunities and be patient with them when they fail."

"As we went from 15 separate companies to one company, we've had a magnificent example of people working together... there are no heroes. We all work together, and together we have enormous power."

Quote from Vernon Alden

[Doriot] believed very strongly in the "character of people, the quality of the product, [and] the honesty with which the management dealt with its customers and suppliers."

Your Comments

We want to provide materials that are helpful to you so please send us your comments on the card provided at the back of this booklet.



About The Individuals Who Appear In "Man With A Vision"

(in alphabetical order)

Vernon R. Alden was formerly Chairman of the Board and Executive Committee of The Boston Company, Inc., managers of financial resources. He is also a director of Augat, Inc., Colgate-Palmolive Company, McGraw-Hill, Inc., Intermet Corporation and Sonesta International Hotels Corporation. He has been a Director of Digital since 1959.

Philip Caldwell is Senior Managing Director of Shearson Lehman Brothers Inc. In 1985, he retired as Chairman of the Board and Chief Executive Officer of Ford Motor Company where he had been an officer for over 15 years. He is also a Director of Ford Motor Company, Federated Department Stores, Inc. and Kellogg Company. He has been a Director of Digital since 1980.

Arnaud de Vitry is Chairman of the Board and Chief Executive Officer of Eureka SICAV, France, an investment company. He is also a Director of Ionics Inc. He has been a Director of Digital since 1957.

General Georges F. Doriot was a professor at the Harvard Business School from 1926 to 1966. He founded American Research and Development Corporation, a venture capital firm, and served for many years as president of the French Library. He was a Director of Digital from 1957-1987.

Bob McCabe, formerly an investment banker for the American Research and Development account, is president of Pilot Capital Corporation. Though he is not a Digital employee or board member, he was included in the video/film because of his close relationship with General Doriot.

William H. McLean an engineering consultant. He was formerly the Vice-President and Dean of Stevens Institute of Technology. Currently, he is a Director of National Aviation and Technology Corporation and National Telecommunications and Technology Fund Inc., an open-end management investment company. He has been a Director of Digital since 1967.

Kenneth H. Olsen, has served as Digital's President and a Director since the company's founding in 1957. He is also a director of Ford Motor Company and Polaroid Corporation.

Dorothy Rowe was formerly Senior Vice-President and Treasurer of American Research and Development Corporation, a venture capital company. She is a member of the Advisory Board of the Boston Five Cents Savings Bank and has been a Director of Digital since 1957. She also acted as Digital's first treasurer in the early years.



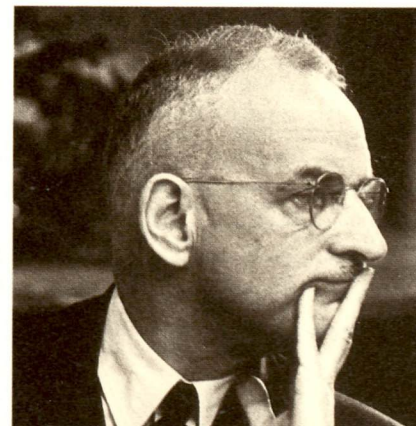
For More Information

The following are available through the Digital Library nearest you:

1. Videotape and Transcript, *Man With A Vision*
2. Schein, Edgar H., *Organizational Culture*, Jossey Bass, October, 1984
3. Olsen, Ken, "Digital Equipment, The First Twenty Five Years", Speech delivered at Newcomen Society of North America, September 21, 1982
4. Monosson, Sonny, *Monnoson On DEC*, "A Demanding Matrix: Why is Digital so Successful and So Confusing", April 1981
5. Olsen, Ken, "Ken Olsen Discusses the Corporate Philosophy", videotape, EEE-16212-05, 1980

To request additional videotapes, call DTN (617) 234-4323 or (617) 351-4323 or NEST::BARYS in Northboro, MA and provide the following information:

3/4" U-Matic & Discussion Booklet	EZ-J4024-75
1/2" VHS & Discussion Booklet	EZ-J4024-78
1/2" PAL & Discussion Booklet	EZ-J4024-79



General Georges F. Doriot (1899-1987)

Comments on "Man With A Vision" Materials

On what date did your staff watch *Man With A Vision* and/or participate in a discussion of values and philosophies. _____

How many people viewed this program? _____

Were they individual contributors, managers, or both? (Please circle)

Please circle your staff's function.

Corporate or Headquarters	Field Support	Information Systems	Marketing
Educational Services	Field Service	Manufacturing	Communications
Engineering	Finance	Marketing	Personnel
			Sales
			Other

As management tools, how valuable was the:

Videotape/Film	Poor	Fair	Good	Very Good	Excellent
Guide	Poor	Fair	Good	Very Good	Excellent

Your Comments

If this is the last viewing record, please xerox or request additional forms from RHODES::MAFTOON.

Comments on "Man With A Vision" Materials

On what date did your staff watch *Man With A Vision* and/or participate in a discussion of values and philosophies. _____

How many people viewed this program? _____

Were they individual contributors, managers, or both? (Please circle)

Please circle your staff's function.

Corporate or Headquarters	Field Support	Information Systems	Marketing
Educational Services	Field Service	Manufacturing	Communications
Engineering	Finance	Marketing	Personnel
			Sales
			Other

As management tools, how valuable was the:

Videotape/Film	Poor	Fair	Good	Very Good	Excellent
Guide	Poor	Fair	Good	Very Good	Excellent

Your Comments

If this is the last viewing record, please xerox or request additional forms from RHODES::MAFTOON.



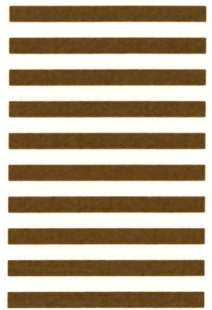
NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

BUSINESS REPLY CARD

FIRST CLASS MAIL PERMIT NO. 33 MAYNARD, MA

POSTAGE WILL BE PAID BY ADDRESSEE

Quality Assurance
BUO/E08
Digital Equipment Corporation
12 Crosby Drive
Bedford, MA 01730



NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

BUSINESS REPLY CARD

FIRST CLASS MAIL PERMIT NO. 33 MAYNARD, MA

POSTAGE WILL BE PAID BY ADDRESSEE

Quality Assurance
BUO/E08
Digital Equipment Corporation
12 Crosby Drive
Bedford, MA 01730



Comments on "Man With A Vision" Materials

On what date did your staff watch *Man With A Vision* and/or participate in a discussion of values and philosophies. _____

How many people viewed this program? _____

Were they individual contributors, managers, or both? (Please circle)

Please circle your staff's function.

Corporate or Headquarters	Field Support	Information Systems	Marketing
Educational Services	Field Service	Manufacturing	Communications
Engineering	Finance	Marketing	Personnel
			Sales
			Other

As management tools, how valuable was the:

Videotape/Film	Poor	Fair	Good	Very Good	Excellent
Guide	Poor	Fair	Good	Very Good	Excellent

Your Comments

If this is the last viewing record, please xerox or request additional forms from RHODES::MAFTOON.

Comments on "Man With A Vision" Materials

On what date did your staff watch *Man With A Vision* and/or participate in a discussion of values and philosophies. _____

How many people viewed this program? _____

Were they individual contributors, managers, or both? (Please circle)

Please circle your staff's function.

Corporate or Headquarters	Field Support	Information Systems	Marketing
Educational Services	Field Service	Manufacturing	Communications
Engineering	Finance	Marketing	Personnel
			Sales
			Other

As management tools, how valuable was the:

Videotape/Film	Poor	Fair	Good	Very Good	Excellent
Guide	Poor	Fair	Good	Very Good	Excellent

Your Comments

If this is the last viewing record, please xerox or request additional forms from RHODES::MAFTOON.



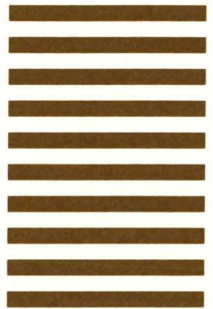
NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

BUSINESS REPLY CARD

FIRST CLASS MAIL PERMIT NO. 33 MAYNARD, MA

POSTAGE WILL BE PAID BY ADDRESSEE

Quality Assurance
BUO/E08
Digital Equipment Corporation
12 Crosby Drive
Bedford, MA 01730



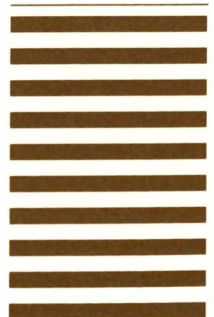
NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

BUSINESS REPLY CARD

FIRST CLASS MAIL PERMIT NO. 33 MAYNARD, MA

POSTAGE WILL BE PAID BY ADDRESSEE

Quality Assurance
BUO/E08
Digital Equipment Corporation
12 Crosby Drive
Bedford, MA 01730



Comments on "Man With A Vision" Materials

On what date did your staff watch *Man With A Vision* and/or participate in a discussion of values and philosophies. _____

How many people viewed this program? _____

Were they individual contributors, managers, or both? (Please circle)

Please circle your staff's function.

Corporate or Headquarters	Field Support	Information Systems	Marketing
Educational Services	Field Service	Manufacturing	Communications
Engineering	Finance	Marketing	Personnel
			Sales
			Other

As management tools, how valuable was the:

Videotape/Film	Poor	Fair	Good	Very Good	Excellent
Guide	Poor	Fair	Good	Very Good	Excellent

Your Comments

If this is the last viewing record, please xerox or request additional forms from RHODES::MAFTOON.

Comments on "Man With A Vision" Materials

On what date did your staff watch *Man With A Vision* and/or participate in a discussion of values and philosophies. _____

How many people viewed this program? _____

Were they individual contributors, managers, or both? (Please circle)

Please circle your staff's function.

Corporate or Headquarters	Field Support	Information Systems	Marketing
Educational Services	Field Service	Manufacturing	Communications
Engineering	Finance	Marketing	Personnel
			Sales
			Other

As management tools, how valuable was the:

Videotape/Film	Poor	Fair	Good	Very Good	Excellent
Guide	Poor	Fair	Good	Very Good	Excellent

Your Comments

If this is the last viewing record, please xerox or request additional forms from RHODES::MAFTOON.



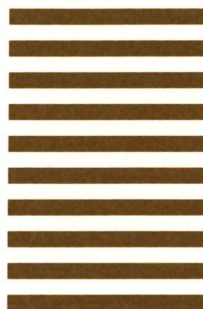
NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

BUSINESS REPLY CARD

FIRST CLASS MAIL PERMIT NO. 33 MAYNARD, MA

POSTAGE WILL BE PAID BY ADDRESSEE

Quality Assurance
BUO/E08
Digital Equipment Corporation
12 Crosby Drive
Bedford, MA 01730



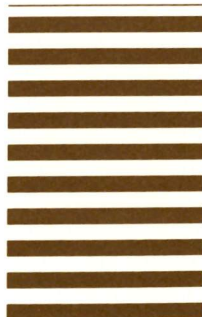
NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

BUSINESS REPLY CARD

FIRST CLASS MAIL PERMIT NO. 33 MAYNARD, MA

POSTAGE WILL BE PAID BY ADDRESSEE

Quality Assurance
BUO/E08
Digital Equipment Corporation
12 Crosby Drive
Bedford, MA 01730



Comments on "Man With A Vision" Materials

On what date did your staff watch *Man With A Vision* and/or participate in a discussion of values and philosophies. _____

How many people viewed this program? _____

Were they individual contributors, managers, or both? (Please circle)

Please circle your staff's function.

Corporate or Headquarters	Field Support	Information Systems	Marketing
Educational Services	Field Service	Manufacturing	Communications
Engineering	Finance	Marketing	Personnel
			Sales
			Other

As management tools, how valuable was the:

Videotape/Film	Poor	Fair	Good	Very Good	Excellent
Guide	Poor	Fair	Good	Very Good	Excellent

Your Comments

If this is the last viewing record, please xerox or request additional forms from RHODES::MAFTOON.

Comments on "Man With A Vision" Materials

On what date did your staff watch *Man With A Vision* and/or participate in a discussion of values and philosophies. _____

How many people viewed this program? _____

Were they individual contributors, managers, or both? (Please circle)

Please circle your staff's function.

Corporate or Headquarters	Field Support	Information Systems	Marketing
Educational Services	Field Service	Manufacturing	Communications
Engineering	Finance	Marketing	Personnel
			Sales
			Other

As management tools, how valuable was the:

Videotape/Film	Poor	Fair	Good	Very Good	Excellent
Guide	Poor	Fair	Good	Very Good	Excellent

Your Comments

If this is the last viewing record, please xerox or request additional forms from RHODES::MAFTOON.



NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

BUSINESS REPLY CARD

FIRST CLASS MAIL PERMIT NO. 33 MAYNARD, MA

POSTAGE WILL BE PAID BY ADDRESSEE

Quality Assurance
BUO/E08
Digital Equipment Corporation
12 Crosby Drive
Bedford, MA 01730



NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

BUSINESS REPLY CARD

FIRST CLASS MAIL PERMIT NO. 33 MAYNARD, MA

POSTAGE WILL BE PAID BY ADDRESSEE

Quality Assurance
BUO/E08
Digital Equipment Corporation
12 Crosby Drive
Bedford, MA 01730



Comments on "Man With A Vision" Materials

On what date did your staff watch *Man With A Vision* and/or participate in a discussion of values and philosophies. _____

How many people viewed this program? _____

Were they individual contributors, managers, or both? (Please circle)

Please circle your staff's function.

Corporate or Headquarters	Field Support	Information Systems	Marketing
Educational Services	Field Service	Manufacturing	Communications
Engineering	Finance	Marketing	Personnel
			Sales
			Other

As management tools, how valuable was the:

Videotape/Film	Poor	Fair	Good	Very Good	Excellent
Guide	Poor	Fair	Good	Very Good	Excellent

Your Comments

If this is the last viewing record, please xerox or request additional forms from RHODES::MAFTOON.

Comments on "Man With A Vision" Materials

On what date did your staff watch *Man With A Vision* and/or participate in a discussion of values and philosophies. _____

How many people viewed this program? _____

Were they individual contributors, managers, or both? (Please circle)

Please circle your staff's function.

Corporate or Headquarters	Field Support	Information Systems	Marketing
Educational Services	Field Service	Manufacturing	Communications
Engineering	Finance	Marketing	Personnel
			Sales
			Other

As management tools, how valuable was the:

Videotape/Film	Poor	Fair	Good	Very Good	Excellent
Guide	Poor	Fair	Good	Very Good	Excellent

Your Comments

If this is the last viewing record, please xerox or request additional forms from RHODES::MAFTOON.



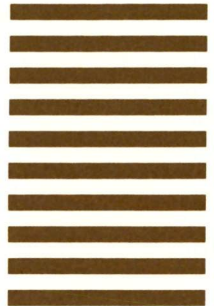
NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

BUSINESS REPLY CARD

FIRST CLASS MAIL PERMIT NO. 33 MAYNARD, MA

POSTAGE WILL BE PAID BY ADDRESSEE

Quality Assurance
BUO/E08
Digital Equipment Corporation
12 Crosby Drive
Bedford, MA 01730



NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

BUSINESS REPLY CARD

FIRST CLASS MAIL PERMIT NO. 33 MAYNARD, MA

POSTAGE WILL BE PAID BY ADDRESSEE

Quality Assurance
BUO/E08
Digital Equipment Corporation
12 Crosby Drive
Bedford, MA 01730



Georges H. Doriot Memorial Service

September 22, 1987

12:00 o'clock

ORGAN PRELUDE Dr. R. Rice Nutting

CALL TO WORSHIP AND INVOCATION Dr. Paul E. Toms

HYMN NO. 149 Congregation

FLUTE PRESENTATION Ms. Doriot Anthony Dwyer

REMARKS

Ms. Patricia Clark

*Former Colleague, The American Research
and Development*

Mr. Lawrence E. Fouraker

*George F. Baker, Professor Emeritus of the
Harvard Business School*

M. Arnaud deVitry

Chairman of Board of the French Library

Mr. Kenneth H. Olsen

President, Digital Equipment Corporation

SOPRANO SOLO Mrs. Elizabeth Hancock
"The Lord Is My Shepherd" (Psalm 23)

MESSAGE Dr. Paul E. Toms

HYMN NO. 172 Congregation

BENEDICTION Dr. Toms

POSTLUDE Dr. Nutting



GEORGES F. DORIoT 1899–1987

General Georges F. Doriot died on June 2nd, 1987 at the age of 87. Few men have had a greater impact on people and on the economy of this country.

The philosophy he expressed in his "Manufacturing" course at the Harvard Business School made a profound impression on his numerous students. Later in their lives they could always draw on the General's advice in meeting their responsibilities or when facing difficult decisions.

The preparation of the war effort in Washington, the creation of new business schools in Europe such as the Centre de Perfectionnement des Affaires in Paris and INSEAD in Fontainebleau, the birth of the venture capital industry with the start up of American Research & Development and its sister companies in Canada and in Europe and the launching of more than 200 industrial companies, including Digital Equipment Corporation, are some of the important realizations in which General Doriot played a key role.

The love uniting the General and Mrs. Doriot will always be remembered by their friends. Together they developed The French Library in Boston from a very small organization to a major center for French culture in New England. Furthermore, they kept their home and their hearts open for the students and friends who wanted to seek their counsel and advice.

The following pages will illustrate in more detail his diverse activities. Testimonies from some of his friends are also presented.

General Doriot's memory will remain forever deeply engraved in the hearts of the men and women who had the privilege to work with him, of his former students, of his friends and of the members of his family.

Arnaud de Vitry
Chairman of the Board and President
The French Library in Boston
22 Septembre 1987

THE EDNA AND GEORGES DORIoT CULTURAL CENTER AT THE FRENCH LIBRARY IN BOSTON

The Board of Trustees of the French Library in Boston, with the help of a devoted group of former students, friends and associates of Georges Doriot, have established the Edna and Georges Doriot Cultural Center at the French Library.

The extraordinary leadership provided by the late General and Edna Doriot has enabled the Library to become one of the finest institutions dedicated to fostering the French-American relationship that had its origins in the American Revolution itself.

For over forty years, the Library has been a living symbol of the strong and enduring ties between France and the United States. Today the French Library in Boston contains over 40,000 volumes as well as newspapers, periodicals, tapes, records, and video cassettes. Classes in French and translation services are available to individuals and corporations.

The Edna and Georges Doriot Cultural Center will not only increase the level of existing activities but will offer seminars on vital international issues, a scholarly publication program, and research efforts on French-American economic, social, cultural and political issues. The focus of many of these undertakings will be based upon the enduring principles established by Professor Doriot through his course, *Manufacturing*, at Harvard University's Graduate School of Business Administration, and will forge a vital link between the international cultural and business communities.

GEORGES F. DORIoT



On board the Ile de France, 1934

GEORGES F. DORIoT

FORTUNE "HALL OF FAME"

GEORGES FREDERIC DORIoT

(born: 1899)

Not even the brashest or brightest of their students could calculate the debt owed to schools of business administration by the U.S. economy. The B schools created the professional manager. They fostered the habit of rational analysis of business situations. They sought generalizations by which lessons in one field could be transferred to another. With their help, business became an occupation transcending money-making—and thereby made more money.

Few of their faculty members were themselves distinguished businessmen. One of the exceptions was Georges Doriot, a great teacher who was concurrently head of American Research & Development Corp., one of the most successful companies ever formed to stimulate innovation by deploying risk capital.

He grew up in France, under the strict regime of a Protestant household. His father, an automotive engineer, spanked him when he ranked lower than first in class. After studies at the University of Paris, he attended the Harvard Business School and decided to stay in the U.S., "perhaps because I have always been interested in the future." He became an assistant dean and after a few years inaugurated his course, misleadingly entitled "Manufacturing." The course, in fact, was an effort to imbue the students with Doriot's high ideals of how a businessman should behave; it even included a lecture on "How to Pick a Wife." In the thirty-five years he taught at Harvard, almost 7,000 students took his course. The top and middle ranks of U.S. industrial leadership today include many whom Doriot helped get what he calls a "running start."

In World War II he served the U.S. Army as director of military planning for the Quartermaster Corps and deputy director of research and development for the War Department general staff, emerging with the rank of Brigadier General. The American Research & Development Corp. had been formed in 1946 by Karl T. Compton, head of M.I.T., and others interested in continuing the innovative momentum that business had generated during the war. As soon as Doriot was out of uniform, he returned to teaching and accepted the leadership of A.R.D.

The company's initial capital was \$3 million. By 1972, when it was sold to Textron, its assets were worth \$400 million. Most of this amount was derived

GEORGES F. DORIoT

from the spectacularly successful investment of \$61,000 in a fledgling company, called Digital Equipment Corp., which A.R.D. spun off to its shareholders just before the merger with Textron. Even if Digital Equipment is set aside, however, Doriot's record of investments in some 150 companies is impressive.

Not that capital gain was his only goal. He was interested in combining ideas and men, and in patiently nursing young companies toward maturity. He refused to sell his investments in troubled companies. ("You don't sell a child because it has a fever of 104.") In assessing young executives, Doriot gives great weight to modesty. "If a man isn't modest, he won't learn." Doriot cautioned young managers about the perils of early success. He feared their efforts would diminish and that "they would start thinking about sports cars and mansions."

To his students and to the managers of A.R.D.'s companies, the general poured out a steady stream of aphorisms: "Always remember that someone, somewhere is making a product that will make your product obsolete." "Be friendly but not chummy with your lawyers." He believes people work hardest and best out of loyalty to an idea and to their associates. He loves to work. "Leisure is a fake," he says.

He regards his marriage as by far the most important aspect of his life. His wife, Edna, an American, ran the French library in Boston for many years, and since her death last year Doriot has taken over that task. Both Georges and Edna were inducted into France's Legion of Honor, one of the few couples ever thus doubly decorated.

© 1979 Time, Inc. All rights reserved.

GEORGES F. DORIoT

A teacher affects eternity; he can never tell where his influence stops.

—Henry Adams

A TEACHER WHO MADE A DIFFERENCE

By Peter Fuhrman

In early June Georges F. Doriot died at age 87 in his Beacon Hill home. Doriot's long life seems a chronicle of our age as well as a credit to it. He was born in Paris in 1899, the son of the engineer who helped create the first Peugeot motor car. He came to the Harvard Business School in 1921 to study the then-brand-new science of business administration. He became a professor of industrial management in 1926 and remained at the school until 1966. Nearly 7,000 men and women attended Doriot's lectures on manufacturing at Harvard. For many his influence was formative.

"Doriot taught the commitment and the sense of responsibility needed to succeed in business," says James D. Robinson III, chairman of American Express. "These were conveyed, either directly or indirectly, by his own actions. He was one of the most interesting individuals I've ever known."

"Doriot's class wasn't based on cases, like the other courses at the business school," says William McGowan, founder and chairman of MCI. "Instead, it was a combination of his lectures and a workshop." For the workshop, students were farmed out to companies in the Boston area to gain practical experience. "He believed you would learn best by being involved in a business," McGowan continues. "I flowered under him."

"Doriot taught an approach and an outlook that continues to be of use," says Philip Caldwell, former chairman of Ford Motor Co. "I can still hear him saying, in his French-accented voice, 'Gentlemen, if you want to be a success in business, you must love your product.' He instilled that idea deeply in me."

"Doriot invited the president of U.S. Steel to our class in 1947," says Zalman Bernstein, founder and chairman of Sanford C. Bernstein & Co., Inc., the brokerage house bearing his name.* "Doriot said afterwards: 'U.S. Steel doesn't understand what business they are in. They are in the materials, not the steel business. They are completely ignorant of aluminum and plastics.' Doriot was the first person to think in those terms. He had more influence on what has happened in American business than the rest of the Harvard faculty put together."

Doriot found ample outlet, outside the classroom, for his abundant

GEORGES F. DORIOT

intellect and energy. He served during World War II in the Army's military planning, research and development program, rising to Brigadier General.

Doriot maneuvered with surprising ease through the War Department bureaucracy. Among the stories told about him: In 1944 General Eisenhower cabled that the worst fighting was over, and asked Doriot to slow industrial production. Doriot decided Eisenhower was too optimistic and ignored the order. Soon afterward, as Doriot feared, the fighting flared up brutally at the Battle of the Bulge.

After the war, Doriot began a third career. Drawing on both his classroom teaching and his military service, Doriot founded this country's first publicly traded venture capital company, American Research & Development. Success came relatively early for ARD. In 1957 a young MIT engineer approached Doriot for money to start a computer company. Doriot put up \$70,000 of ARD's money in exchange for 80 percent of the startup's equity. Thus was born Digital Equipment Corp., now the nation's third-largest computer company.

"ARD was just about the only risk capital company around," says Digital's founder and president, Kenneth Olsen. "All I wanted was to get a company started, to build computers. Afterwards, Doriot didn't rush to get Digital on the market. He truly wanted to generate something that would be useful for society." Doriot served on Digital's board until his death.

Just before retiring as ARD's president in 1972, Doriot merged the company into the giant New England conglomerate Textron. ARD's Digital shares, diluted to 46 percent but worth around \$400 million, were spun off to the venture firm's shareholders.

Doriot came to regret the Textron merger. "He didn't see what would happen to ARD under Textron," says Charles Coulter, who has been company president since Doriot's departure. "Large corporations kill innovation, and with it, venture capital. . . ."

In 1965 FORBES interviewed General Doriot in Boston. He shared his thoughts on the care and feeding of young businessmen and of young companies. He told us, "A creative man merely has ideas; a resourceful man makes them practical."

General Georges Doriot was an uncommonly resourceful man. American business needs more like him.

*Sanford Bernstein changed his first name to Zalman in 1984.

Reprinted by permission of Forbes magazine, July 13, 1987.

© Forbes, Inc. 1987.

GEORGES F. DORIOT



Georges and Edna Doriot, 1972

GEORGES F. DORIoT

NOTES FROM GENERAL DORIoT'S LAST CLASS

On September 24, 1979, hundreds of General Doriot's former students gathered at the Harvard Business School for a class taught by him on his 80th birthday. Following are some of the thoughts he expressed.

From time to time I get slightly sentimental.

I owe the little I am in this world, I owe it to my wife, to the Business School and to my students . . . to my students who made me. Because I did not help you very much.

I fortunately got, in the second year course, able men, and all I had to do is to give them the opportunity to show to me, and to themselves, what it is that they could do. So that's that.

All I can tell you, or remind you of, are the simple things that we said to each other. Because it's the simple things that count in life. The complicated ones I'm not too worried about, you can figure them out.

I shall give you the beginning of the course and the end, there will be nothing in between. But usually, as you know, there was nothing in between.

I shall remind you of some of the points which I believe that with time were important, and as far as I'm concerned, still might be.

You and I shall be on time, and properly dressed.

This is not a matter of discipline, it's a matter of self-respect. It's a matter of acquiring good business habits, and I think you will develop more respect for one another, and after a few months you'll be a little more proud when you come and see your classmates well dressed and on time.

If you cannot come on time, don't come. If you cannot come at all, I don't mind, call my secretary just the way you would do in business.

I wish you would invite your wives to class, because it will give them a chance to find out what your work is all about, and it might help you team up in life.

You can also bring a girl, if you are really interested in her, because it might help you reach your decision.

Do not bring outsiders because I don't like them. Don't bring students

GEORGES F. DORIoT

who are not taking the course; our meeting is a private one.

I shall do all the talking. You listen, think, and make notes of what surprises you, what interests you, what further thinking it suggests to you, and what you think you disagree with.

Do not ask questions in class. The chances are you will be wasting everybody's time, merely for your own satisfaction. If you have an intelligent question tell me after class and I shall be glad to take it up at the next class.

I know that modern education calls for participation. I want your mental participation. You see, all of those things are useful in business.

What I say in class should be accepted by you on a temporary basis until such time as you have thought about it. Then, with your increasing wisdom, you can come to your own temporary conclusion.

I said, don't accept it, but don't reject it, just think about it.

I suggest that you start a manufacturing notebook. It should become habit to carry through life. It should become the mirror of your thinking. I repeat, it should become the mirror of your thinking.

Follow your final thoughts in it, plan your work, budget your time, decide how to do more and do it better, analyze your self-improvement, stimulate your curiosity, your inventiveness, measure your mental worth, if your book remains empty, start wondering why.

Use your notebook as a form of self examination. You certainly can find ten or fifteen minutes a day to work on it.

It should become your confidential companion. In the voyage of life, one needs a confidential companion.

I had a story of a streetcar, an old-fashioned streetcar. And the story was this: if you stand at rest and try to jump on a moving streetcar, you break your neck. If you gather speed then jump on the streetcar, you stay on it, and ride with it.

So that's the attitude I want the students to learn. Habits we make are the habits we carry through life.

* * *

The students arranged themselves in groups and they elected a group leader and that in itself was an experience. Many of them, after a week or two, had to change group leaders, which created some problems. But that experience of having to change the group leader was important.

The groups had to pick two companies by themselves. I gave them no help. So this was to give the students a sense of operation.

GEORGES F. DORIOT

In the second half they turned in reports on these companies which I did not keep. I gave them to the companies.

Then I want you to get a sense of the future. So I would like you as a group to pick a subject which is very important for the future.

Now, in my early years something very interesting happened. The students would try to project ten to fifteen years ahead. Then I realized that their imagination was going astray, so I changed the rules and I said, "Now you are twenty years or fifteen years from now, tell me what happened in the last fifteen years. I found them much more accurate about what they will do.

But look at the imagination that you people display. I am here to congratulate you. I am here to tell you that I am proud.

So here we are, self improvement which you did as individuals and as groups.

Company studies—the sense of operation and the topic reports—digging into the future.

It doesn't matter how good we are, we still have to learn how we can improve ourselves.

We still need the manufacturing notebook. And as I've said, I repeat, if there's nothing in it start questioning. Don't question me, question yourselves.

How to manage, lead, and command.

I chose those three words because they go together. There are cases where you should manage, there are cases where you should lead, and there are cases when you can command.

I found that if a man is respected, people love to be commanded by him. And I am one of those. I'll work anytime for somebody I can respect, who can give me a command I can respect.

Many years ago I suggested that a MBA degree should only be valid for fifteen years. But it could be extended if the holders will give evidence that they have used their education no less effectively and constructively to help others in every way they could.

Without any authority to do so, I thereby extend your temporary degree to life. Let us decide today that you're young again. Let us feel young, class of '79.

Let's set new goals, new ideas, and new visions. Let's not be prisoners of bad habits and non-constructive thoughts. Let us escape from whatever prevents us from being daring, kind, thoughtful, and imaginative. Let us be honest with our families and our nation.

I told you often that it isn't a matter of how much time we have; you

GEORGES F. DORIOT

see, we never have time for anything, do we? It's a matter of using every moment in a meaningful way.

I had wives coming to me and saying "I don't want my husband to take that job because it will take too much of his time." and I'd say, "Look, charming lady, that's not the point. The point is that every minute you have with him, make it so meaningful that it will be important in your life and it will be remembered, you see?" So, I repeat that to you. I repeat it to myself.

May I end with two thoughts. I hope they are not inappropriate, even though they are sentimental.

You have to make many decisions, you are intelligent and experienced. You have great reasoning power. Before you decide on anything, consult your heart, and please realize it should have priority.

And the second is purely personal, but I hope you take it that way and it may mean something.

All of my life I loved my Edna as much as I could. As much as I knew how. For forty-eight years we were very close together. Now I say to myself, why did I not love her even more?

Thank you so very much for what you're doing for my beloved Edna and for me. You have my most sincere and my most profound gratitude.

This is a day which I can not possibly forget. To all of you, your wives, your families, I wish good health, happiness at home and at work, and constructive success.

Thank you very much.

I apologize for using your time.

GEORGES F. DORiot

TO GEORGES F. DORiot FROM A FRIEND

June 2, 1987

Georges Frederic Doriot died peacefully in his sleep after a long battle with lung cancer. He was 87 years old. Until the end he took an active interest in the business affairs of his friends and the companies he had helped create. Two weeks ago he participated for several hours in a Board of Directors meeting of Digital Equipment Corporation, a company for which he had provided the original financing in 1957.

Georges Doriot was a teacher, a general, a painter, a poet, a financier—but beyond all of these he was a friend and advisor to a wide circle composed of former students, founders of companies which he had financed, and venture capitalists whom he had trained.

His business career had two themes: teaching and venture capital.

His teaching career began in 1926 and ended officially in 1966, with his retirement from the faculty of the Harvard Business School. His course at Harvard was called "Manufacturing," but really it was a very personal and an all-encompassing philosophy of business life, covering everything from how to select an investment banker to how to select a wife.

The course stressed hard work, self-improvement, leadership, thoroughness, creativity, and other common sense virtues. It was an enormous success, and during his years at Harvard, over 7,000 students took the course, including two generations of some families. His students have included many of the most successful businessmen of the era.

An important part of his course was the preparation by teams of students of "topic reports." These usually covered some new technology, and many were sold or became the basis of books, or even careers.

One of his well known admonitions—both as a teacher and venture capitalist—was: "Get money when you don't need it. Your banker is a friend in good times; in bad times he remembers that he is a trustee of somebody else's money."

He told businessmen to remember that, "somebody, somewhere is designing a product that will make your product obsolete."

A project is underway under the auspices of The French Library in Boston to publish a book of the General's business teachings and thoughts.

GEORGES F. DORiot

In 1979, on the occasion of his 80th birthday, his former students were invited to attend a refresher course and birthday party at the Harvard Business School. To the surprise of the organizers, over 500 people from all over the world came to the celebration.

Georges Doriot was born in Paris on September 24, 1899. His father was an engineer at Peugeot, and was deeply involved in the early development of the automobile, a fact his son was very proud of.

After graduating from the Lycée in Paris, General Doriot came to the United States in 1921 to study at Harvard Business School. After graduation he worked for Kuhn Loeb & Co., the investment bankers. In 1926 he returned to Harvard as Assistant Dean and Associate Professor of Industrial Management.

Prior to the entry of the United States into World War II, he helped create The Army Industrial College for the U.S. War Department. After the war began, he became a naturalized U.S. citizen, was called to active duty as a Lieutenant Colonel in the U.S. Army, and was later promoted to Brigadier General. From this period until the end of his life he was referred to affectionately by his friends as "The General."

After the war, General Doriot, along with a group of prominent New Englanders, including Senator Ralph Flanders, founded American Research and Development Corporation, the first non-family venture capital firm in the United States, and the precursor of what today has become an important industry.

Many of the General's former staff members at American Research went on to found their own venture capital firms, and became leaders in the industry.

Among the companies financed by AR&D were Digital Equipment Corporation, Ionics, Teradyne, High Voltage Engineering, Zapata Offshore, Cordis, Adage, Camco, Cooper Labs, and Medical Tribune.

General Doriot helped found, and served on the board of directors of a venture capital company in Europe and another in Canada.

American Research and Development as an organization mirrored General Doriot's philosophy of business. It was a frugal, hard working team, which met regularly on Saturdays and never questioned flying coach class because that's what the boss did. General Doriot, even into his seventies, would take the bus and subway from LaGuardia Airport to meetings on Wall Street.

He and his staff at AR&D prided themselves on developing a thorough understanding of a company—its products, its industry, and its management—before committing to finance it. He insisted on meeting wives of a company's executives before a commitment was made. Once made, however, AR&D

became a patient, constructive long-term stockholder.

He and his staff often pitched in for the start-up phase. For example, the General's long-time associate at AR&D, Dorothy Rowe, was the first treasurer of Digital Equipment Corp.

The annual stockholder meetings of American Research became important events for the financial community after AR&D became the country's first publicly owned venture capital firm. All of the affiliated companies presented displays of their new products or services. Their officers were available to answer questions, and a few were called on to make formal presentations to the shareholders. It was through these meetings that the world learned of the often dramatic technological and marketing achievements of the affiliate companies.

General Doriot had great affection for his native France, and was active in many ways on behalf of that country and its culture throughout his life.

In addition to founding a venture capital firm headquartered in Paris, he cooperated in the creation of INSEAD in 1958. INSEAD, the Institut Européen d'Administration des Affaires, is today a leading European business school, located in Fontainebleau. He also helped create, and along with his wife was active in, the Centre de Perfectionnement des Affaires de la Chambre de Commerce de Paris.

Both he and his wife were named Commander de la Legion d'Honneur by the French Government, and he was also named Grand Officier, Ordre du Mérite pour la Recherche et l'Invention.

In 1927, Georges Doriot met Edna Allen in Boston, and three years later they were married in New York City at the home of Admiral and Mrs. Lewis L. Strauss. Mrs. Doriot had an intense interest in France, and was among the early supporters of the French Library in 1946. That organization flourishes today as one of the leading centers of French culture in the United States. It has been generously supported by the Doriots, as well as by his former students, friends, and AR&D affiliates. Both the Doriots have served as President of the Library.

General Doriot's paintings were all done on 7" X 10" canvases, with a palette knife. The size of the canvas never varied, notwithstanding gifts of larger canvases and the entreaties of friends. He would explain that the time he had available for painting coupled with the high cost of pigments dictated the size.

He gave many of his paintings away to friends, and occasionally would "auction" them to friends, with \$.39 being the maximum selling price. The General sometimes mentioned that two of his paintings were in the Metropolitan Museum in New York—one in the office of a former student, the other in storage as part of the collection of the late Robert Lehman. Several years ago,

Harvard's Fogg Art Museum used one of his paintings in its calendar.

General and Mrs. Doriot for many years gave black tie New Year's Eve parties at their home at 12 Lime Street in Boston's Beacon Hill section. Every year after dinner, he would give a humorous talk on some topical theme. One year was particularly memorable. He complained that his status as a naturalized U.S. citizen precluded his becoming President of the United States, and that that was unfair, so he had tried to think of other ways to achieve power and influence. He finally, he said, thought of a way to become more powerful than the President: he would start and head a union of computer programmers. That would give him power over banks, insurance companies, and the government itself.

Former students and heads of companies he had backed trekked in great numbers to his home at 12 Lime Street, which had originally been built as a blacksmith's shop. Even after he became ill they keep coming for advice on business and personal matters. The General's approach was usually not to lecture, but rather to ask a very few penetrating questions. Usually the advice seeker would leave, having answered his own questions.

The Doriots also owned a home in Manchester, Massachusetts, situated on a rocky cliff overlooking the Atlantic Ocean. The home, built of granite, copper, and glass, was the fulfillment of a lifetime dream, but sadly his wife died shortly after it was completed. Before the new house was constructed, they had lived in a modest one-room cottage at the edge of the cliff.

"A home is where your sentiments are, a spiritual haven. It's where you and your wife shut out the disturbances of the outside world and concentrate on each other. A home is where love abides," he said in an interview.

The General wrote hundreds of love poems to his wife; she reciprocated by leaving notes for him in the pocket of his pajamas when she packed for him.

General Doriot's directorships over the years included Digital Equipment Corp., The Boston Company, High Voltage Engineering, Ionics, The John Hancock Mutual Life Insurance Company, The Kendall Company, The Shawmut Bank, Sun Life of Canada, Textron, and United Brands.

Robert McCabe

GEORGES F. DORIoT

Avec le Général Doriot disparaît une des grandes figures de la présence Française aux États-Unis.

Sans jamais oublier son pays d'origine, Georges Doriot avait mis, pendant plus d'un demi-siècle, un exceptionnel esprit d'entreprise au service de sa patrie d'adoption.

Les générations de jeunes Américains qu'il a contribué à former à la Harvard Business School garderont le souvenir d'un enseignement dont la France peut tirer orgueil.

Son attachement à notre pays, dont il avait fait preuve pendant la seconde guerre mondiale, ne s'est jamais démenti. La Bibliothèque Française de Boston, qu'il avait créée avec son épouse, continue d'en porter témoignage aujourd'hui.

Je souhaite exprimer à ses proches ainsi qu'aux membres du conseil d'administration de la French Library, mes sincères condoléances et ma sympathie attristée.

Jean-Bernard Raimond
Ministre des Affaires Etrangères

It was with great sorrow that I learned of the death of General Doriot. Both my wife and I will always retain a warm memory of our long acquaintance. We send you and the Library staff our deepest condolences and heartfelt sympathy.

Emmanuel de Margerie,
Ambassador of France to the United States

Touché par le décès du Général Georges Doriot, je vous adresse mes très respectueuses condoléances, ainsi qu'à tous vos collègues de la French Library. Il aura fait vivre à Boston une intense présence culturelle Française dont nous lui sommes profondément reconnaissants.

Marc Perrin de Brichambaut
Conseiller Culturel
Ambassade de France aux États-Unis.

GEORGES F. DORIoT

En ma qualité de Consul Général de France à Boston, je vous prie de trouver ici, avec mes condoléances, l'expression de mes sentiments attristés.

Je voudrais également exprimer la reconnaissance de mon pays pour l'intense activité que le Général Doriot n'a cessé de déployer au service de la présence culturelle française à Boston.

A titre personnel, je voudrais vous dire combien je garderai le souvenir vivant de cet homme dont la vive intelligence vous impressionnait et de l'accueil amical qu'il m'a réservé dès mon arrivée ici.

Alain Briottet
Consul Général de France

En mon nom personnel et en tant que président de l'Union des Français de l'Etranger, je vous présente mes sincères condoléances.

Le Général Doriot qui tout au long de sa vie a su, avec tant de talent, partager son expérience du monde des affaires demeurera parmi nous un symbole d'intelligence et de dignité. Grâce à lui, la French Library joue un rôle moteur dans la communauté de Boston.

Avec mes respectueux hommages

Lucien Robert
Président de l'Union des Français de l'Etranger

In his forty years as a member of our Faculty of Business Administration, Georges Doriot became something of a legend. Though I was not acquainted with him during his active career (our tenure overlapped by only a few years and we were at opposite ends of the campus), I am acquainted with a number of his former students and I continue to hear stories about him that bespeak great admiration and affection for the teacher of the course in manufacturing. He was the inspiration and guiding spirit for scores of today's business leaders, and his influence extended far beyond the classroom. But it is not only former students who remember him. Colleagues in the faculty and in the administration of the Business School have vivid recollections of the man who so vitally affirmed the values of imaginative daring, clear thinking, and hard work. He has left us a great legacy, and we shall sorely miss him.

Derek Bok
President, Harvard University

GEORGES F. DORIoT

LE FIGARO

04 JUIN, 1987

Le pasteur
Roland Poillot
et Mme Roland Poillot,
née Madeleine Doriot,
Mme Evelyne Poillot,
Mlle Marie-Hélène Euler,
M. et Mme Claude Janssen,
M. et Mme Arnaud de Vitry
ont la grande douleur de faire
part du décès
dans sa 88 année, du
général
Georges F. DORIoT

commandeur
de la Légion d'honneur,
Commander of the British
Empire,
Distinguished Service Medal,
professeur Emeritus de
Harvard University,
le 2 juin 1987, à Boston.

Le président et
le conseil d'administration,
les doyens,
la Faculté
et le personnel de
l'Institut européen
d'administration des affaires
INSEAD

ont le grand regret de faire
part du décès de son fondateur
le général
Georges F. DORIoT
commandeur
de la Légion d'honneur,
le 2 juin 1987, à Boston.

GEORGES F. DORIoT

Le président et le
conseil d'administration du
Harvard Business
School Club de France
ont la tristesse de faire part
du décès du

général
Georges F. DOROT
son fondateur et
président d'honneur,
le 2 juin 1987 à Boston.

Georges F. Doriot,
né à Paris le 24 septembre 1899,
s'est établi aux Etats-Unis en 1921,

Après des études à Harvard Business School, il y est resté comme professeur de direction industrielle et il a occupé cette chaire jusqu'en 1966; parmi les milliers d'étudiants qu'il a formés, on trouve un grand nombre des plus prestigieux dirigeants de l'Economie américaine.

Tout en poursuivant son enseignement à Harvard, il fut le père du "venture capital" aux Etats-Unis et présida, de 1946 à 1974, la célèbre société "American Research and Development", l'ancêtre des sociétés à capital risque. Il finança, notamment, en 1957 la société "Digital Equipment Corporation" devenue le numéro deux mondial en informatique.

En France, il créa en 1931 le Centre de Préparation aux Affaires de la Chambre de Commerce de Paris et fut l'inspirateur et l'un des fondateurs de l'Institut Européen d'Administration des Affaires, INSEAD, créée en 1959 et devenu le plus important institut international de formation aux affaires en Europe.

Le magazine "Fortune" l'a désigné en 1979 pour le "Hall of Fame", seul Français, à faire partie de ce gotha de l'Economie américaine.

Depuis 1978, il était président de la bibliothèque française de Boston, que dirigeait précédemment sa femme, et qui est l'une des plus importantes institutions privées américaines pour le rayonnement de la culture et de la langue françaises.

Il était commandeur de la Légion d'honneur, Commander of the British Empire et avait reçu la Distinguished Service Medal américaine pour son activité pendant la guerre.

GEORGES F. DOROT

*Published in honor of Georges F. Doriot
President, 1978-1987*

*The French Library in Boston
53 Marlborough Street, Boston, MA 02116
(617) 266-4351*