

UPDATE

Rockville, Maryland
August 17, 1979 305.101

Sector Exec Visits Rockville

Edward E. Hood, GE Senior Vice President and Sector Executive, Technical Systems and Materials, visited GEISCO Headquarters in late July.

The occasion was a business review, a procedure carried out regularly by Mr. Hood with all major components in the Sector.

The visit began with a dinner the evening of July 20, during which Russ Ryan, Manager, Marketing Communications, presented GEISCO advertising plans.

The formal meeting, held in the International Training Center, began on July 30. Each member of the Company Staff reviewed his individual operation for Mr. Hood. In addition, Zigi Quastler, Manager, IBM Systems Program, reviewed the MARK 3000® project, and Lee Beyer, Manager, Distributed Systems Program, discussed MARK III® Distributed Date Processing.

Tom McGinn, GEISCO Vice President and Manager, Employee Relations Operation, told Update that Mr. Hood was pleased with the state of our business, with the enthusiasm of our people, and with our sense of direction. He saw many positive indications, from the viewpoint of our programs, our operating results, and our human resources."

(Effective September 1, Mr. Hood will become a GE Vice-Chairman. See related story).

Hood Elected GE Vice-Chairman

General Electric Chairman Reginald H. Jones has announced that the Board of Directors has elected John F. Burlingame, Edward E. Hood and John F. Welch as Vice Chairman, effective September 1, 1979.

Mr. Jones said the Board action was in keeping with its having been previously advised by the present Vice Chairmen, Walter D. Dance and Jack S. Parker, that they plan to retire from the Company on December 31, 1979.

Coincident with the year-end retirement of Mr. Dance and Mr. Parker, the Board plans to elect Vice Chairmen Burlingame, Hood and Welch as Directors of the Company, Mr. Jones stated.

Commenting on the Board action, Mr. Jones said: "These appointments are another step in the process, begun in December 1977 with the Company realignment into Sectors, whereby we are preparing the organization and the people to meet General Electric's long-range growth opportunities in the decade ahead."

In their present positions, Mr. Burlingame is Senior Vice President and Sector Executive, International Sector; Mr. Hood is Senior Vice President and Sector Executive, Technical Systems and Materials Sector; Mr. Welch is Senior Vice President and Sector Executive, Consumer Products and Services Sector.



Edward E. Hood

New Benefits Apply To All

Although our detailed story (Update, August 3) about the new job package specifically mentioned exempt employees, all of the benefits described apply to *all* U.S. GEISCO employees — exempt and non-exempt alike.

There's room for only one FORUM question this issue — a simple, anonymous, question with a very complex answer. Read on:

Forum

Q. The ATQ process is really getting bogged down. We rarely get feedback (this applies as well to the ROP process) unless we initiate calls to keep track of the status and urge them along. More and more people are reviewing the packages with 'veto' rights, and more are going to Mr. Bates for final approval. When the reviewers are out-of-town, the procedures really slows down.

Can you get someone to say what the ATQ process is — i.e., who can approve them — and if there is any hope our procedures can somehow be improved so that we in the field can be more responsive to our customers.

Larry Murphy, Manager of Special Agreements, responds:

A. There are two methods by which pricing changes or substantial changes in our standard terms of sale are regularly reviewed by GEISCO management. The first is a Final Price Approval (FPA), which is prepared by the International Marketing Department, and which establishes standard pricing. The second is an Authority to Quote (ATQ) which is prepared by the National Sales Department and which sets forth the details of special terms proposed to meet a specific customer situation.

FPA's and ATQ's are actual formalized documents which are circulated among the Company staff members and other appropriate managers, for review and approval. Due to the potential business and legal risks which are obviously inherent in any change to prices and contract terms, both FPA's and ATQ's must be analyzed in detail, written with precision, and carefully

reviewed by GEISCO's top management.

FPA's commonly require several months of preparation and review; and the average ATQ takes several weeks to complete. Since the individual managers reviewing these documents represent different professional specialties, e.g., Finance, Legal, and Sales; some difference of opinion, and hence some revision, is to be expected.

A "typical ATQ" (there really is no such thing as a "typical ATQ", since each one is prepared to meet a specific, often unique, customer situation) is reviewed by the General Counsel and the Vice Presidents of Finance, National Sales and International Marketing; as well as the Region Manager, Manager-Headquarter Sales, Manager-Pricing, Manager-Finance Information Systems, and Manager-Financial Planning and Analysis. Final approval is given by GEISCO's President.

In cases involving special services, the Vice Presidents of Systems and of Engineering will review the ATQ; in other special areas such as International or Custom Applications, managers knowledgeable in these areas will also participate. Frequently, the approval of an ATQ requires the drafting of an offer letter, or special contract, and these documents are reviewed by Legal before being sent to the Field for delivery.

This process may appear to be cumbersome and long; it sometimes is. It assures, however, that our top management expertise will be applied to the opportunity and, more importantly, it provides a system of checks and balances which helps prevent GEISCO from, inadvertently or otherwise,

straying beyond acceptable legal or business practices. In the area of special agreements and pricing the stakes can be, and often are, quite high.

Recently, there have been changes in both the content of ATQ's and the level of approval required. These changes were undertaken in an attempt to (1) more fully present to management the relevant facts of the proposed special arrangement, and (2) improve responsiveness to customers.

ATQ's are developed by Headquarters Sales within the Field Support unit. Primary responsibility for ATQ preparation and the drafting of any related contractual documents rests with the Special Agreements group. The group contains a Manager and a Specialist who devote their time to drafting ATQ's and contracts, sales situation consulting, and customer contract negotiation. A second Specialist directs preparation of documents, maintains status information and expedites the ATQ's in process. There is also a Secretary. Efforts are now underway to add a third Specialist to the group to prepare ATQ's. This should significantly reduce the backlog and substantially improve our responsiveness to customers.

Field salespeople should be assured that their colleagues in Headquarters Sales share the sense of urgency which a good revenue opportunity demands. We admit that feedback to the Field is frequently not prompt, but with anywhere from 12 to 25 special deals in process at any given time, the "simple" task of responding to daily status calls from Branch, District and Region involves several hours of personnel time each day — hours that could better be spent expediting the ATQ's. Here are some tips to salespeople who believe a special deal is required.

Forum

Continued

1. Sell standard products, terms and conditions. Even the simplest, "special" will lengthen your sales cycle. In addition, where special prices are involved, a special arrangement may reduce your revenue.
2. Use the Field resources available to you. Consult with your manager, CA managers and especially with Region Support staff. They may be able to help you identify alternatives, and can consult with you regarding what information you need to gather and what form your deal might take. They are powerful allies if and when you determine that you must have Rockville's support.
3. Use the Headquarters Sales resources available to you. Don Howard's Sales Support Specialists, Bob Fohl's Major Opportunity Specialists, and the Headquarters Sales Account Managers, Barbara Cresswell, Jerry Shipley, and Dennis Weigel, are all familiar with the ATQ process. Consult with them.
4. Prepare a good ROP. Think through the details of your requirements; put in all the facts, not just the obvious.
5. Keep in mind the old adage that "there's no such thing as a free lunch". For any special concession made by GEISCO you can expect that GEISCO will require something in return. Usually such a relation is legally necessary and it always makes good business sense.
6. Call the Special Agreements unit early. A chat with this team before you send an ROP may avoid false starts and rework and will give them some early warning to prepare for your request. This phone call will be time well spent!

My Dial Comm Number is 8*273-4310. The crossfile address for Special Agreements is "DEAL".

Documentation

Newly published in July was another in the series of DMS II application guides, this one on **Fixed Asset Management** (5610.39). The guide addresses some of the problems that a financial department encounters when managing its company fixed assets, and provides an efficient means using DMS II whereby the organization can record, track, depreciate, and report on status of its fixed assets.

A supplement (3501.01N-2) to the **Command System** reference manual describes new features such as the **PIDC** and **PCOPY** commands and lists some technical changes. By the way, Supplement 3501.01N-1 contains descriptions of noncommercial software features, and only the second supplement, 3501.01N-2, should now be used with Revision N of the **Command System** manual.

Use of **Remote Media Service (RMS)** on the **MARK 3000™** Service is

described in a supplement (2051.07A-1) to the **MARK 3000 Service User's Guide**. A functional overview of RMS is followed by a description of the procedures for generating work orders and a detailed user interface section with examples.

During June and July, four **MARK III® Distributed Data Processing** documents for the **MARKLINK Terminal** were published: The **Site Preparation** manual (1300.03B) was the first republished to change the name from **MARKLINK System** to **MARK III Distributed Data Processing**. There were also significant technical changes. (Other document revisions will follow later this year, to incorporate the name change.) Next was the new **3780 Emulator user's guide** (1300.14). "Commercial" editions of the **MARKLINK Terminal Operator/Supervisor** student's guide (1300.06A) and student's workbook (1300.08A) were published. Related course materials are available from Training.



Flyaway Winners: Fly Now or Pay!

Are you sitting at your desk wondering whether you can afford a vacation this year?

Remember those Flyaway miles you won — and haven't redeemed yet?

Better redeem them soon.

According to Walt Lees, there are 645,941 Flyaway miles that have not yet been redeemed. Before all those

miles fly out of your hands, please note that certificates must be redeemed for airline tickets, or surrendered for cash, before October 31, 1979.

Redemption forms are available online, in D428. Filename is MILES*.

If you have any questions, contact Audrey Wilsey at 8*277-2808.

THE SOUTHERN REGION . . . AT A GLANCE

GEISCO EMPLOYEES: 181

GEOGRAPHICAL COVERAGE: Maryland, Virginia, District of Columbia, North Carolina, South Carolina, Georgia, Alabama, Florida, Tennessee, Oklahoma, Texas, Louisiana, Mississippi, Arkansas and parts of West Virginia and Missouri.

ORGANIZATION:

Region Manager: James W. Spencer
(8*281-7680)
(8*404-325-1622)

REGION STAFF:

Employee Relations: Jay Walsh
(8*281-7680)
(8*404-325-1622)

Finance Administration: Bob Friedmann
(8*281-7680)
(8*404-325-1622)

Sales Planning and Support: Bill Canada
(8*281-7680)
(8*404-325-1622)

Technical Services: Harvey Henson
(8*281-7680)
(8*404-325-1622)

DISTRICTS:

Southeast: Clark Shafer, District Manager
(8*281-9280)

Capital: Bill Booth, District Manager
(8*272-4018)

Carolinas: Ken Conroy, District Manager
(8*287-3421)

Dallas: Ron Simon, District Manager
(8*351-3370)

Houston: Lee Schwieger, District Manager
(8*351-3214)

Florida: Tom LaSalle, District Manager
(8*289-1236)



