

PP Dept. Meeting  
(Dunwell)

May 26, 1959

Reorganization

Purpose: to divide up business to have clear communication, - size of system,

all of functions brought together

P.P.      Marketing      Programming.  
Engg      Mfg.

not separate of depts any more - groups

1 large sci.      } want to minimize differences  
2 commercial  
3 small sci.      }  
4. comm.

3 System Mgrs. will have total responsibility. PP, Engg, etc.

eg. STRECH

"Profit motivated" - for each area as total problem.

DSDir has { 30% of revenue in      will be a financial problem.  
              { 70% of overhead, engg, etc.      but no cutting back. - may not grow as rapidly.

general profits. - has been neglected - less overhead

New computer: H-Faw -- will open door to complete knowledge to those needing it.

operations will be centered in <sup>POR</sup> NHy. - concentrations (except appl. Prog.?)

{ SWD will have office in WHP & POR both  
{ Nancy will stay in POR.

New method in Estimating:

~~estimates~~ estimates more accurate, easier to attain

P.P. should learn how to make short estimates ourselves.

DSD Advantage Mkt Analysis -- we can know our customers + prospects closely.

P.R. should get into field more - gather info.

Q: are ~~our~~ rentals to be higher?

A: No. can be done in several ways eg, more machines -- produce + sell more  
prolong life of product - "tight" products -- large systems.

Q: general products div. should be better position -- costs where they belong?

A: Pressure on other div to do more development.

Q: How does DP Div tie into mktg being done here?

A: Mkt analysis + planning not selling.

Q: ~~we~~ Do we set <sup>our own</sup> prices? A: yes. DP will have  
per point cost of sales + maint for each machine -- we must allow for it -- we get credit for rest.

Q+A: DP will be "non-profit" except for quota-type system. "commission"

Q: new projects to be started?

A: area mgr is responsible for that area -- will be watched over.  
settlement of conflicts of interest.

Q: can we develop specific I/O lines? A: yes -- more freedom than before - financial control. -- we can modify another dept unit. -- line is not set as yet as to who + how.

Q: I/O units -- a complete set of. eg. 11 disk files should fit <sup>7050</sup> ~~7050~~ <sup>or small</sup> ~~as small~~ <sup>as</sup> ~~as~~ <sup>STRETCH</sup>

Total systems

Perpetuating present lines? 705 → 7050 → ? etc. ~~a program~~  
we need a method to get out of this trap. -- without hunting customers

Q: What about ASDD? A: They are supposed to stay 5 yrs ahead -  
They can't be clearly. Anything we ~~think~~ know how to do we  
will do.

re: Profit -- we will have flexible attitude on advanced projects.  
projects are not obviously profitable at beginning.

→ experiment in Computing bureau - <sup>new</sup> systems tried out here - or in  
field.

- will not be restrictive in Engineering -- we don't need for others  
to come in the door. -- production cost not experimenting.

ASDD will be working on restricted, specific devices.  
(eg DSD can work ~~on~~ on read-only mems or cryogenic mems.

Q: Do we have more flexibility on using other vendors -- "NIH" effect  
in past on mechanical devices. A: yes we will.